

Performance Report (Housing, Andy Vincent)

Synopsis of report:

This report provides the results of the ISO 9001 audit, the Key Performance Indicators and Tenant Satisfaction Measures for quarter one.

Information is provided on the credits and arrears on current rent accounts with analysis of which tenants are most at risk of falling into arrears.

Recommendations:

None. This report is for information only

1. Context and background of report

- 1.1 This report informs Members of the results of the successful outcome of the recent ISO 9001 audit, the Key Performance Indicators for the first quarter of 2022/23 and the results of the new Tenant Satisfaction Measures (management information) reporting of which is expected to become a regulatory requirement from April 2023.

2. ISO 9001

- 2.1 The international standard ISO 9001 (2015) is based on a number of quality management principles including a strong customer focus, removal of 'silo working', taking account of the views of stakeholders and an emphasis on continuous service improvement.
- 2.2 Officers have established a Quality Management System (QMS) to meet the requirements of ISO 9001 including:
- The Quality Policy (approved October 2021) and the Quality Manual.
 - Management of strategies, policies, procedures, 'how to' guides and records e.g., minutes of meetings.
 - Performance monitoring and contract monitoring framework.
 - Audit plan, complaints, feedback and improvement opportunities
 - Staff Skills and Training matrix.
- 2.3 An accredited auditor completed an ISO 9001 audit for Housing and Technical Services (Repairs, Maintenance, Health and Safety) in July and the service has since received confirmation of ISO 9001 certification. Officers were advised that it is unusual to be granted certification at a first audit, making this achievement particularly rewarding.
- 2.4 The ISO 9001 certificate is valid for 3 years but requires a further audit 12 months from the date of the award. Officers are now planning to roll out the QMS processes and principles to the Tenancy Services Team, with a view to achieving certification for the whole of the Housing Department in due course.

3 Key Performance Indicators

- 3.1 Key Performance Indicators: Results for Quarter 1 2022/23

	Performance Indicator	Target Q1	Result Q1
H1	Percentage of non-emergency repairs completed within target timescale	90.0%	94.8%
H2	Average number of calendar days to re-let a void property (excludes major works voids).	25	68
H3	Satisfaction with the overall reactive repairs service received (% of total number of responses returned).	95.0%	95.5%
H4	Number of households in B&B for more than 2 weeks	4	10
H5	Rent arrears of current tenants as a percentage of rent due	1.75%	2.36%
H6	Percentage of homes that do not meet the Decent Homes Standard	30%	29%
H7	Percentage of stock with valid annual landlord gas safety certification	100%	99.9%
H8	Percentage of stock with valid Electrical Installation Condition Report certification	100%	99.8%
H9	Number of outstanding high risk Fire Risk Assessment actions	70	34
H10	Number of reported anti-social behaviour cases opened per 1,000 properties		5

- 3.2 Whilst the void re-let result (H2), represents an improvement on the past two quarters, there has been a steady improvement in each of the 4 months from April to July.
- 3.3 Use of Bed and Breakfast for emergency accommodation has increased, as expected, due to the introduction of the "Rough Sleeping No Second Night Out Policy" approved in March 2022. There were two individuals in B&B at the end of March 2022 and 10 at the end of August. A number of these are complex needs single people who cannot be placed in our shared houses and are waiting for placements to start in supported housing or the private sector.
- 3.4 Members will be aware that staff shortages have impacted on the ability to carry out proactive rent collection. With two new members of staff recently appointed, the Tenancy Services Team is expected to be fully staffed by the end of September. Early, targeted intervention strategies using Northgate NEC Account Analytics is also improving performance.
- 3.5 A substantial programme of designated Decent Homes works is underway. (262 boilers, 157 kitchens and 148 bathrooms were replaced in 2021/22). The recent implementation of the new Northgate NEC Asset module will further improve performance against this indicator.
- 3.6 Three properties did not have gas certificates at the end of the quarter. Since then, one has been certified and action is ongoing to secure access to the other two properties. Seven properties did not have EICR certificates. Since then, one has been certificated, one property is empty, and action is ongoing to secure access to the other five properties.

- 3.7 Many of the fire risk assessment actions relate to fire doors. A door replacement programme is due to begin in mid 2022/23 which will complete these outstanding actions.

4 Tenant Satisfaction Measures

- 4.1 The Social Housing (Regulation) Bill is intended to improve the regulation of social housing, strengthen social tenants' rights, and ensure better quality, safer homes. The Regulator of Social Housing has recently consulted on its proposals for the mandatory collection and reporting of Tenant Satisfaction Measures (TSMs), as part of the proposed new Consumer Standard.
- 4.2 Members may recall that 12 TSMs are to be collected from tenant perception surveys and 10 TSMs are to be generated from the management information systems of registered providers (RPs).
- 4.3 It is anticipated that RPs will be required to submit the results of the TSMs from April 2023, however Officers have been preparing for this new requirement and data on the system-generated measures will be increasingly provided to Members of this committee as the necessary reports become available. The subject matter of the data will be familiar to Members, but care must be taken to use the precise definitions and measures required by the Regulator, and these may be liable to change when the regulations are passed.
- 4.4 Tenant Satisfaction Measures (management information): Results for Q1 2022/23

TSM ref	Tenant Satisfaction Measure	Q1 Result
CH01	1) Stage one complaints received per 1,000 homes 2) Stage two complaints received per 1,000 homes	1) 5 2) 1
CH02	Proportion of complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales: 1) Stage one complaints 2) Stage two complaints	1) 75% (6 of 8) 2) 50% (1 of 2)

5. Rent Setting 2023/24

- 5.1 In 2019, the government set a rent policy for social housing that would permit rents to increase by up to CPI plus 1 percentage point ('CPI+1%') per annum, and there was a commitment to this policy until 2025.
- 5.2 As inflation is rising there is potential for an increase in excess of 10% from next April.
- 5.3 On 31st August 2022, the Government published a consultation indicating that they intend to change the policy to prevent social landlords from setting a rent in line with inflation.
- 5.4 Costs are increasing and this will have a significant impact on all HRA expenditure, particularly the decent homes programme where prices are expected to increase by at least 15%, an additional £1,350,000 per annum.

- 5.5 Runnymede has a large debt to repay and the Council has a deficit of £50,000,000 in its income projections from cumulative losses created by the rent decrease imposed for 4 years from 2015.
- 5.6 The new consultation is on a range of increases, 3, 5 and 7% with an indication that the Government's preference is for 5%.
- 5.7 Members will be asked to approve the rent increase for the next budget year in January 2023 and in preparation for that discussion information is included in this performance report on households in arrears at the current time.
- 5.8 Any increase in rent should be covered by benefit allowance for those in receipt of either Housing Benefit or the Housing element of Universal Credit, however factors like the benefit cap, uprating of allowances, premiums and non-dep deductions could also affect individual assessments.
- 5.9 The social rents charged on 99% of HRA stock are between 50 and 60% of market rents and new RP Affordable rents in the borough.
- 5.10 The following data shows that for most tenants the rents are affordable and a significant proportion of tenants are in credit and benefit from the low rents. Whilst an increase may affect those working tenants on a low wage just above the benefit eligibility a considerable proportion of tenants could absorb an increase without it impacting on their ability to cover other household costs. To have the funds to assist those who are in economic difficulties through the Financial Wellbeing Strategy and the Discretionary Hardship Fund it is necessary to set rents at a level which will provide the income to enable this.
- 5.11 The % of tenants in arrears fluctuates slightly depending on payment schedules and Universal credit payments in arrears but generally between 20 and 24% of tenants may have some level of arrears. This data is analysed to give trends so there is rounding up and down resulting in some totals less than 100%.
- 5.12 **Current Position**

66% of current rent accounts are in credit. This would be expected as tenants are required to pay their rent in advance and so depending on the date of the report direct debit payers etc may show a credit which will be reduced by the time the next payment is due. Most tenants in Runnymede are excellent, conscientious payers, a number may at any time be facing reduced circumstances and temporarily not meet their rent. There is a small cohort of tenants who may be in arrears for the lifetime of their tenancy as they do not prioritise the rent and are aware that their security of tenure protects them from eviction unless the arrears escalate. Our policy is always to make manageable repayment arrangements with those tenants who face difficulty and encourage tenants where possible to accrue a small credit if they are on a low income.

Figure 1

% of all tenants in credit by amount	
47	more than one week credit
37	more than 2 weeks credit
30	more than 3 weeks in credit
21	more than one month in credit

5.13 An additional 13% are weekly payers or in receipt of HB and have a zero balance.

5.14 At the time of this report 21% of tenants were in arrears but as can be seen from the table below most of these are at the lower level.

Figure 2

Weeks in arrears	% of tenants
>1	4
1	4
2	2
3	2
4	1
5	2
6	1
7	0
8	1
9	1
20/29	2
20/29	1
30/40	0
40+	0
Total	21

5.15 **Arrears comparison by economic status**

Figure 3

Economic Status	% of all tenants	% Credit	% Arrears	% Zero Balance
All tenants	100	66	21	13
HB	33	60	11	29
UC	29	53	43	4
No Benefit	37	81	12	7

- 5.16 It is apparent that those on Universal Credit are significantly more vulnerable to falling into arrears with 43% in arrears compared to 21% of all tenants and 11% of those on Housing Benefit.
- 5.17 We know that currently only 16% of tenants are in receipt of full Housing Benefit. This figure will fluctuate and we do not currently have accurate data on the level of support UC claimants are receiving as most people still receive this directly from UC and pass to us, although more tenants are having their UC paid directly to us than originally anticipated. It is also paid monthly in arrears so less simple to track and harder for tenants to manage.
- 5.18 Demographics of tenants in arrears

Household composition of tenants in arrears

Figure 4

Household	% of all households	% of tenants in arrears
Couple	10.76%	3.63%
Family	52.90%	70.07%
Single Person	36.34%	26.30%
Total	100.00%	100.00%

- 5.19 This data shows that families are significantly more likely to be in arrears.

5.20 Under occupation by households in arrears

Figure 5

Under Occupying	% of all households	% of tenants in arrears
No	82.45%	90.83%
Yes	17.55%	9.17%
Grand Total	100.00%	100.00%

5.21 Age of Households

Figure 6

Age Group	% of all households	% in arrears
Under 25	2.09%	4.33%
Between 25 and 39	18.70%	30.62%
Between 40 and 55	29.07%	39.10%
Between 56 and 65	19.96%	14.71%
Between 66 and 75	14.20%	5.54%
Over 76	16.07%	5.71%

- 5.22 The analysis shows that younger households and those with children are significantly more likely to be in arrears. Of the approximately 500 households believed to be under occupying only 10% are in arrears as older people are not subject to the Social

Sector Size Criteria benefit reduction or are self-funding and able to support a larger household rent and bills. This may change and specific financial assistance for this is covered within another report to this Committee.

- 5.23 In order to maintain the stock to decent homes standards it is essential to accrue sufficient surpluses to meet the debt repayment schedule and provide excellent landlord services, including financial support to those most in need.
- 5.24 The HRA has a Discretionary Hardship Fund which officers can access via a panel to support tenants known to be experiencing difficulties where assistance may enable them to move to more suitable accommodation or manage other debts by help with arrears. It is anticipated that there will be a request to increase this budget next fiscal year at the same time as increasing the rent to a level that sustains the 30-year HRA Business Plan so that those tenants experiencing hardship can be targeted for additional support. Limiting the rent increase will support those who are not benefit dependent but provide little or no help to tenants on the lowest incomes who will have their rent covered by benefit but will be unlikely to afford other household bills. Unlike Discretionary Housing Payments (DHP) which are only awarded to people in receipt of benefits the HRA Discretionary Hardship fund is equally applicable to waged tenants who it is essential to support.

6. Resource implications

- 6.1 No resource implications have been identified.

7. Legal implications

- 7.1 There are no specific legal issues associated with the matters contained in this report. As indicated in the body of the report the purpose of this report is to provide information to Members on the performance of the Housing Department in relation to a number of the functions it discharges and to report its achievement in respect of securing ISO 9001 for part of the service.

8. Equality implications

- 8.1 No equality implications have been identified.

9. Environmental/Sustainability/Biodiversity/Other implications

- 9.1 No environmental, sustainability, biodiversity or other implications have been identified.

10. Conclusions

- 10.1 This report presents the results of the ISO 9001 audit; and the Key Performance Indicators and Tenant Satisfaction Measures for quarter one.

(For information)

Background papers

None