

Report of Directors of Environment and Housing, and City Development**Report to Housing and Regeneration Scrutiny Board****Date: 9 December 2014****Subject: 2014/15 Quarter 2 Performance Report**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This report provides a summary of performance against the strategic priorities for the council and city relevant to the Housing and Regeneration Scrutiny Board, in line with the process agreed at the Board's meeting on 4 February 2014.

Recommendations

2. Members are recommended to
 - Note the Quarter 2 performance information and to consider if they wish to undertake further scrutiny work to support improvement over the coming year in any of these areas. (Please be advised that the performance information provided reflects changes to the Best Council Plan for 2014/15).
 - Note that due to mid-year boundary changes across the E&NE, S&SE and W&NW, year on year and month on month comparison cannot be made at area level and rent indicators are unavailable at area level with the exception of BITMO.

1 Purpose of this report

- 1.1 This report presents a summary of the quarter two performance data for 2014-15, and provides an update on progress in delivering the relevant priorities in the City Priority Plan 2011-15 and the Best Council Plan 2013 - 17.

2 Background information

- 2.1 Members will note that the delivery of City Priority Plan (CPP) is shared with partners across the city while the Best Council Plan (BCP) sets out the Council's key objectives and priorities. This report provides an overview of the performance relating to both plans enabling the Scrutiny Board to consider and challenge the council's performance as well as seeking to influence partners' contributions through existing partnership arrangements.
- 2.2 This report includes an Appendix showing a summary of performance at Quarter 2 across both CPP and BCP priorities.

3 Main issues

- 3.1 The Appendix shows progress at Quarter 2 against the priorities relevant to the Housing and Regeneration Scrutiny Board within the City Priority Plan and the Best Council Plan. Members will see that some of the indicators are designed to track trends rather than report against specific targets, and for these reasons the trend indicators have not been rated. The main performance issues arising from this progress report are given below:

3.2 City Priority Plan

- 3.2.1 CPP performance measures are broadly on track with no areas posing any significant concerns. Members may wish to note the following:
- Decency is no longer reported. This NI58 Indicator has been suspended as the government funding on which this calculation is based has ceased. The service is considering a revised indicator to measure performance against a new housing standard for Leeds and papers are going through the relevant boards at the current time.

3.3 Best Council Plan

- 3.3.1 In relation to BCP measures, the majority are showing improving performance within the context of significant service changes and external impacts. Members' attention is drawn to the following performance areas:
- The amber rating assigned to the indicator 'achieve the housing growth target' reflects that at quarter 2, 1,723 new homes had been provided, including both long term (6 months plus) empty homes returned to use and newly developed properties, i.e. 47% of the 3,660 target. Of these, 848 were empty properties returned to use and 875 were newly developed homes.

The 'long term (6 months plus) empty properties returned to use' aspect of this indicator relates to private sector properties excluding 2nd homes, Registered Social Landlord properties, student accommodation and partially occupied shared

accommodation. The target for this element is to achieve a net reduction of 400 from the position at the end of March 2014 (4,747 homes). The latest figure for the end of Q2 shows this figure to be currently standing at 3,899 i.e. a decrease of 848. However, this part of the indicator has a tendency to fluctuate throughout the year and the figure at the end of March 2015 is not guaranteed to reflect such a good result.

The delivery of new homes against its part of the annual target i.e. 3,260 homes, has fallen below that anticipated. 2014/15 Forecasts were based on increasing completions since April 2012, the high level of starts in quarter 4 2013/14, and the availability of land supply with planning permission.

The levelling out of housing delivery is likely to be as a result of a number of national factors including:

- slowing of the housing market and growing caution among potential homebuyers and builders through the summer;
- tightening of lending criteria via the Mortgage Market Review (MMR) causing a dip in mortgage lending;
- signs the economy is cooling and nervousness about weaker growth prospects across the Eurozone;
- prospects through the summer of an interest rate rise in early 2015.

Signs are that the national impediments to housing delivery have eased and completions should return to the trends experienced during 2013/14. There are a large number of starts in the pipeline on 112 sites which should come forward quickly as demand increases; this is the greatest number of active sites in Leeds in any one year since 2008/09. Much will depend on performance in quarter 3 and quarter 4. Whilst signs are that national factors are looking more positive, in the past local factors, such as site conditions during the winter months, have played a role.

From the local perspective, the establishment of the Housing Growth Team brings together an enhanced resource to accelerate housing growth, both through direct delivery and as part of the Council's enabling role. Housing Growth will be regularly reviewed by the Housing Growth Members' Steering Group, which is due to consider at its next meeting, on 12th December, how progress against targets will be reported.

- The energy efficiency performance measure is a city-wide cross sector measure designed to capture all energy efficiency measures delivered to Leeds' properties by any provider, including the Council. The Council's performance has been reported for previous quarters but the position across all providers has been traditionally difficult to obtain. However, we are now able to report quarter 4 2013/14 and quarter 1 2014/15 figures for citywide delivery from the Department of Energy and Climate Change for measures installed either using ECO or Green Deal Cashback. (The Quarter 4 figures were not available in our previous report.)
- Tenant satisfaction – the 2014 STAR survey is currently taking place and we anticipate having year end headline figures available in April / May 2015.
- Rent collection performance for Q2 2014-15 is 97.7%. Whilst this is short of the 98.06% target, it is a better position compared to last year when the figure was 97.26%. A positive figure has been achieved during Q1 and Q2 taking into account the rent increase in April of 5.9% and the continued impact of the Welfare Reforms.
- Arrears currently stand at £4.86M which is £0.26M higher than the same period last year. The levels of arrears peaked during August (£5.08M) and have reduced at the

end of September. The number of tenancies with arrears is currently being reviewed with work underway to separate out the numbers of technical arrears. Under occupancy continues to have an impact on arrears – in September, 50% of tenancies with an under occupation charge had arrears.

- Current performance on ATV's varies across the City and is slightly under the quarter end milestone target of 50%, with the exception of BITMO. The Housing Management Restructure is currently being implemented and all significant staff movements have now taken place, and recruitment is ongoing. Recovery action plans are in place for each of the local teams to ensure performance is on track to achieve the 100% target for the end of the financial year. All Housing Officers continue to have weekly target of ATVs to complete and are closely monitored by managers.
- Performance on % of Repairs completed within target is currently below target for all areas. Mears have introduced a significantly more robust sub-contractor management regime given that analysis of failures against this indicator are predominantly for sub-contracted jobs. This will allow Mears to impose penalties on non-performers as well as introduce improvement action plans each month. Analysis of failures for the E&NE area has identified non input of data as being the underlying reason for low performance. This has been addressed by targeting resources to ensure prompt data input and catch up of historic data which is anticipated will lead to improved performance in the next reporting period.
- The percentage of major adaptations completed within target timescales currently stands at a combined figure of 79% with split figures of 93% for Health and Housing and 74% for Social Care (end of quarter 2). Health and Housing performance has improved significantly, moving from the 50th percentile in 2010/11 to the 90th currently, despite more demanding targets that include shorter timescales to complete works. The % cases not completed are often extensions with in-built delays.

Previously a target of 83% has been reported for the joint Housing and Social Care figure but this figure is incorrect - it appears this has been mistakenly taken from the 2012 combined average figure. There is no existing agreed target for the Health & Housing figure. However, as of April 2015, the delivery of adaptations is set to alter. Currently public and private tenure properties are dealt with separately but this is set to change with one team becoming responsible for assessment and another for delivery of adaptations across all tenures. The service does not plan to review this indicator pending the proposed changes.

4.1 Consultation and Engagement

- 4.1.1. This is an information report and as such does not need to be consulted on with the public. However all performance information is published on the council's website and is available to the public.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 This is an information report and not a decision so it is not necessary to conduct an equality impact assessment. However, some of the data provided will link to wider issues of equality and diversity and cohesion and integration, and there may be occasions when Scrutiny Board members will want to look more closely at these issues, and may request further information to inform their investigations.

4.3 Council policies and City Priorities

- 4.3.1 This report provides an update on progress in delivering the council and city priorities in line with the council's performance management framework.

4.4 Resources and value for money

- 4.4.1 There are no specific resource implications from this report, although some performance indicators relate to financial and other value for money aspects.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 All performance information is publicly available and is published on the council website. This report is an information update providing Scrutiny with a summary of performance for the strategic priorities within its remit and as such is not subject to call in.

4.6 Risk Management

- 4.6.1 There is a comprehensive risk management process in the Council to monitor and manage key risks. This links closely with performance management.

5 Conclusions

- 5.1 This report provides a summary of performance against the strategic priorities for the council and city related to the Housing and Regeneration Scrutiny Board.

6 Recommendations

- 6.1 Members are recommended to:

- Note the Quarter 2 performance information and the issues which have been highlighted and consider if they wish to undertake further scrutiny work to support improvement over the coming year in any of these areas. (Please be advised that the performance information provided reflects the changes to the Best Council Plan for 2014/15).
- Note that due to mid-year boundary changes across the E&NE, S&SE and W&NW, year on year and month on month comparison cannot be made at area level and rent indicators are unavailable at area level with the exception of BITMO.

7 Background documents¹

- 7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.