



Board of Trustees 1 April 2019

Performance monitoring report

October 2018 – December 2018, quarter three 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 December 2018, the Board agreed current targets and revised target values were to be extended to March 2019. Overall, from the six targets that are set, four are green.

- 1.2 This performance monitoring report covers cumulative performance from October 2018 to December 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.
- An update on welfare reform and its impact on rent arrears.

2. Performance Summary for quarter three

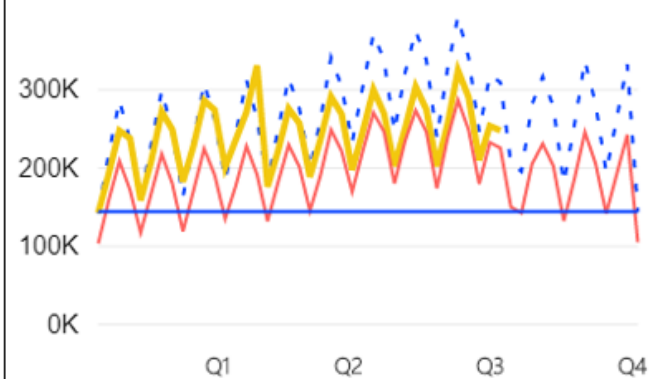
Stock
746

Tenancies
729

| Key | |
|--------------------|--|
| Actual performance | |
| Previous year | |
| Profiled target | |
| Target | |

1. Rent arrears (target)

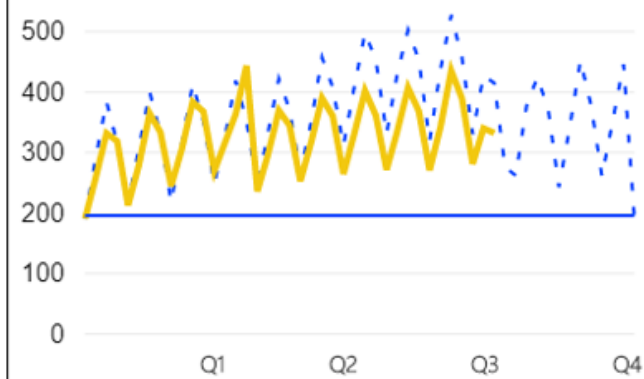
£144,207 by March 2019



Rent arrears are £62K ahead of profile target at the end of the quarter and are expected to remain ahead of target at the year end.

2. Average arrears per property (target)

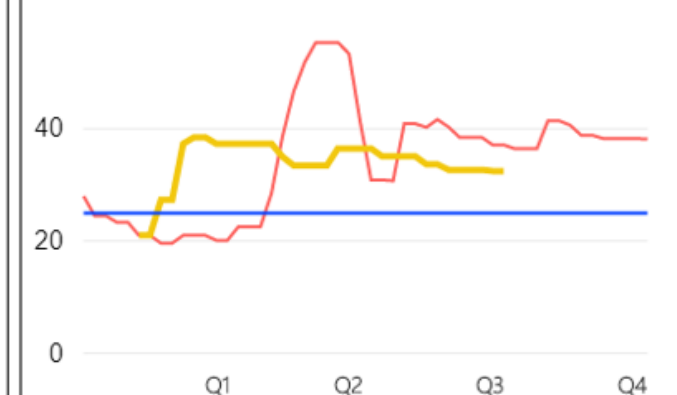
£196 by March 2019



As overall arrears are better than target, so too is performance against this target. The average arrears per property at the end of the quarter was £333, which fell in the first week of January to £237.

3. Average relet period (target)

25 days (standard voids, excluding supported accommodation)



Average relet time improved by 4.03 days over the quarter. It was 32.47 days at the end of Q3 compared to 36.50 days at Q2.

To date, there have been 7 allocations which have taken longer than the 25-day target, with only 1 taking longer than 25 days in Q3.

More detail is included in the Board report.

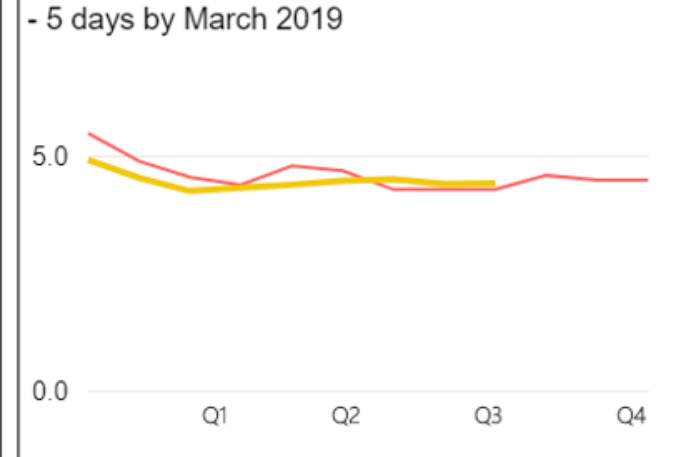
4. Average relet time for all standard voids (indicator)



5. Void rent loss (indicator)



6. Average time taken to complete repairs (target)



There was an improvement in overall relet time of 0.39 days from Q2 to Q3. Overall relet time was 31.61 days at the end of Q3.

VRL has remained broadly static over the quarter, falling slightly from 1.29% to 1.27% from Q2 to Q3. The slight improvement in relet time will drive improvement in this measure.

Performance improved over the quarter, from 4.5 days at Q2 to 4.4 days at Q3.

7. Gas Safety (target)

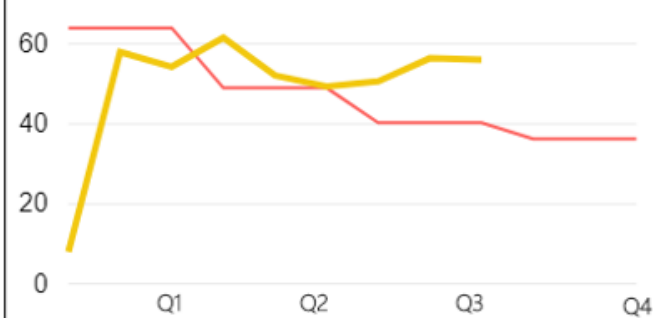
100% of properties have gas safety certificate by March 2019



All properties have a valid gas safety certificate

8. Anti-social behaviour (target)

30 days by March 2019



There were 5 cases closed in Q3 that took over 30 days to resolve.

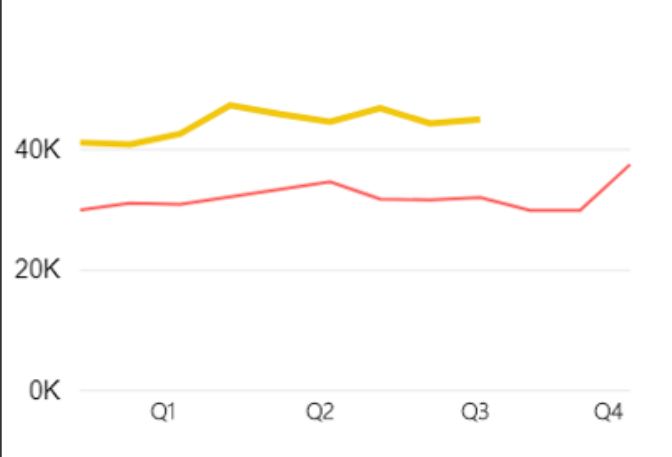
More detail is included in the Board report.

9. Complaints received (indicator)

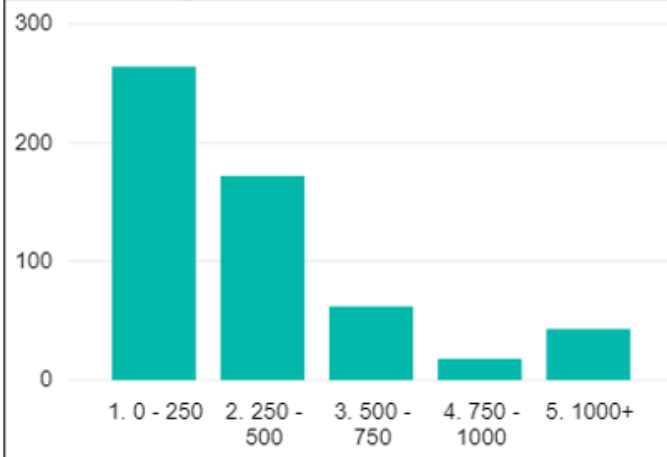


One complaint was received in Q3. It related to a refusal of a tenant's request for an adaptation; rehousing was considered a more appropriate resolution, but the tenant was unwilling to consider this. The tenant has recently agreed to pursue rehousing and is being supported with this.

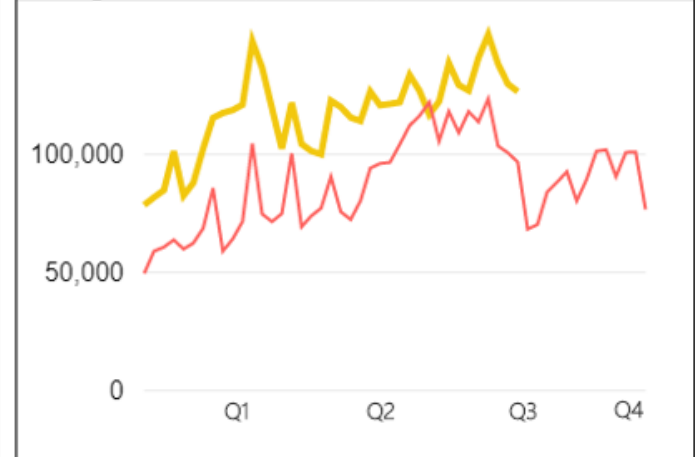
1a. Former tenants' rent arrears (indicator)



1b. Arrears by band (indicator)



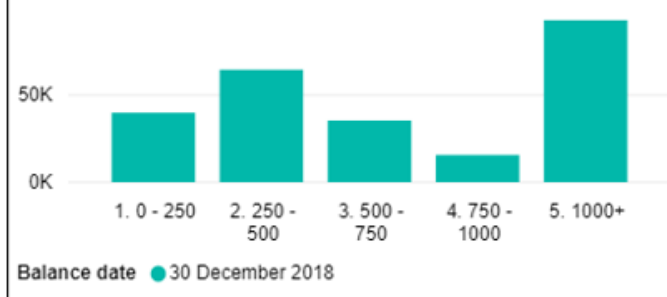
1c. Aged arrears (indicator)



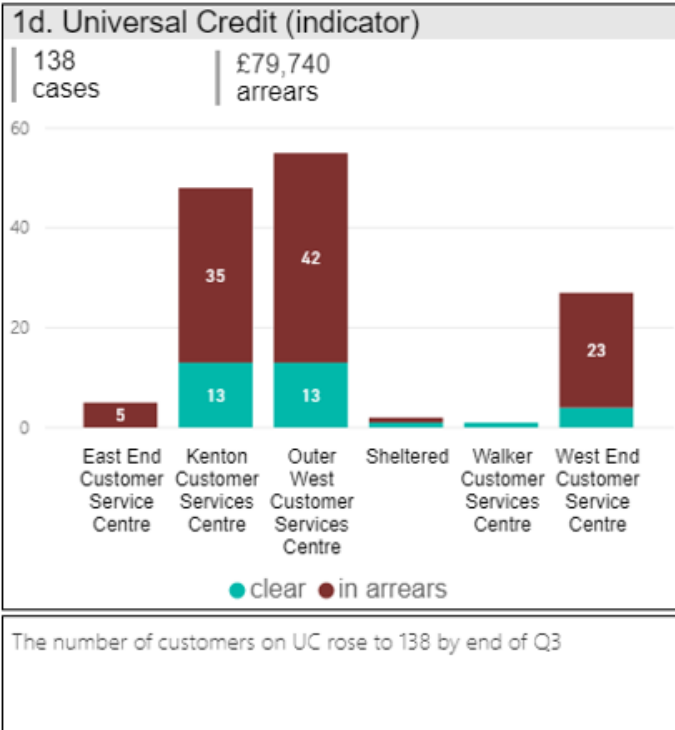
Total arrears owed by former tenants fell slightly (£400) over the quarter.

Former tenant arrears have increased in 2018/19 compared to 2017/18 due to an increase in the average arrears from £494.91 (17/18) to £603.26 (18/19) at date of termination. This also coincides with a 14% increase in the number of terminations with outstanding arrears.

Amount owed by tenants in these bands



Aged arrears has fallen every week during December. Once the full effect of the "rent free" week was known, they stood at £104K, which is below the Q2 figure of £121K.



1e. 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 | | 1 |
| 2. 4 - 6 months | 5 | 4 | 2 | | | 1 | 12 |
| 3. 7 - 9 months | 6 | 10 | 7 | 3 | | 2 | 28 |
| 4. 10 - 12 months | 1 | 3 | 3 | 1 | | 1 | 9 |
| 5. 1 year + | 20 | 24 | 10 | 7 | 5 | 22 | 88 |
| Total | 32 | 41 | 22 | 11 | 6 | 26 | 138 |

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)

There were five voids in Q3 with an average allocation period of 24.4 days. Four voids were allocated in 21 days or under. One allocation was above target – this void at Jubilee Court was allocated in 42 days. Following two refusals and two applicants who had to be skipped as they did not meet the criteria, the property had to be re-advertised as the shortlist was exhausted. In future, multiple offers/viewings will be utilised from the outset to minimise any delays between refusals and further offers/viewings. This will also ensure we re-advertise as early as possible if required. The reasons for refusal and skipping suggest that low demand is linked to the letting criteria for Jubilee Court (applicants aged under 25, with children aged under 5, benefiting from support and offered a 2 year fixed term tenancy).

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 eleven additional supported housing properties which were allocated in an average of 35.6 days. Eight of the eleven were allocated in 35 days or under. Two of the remaining allocations were affected by delays linked to support from social workers or advocates in the moving process and the final allocation involved an additional delay as the first applicant's tenancy was made null due to extenuating circumstances.

Allocations for supported housing are managed by a range of processes. Allocations for the supported tenancies at Jubilee Court – for young parents with a support need - are managed by YHN. Allocations for the mental health provision at Scrogg Road are managed entirely by Social Services.

Allocations of the other Extra Care properties (except Holmes Close) are managed via two city-wide panels consisting of the Fairer Housing Unit, Social Services and landlords: one for older people and one for individuals with learning disabilities. The panel is designed to make the allocations process fair and transparent and, given the complexity of the care needs, this can take time to complete. As an increasing number of individual cases are highly complex, determining how to meet their housing and care requirements can add further necessary delay.

The specialist dementia provision at Holmes Close is allocated by a panel led by Social Services. As part of this process, social workers apply to the Court of Protection for permission to make decisions on the individual's behalf and for Deprivation of Liberty orders to authorise the restriction of their freedom. This is needed as Holmes Close is neither a care home nor a hospital. There can be long delays in the court process for Deprivation of Liberty orders.

The allocations panels are currently under a review, commissioned by the Fairer Housing Unit, looking at how the needs of housing and care providers are balanced.

(As part of a data matching exercise, we have identified a handful of records that were missing from the performance reporting for this tile. The inclusion of these records leads to a negligible difference in reported performance, with an amended figure to the end of Q3 of 31.51 days. We will pick this up fully for Q4 reporting.)

3.3 Gas Safety (tile 7)

There was 100% compliance for gas safety certificates within Q3. The gas process purposely ensures that all properties have a landlord's gas safety inspection carried out on or before the expiry of the previous inspection.

The summary below gives further detail of how this is achieved:-

The gas servicing programme is arranged to ensure the time period between the landlord's gas safety inspection certificates shall not exceed 12 months. In order to achieve this, arrangements to obtain access and complete inspections are based on the previous certificate expiry date and commence 6 weeks prior to the expiry date. Work to contact the clients starts 2 weeks before this, this provides an 8 week access and 'mop up' period to ensure that 100% of properties receive a safety check/service on or within 2 weeks before the annual due service date.

The programme comprises three stages:

- 1) Annual safety check/gas service programme stage – BCE
- 2) Outstanding safety check/gas service stage – Your Homes Newcastle.
- 3) Legal process stage – Your Homes Newcastle.

If, at any point in the process, a tenant makes an appointment and then fails to keep it, YHN will proceed to the next stage.

The whole process and procedure is co-ordinated and monitored by YHN's Compliance and Assets Section, overseen by the appointed YHN responsible Senior Manager, through fortnightly joint monitoring meetings with BCE's gas servicing section.

3.4 Anti-social behaviour (tile 8)

There were five cases within this period that were closed outside of the 30 days. Having reviewed each of these cases, it was identified that it was difficult to engage with tenants in three of the cases. In a further case, it was also appropriate that the case was open for an extended period of time to investigate alleged violence/ threats of violence and counter allegations. The additional time allowed officers to fully investigate the case and be satisfied that there was insufficient evidence to take further action. However, in the final case, it has been identified that it could have been closed at an earlier stage in the process.

As part of transformation, it is proposed that the Safe Living team is restructured with an increase in the number of Safe Living officers and the creation of a new Positive Engagement role to provide support to victims. The Safe Living team will also now manage all anti-social behaviour cases from initial report to resolution.

4. Welfare reform

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

4.2 Universal Credit

At the end of quarter three, 136 Leazes Homes' tenants were in receipt of Universal Credit (UC). At the time of writing this report, 94 tenants were in arrears amounting to £70,787. The average arrears for the 104 tenants claiming UC is £753.

Rent arrears from these tenants increased by £36,415 since claiming UC. However, 57 of these tenants were already in arrears before claiming Universal Credit.

32 tenants, owing £32,757, have Alternative Payment Arrangements in place, where housing costs are paid direct to the landlord.

The rent collection rate for tenants receiving UC was 94.47% at the end of quarter three 2018-2019, compared to 96.52% for all Leazes' tenants. This has had an impact on the overall rent arrears levels for Leazes Homes. This year we predict the overall collection rate for all Leazes' tenants will reach 99.89% by the year end for 2019/20, following the third rent-free week at week 52.

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 three there were 25 tenants whose Housing Benefit (HB) had been reduced, due to under-occupation. 7 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 £17,028.

No Leazes Homes tenant were subject to the benefit cap at the end of quarter three.

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 three.

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