



Board of Trustees 3 December 2018

Performance monitoring report

July 2018 – September 2018, quarter two 2018-2019

Report by Managing Director, Leazes Homes

For discussion

1. Background information

- 1.1 Your Homes Newcastle (YHN) supplies performance information to the Leazes Homes Board on a quarterly basis, as set out in the agreement for YHN to provide housing management services to Leazes Homes' tenants.

In April 2018, the Board agreed the targets up to August 2018. It is proposed to roll these forwards to March 2019.

- 1.2 For ease and consistency, it is proposed that the current measures reported to Board remain in place for the rest of this financial year. The methodology to set the targets up to March, has not changed from that used to set the original targets (due for the end of August). There is a report being presented to this Board meeting, which outlines the proposal for setting targets for 2019-20.
- 1.3 This performance monitoring report covers cumulative performance from July 2018 to September 2018 and highlights any specific issues that have impacted during the period. It demonstrates how YHN is performing against Leazes Homes' key performance indicators (KPIs).

The performance monitoring report includes the following:

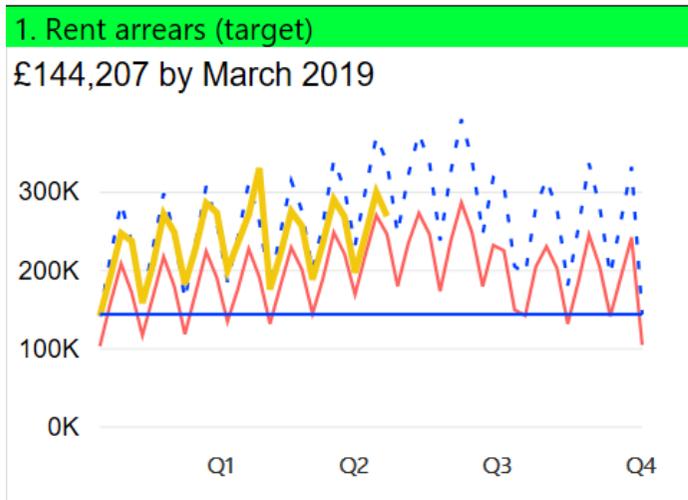
- Six tiles to report against agreed performance targets and seven tiles of indicators reported for information.
- Further information relating to those KPIs in the performance summary report where performance is below target (section three)
- An update on welfare reform and its impact on rent arrears (section four).

2. Performance Summary for quarter two

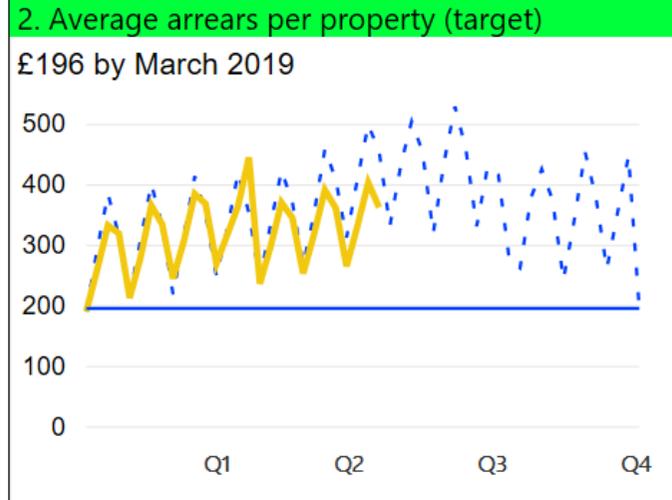
Stock
743

Tenancies
729

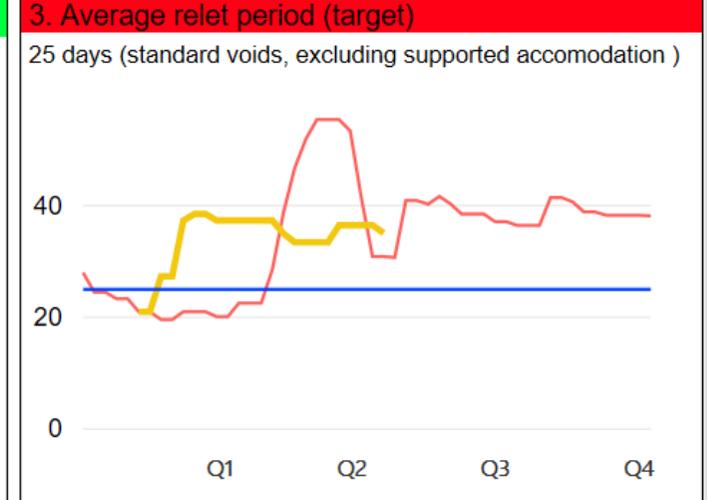
Key	
Actual performance	
Previous year	
Profiled target	
Target	



Rent collection continued to increase, meaning rent arrears were £246,863 at the end of Q2, meaning it is £71K under the profile target.



Average rent arrears per property was £332 at Q2, under the profile target of £409. Increased rent collection has helped performance against this target.

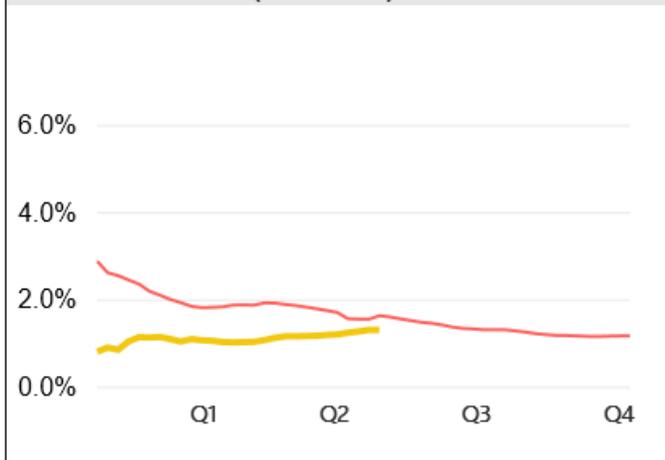


Average relet time improved by 2.2% (0.83days) from Q1 to Q2, but remains 11.5 days over target. There were 5 allocations made during Q2 affecting this indicator, with 3 taking over the 25 target target. Further detail is in the main report.

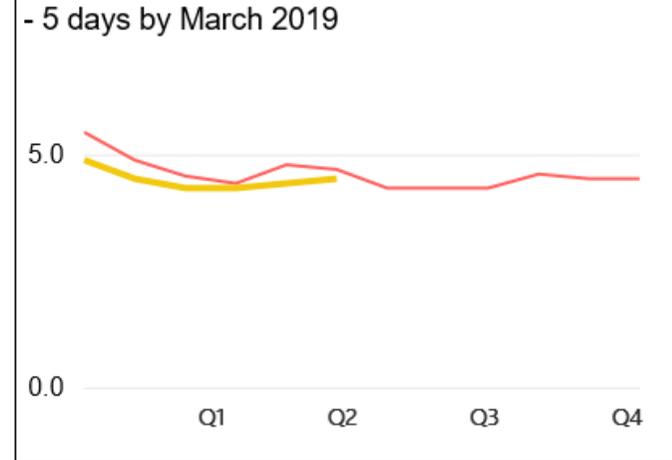
4. Average relet time for all standard voids (indicator)



5. Void rent loss (indicator)



6. Average time taken to complete repairs (target)



- 5 days by March 2019

Average relet time for all standard voids rose to 32 days by Q2, which is a rise of 9.63 days over the quarter. There were 12 allocations affecting performance during Q2. Five of these are referenced in target 3, with the remaining seven coming from allocating supported housing properties.

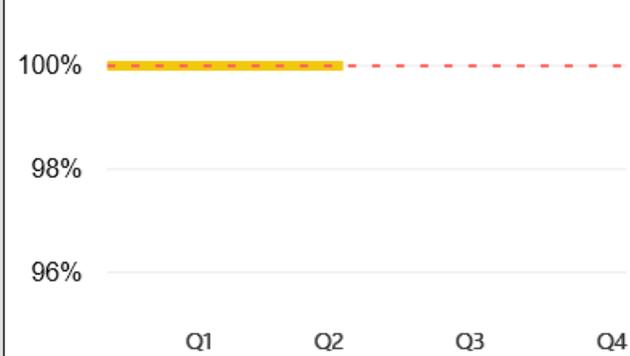
Four of these seven were allocated in 28 days or quicker, with the remaining 3 taking over 28 days.

Void rent loss rose during Q2. The main driver for the rise in attributed to the increase in relet times (as set out in tiles 3&4).

The time taken to complete repairs has risen slightly (0.2 days) over the quarter.

7. Gas Safety (target)

100% of properties have gas safety certificate by March 2019



100% of properties have a valid certificate at the end of Q2.

8. Anti-social behaviour (target)

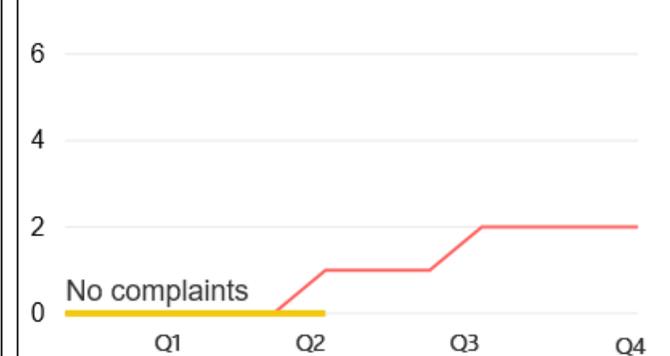
30 days by March 2019



Performance improved over the quarter, but remains over target.

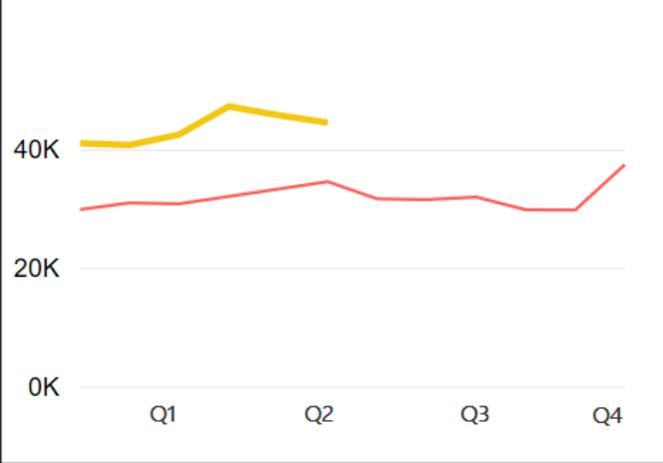
Three cases have affected performance, and these are detailed in the main body of the report.

9. Complaints received (indicator)



No complaints received up to the end of Q2

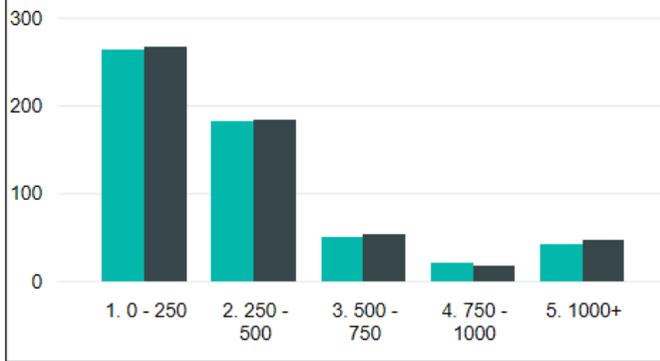
1a. Former tenants' rent arrears (indicator)



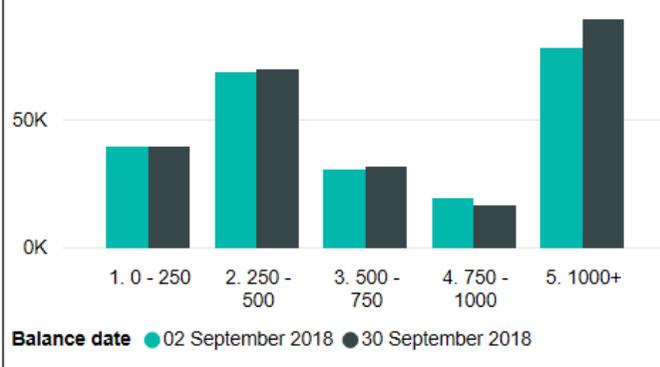
Arrears have risen by £2K since Q1. During this period, most of the terminations (11 of the 26 terminations) related to deaths or move to residential care. Over £11K has been collected from accounts that terminated in Q2. This is from outstanding HB, deceased allowance, or payments from tenants.

1b. Arrears by band (indicator)

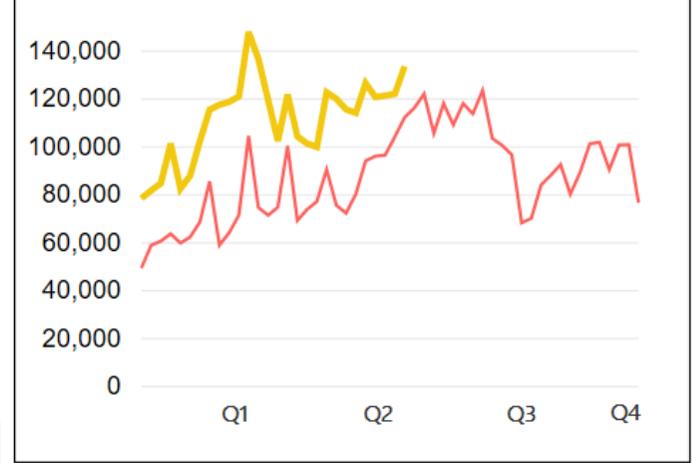
Number of tenants in arrears by band



Amount owed by tenants in these bands

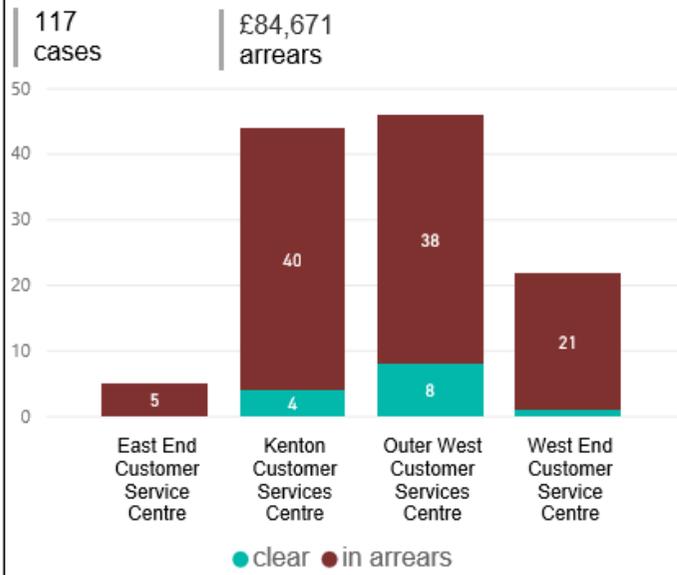


1c. Aged arrears (indicator)



The amount owed by tenants in arrears of more than four weeks rent increased to £121k at the end of September.

1e. Universal Credit (indicator)



The number of tenants claiming UC rose to 117 during September.

1f. Universal credit (additional information)

Since claimed UC ▲	1. Clear	2. 0 - 250	3. 250 - 500	4. 500 - 750	5. 750 - 1,000	6. 1,000+	Total
1. 0 - 3 months	1	5		1	1	1	9
2. 4 - 6 months	2	2	8	4		2	18
3. 7 - 9 months	2	1	2	1	2	4	12
4. 10 - 12 months	1	3	1	4	1	6	16
5. 1 year +	7	19	12	3	3	18	62
Total	13	30	23	13	7	31	117

The table above shows the number of UC tenants in arrears, by arrears band and the period since they claimed UC.

3. Supplementary performance information

3.1 Average relet time for standard, no supported housing voids (tile 3)

Average relet time improved slightly from quarter one to quarter two but remains 11.5 days over target at 36.50 days. Three voids affected performance in quarter two.

The underlying issues from these allocations is that they were difficult to let properties that were affected by customer refusals.

3.2 Average relet time for all standard voids (tile 4)

While this measure is not a target, it gives an overview of how quickly general needs and supported housing properties are allocated. The issues outlined in section 3.1 apply here, but so do the allocation of seven additional supported housing properties. Three of these properties took over 28 days to allocate. One of these voids was from Lawson House, and the length of the relet time is largely dictated by the allocation being made via the allocations panel.

The other two allocations came from Hartley Court, these allocations took longer as there was lower demand from applicants. We are working with Leazes Homes officers to agree some slight alterations to the advertising for these properties in future. The aim being to increase the number of bidders for the properties.

3.2 Anti-social behaviour (tile 8)

The average number of days taken to close a case of ASB reduced by four days, being 50 days at the end of quarter two.

There were three cases that had a negative effect on performance. Two of these cases involved working with other agencies (including agencies such as the police, schools and social services). These complex cases took longer to investigate. In one case we believe we could have closed the case sooner. These issues will be picked up with the local teams.

4. Welfare reform

4.1 This section of the report provides Board with an update on the impact of Universal Credit (UC), the benefit cap and the removal of the spare bedroom subsidy for Leazes Homes tenants.

4.2 Universal Credit

At the end of the quarter, 117 Leazes Homes tenants were in receipt of Universal Credit (UC). At the time of writing this report, 104 tenants were in arrears amounting to £84,671. The average arrears for the 104 tenants claiming UC is £814.

Rent arrears from these tenants increased by £55,490 since claiming UC. However, 52 of these tenants were already in arrears before claiming Universal Credit.

22 tenants, owing £30,974, have Alternative Payment Arrangements in place, where housing costs are paid direct to the landlord.

The rent collection rate for tenants receiving UC was 91.68% at the end of quarter two 2018-2019, compared to 94.88% for all Leazes Homes tenants. This has had an impact on the overall rent arrears levels for Leazes Homes.

4.3 **Under occupation and the benefit cap**

YHN continue to support tenants impacted by under-occupation and the benefit cap. Where tenants are identified as facing financial difficulty YHN can provide additional advice and support. Discretionary Housing Payments continue to be used as a means of supporting tenants to cover their rent shortfall and sustain their tenancies.

At the end of quarter two there were 25 tenants whose Housing Benefit (HB) had been reduced, due to under-occupation. 20 of these tenants were in arrears at the end of the quarter. The combined benefit lost for these 25 tenants at the end of quarter 2 was £10,077.

One Leazes Homes tenant was subject to the benefit cap at the end of quarter two. This tenant was in credit.

5. Business implications

- 5.1 Mission and strategic objectives: This report specifically deals with performance measures against all our strategic objectives.
- 5.2 Value for money/efficiencies: Monitoring performance against targets for average re-let time and the amount of rent collected will ensure a continued focus on those areas that can have a high financial impact.
- 5.3 Resources (financial, property, technological or human): Close monitoring of re-let periods and arrears levels will ensure that any poor performance is highlighted and addressed.
- 5.4 Impact on services/performance: This is integral to each part of the report.
- 5.5 Outcomes for tenants: Monitoring YHN's performance in delivering services for Leazes Homes and acting to improve will help to ensure increased satisfaction and better use of resources for customer priorities.
- 5.6 Risk (reputation, relationship): A failure to monitor performance could place Leazes Homes at risk of failing in any of its strategic objectives. This, in turn, risks Leazes Homes' reputation, its income stream and its ability to develop and deliver much needed affordable housing.
- 5.7 Environmental: None.
- 5.8 Legal: YHN recognises its responsibilities to deliver a high-quality service as part of the housing management services contract. The contract allows Leazes Homes to terminate it if there is a genuine belief that there is a risk of reputational damage because of the contract continuing or if there is a substantial breach by YHN of its obligations under the contract.
- 5.9 Equality and diversity: Monitoring performance using similar performance targets will help ensure that Leazes Homes' tenants have access to the same level of service currently available to YHN tenants.
- 5.10 Stakeholder involvement/consultation: The indicators highlighted within this report have been developed by YHN following a meeting with Leazes Homes' Managing Director.

6. Recommendations

6.1 Leazes Homes Board is asked to:

- Review and comment on the performance monitoring report for quarter two.
- Approve the extension of the current targets and revised target values (to March 2019)

7. Implementation

7.1 Background papers:

None

Contact officer:

If you have any questions about this report that you would like clarifying before the meeting, you can contact Jon Mitford, Leazes Homes' Managing Director, by telephone on 0191 278 8718 or email jon.mitford@yhn.org.uk