

Agenda Item 5.3

PERFORMANCE REPORT

Report by Director of Finance and Resources

Purpose

The purpose of this report is to allow the Board to examine the company's performance. It will enable members to develop an understanding of areas of strong performance and where improvements are needed.

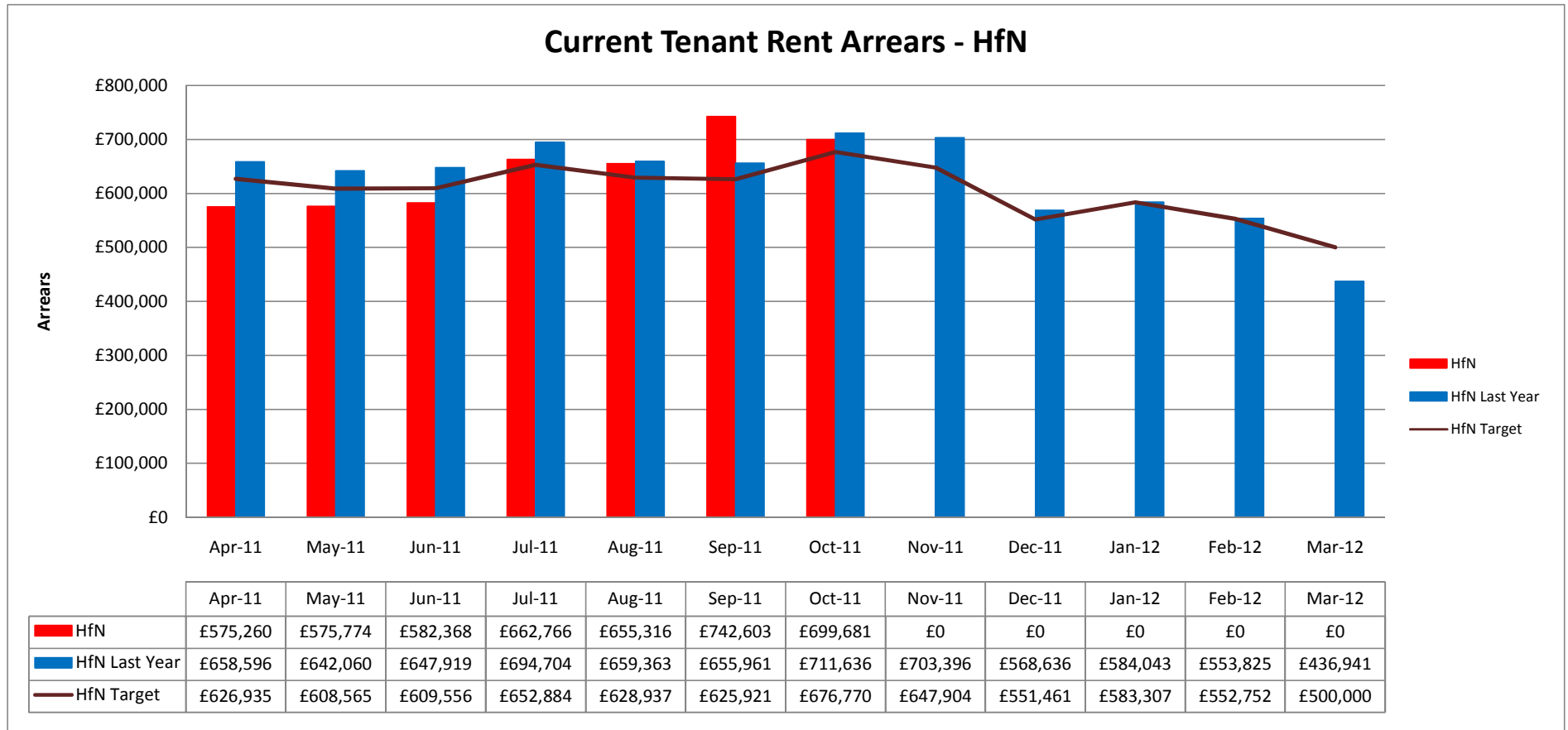
Executive Summary

This report details the position of certain key performance indicators as at the end of October 2011.

Recommendation

Board is asked to note the current performance

Income

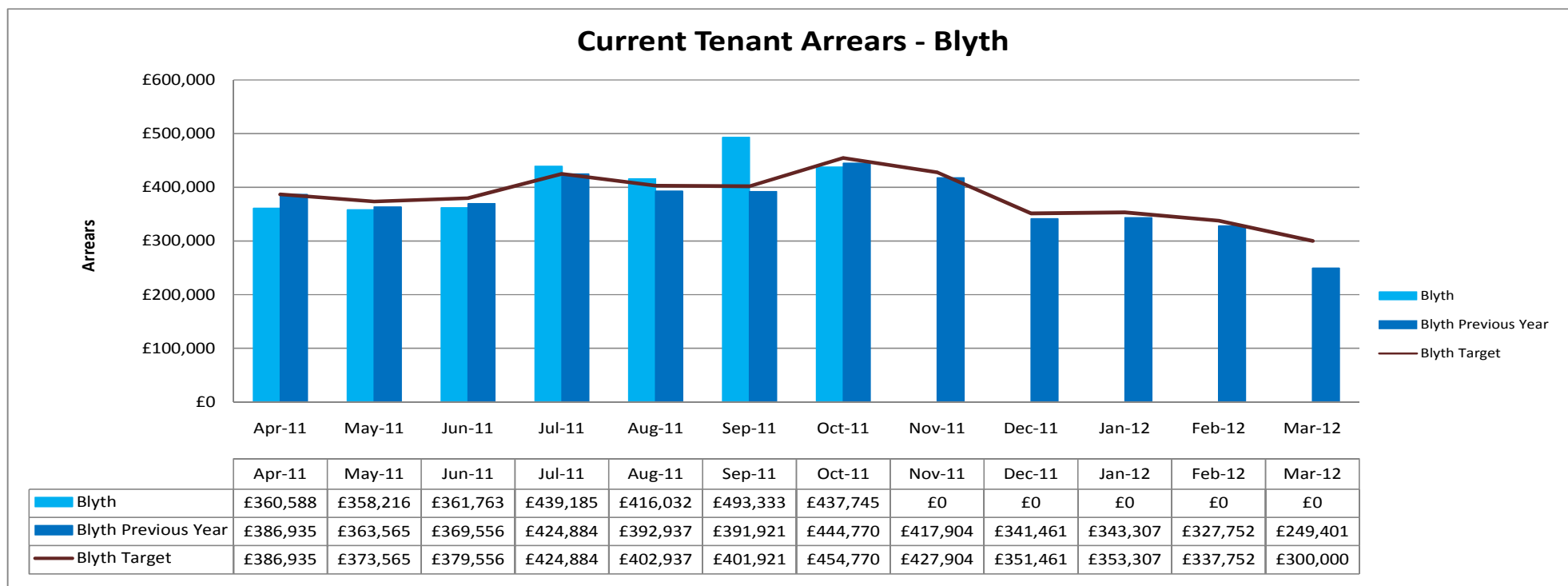


Arrears performance has been subject to a detailed report to the Area and Strategic Board which demonstrated that:

- The level of housing benefit cancellations and suspensions continues to have an influence on the level of arrears.
- The fragile economic situation and welfare reform has a disproportionate impact on tenants
- A greater number of eviction warrants, used in cases of last resort, are being suspended by courts

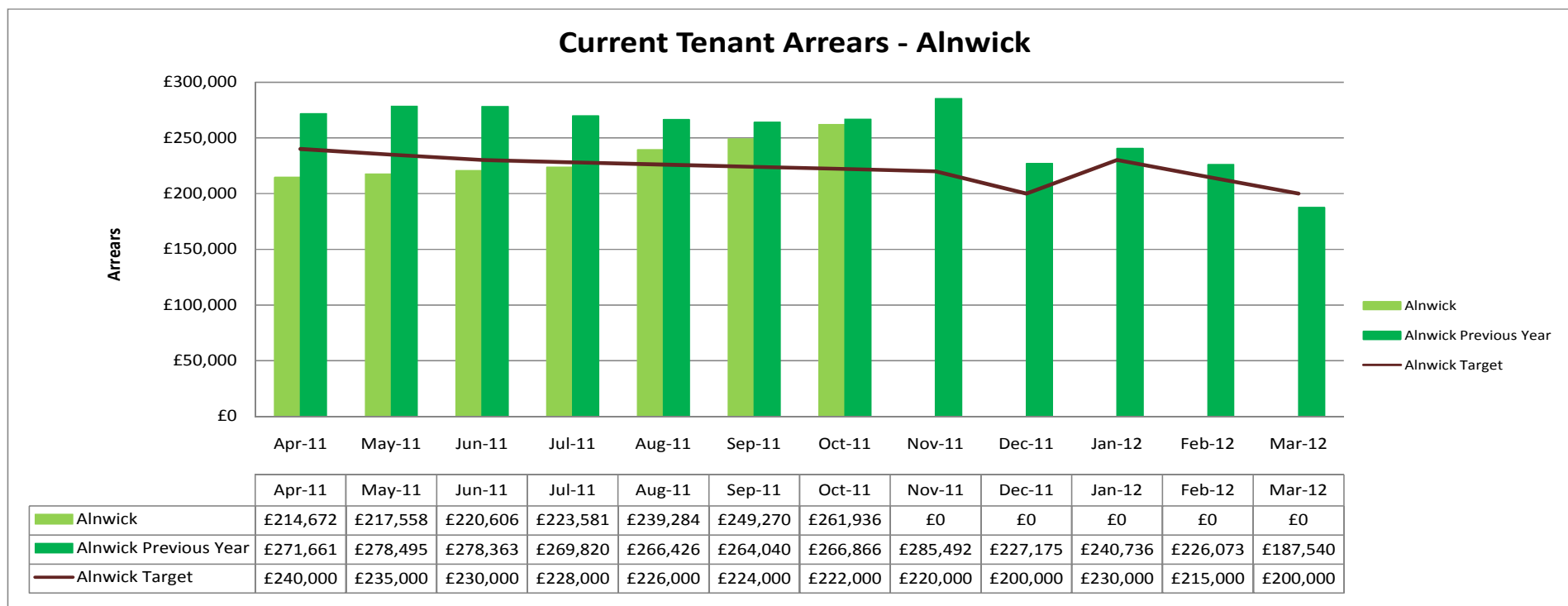
It identified strategies to tackle underperformance including

- Providing debt and welfare benefit advice through the Money Advice Caseworker and other agencies
- Permanent appointment of a specialist HB Officer to challenge HB assessments to ensure tenants receive their due entitlement
- Introduction of specialist software to distinguish between technical and true rent arrears and notifying tenants by text message of their arrears
- Implementation of lean review recommendations to improve efficiencies in our recovery procedures
- In December, running a Rent First campaign to target those in persistent arrears, which has shown positive results in previous years in reducing arrears
- In March 2012 running again our successful Clear rent Account incentive scheme



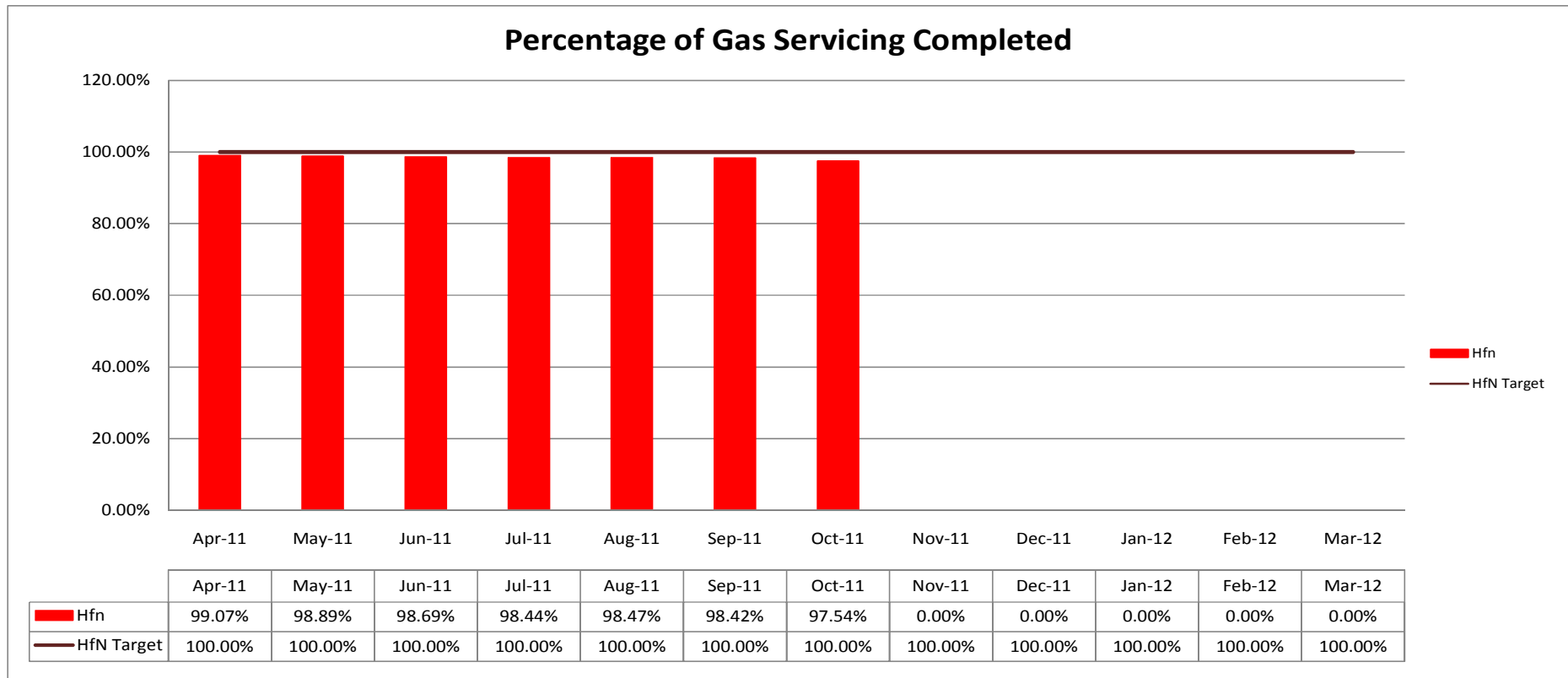
The level of rent arrears outstanding at the end of October 2011 are £437745.04. This is a significant reduction of £55,588 from the previous month and the total outstanding is currently £17025 below the projected target. The level of housing benefit cancellations and suspensions will continue to have an influence on the level of arrears. The temporary HB officer is proactively pursuing all these cases, there were 281 cases for the month of October. Some of the cases will have been brought back into housing benefit however there are some that are still awaiting information from tenants in order to process their claims which impacts on the level of arrears reported.

The recommendations of the recent lean review on arrears recovery are being implemented within the next 2-3 weeks which should assist with a more co-ordinated approach on arrears recovery. A meeting has been arranged later in the month to discuss the forthcoming 'Rent First' campaign which proved a great success last year.



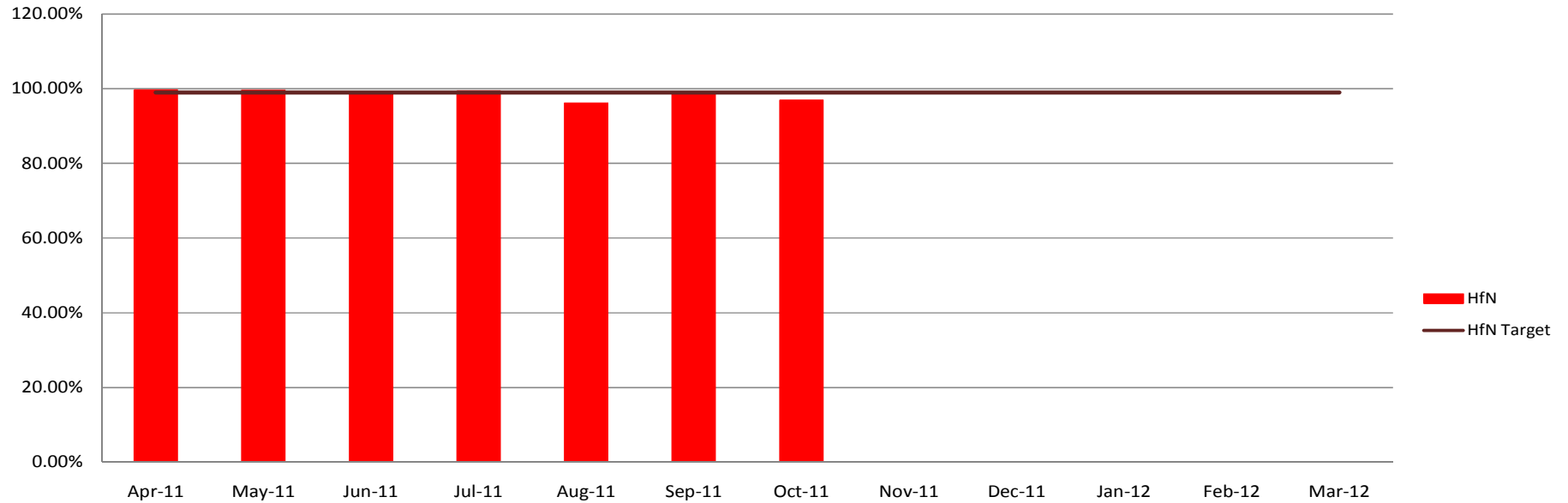
Rent arrears stood at £261,936.45 at the end of October over £39,000 outside the projected target. Strategies for performance improvement are supported by the SMART action plan which targets specific groups of accounts on a week to week basis. For example in week commencing 03 October accounts were targeted where no payments had been received for approx 3 weeks or if 1 monthly payment had been missed. 64 out of office hours visits were completed throughout the week. Face to face contact was made with 36 tenants and a payment arrangement made. Of the 28 that did not answer, 11 have subsequently made payments to the account, 5 have been in contact and made a payment arrangement, 3 have had further visits (1 of which has made an arrangement to pay), 1 has made a written offer of payment, 1 has been in contact regarding HB issues. The remaining 7 accounts were escalated to the next stage in the rent arrears recovery process and the tenants contacted via letter. The balances of the 64 accounts were compared to the original position 2 weeks earlier. The results demonstrated that the balances of 36 accounts had reduced and the overall indebtedness of all 64 accounts was £3034.37 lower. Arrears review meetings continue to be held on a weekly basis where the results from the previous week are reviewed, accounts to be targeted for the forthcoming week are highlighted and an action plan devised to detail what tasks are required and how the work is to be monitored

Repairs and Maintenance



This is subject to a detailed report to the Strategic and Area Boards

Priority Response Times - Emergency Jobs

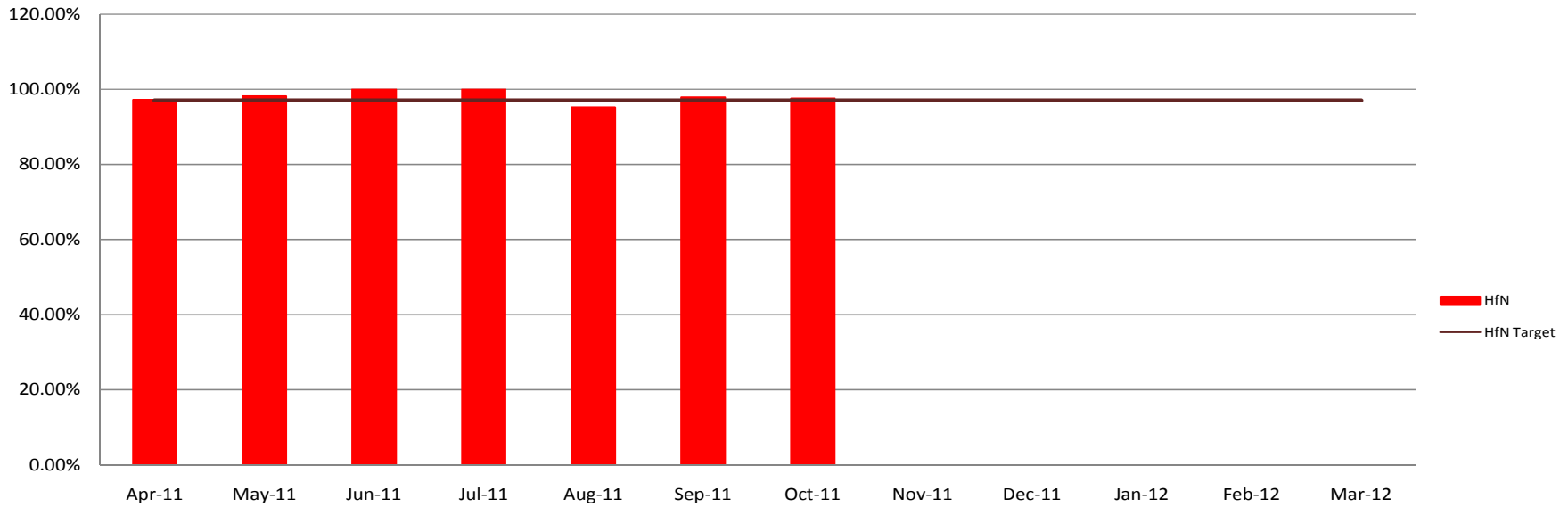


	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
■ HfN	99.63%	99.57%	99.09%	99.34%	96.13%	98.99%	96.90%	0.00%	0.00%	0.00%	0.00%	0.00%
— HfN Target	99.00%	99.00%	99.00%	99.00%	99.00%	99.00%	99.00%	99.00%	99.00%	99.00%	99.00%	99.00%

The majority of the jobs that caused this apparent drop in performance related to the Alnwick area. The Regional Operations Manager and Area Maintenance Manager have carried out a review of each job. It would appear operatives have updated the Total Mobile system on their phones after some connectivity issues were resolved and this has skewed the recording of performance information. After interrogating the system managers are confident the service to tenants was not impacted but our ability to accurately record performance information was.

The system is much more stable now following intensive work with Northgate and Consilium (our software providers) and staff are no longer printing tickets whilst the system is down.

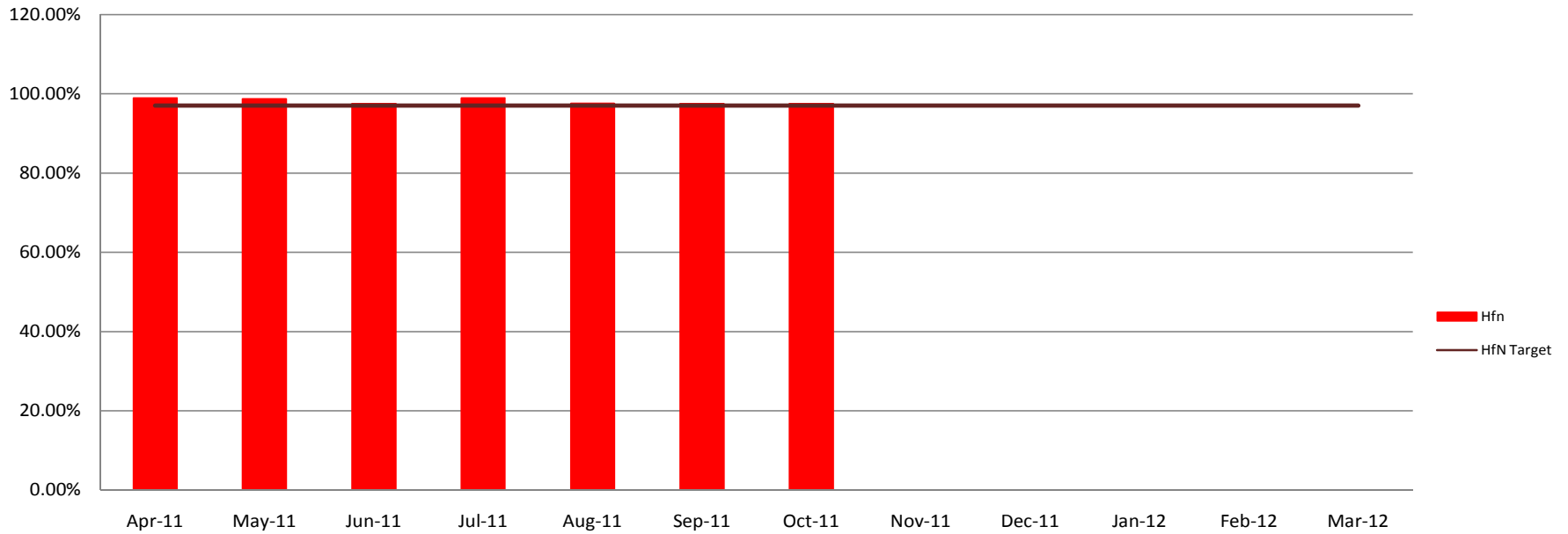
Priority Response Times - Urgent Jobs



	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
HfN	97.30%	98.23%	100.00%	100.00%	95.24%	97.95%	97.64%	0.00%	0.00%	0.00%	0.00%	0.00%
HfN Target	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%

This indicator is on target.

Priority Response Times - Routine Jobs



	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
■ Hfn	99.02%	98.73%	97.57%	98.93%	97.64%	97.49%	97.58%	0.00%	0.00%	0.00%	0.00%	0.00%
— Hfn Target	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%	97.00%

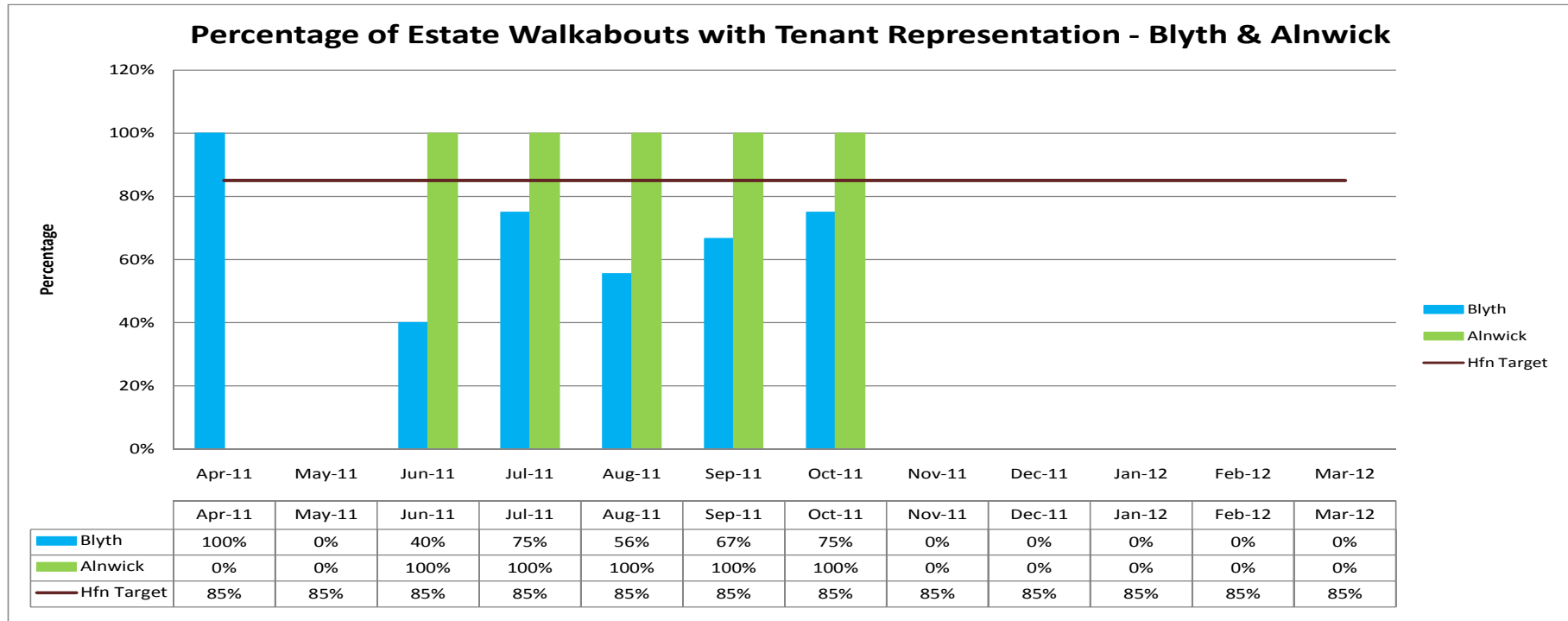
This indicator is on target.

	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
Percentage of voids costing over £1,500	13.46%	14.00%	21.54%	9.80%	16.36%	26.32%	8.33%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Number of voids	52	50	65	51	55	38	84	0	0	0	0	0
Number of voids costing over £1,500	7	7	14	5	9	10	7					

This is a new indicator for 2011/12 and replaces the average void cost. Each void over £1,500 is now subject to scrutiny and investigation by a cross departmental team each month to assess why the property became vacant and ensure that we minimise or cease internal transfers where rechargeable repairs are found. During October 7 voids out of an overall total of 84 were received where the cost was in excess of £1,500; this is a decrease of 3 from August. It must be noted that October was an exceptional month for voids as we assumed responsibility for 42 new apartments at Ropery Court in Alnwick during the month.

In the June performance report we described a number of strategies to reduce the number of voids costing more than £1,500 after it peaked that month with 14 properties; this has had a consistently positive impact of the last 4 months as the number of properties costing over £1,500 has been in single figures for each month since. Most voids in excess of £1,500 now are as a result of death or a move to a property outside of the Council sector and are often vacated owing to debt problems.

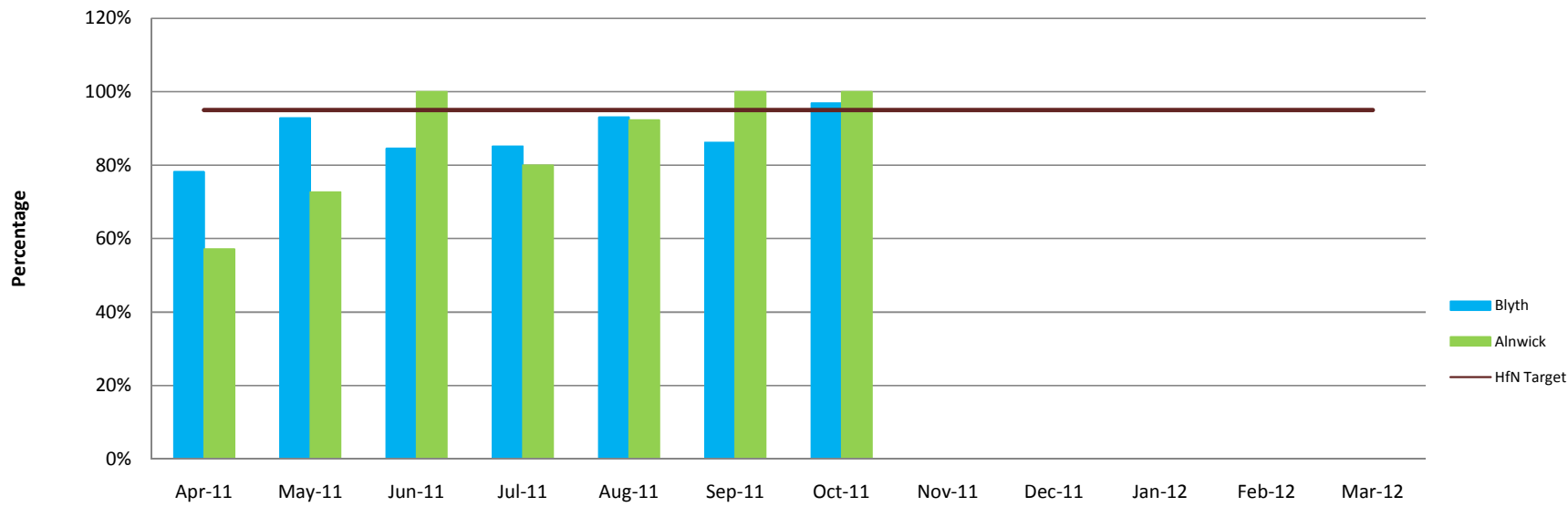
Estate and Tenancy Services



Blyth - To increase participation generally in estate walkabouts we have contacted members of Town Councils advising of dates and asking for their attendance. Further contact is to be made with County Councillors inviting them to participate. It is hoped that this will encourage involvement from residents and tenants. Attendance has increased in the Blyth North and Cramlington areas. An evaluation report on the successful Heath Walks at Alnwick is being prepared which will consider their application within Blyth Valley

Alnwick - All 6 planned health walks took place in October. There were 3 in Alnwick (05, 19 & 26th) and 3 in Amble (04,11 & 18th). On average around 3 tenants (20 attendees over the 6 walks) attend each walk out of a core membership of 16. The cumulative total of walks completed compared to those scheduled for 2011 – 12 is 32 out of 35 and all of the 26 walks had tenant representation. This performance exceeds the target of 85%.

Percentage of Tenancies Sustained Over 12 Months - Blyth & Alnwick

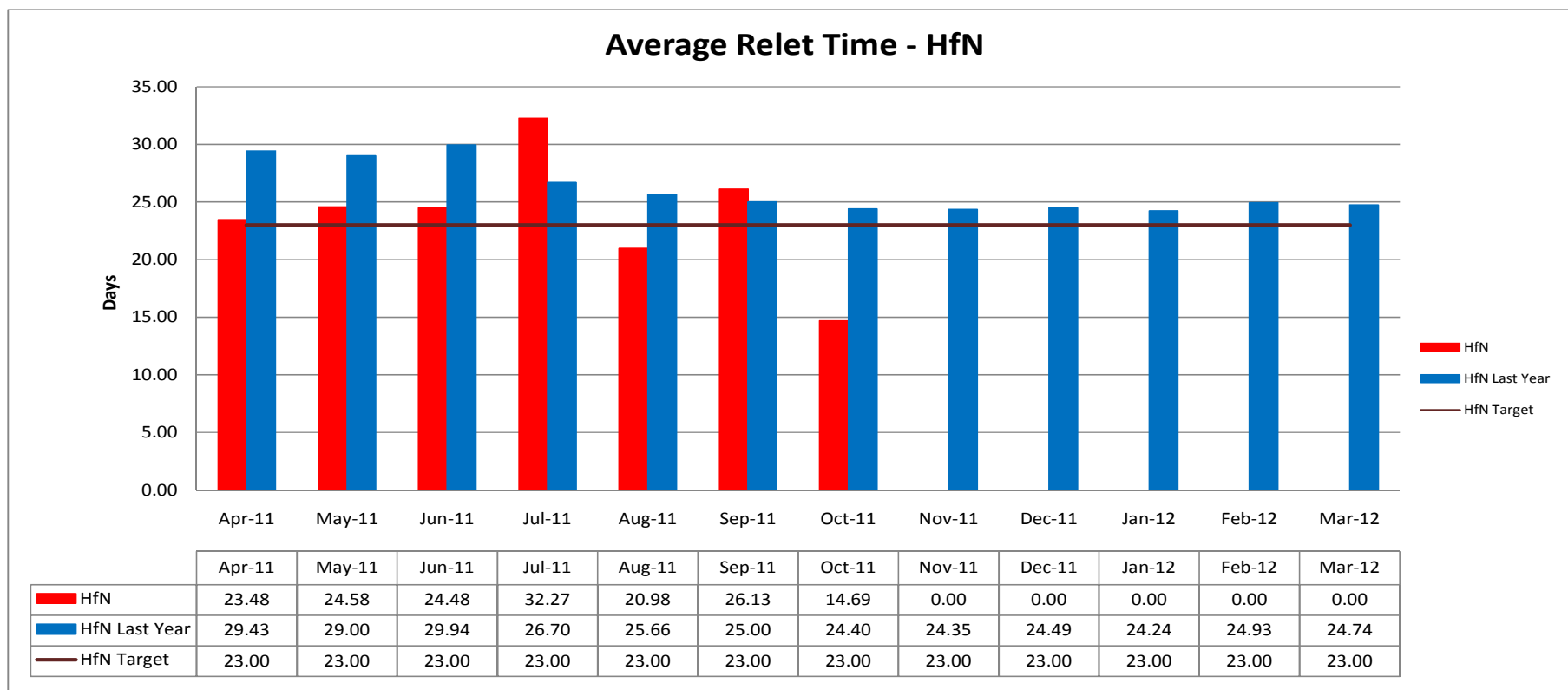


	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
■ Blyth	78%	93%	85%	85%	93%	86%	97%	0%	0%	0%	0%	0%
■ Alnwick	57%	73%	100%	80%	92%	100%	100%	0%	0%	0%	0%	0%
— HfN Target	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%

The target is being exceeded with a 19% increase in performance since April

Blyth - Of the 33 tenancies which commenced in October 2010 32 have been sustained. The sole un-sustained tenancy was the result of the tenant deciding to return to live in Scotland

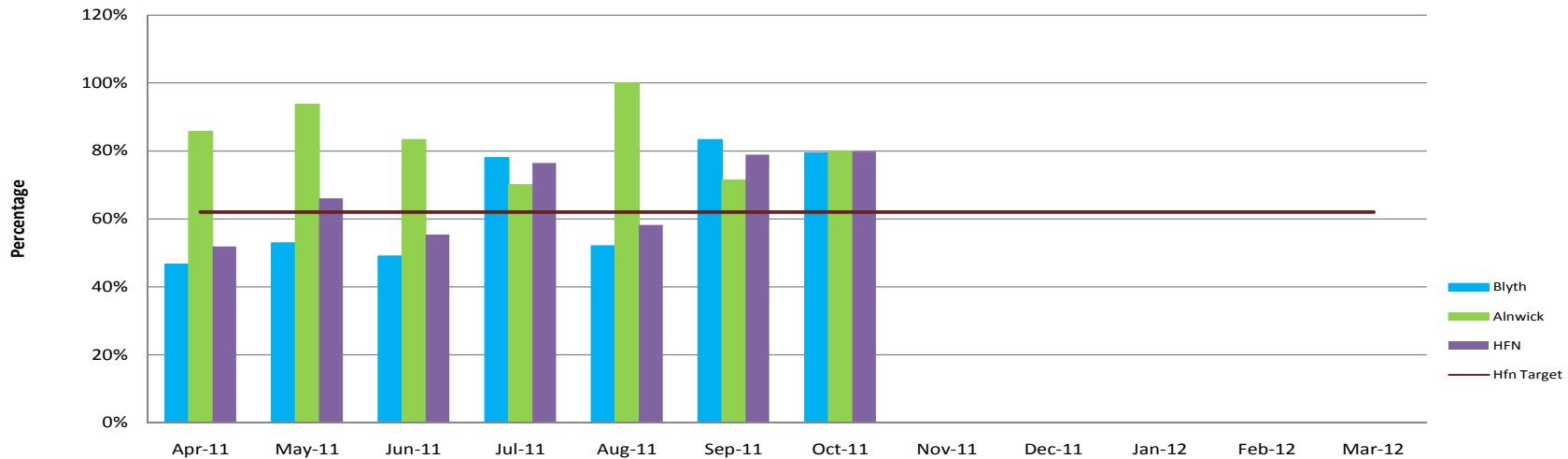
Alnwick - All 6 of the introductory tenancies that commenced in October 2010 have been sustained and have been converted to secure. 48 out of 52 tenancies have been sustained in 2011 – 12 (92.31%)



Blyth - The time taken to relet void properties reduced during October. Although still over target, this was the second best monthly performance of this financial year. The average number of days to complete void repairs in the Blyth area was 17.41 against a target of 13 days. Seven voids requiring higher than average repairs (costing over £1,500) were reviewed at the November void control meeting. None of these were transfers. We have tightened procedures by not permitting tenants to transfer where rechargeable repairs exist or there are outstanding rent arrears unless these are resolved by the tenant. Rechargeable repairs were identified at four properties due to the actions of the previous tenant. Of these 2 tenants moved without notice, we failed to gain access to carry out a pre termination inspection (PTI) at 1 property, and 1 tenant passed their PTI. The work required in these properties included new kitchens and boilers, replacement internal doors and decoration. The average time taken to allocate properties following repairs was within target.

Alnwick - In October 45 properties were let at an average of 4.67 days. The cumulative figure for the year is 8.58 days. Both figures are within the target figure (23 days) for the seventh consecutive month.

Percentage of Properties Accepted on First Offer - Blyth & Alnwick



	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
■ Blyth	47%	53%	49%	78%	52%	83%	79%	0%	0%	0%	0%	0%
■ Alnwick	86%	94%	83%	70%	100%	71%	80%	0%	0%	0%	0%	0%
■ HFN	52%	66%	55%	76%	58%	79%	80%	0%	0%	0%	0%	0%
— Hfn Target	62%	62%	62%	62%	62%	62%	62%	62%	62%	62%	62%	62%

We are achieving targets set in both Blyth Valley and Alnwick districts. There is an overall positive direction of travel for in each area since the beginning of the year