

HOMES & COMMUNITIES COMMITTEE

5 NOVEMBER 2018

PERFORMANCE MONITORING: NEWARK AND SHERWOOD HOMES

1.0 Purpose of Report

1.1 To provide the Committee with performance information relating to the operations of Newark and Sherwood Homes (NSH) in accordance with the Management Agreement and Annual Delivery Plan.

2.0 Background Information

2.1 During the process to formulate the new Management Agreement with NSH, the Policy & Finance Committee at its meeting on 19 September 2013 resolved that the Homes & Communities Committee have the remit to '*undertake scrutiny of the operational performance of the Council's wholly owned housing management company*', with the Policy Committee taking responsibility for the determination of the Key Performance Indicators (KPI's) for NSH.

2.2 In establishing the suite of KPI's, there was a need to ensure that the Council has in place a robust performance framework that includes a core set of strategic KPI's covering the expectations of the management agreement (including the service specification) and to sustain the viability of the Council's Housing Revenue Account Business Plan (HRA BP). Set alongside this was the need to avoid duplication between the respective monitoring roles and responsibilities of the Company's Board and the Council in order to make the best use of resources and to ensure a consistent, transparent framework is adopted.

2.3 The Board already consider and scrutinise a comprehensive range of performance information covering housing management & maintenance, the capital investment programme, rents, governance, diversity, staffing, risks, costs/finance, income, management costs, satisfaction, complaints and health & safety compliance. This is so the Board can robustly challenge the operations of the Company to ensure it functions properly and meets its vision of "delivering excellent Housing Services".

2.4 The Policy & Finance Committee considered the above points and agreed to the strategic KPI's, which the Council monitors and scrutinises through the remit of this Committee.

2.5 To complement the KPI'S and ensure ongoing scrutiny of NSH, the management agreement stipulates that the Company provides in consultation with the Council the following documents annually:

a) Delivery Plan

Along with setting the Company's main activities, targets or standards under the provisions of the management agreement for each financial year, it also records the KPI's, benchmarking information and work of the Tenants Panel.

At the Committee's meeting on 6th November 2017 Members approved the Company's Annual Delivery Plan for 2018/19. This will be reviewed at the time the 2019/20 Delivery Plan is presented to the Committee scheduled for its January 2019 meeting.

- b) Asset Management Programme
Progress and spend is presented to the Policy & Finance Committee under the Capital Programme reports.
- c) Tenant Panel Feedback/Work Programme
Details of the Tenants Panel for the 2016/17 governance year (Nov 2016 - Nov 2017) is provided in the main body of this report along with the agreed work programme for the 2017/18 governance year.
- d) Assurance Report *(covering financial affairs & governance)*
- e) Details of formal complaints *(outcome)*
- f) List of let contracts
- g) Procurement Plan
- h) Management Fee
This matter is reported to the Policy & Finance Committee.

2.6 The majority of the above matters have to be approved by the Policy & Finance Committee, prior to which consultation is undertaken with the Strategic Housing Liaison Panel.

2.7 All the KPI's are recorded and monitored on the Council's Performance Management System. Senior officers of the Council and Company meet on a regular basis to review the workings of the management agreement, discuss progress to deliver the Annual Delivery Plan and how the Council's strategic objectives are being met to ensure both parties obligations under the management agreement are being scrutinised and reviewed.

3.0 Newark and Sherwood Homes Performance

Annual Performance

- 3.1 An overview of NSH performance for the 2017/18 financial year is provided at **Appendix A**, which shows a positive picture with the majority of KPI's meeting or exceeding the targets set.
- 3.2 Company performance during 2017/18 has ensured that core service standards have been maintained including across repairs, rent and charges, tenant involvement, allocations and lettings, independent living, value for money and looking after the local areas.
- 3.3 Where performance has not met target an analysis and commentary has been provided at **Appendix B** for the Committee's consideration.

Survey of Tenants and Residents (STAR Survey)

- 3.4 The STAR Survey covers satisfaction for the following areas; Customer Service, Information and Resident Involvement, Repairs and Maintenance, Advice and Support and Anti-Social Behaviour. The report at **Appendix C** provides useful headline commentary on satisfaction measures and results in each area.

- 3.5 The annual survey was conducted between April and May 2018. The data was collected via telephone; the same method as the previous two years. In total 545 tenants took part in the survey, comprising of 354 supported housing tenants and 191 general needs tenants.
- 3.6 Satisfaction with services remains high, with overall satisfaction at 90%. Satisfaction with all key measures remains at or above the STAR benchmark.
- 3.7 Satisfaction with Anti-Social Behaviour (ASB) is varied across indicators e.g. satisfaction with staff sensitivity when dealing with an ASB case is at 91% whereas satisfaction with the outcome of a case is 46%. Whilst both are above the benchmark for the respective indicators, this remains an area of focus for the Company who are currently working with their Board on any further work that needs to be actioned here.
- 3.8 The Committee should also note that the STAR survey is done at a point in time (*a snapshot*) and in addition to this the Company measure tenant satisfaction weekly across a range of indicators, which includes ASB. From the weekly statistics, performance in quarter two saw satisfaction with the outcome of an ASB case at 85%, an improvement of 5% from the previous quarter.
- 3.9 The Company have recently invested time in providing a comprehensive training programme for staff with a focus on early intervention in ASB cases and continue to be involved in Safer Neighbourhoods meetings, working closely with the Council's ASB officers. At this point in time the Company are not experiencing 'hot spots' of ASB across the estates they manage and deal with a relatively low number of ASB cases, set against the size of the Council's housing stock.
- 3.10 Under the Council's 'Cleaner, Safer, Greener' campaign the Company is a key partner to deliver the actions from this, especially around tackling reported ASB, with updates on this activity being reported to the Leisure & Environment Committee.

Tenants Panel Report and Work Plan

- 3.11 A copy of the content for the Tenants Panel Report and Work Plan approved at the Company's Board meeting in September 2017 is at **Appendix D** for the Committee's consideration.

4.0 Proposals

- 4.1 The Committee note the strategic performance information supplied in relation to the activities of Newark and Sherwood Homes, set against the requirements of the Management Agreement, and make any observations as appropriate.

5.0 Equalities Implications

- 5.1 The KPI's set to monitor the activities of NSH include an assessment of tenant satisfaction for the core housing services provided by NSH. Here further interrogation could be made where satisfaction levels decline and adversely impact on equality and diversity issues for tenants.

6.0 Impact on Budget/Policy Framework

6.1 The establishment of a robust housing performance framework to monitor the activities of NSH is critical to ensure delivery of the core principles of the management agreement, to sustain a viable HRA Business Plan and to measure delivery of the wider strategic housing priorities.

7.0 RECOMMENDATION

That the strategic performance information supplied in relation to the activities of Newark and Sherwood Homes is noted, with the Committee making any observations as appropriate.

Reason for Recommendation

To ensure a robust performance framework is put in place to monitor the strategic performance activities of Newark & Sherwood Homes in accordance with the management agreement.

Background Papers

For further information please contact Rob Main, Strategic Housing on ext: 5930.






Karen White
Director – Safety



APPENDIX A**NEWARK AND SHERWOOD HOMES ACTUAL PERFORMANCE 2017/18**

Performance Indicators	Performance 2017/2018	Target 2017/18	Performance 2016/2017	Performance 2015/2016	Performance 2014/15	Performance 2013/14
Income						
% of rent collected from current tenants as a % of rent owed.	98.25%	99.30%	98.87%	99.27%	98.75%	98.73%
Amount of current arrears as a % of annual rent debit (measure of bad debt).	1.70%	1.55%	1.59%	1.57%	1.46%	1.54%
% of rent loss through dwellings being vacant	0.76%	0.60%	0.69%	0.70%	0.60%	0.73%
Former tenant arrears as a % of annual rent debit	0.88%	0.70%	0.88%	1.30%	0.98%	0.74%
% of current leaseholder arrears	0.05%	0.20%	0.02%	0.02%	0.01%	New
% of rent arrears written off	0.39%	0.26%	0.77%	0.19%	0.28%	0.13%
% of supported housing tenants in support charge arrears	2.44%	3%	5.13%	6.64 %	17.82%	New
Right to Buy						
Number of RTB sales	31	25	29	22	24	27
Average RTB value	£54,014.13	n/a	£61,609	£112,136	£90,781	£109,407
Average RTB discount	£53,454.23	n/a	£59,915	£56,099	£44,758	£55,201
Average Sale Price		n/a		£56,036	£46,022	£54,207
Asset Management						
% of properties meeting the Decent Homes standard	100%	100%	100%	100%	100%	100%
% split between responsive repairs (Revenue) and Asset Investment Programme (Capital)	22.02% (R)	20% (R)	19.43% (R)	18.53% (R)	26.30% (R)	New

Performance Indicators	Performance 2017/2018	Target 2017/18	Performance 2016/2017	Performance 2015/2016	Performance 2014/15	Performance 2013/14
Welfare Reform						
% of general needs tenants under occupying and in rent arrears (2891 General Need Units)	5.84%	7.54%	6.58% (circa. 200 tenants)	7.54% (220 tenants in total)	11.02%	New
% of tenancies paying by Direct Debit	60.53%	70%	54.08%	44.66%	39.97%	36%
Number of general needs tenants in receipt of housing benefit (Universal Credit)	1503	n/a	1549	1,611 HB 20 on UC	1,609	New
Number of supported housing tenants in receipt of housing benefit.	1517	n/a	1518	1,559	1,531	New
Customer						
% of general needs tenants satisfied with the quality of their home - Survey of Tenants and Residents (Star Survey)	82.70%	91%	87.7%	90.40%	84.00%	84.5%
% of supported housing tenants satisfied with the quality of their home (Star Survey)	91.50%	96%	92.5%	95.30%	91.00%	92.70%
% of general needs tenants satisfied with the responsive repairs service (Star Survey)	74.30%	85%	81%	84.00%	74.00%	76%
% of supported housing tenants satisfied with the responsive repairs service (Star Survey)	87.10%	91%	87%	89.00%	87.00%	91%
% of tenants satisfied with supported housing services (Star Survey)	86.30%	90%	85.5%	85.90%	89.00%	90%
% of general needs tenants satisfied with landlord/overall service (Star Survey)	89.50%	95%	90%	94.80%	83.00%	85%
% of supported housing tenants satisfied with landlord/overall service (Star Survey)	90.30%	93%	89.5%	90.80%	89.00%	90%
% of general needs tenants satisfied with the neighbourhood (Star Survey)	77%	95%	88.6%	94.00%	81.00%	80.3%

Performance Indicators	Performance 2017/2018	Target 2017/18	Performance 2016/2017	Performance 2015/2016	Performance 2014/15	Performance 2013/14
% of supported housing tenants satisfied with the neighbourhood (<i>Star Survey</i>)	90.60%	95%	93.4%	94.50%	91.00%	90.8%
% of customer satisfaction with responsive repairs (<i>Collated from returned tenant satisfaction surveys on completion of a responsive repair</i>).	93.17%	99%	89.00%	86.00%	98.00%	New
% of properties in low demand	0.52%	3.50%	0%	4.73%	4%	New
Complaints received referred to Tenant Panel and/or Housing Ombudsman	0	2	1	2	1	New
Sustainability						
Change in Council Housing Stock Size	+2	+8	5,422	5443	5,439	5,438

Name	2017/18		Current Target	NSH Latest Note
	Value	Status		
% of rent collected from current tenants as a % of rent owed	98.25%		99.3%	<p>Of the Council tenancies over 50% of income is paid via the Housing Benefit (HB) system. There have been a range of changes within the HB system, which impact on the benefit entitlement and when comparing the benefit awards with the previous year this reduced by £267k.</p> <p>There has been a significant impact of limiting the backdating of claims to 4 weeks. This reduction accounts for 1.26% of rental income. Focus continues as part of the pre tenancy work and introductory tenancy sustainment to educate and support tenants on the new benefit rules.</p>
Amount of current arrears as a % of annual rent debit	1.7%		1.55%	As above
% of rent loss through dwellings being vacant	0.76%		0.6%	A higher volume of voids (28 more than 16/17) in supported accommodation has impacted on performance. Demand for Vale View in particular has decreased. Action is being taken in conjunction with Nottinghamshire County Council, NSH and Council officers to ensure the needs of vulnerable people are effectively matched to supported accommodation in a timely manner to ensure income targets and housing need targets are met.
Former tenant arrears as a % of annual rent debit	0.88%		0.7%	<p>Actions undertaken are focused on early sustainment and enforcement work recognising that the costs of tenancy failure include former tenant debt, which can be challenging to collect where the tenant cannot be traced or has multi debt issues.</p> <p>There have been 15 evictions this financial year totalling £41,199.27 21 (30% of the former tenant debt). During the year the courts have taken a less consistent approach to possession despite comprehensive enforcement and sustainment work. Where continued failure occurs, this escalates the debt considerably and requires further resources to be deployed. NSH are continually reviewing the outcomes and changing our practices accordingly with a particular focus on the courts approach to universal credit.</p>
% of rent arrears written off	0.39%		0.26%	During the year there has been focus on taking early actions to recover any former tenant arrears. This has resulted in more balances being written off as the completion of the Former Tenant Arrears actions is concluded at an earlier point. The performance is below target but does deliver a positive trend from 2016/17 where £151k was written off compared to £85k during this year.

Name	2017/18		Current Target	NSH Latest Note
	Value	Status		
Number of RTB sales	31		25	There has been an increase in the number of RTB applications with 52 being received within 2016/17 and 61 within 2017/18. The trend will be monitored in the context of the Housing Revenue Account Financial Business Plan.
% of tenancies paying by Direct Debit	60.53%		70%	<p>This high target has been set to maintain focus on this area and recognise that progression of payment by direct debit provides efficiency and maximises income collection.</p> <p>There has been a positive performance trend throughout the year. This is expected to continue with the focus being on all new tenancies targeted to pay by direct debit and the proactive approach in taking the opportunity to promote switching to DD with existing tenants.</p>

1. Introduction

- 1.1 Newark and Sherwood Homes conducted the annual STAR Survey between April and May 2018. The final report was received in June 2018.
- 1.2 This report details the key findings of the STAR report and highlights areas where they may be issues that require investigation and / or improvement.
- 1.3 The data was collected by telephone survey by supplier Viewpoint Research; the same method as the previous two years. In total 545 tenants took part in the survey, comprising of 354 supported housing tenants and 191 general needs tenants.

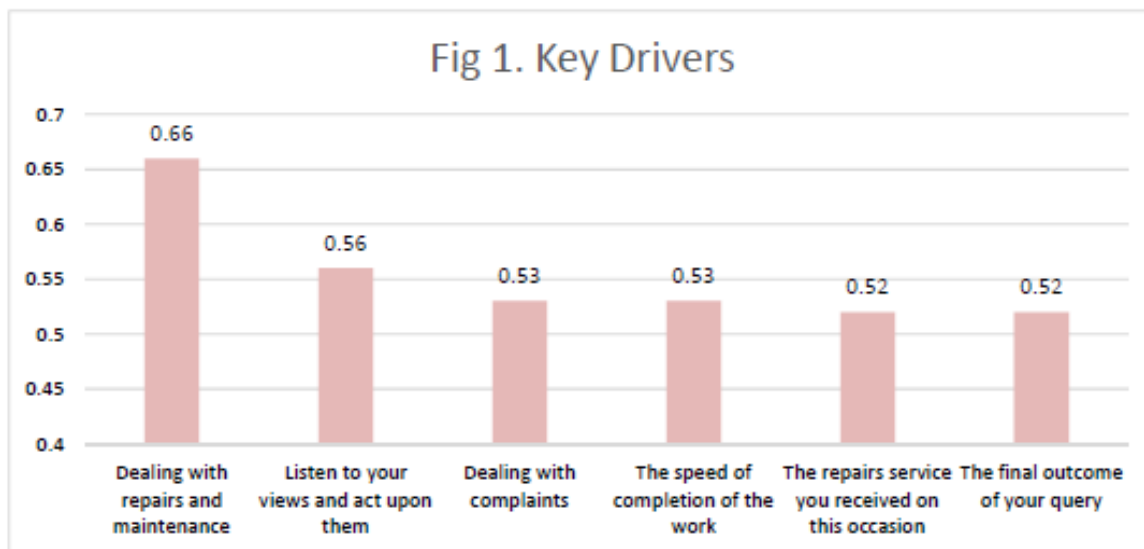
2. STAR Results 2017/18 - Overall Satisfaction and Key Drivers

2.1 Overall Satisfaction

2017/18	2016/17	STAR Benchmark
90%	90%	87%

2.2 Overall satisfaction is 90%, which is the same as the previous year and 3% above the STAR benchmark.

2.3 Key Drivers of Satisfaction



2.4 The key drivers for satisfaction are shown above. Dealing with Repairs and Maintenance has featured in the top five key drivers for three consecutive years.

2.5 Key Satisfaction Measures

	2017/18	2016/17	STAR Benchmark
Overall quality of your home	89%	81%	85%
Overall condition of your home	88%	92%	82%
Neighbourhood as a place to live	86%	92%	86%
Rent provides value for money	92%	92%	85%
Service charges provide value for money	78%	87%	73%

2.6 Satisfaction against key measures has seen a decrease in all but one area compared to the previous year, however, all remain at or above the STAR benchmark. Activity linked to the Cleaner, Safer and Greener campaign should support increased in satisfaction with neighbourhoods as a place to live. Satisfaction with 'service charges' as 'value for money' has seen the biggest decline within key satisfaction measures. Whilst still 5% points above the latest benchmark, this indicator will be closely monitored.

3. STAR Results 2017/18 – Improving satisfaction (improved by 2% or more over last year)

Satisfaction With	2017/18	2016/17
Ease of getting hold of the right person	75%	71%
Dealing with query quickly and efficiently	83%	81%
The final outcome of query	80%	75%
Listening to views and acting upon them	82%	80%
Overall quality of repairs work	93%	91%
Repair done 'right first time'	81%	79%
The repairs service on this occasion	90%	88%
Repair appointment being kept for last repair	90%	86%
Advice and support in relation to moving home	88%	84%
Advice and support for new customers	96%	91%
Helpful staff dealing with ASB	85%	78%
Sensitive staff dealing with ASB	91%	87%
Kept informed throughout ASB case	58%	50%
Speed of dealing with ASB case	67%	65%
The way ASB was dealt with overall	64%	59%

4. STAR Results 2017/18 – Areas for monitoring and/or improvement (declined by 2% or more)

Satisfaction With	2017/18	2016/17
Query dealt with in a reasonable time	85%	87%
Being given opportunity to make views known	82%	85%
Repairs and maintenance	83%	85%
Time taken before the repairs work started	75%	83%
Advice and support for claiming housing and other benefits	90%	93%
Advice and support for managing finances and paying rent and service charges	91%	93%
Responsive staff dealing with ASB	82%	84%
Knowledgeable staff dealing with ASB	85%	88%
Advice provided in relation to ASB	73%	81%
Keeping to the agreed ASB action plan	61%	68%
Support of ASB staff	58%	60%
The final outcome of ASB case	46%	52%

- 4.1 Despite the areas above showing a decline, all are still above the most recent benchmark data, with the exception of ‘time taken before the repairs work started’ (75% against benchmark of 78%).
- 4.2 Satisfaction with Anti-social Behaviour (ASB) is varied with some indicators reflected in section 3 (improving) and others having declined. For this reason, satisfaction with ASB remains a focus for the company. Despite ASB indicators having some of the lowest satisfaction levels across services delivered by the Company, performance remains above the latest benchmark figures across all areas of satisfaction in relation to ASB (between 7% and 28% above).



REPORT SUMMARY			
Report to	Board	Meeting date	28 September 2017
Report Title	Tenants Panel Annual Report and Annual Work Programme 2016/2017		Agenda Item: 9
			Non Confidential
Report From	Stephen Feast		Decision

Report Purpose and Background	This report supports the Board in considering the activities undertaken by the Tenants Panel in the 2016/2017 governance year and to consider and approving the proposed Tenants Panel Annual Work Programme for the 2017/2018 governance year.
Budget Implications	No budget implications have currently been identified. Any Budget implications arising from an individual scrutiny exercise will be indicated as part of the scrutiny report for the Board's consideration.
Vision and Mission	<p>The undertaking of scrutiny exercises by a group of tenants with the appropriate skills and knowledge represents good practice in governance and offers a significant contribution to the delivery of the Company's vision and mission by:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Managing and maintaining homes to agreed standards and offering services to support vulnerable people in the community and their own homes <input type="checkbox"/> Engaging with our customers, tenants, residents, the public, and staff to get the best possible service for every pound spent <input type="checkbox"/> Encouraging tenant involvement in the management of their homes
Risk	None identified
Relevant Consultative Action	<p>The Tenants Panel undertakes relevant consultation as part of its scrutiny exercises and its reports are open to the public when considered by the Board.</p> <p>Additionally the Chairman of the Tenants Panel presents an annual report to the Company's Annual General Meeting.</p>
Equality & Diversity Issues	<p>There are no specific Equality & Diversity issues raised as a result of report.</p> <p>The Tenants Panel is representative of the diverse population of the community of Newark and Sherwood. The Panel takes into account equality and diversity issues when undertaking both elements of its role and takes steps to ensure that no individuals or group receiving services from Newark and Sherwood Homes are disadvantaged.</p>
Recommendations	<p>(a) the Tenants Panel Annual Work Programme for 2017/18 be approved;</p> <p>(b) the Tenants Panel be thanked for its work during the 2016/17 governance year.</p>

1 Introduction

- 1.1 The Tenants Panel has been in place since November 2010 following the Board's decision to further enhance tenant scrutiny with the introduction of a panel to scrutinise service performance and also to act as the third stage of the Company's Complaints process.
- 1.2 Following its inception and the subsequent training and development the Panel has delivered its annual scrutiny programme, as agreed by the Board, and reported their findings to the Senior Management Team and Board for consideration and appropriate action.
- 1.3 This report provides the Board with detail of the Tenants Panel activities during the 2016/17 governance year and the Panel's proposals for its annual work programme for the 2017/18 governance year.

2 Annual Report

- 2.1 During the 2016/2017 Governance year the Tenants Panel has undertaken a scrutiny exercise on the role of the Company in dealing with Anti-social Behaviour. The Panel has found this to be a particularly complex area with responsibility for dealing with Anti-Social Behaviour resting with the Police and District Council through their remits for crime and disorder but the Company also having a role through management of tenancies in line with the tenancy agreement.
- 2.2 As always, the Panel placed great emphasis on obtaining the views of both tenants and staff. This is in addition to its collation and analysis of a wide range of relevant financial and performance data. Currently the Panel is reviewing the information obtained and is drafting its final report which it is anticipated will be provided to the Senior Management Team and Board in late 2017.
- 2.3 2017 has been a particularly challenging year for the panel due to several panel members or close family members experiencing significant illness and continued turnover amongst panel members. This has prevented the Panel from completing scrutiny exercises in the demanding timescales which they set themselves. In light of this the panel has reluctantly, as its preference is for independence, accepted additional support from the Company to progress its work plan.

3 Work Programme

- 3.1 The Tenants Panel procedure rules identify that the Panel may scrutinise and review the delivery of services to tenants through the consideration of the Company's:
 - i. Vision and Mission
 - ii. Business Plan
 - iii. Local Service Standards

- 3.2 In selecting areas for inclusion in its work programme and in the prioritisation of topics for consideration, the Panel has given regard to the following principles:
- i. To add value to the work of Newark and Sherwood Homes.
 - ii. To deliver demonstrable and significant outcomes.
 - iii. To have impact across the Company's services.
 - iv. To be of value for money in terms of proportionality and manageability of the area under consideration.
 - v. To not be solely for information purposes.
 - vi. To avoid duplication of scrutiny.
- 3.3 In addition, the Panel does not normally consider the scrutiny of issues which are being reviewed by another means, for example: other tenant bodies, staff, councillors, external bodies or advisors.
- 3.4 It is proposed that upon the completion of the scrutiny of Anti-Social Behaviour the Panel scrutinises of the Impacts of Welfare Reform and Resident Involvement as the 2017/2018 Tenants Panel Annual Work Programme in line with the Panel's procedure rules.
- 3.5 Should the Board be in agreement with these proposals then the scrutiny exercises will be completed in the following priority order:
- i. Welfare Reform
 - ii. Resident Involvement

For enquiries or clarification on the content of the report please contact:

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or telephone 01636 655448