



## **Board of Trustees 7<sup>th</sup> December 2020**

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### **Cumulative Performance Monitoring Report**

### **Quarter Two 2020-2021**

### **Report by Managing Director, Leazes Homes**

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#### **For discussion**

#### **1. Background information**

- 1.1 Your Homes Newcastle (YHN) supplies performance information to Leazes Homes Board on a quarterly basis, as set out in the agreement for YHN to provide housing management services to Leazes Homes' tenants.
  
- 1.2 This performance monitoring report covers cumulative performance during quarter two from July to September 2020. It details how YHN is performing against Leazes Homes' key performance indicators (KPIs) and reports Leazes Homes' own organisational targets.

The performance monitoring report includes the following:

- A Performance Summary highlighting any specific issues that have impacted on YHN's performance during quarter one;
- Appendix One – YHN Contract Targets with five tiles to report against agreed performance targets;
- Appendix Two - YHN Contract Measures with seven tiles of indicators reported for information;
- Appendix Three – Additional information on Supported Void Rent Loss;
- Appendix Four - Leazes Homes' Organisational Targets.

## **2. Performance Summary**

### **2.1 Performance**

There are five agreed targets, from the five targets that are set, three are green (time to complete repairs, rent arrears and gas safety), one is amber (void rent loss) and one is red (relets).

On the 25<sup>th</sup> June Choice Base Lettings began again via Tyne and Wear Homes, all Leazes Homes properties were advertised when ready to let (RTL). The Emergency Allocation Panel (EAP) continued to process applicants who were already in the EAP process, resulting in a hybrid approach during the first period of Q2 where both Choice Base Lettings and the EAP were used. The EAP has now evolved to become the Complex Case Panel.

### **2.2 Void Rent Loss**

Combined void rent loss was 3.20% at the end of Quarter Two (0.6% over target), with a void rent loss of 0.92% for general needs properties and 4.73% for supported properties. This represents a slight increase (0.7%) from the end of Quarter One, when combined void rent loss was 3.13%, with a void rent loss of 0.74% for general needs properties and 4.74% for supported properties. Additional detail on Void Rent Loss is included in Appendix Three.

### **2.3 Average re-let period (supported housing/extra care)**

Within supported housing there were 17 allocations within Quarter Two, in an average of 104 days, which is 74 days above the 30 day target. Re-let times ranged from 7 to 280 days. There were four allocations in supported schemes with an average re-let time of 68 days. There were 13 allocations to the Extra Care schemes with an average re-let time of 115 days.

The impact of Covid-19 has been significant within Extra Care for several reasons. As with General Needs housing, we have been impacted by delays in void works (linked to both supply of materials and availability of labour) and the period in which moves were banned which resulted in slow build of properties.

The vulnerability of the Extra Care client group has had a significant impact on voids and allocations, this impact is detailed below:

- The main reason for Extra Care voids is death or moves to Residential Care. We are still getting many voids, the number of move on's hasn't changed during Covid-19 and but the death rate has increased.
- When residents move on from Extra Care, they are almost never able to clear the property themselves and are often reliant on their families clearing the property. Many have been unable to do this due to lockdown restrictions (e.g. travelling), or because they themselves are older, in poor health or vulnerable. During this period many struggled to get vans to remove cleared items. In addition, charities who would normally support which such clearance couldn't operate. These factors delayed voids works being carried out.
- The flow of Social Care referrals through to panel has been severely impacted by Covid-19, in the last month we have attended several panels with no new cases to discuss. This may be partially attributed to fewer people presenting to services (the NHS has experienced the same reduction). It may also be due to reduced capacity in Adult Social Care and the prioritisation of high needs cases. Furthermore, a nervousness about moving even after the ban was lifted, due to the vulnerability of the client group could also have contributed. This has resulted in shorter than ever waiting lists for schemes:
  - Dewley – 0 applicants
  - Allerdale – 0 applicants
  - Kilbourn – 1 applicant
  - Trevelyan – 1 applicant
  - Hodgson – 3 applicants
  - Lawson – 7 applicants.
- Some applicants have been unwilling to view properties and sign-up during lockdown, because they are vulnerable and feel anxious about moving. Some with lower needs have reconsidered moving on the basis that they won't move during the pandemic unless it's absolutely necessary.

In addition, we have an ongoing challenge with Extra Care, linked to allocations only being made if the applicant has the right care need for the void to balance the care needs within the scheme. This has been raised with Adult Social Care as void periods are increasing as a result.

On several occasions we have found that by the time that offers can be made, several applicants have either died or their care needs have increased so that they need residential care instead of Extra Care. This is also the case if an applicant's needs to move from 'low' to 'high' and the scheme can no longer accommodate them due to ratios. With such a vulnerable client group, needs change frequently and during the pandemic this has been exacerbated. The impact of Covid-19 on older people and those in poor health is significant and longer term than for younger people in good health. In addition to a higher death rate, we have seen customers with a low or medium care need go to hospital with Covid-19, on discharge they have returned with a higher care need thus reducing the capacity for the care provider to take on new customers with high needs.

In summary, the increase in duration of Extra Care voids is directly linked to the impact of the pandemic. We expect that this will reduce as the impact of the pandemic lessens and will continue to work closely with the Fairer Housing Unit and Adult Social Care to address the difficulties with Extra Care allocations.

## **2.4 Average re-let period (general needs)**

Within general needs, there were three allocations within Quarter Two, in an average of 47 days. All of these properties were standard voids and were allocated in an average 18 days more than the 29 day target. Re-let times ranged from 35 to 63 days.

## **2.5**

Below is a list of the agreed Hard to Let (HTL) properties:

Lemington Court and the following properties acquired through the Empty Homes grant regime –

- 89 Allendale Road
- 291 Benson Road
- 29 Dunmorlie Street
- 11 Dunmorlie Street
- 20 Hillsleigh Road
- 30 Hillsleigh Road
- 32 Hillsleigh Road
- 38 Hillsleigh Road.

A report has been developed to enable these properties to be extracted from the void data. During Q1/Q2 none of these properties have been void.

By their very nature properties purchased via the Empty Homes grant, are difficult to let. The criteria for their purchase was that they had to have been empty for six months or more, consequently they are invariably in parts of the city that have low demand, and had no value to investors or developers.

## **3. Business Implications**

**3.1** Mission and strategic objectives: This report specifically deals with performance measures against all our strategic objectives.

**3.2** Value for money/efficiencies: Monitoring performance against targets for average re-let time, the amount of rent collected, and void rent loss will ensure a continued focus on those areas that can have a high financial impact.

**3.3** Resources (financial, property, technological or human): Close monitoring of re-let periods, arrears levels and void rent loss will ensure that any poor performance is highlighted and addressed.

**3.4** Impact on services/performance: This is integral to each part of the report.

- 3.5** 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.
- 3.6** 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.
- 3.7** Environmental: None.
- 3.8** 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.
- 3.9** 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.
- 3.10** Stakeholder involvement/consultation: The indicators highlighted within this report have been developed by Leazes Homes' Managing Director working with YHN, alongside discussion with Board.

## **4. Recommendations**

**4.1** Leazes Homes Board is asked to:

- Review and comment on the Quarter Two performance.

## **5. Implementation**

**5.1** **Background papers:**

None

### **Contact Officer:**

If you have any questions about this report that you would like clarifying before the meeting, you can contact Peter Walters, Leazes Homes' Managing Director, by telephone on 0191 278 8718 or email [peter.walters@leazeshomes.org.uk](mailto:peter.walters@leazeshomes.org.uk)

## Appendix One - YHN Contract Targets

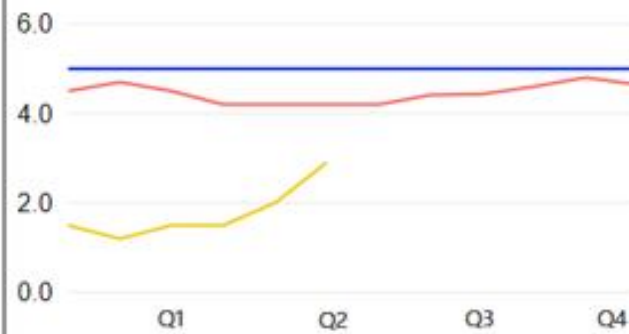
Stock  
753

Tenancies  
735

Key	
Actual performance	
Previous year	
Profiled target	
Target	

### 1. Average time taken to complete repairs

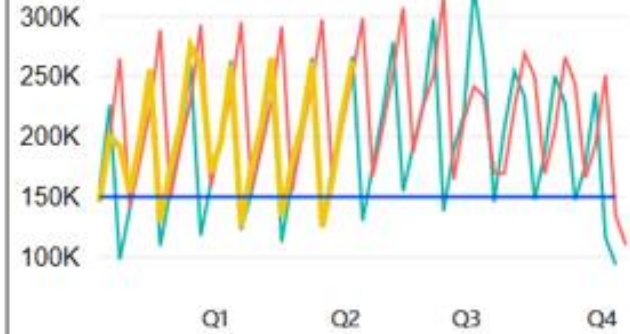
- 5 days by 31st March 2021



Performance was 2.9 days at the end of Q2.

### 2. Rent arrears

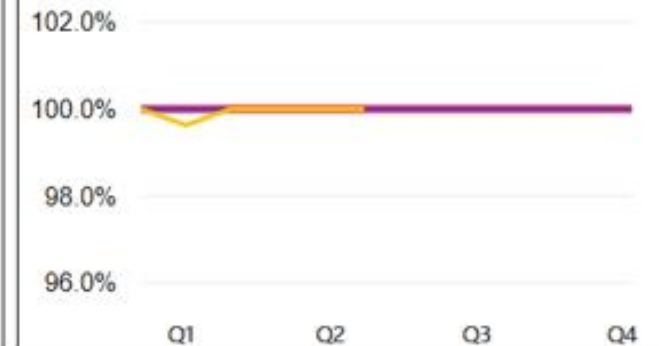
Not to exceed £150,000 by 31st March 2021



Rent arrears were £262,818 at the end of Q2, which is £3,783 (1.42%) below profile target (£266,601).

### 3. Gas Safety

100% of properties have gas safety certificate by 31st March 2021



Gas servicing was 100% at the end of Q2.

Gas servicing was 99.6% in P2 which was due to 2 tenants shielding therefore unable to receive the gas safety check.

#### 4. Void rent loss (Target)

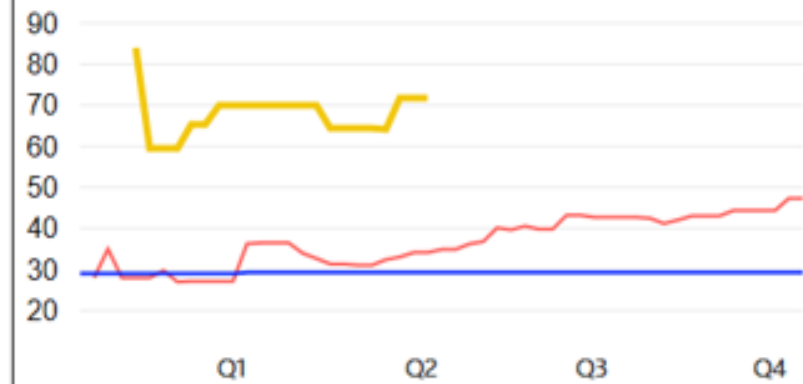
Not to exceed 2.6% by 31st March 2021



Void rent loss was £97,732 (3.20%) at the end of Q2, 0.6% over target.

#### 5. Average relet period (target)

29 days (Major and standard voids, excluding supported accommodation)



Relet times for voids excluding supported was 72 days at the end of Q2; this relates to 8 properties relet since the start of the financial year.



## **Appendix Two - YHN Contract Measures**

These indicators provide additional information on contractual performance.

## 6. Average relet time for all voids

Average number of days not to exceed 30 by 31st March 2021



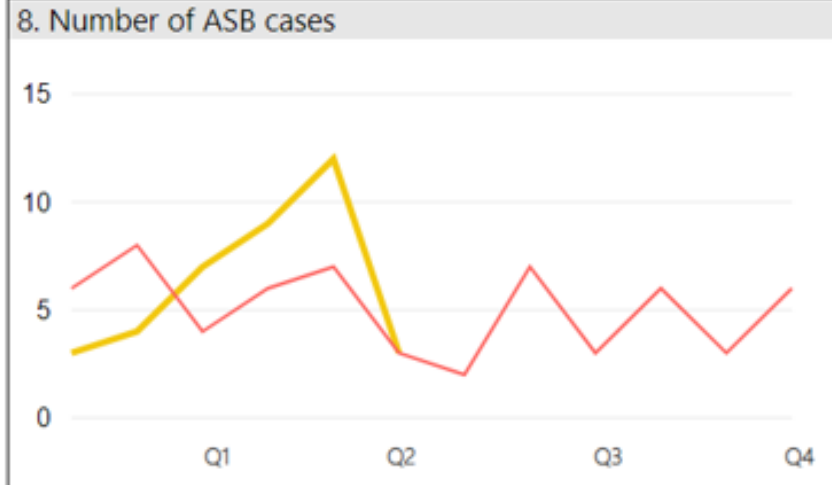
Relet times for all voids was 86 days at the end of Q2; this relates to 35 properties relet since the start of the financial year.

## 7. Average arrears per property

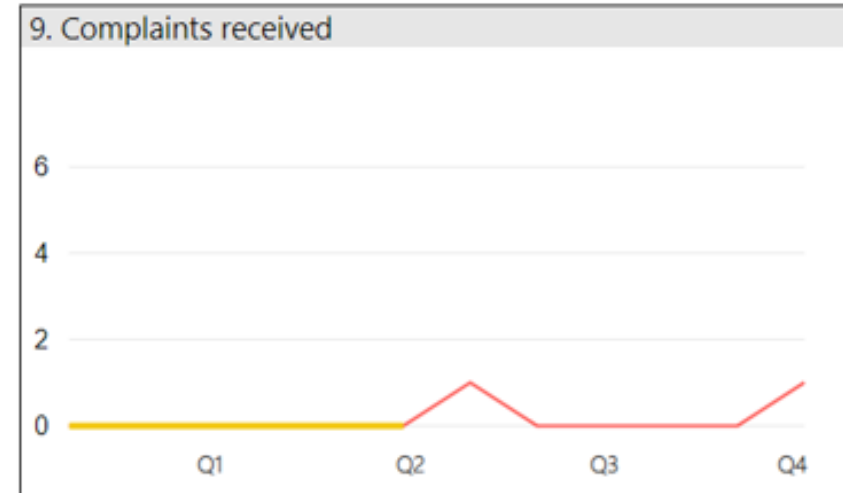
Not to exceed £199 by 31st March 2021



Average arrears for current tenants were £349 at the end of Q2, which is £6 below profile target.

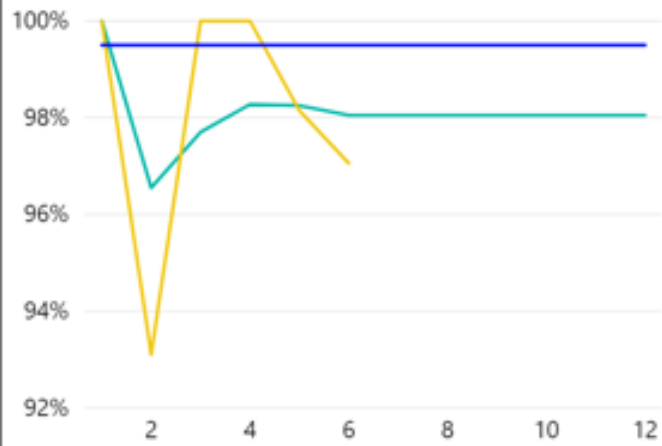


There have been 38 cases of ASB closed in the financial year up to the end of Q2.

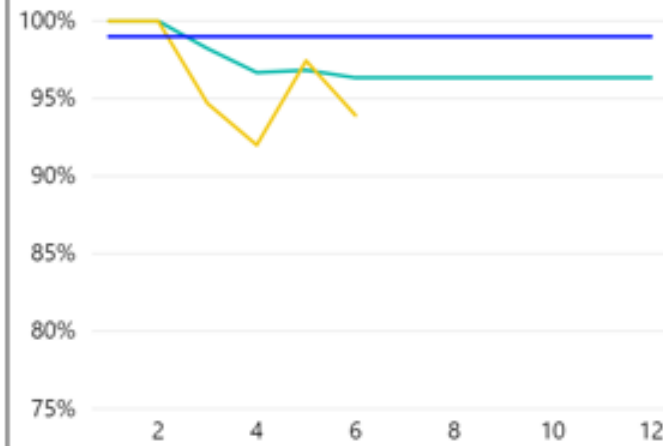


0 formal complaints were received in Q2.

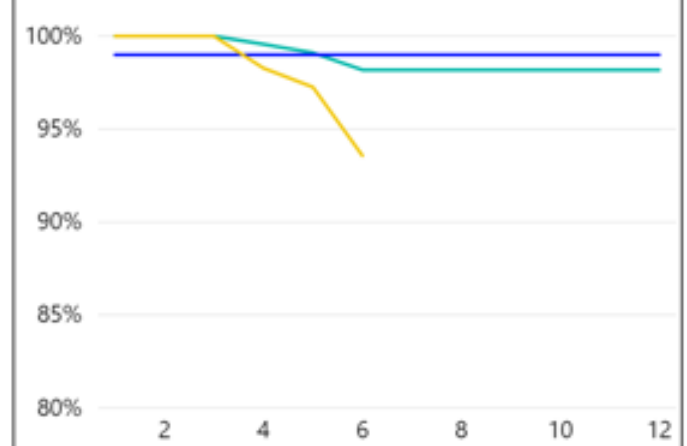
10a. 99.5% of emergency repairs within a 4 hour timescale



10b. 99% of urgent repairs within a 1, 7 day timescale



10c. 99% of routine repairs within a 15 day timescale

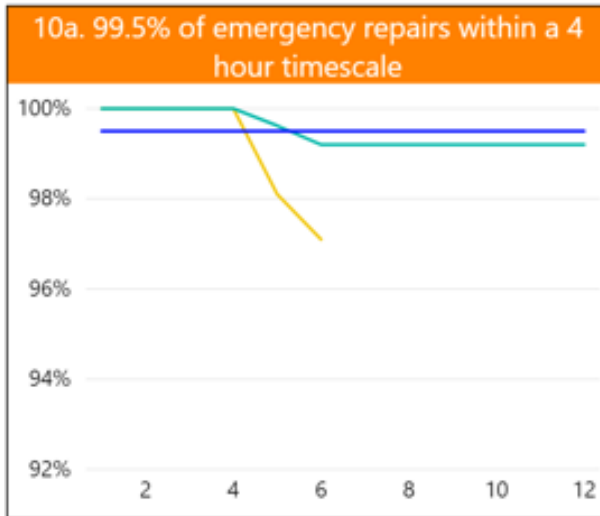


97.1% of emergency repairs were completed on time in P6. The average emergency repairs to date are 98.1%.

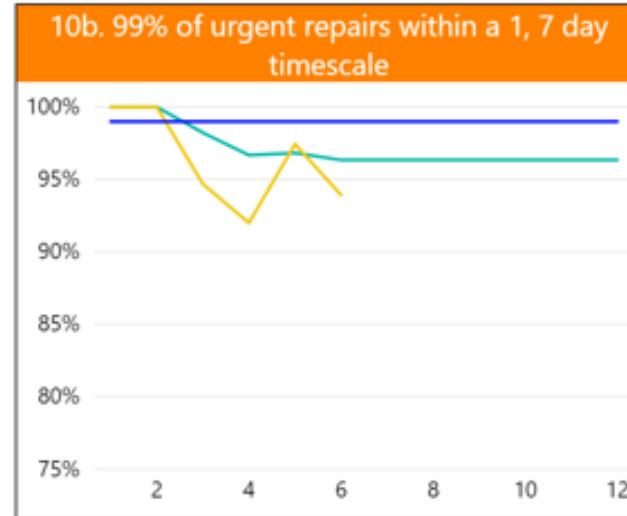
93.9% of urgent repairs were completed on time in P6. The average urgent repairs to date are 96.3%.

93.6% of routine repairs were completed on time in P6. The average routine repairs to date are 98.2%.

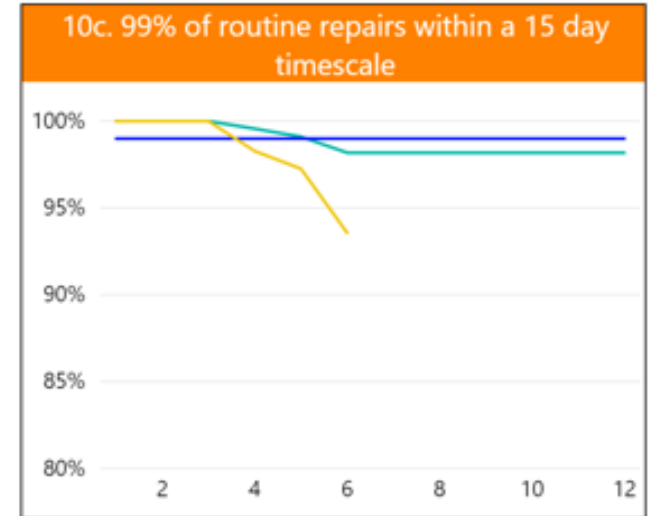
## Repairs excluding appointment changes



97.1% of emergency repairs were completed on time in P6. The average emergency repairs to date are 99.2% excluding appointment changes by tenants up to P6.



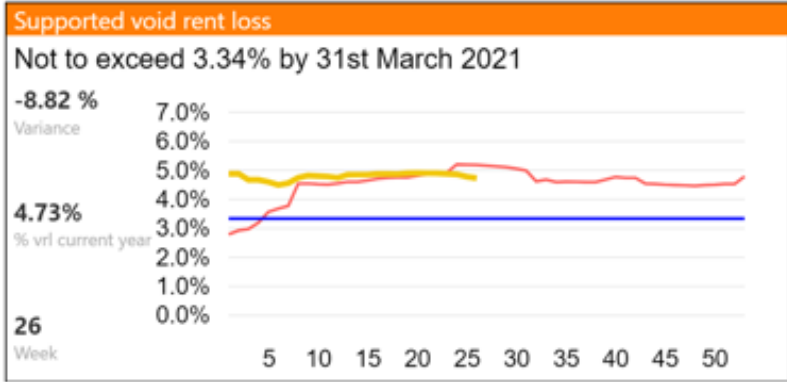
93.9% of urgent repairs were completed on time in P6. The average urgent repairs to date are 96.3%.  
There have been no appointment changes for this repair type.



98.2% of routine repairs were completed on time in P6. The average routine repairs to date are 98.2%.  
There have been no appointment changes for this repair type.

### Appendix Three – Additional Information on Supported Voids

Type of Scheme	Scheme	Number of Allocations	P4	P5	P6	Average relet time in days (for voids completed within Q2)	Void Rent Loss (for 2020/21 to end of Q2) (Scheme)
Sheltered	Hartley Court	3		7	42 28	26	£3,327
	Scrogg Road	1			196	196	£10,786
Extra Care	Dewley House	5	91	105 84 84 70		87	£22,846
	Trevelyan Court	2		280	77	179	£10,271
	Burnfoot Court	3	98 203		28	110	£4,737
	Station Court	2		147	35	91	£7,478
	Kilbourn House	1			189	189	£9,223



	<b>Total</b>	<b>16</b>	<b>392</b>	<b>777</b>	<b>595</b>	<b>104</b>	<b>£68,668</b>
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## Appendix Four - Leazes Homes Organisational Targets

Target	Performance
0% of stock be classed as non-decent during 2020-21	Zero stock is non-compliant, consistent with target
Complete all regulatory returns on time during 2020-21	Some regulatory returns have been submitted, but outstanding ones are due to be completed within deadlines.
Comply with all lenders' covenants	Yes, all lenders covenants are being complied with and have been reviewed by RBS as at November 2020.
Minimum cash balances not to be below £3,000,000 during 2020-21	Cash balance at the half-year is £6.7m, ahead of the £3.0m minimum target.
Operating Surplus to be 25% of turnover during 2020-21	Operating Surplus of 37% is being achieved at half-year, ahead of the 24% target.



