



July to September 2019

BRIDGEWATER
HOUSING
ASSOCIATION
LTD

KEY PERFORMANCE INDICATOR REPORT



Making you feel at home.

There are a number of areas in which the Board has agreed it would be helpful to measure our performance. Some of these areas relate to responsibilities, which the Association **must** discharge under statute. Others relate to the efficient management of the organisation's service delivery and the provision of good customer service.

The purpose of this report is to provide the Scrutiny Sub Committee of Bridgewater Housing Association with quarterly management information in relation to these Key Performance Indicators. The indicators are grouped into five specific areas:

- Governance and Staffing Matters
- Housing Services
- Technical Services
- Land and Property Management
- Complaints

The indicators are intended to provide the critical information, at a point in time, which will allow the Board to determine whether the organisation is delivering on its service and strategic objectives, to deal with issues of poor performance and comment on areas where the Association is doing well. In terms of governance the report allows the Association's Board to satisfy itself in terms of its role in strategic oversight of performance. Additionally, the report allows the Board to ensure that what we do and deliver is always aligned to the Business Plan Strategic Objectives.

Following a strategic assessment by the Board of the Associations direction of travel and its corporate objectives, the following have been agreed to be incorporated in to the Association's new business plan.

1. Manage and maintain, high quality affordable homes and services
2. Protect and enhance the value of the environment
3. Deliver a quality, value for money, customer service experience in partnership with our customers
4. Invest in our staff and our board
5. Exploit collaborative opportunities for improvement and growth

The Regulatory Standards of Governance and Financial Management which this report relates to are noted as follows, this section of the report has been up-dated to take account of the revised standards issued by the Scottish Housing Regulator.

Standard 1

The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.

Standard 2

The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.

Standard 3

The RSL manages its resources to ensure its financial well-being and economic effectiveness.

Standard 4

The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.

Standard 5

The RSL conducts its affairs with honesty and integrity

Standard 6

The governing body and senior officers have the skills and knowledge they need to be effective.

Standard 7

The RSL ensures that any organisational changes or disposals it makes safeguard the interests of and benefit current and future tenants.



This means that we are falling far short of our target and there are many issues, which need to be dealt with.



This means that we are falling just short of our target and there are some issues, which need to be dealt with.



This means that we are meeting our target and that there are no issues to deal with.

BOARD ATTENDANCE ENGAGEMENT AND MEMBERSHIP

Targets have been set for 75% attendance at Board and 67% at Sub Committee Meetings, Two Board meetings were held between July and September 2019 with 84% attendance. During this quarter there was also 4 Sub Committee Meetings with 97% attendance.

Two Board Members attended 3 different training events and a total of 20 staff members attended various training courses and or seminars during this period.

The membership of the Board Executive remained the same at the AGM which took place on 27th August 2019. AGM, One long term member was removed from the Board, due to ill health and 4 co-opted members were elected as full members. There still remain 2 vacancies on the Board and we will aim to fill these positions throughout the year.

There was a one accident reported during this period, this was a minor incident, where a member of staff received a minor burn to their hand. According to HSE guidelines these issues require to be recorded in our accident book no matter how trivial they might seem at the time. A small cut could become infected and be reportable to the HSE if the employer is off sick as a result and it also identifies if there is a root cause of similar incidents.

Our sickness absence level for the year was 3%, which is still higher than the set target for 2% but is an improvement from the previous quarter.

CURRENT TENANT ARREARS CONTROL

Current tenant arrears performance at the end of September 2019 was £59,511 which is below target of £62,244 which equates to 1.5% of the gross debit and 3.1% of the net debit¹. The target was set the same as 2018/19 target which is challenging in light of the ongoing increase in UC² cases and migration from the legacy benefits. The total number of current tenants in arrears at the end of September 2019 was 163, of which 12 were in the high arrears category.

The reduction in Arrears at the end of quarter 2 is due to the efforts of staff, while also recognising the timing of UC payment in this cycle fitting into our reporting period. The impact of increased UC cases is noted in the Welfare Reform Update Report. Information on high arrears (>£1,000) case management is shown separately in the High Arrears Report.

We cannot predict the number of tenants who will transition to UC over quarter 3 2019/20 and the impact on our arrears figures. Monitoring of UC arrears as at end September 2019 shows that an increase of 12 tenants had made a claim for UC bringing the total up to 88 tenants of which 54 cases had no arrears. 34 cases were in arrears equating to £20,948. We were in receipt of managed payments for 40 cases, of which 22 case are in arrears and 18 cases have no arrears.

DHPs³ for tenants affected by under occupation reductions to their Housing Benefit - as previously reported, the Scottish Government again made additional funds available to local authorities to allow them to mitigate the effect of the Under Occupation Reduction ('Bedroom Tax').

In terms of payment of DHPs, these were generally being paid during 18/19 in conjunction with routine housing benefit. DHPs for tenants on UC are being paid monthly in arrears. These payments greatly assist our arrears recovery as claims are continually reviewed, ensuring that the correct amount of DHP is awarded to fully mitigate the impact of the Under Occupation reductions.

Welfare Rights Service – This service continues to play a vital role in tenancy sustainment and arrears recovery. The Welfare Rights Officer (WRO)⁴ and the RAMH Financial Literacy Officer service⁵ see on average 12 clients per week in the office. This assists the Housing Officers greatly through appealing cancellation and suspension of HB claims; completion of DHPs etc. The loss of the temporary administrative support⁶ has impacted on appointment waiting times with the average waiting time of 3 weeks.

FORMER TENANT ARREARS CONTROL

The former tenant house arrears target was £16,599, again kept at 2018/19 level, which equates to 0.4% of the gross debit. FT house arrears were £14,738 at the end of September which is below target and in line with the slight reduction in quarter 1. Cases deemed to be recoverable have been passed to the Association's debt collection agency. During quarter 2 £1,407 was Written-off.

¹ The net debit is the gross debit, less housing benefit/Universal Credit/DHPs for under-occupation and rent & service charge void loss for the year.

² Universal Credit

³ Discretionary Housing Payments

⁴ 3 days per week

⁵ 1 day per week

Former garage arrears are slightly above target at £719 and there were no Write- Offs.

HOUSING LIST AND ALLOCATIONS

Following the annual review of the waiting list in May the number reduced significantly to 464 and at the end of September had increased to 483; (general needs 441, sheltered 33 and extra care 9). 92% of waiting list applicants are on the general needs/mainstream housing list.

19 re-lets were achieved in quarter 2 (8 from the mainstream housing list and 11 from supported (sheltered and extra care). 0 lets were made to Section 5 Referrals which was below target at 23%; lets to mobility applicants is slightly below target at 17% as there is low turnover of suitable properties; lets to general needs applicants are above target at 36% (this group has benefitted from the higher availability of general properties); lets to transfer applicants are higher than target at 18% with no lets to supported living applicants below target of 5%.

VOIDS AND RE-LETS

Re-let times have separate targets for mainstream and supported (sheltered & extra care) housing. This is to reflect the particular issues associated with letting supported housing, such as a more complex assessment for extra care housing, and low demand and accessibility challenges affecting upper sheltered flats.

However, it should be noted that due to the age of the LSVT stock, additional works are increasingly being required to modernise our properties and to ensure that our lettings standard is achieved, impacting on turnaround times.

The void loss target for the year was set at 2018/19 level at £35,276 - this represents 0.75% rent loss for houses; 5% of the sheltered service charge; and 0.75% of the extra care service charge. Quarter 2 performance £17,035. There were 17 properties given up in the quarter, 16 of which were given up during August and September.

20 properties were re let during the period; Of the General Need -4 were allocated within 4 weeks, 4 were allocated within 5 – 8 weeks and 1 between 9 – 16 weeks. For the Supported and Extra Care Housing 9 properties were let in total; 4 within 7 days, 2 within 14 days and 3 within 2- 4 weeks.

ACQUISITION AND SALE

0 properties were acquired in the quarter.

HOUSING MANAGEMENT

There were a total of 24 instances of reported cases of antisocial behaviour over quarter 2, of the 6 cases in July 100% were closed off within the target timescale, of the 9 cases in August 33% were closed within the target and 0 cases in September.

OTHER ASSETS

12 garage leases were terminated in the quarter and 12 re-let.

Target void loss for the year was set at 0.75% of gross garage rental income. Performance year to date shows void loss of £2,210 against the target of £1,388. While there have been some difficult

to let issues, the primary reason affecting turnaround times has been the poor performance of the former maintenance contractor.

The target for current tenant garage arrears was set at 0.4% of the garage debit, giving a target of £867. Arrears are currently above target at £1,126.

COMPLAINTS

The Housing Services Team received 4 complaint in the quarter which were resolved within the set timescale.

LAND AND PROPERTY MANAGEMENT

DEBT RECOVERY

In total £99,581 of bills were raised during the second quarter, a significant increase from quarter 1, the bulk of this being the Park Winding Wall invoices which were issued in September. This has resulted in a rise in the amount of overall debt in September and the impact on overall levels of arrears will become apparent in the third quarter.

Our total arrears figures to September 2019 (excluding credit balances) was £213,709. This is 27% higher than at the corresponding point last year, this is due in part to the impact of invoicing owners in Park Mains 2 for the Park Winding wall, and is also in part to higher bills overall in our stock. The trend of higher bills is set to continue, particularly as we commenced the 4-year resurfacing contract earlier this year.

At the end of the quarter the total number of our current 2686 owners in debt was 766 (29%), which is significantly higher than the corresponding period last year at 10%. Again this is due to the timing of the issuing of the Park Winding wall accounts to owners.

The new Factoring Officer Tracy McDonald took up her new post on 29th July. On completion of the annual billing cycle Tracy will be reviewing debt recovery procedures with the Technical Services Manager and the Head of Finance. She will pay particular to the monitoring of arrangements to pay and will provide more detailed information to the L&PM sub-committee about this aspect of the factoring service following completion of the annual billing.

The Association robustly pursues debt recovery. The Factoring Service uses effective, tried and tested debt collection procedures and legal remedies available to it to monitor, control and recover debts from owners.

Reducing overall debt is both challenging and time consuming. Bridgewater is a small association with disproportionately large factored owner client group and any loss of control in terms of debt recovery is a significant risk to the business. The Association has effective debt recovery procedures in place and the service will be looking to continuously improve its performance to meet the challenges we know lie ahead.

We currently have credit balances on owners' accounts at 30th September 2019 totalling £152,430. This is an increase on the first quarter and is partially due to the foresightedness of some owners who chose to make payments in advance of the Park Winding wall invoice being issued.

The annual billing is being carried out in October and the total value of invoices being issued is £427,000.

COMPLAINTS

There were three formal complaints received during the quarter, with one being partially upheld. All three complainants were satisfied with the outcomes and all three complaints were closed within the SPSO's timescales.

REACTIVE REPAIRS

ASSESSMENT OF THE NEW REPAIRS CONTRACT

Background

MITIE Property Services took over the reactive repairs contract on 1st October 2018 following the termination of the Novus contract, which had been in place for only 18 months, rather than the planned 48 months. Our experience with Novus was fraught with difficulties and their performance rarely reached the standards that our customers are used to and expect. Consequently, the Board agreed to part company with Novus and to re-tender the contract. Following a quality versus price competitive procurement, MITIE Property services won the contract despite fierce competition from other contractors in the sector. Although the contract was subsequently novated over to MPS Housing, a subsidiary of the MEARS Group, MPS retained many of the personnel who worked for MITIE and who were familiar to our customers.

MITIE/MPS Housing's performance.

MITIE/MPS Housing Limited have now been our reactive contractor for a full 12 months following the termination of the Novus contract. Their performance has been significantly better than Novus and for the most part has met performance targets in most categories, although there is room for improvement. Performance in the second quarter has remained above the minimum acceptable performance (MAP) levels in the contract, although many fall a little short of KPI performance targets. MPS are aware that Routine and Urgent repairs in particular have been a little disappointing and are focussing their efforts on improving these categories of repair. Emergency repairs performance in the second quarter deteriorated from 100% in July to 95% in September. MPS has been told that 95% is simply not acceptable and an improved 3rd quarter performance must be delivered. Tenant satisfaction levels averaged 93% in the quarter, down from the 95% average achieved in the first quarter. Average satisfaction levels for the first half of the year meet the KPI target of 95%.

First time fix performance is averaging 93% which is above the KPI target of 90%.

As noted in the previous paragraph there is still room for improvement and BHA technical staff are working with MPS to improve all categories of repairs performance.

FINANCIAL IMPLICATIONS

Expenditure during the first half of the year is 0.74% below budget, in other words there is no significant variance year to date. There were 37 void completions in the year to date, a higher than expected number of voids in the year,

OTHER CONTRACTORS – FIRST QUARTER

GasSure's reactive performance continued at a commendable 100% for the second quarter in a row.

Looking at reactive repairs performance overall i.e. all contractors and all categories, performance averaged 94%, slightly below the target of 95%.

POST INSPECTIONS

Post inspections are stubbornly averaging 6% of completed repairs, which is below the minimum target of 10%. Technical staff will work to bring the average up to a minimum of 10% by the end of the 3rd quarter.

GAS SAFETY

GasSure carried out 284 gas safety inspections in the quarter, all within one year of the previous service date or new installation date. By the end of the second quarter 562 services had been completed and all within the prescribed timescales. This meets the legal requirements placed on the Association as well as the expectations of the Regulator.

DISABLED ADAPTATIONS

The Association accepted an offer of grant of £30,000 in June from the Scottish Government to carry out medical adaptations throughout 2019-2020 which, after deducting the 10% allowance for Bridgewater's administration costs, left the Association with £27,273 to carry out adaptations for Bridgewater's tenants.

We have completed 9 adaptations in the first 6 months of the year. The amount of committed expenditure year-to-date is £9490.00. There are 3 additional adaptations in the pipeline.

SHQS COMPLIANCE

The Association's stock is 100% compliant with the exception of 18 properties which are either exempt or in abeyance.

COMPLAINTS

The Technical Section received only 3 complaints during the quarter with 67% being responded to within the SPSO's prescribed timescales.

VOIDS

Void performance has generally been acceptable; smaller voids were turned around in 6 days on average compared to the target of 7 days; larger voids took an average of 18 days compared to the target of 14 days, a slight improvement on the first quarter average of 19 days.

Technical Services are also working with our contractors and Housing Services colleagues to improve all aspects of void performance.

COMPLAINTS

The Board have agreed that it is important to monitor the level and type of complaints being received from customers. This is only one way in which the Association can learn what its customers think about the decisions that it takes and the quality of the services that it provides. This follows the introduction of the new model complaint handling procedure developed by the Scottish Public Services Ombudsman "valuing complaints", which we implemented mid December 2012.

The performance information indicates that 8 Stage 1 complaints and 6, Stage 2 complaints were received between July and September 2019. 86% of stage 1 complaints were closed within the set target of 5 days with 100% of stage 2 complaints also being closed within the set target of 20 days.

During this period the Housing Services Department received 4 complaints, 3 complaints were received by the Technical Services Department, 4 were received regarding our Factoring Service, 3 complaints were received regarding the Care and Repair Service, there were no complaints received regarding Finance/Customer Care matters or multiple issues.

There were no complaints recorded with Equality issues during this period.

Details of all closed complaints are passed to the Chief Executive to review in order to determine whether there are issues relating to performance, policy or procedure which need to be addressed.

CONCLUSION

As this is the first quarter of the new financial year, it is difficult to reach any hard and fast conclusions about the potential final outcome in terms of performance. Suffice to say that there is nothing during this first quarter which would indicate anything that the committee should be worried about. On the contrary, performance in relation to repairs is very encouraging and although arrears levels are slightly elevated, this was to be expected and not something that points to any systemic problem with arrears recovery at this stage.

Chief Executive