

EXETER CITY COUNCIL

**SCRUTINY COMMITTEE
5 MARCH 2013**

HOUSING SERVICES BENCHMARKING 2011-12

1 PURPOSE OF REPORT

- 1.1 To report the findings from the 2011-2012 benchmarking exercise undertaken by Housemark Core Landlord Services.

2 BACKGROUND

- 2.1 Housemark is a national body set up to provide comparative performance information for the housing sector. It concentrates principally on landlord services. Around 400 housing associations and stock-retaining local authorities submit data on a quarterly basis. Benchmarking takes place annually and compares performance, satisfaction and cost across a range of housing management services.
- 2.2 The performance information measured by Housemark is drawn from an era where there was a high degree of external regulation and prescribed performance monitoring and performance standards. Since 2010, most national performance regimes have been removed and national regulation and compliance requirements are now very light touch. Organisations that provide housing services have the freedoms and flexibilities to run, organise and prioritise their services as they feel best serves their residents.
- 2.3 In addition, this council is committed to transforming its services using systems thinking methodology and the services we provide to our housing tenants, and which are benchmarked in this report, are currently being reviewed. It is a key principle of systems thinking that arbitrary performance measures can lead to inefficient and sometimes toxic practices in order to demonstrate good performance, rather than focussing on delivering services in an efficient, effective and customer-centric way. As a result, we are developing new measures around capability at point of transaction, end-to-end times, customer satisfaction and getting things right first time which can be measured in real time and acted upon swiftly when performance dips.
- 2.4 In view of this, the helpfulness of services like Housemark data and benchmarking is increasingly being drawn into question but, given that we are in a period of transition, it is proposed to subscribe to the service for a couple more years just to make sure we are happy with the new ways of measuring service performance. It will be particularly interesting to see whether the service improvements that will be made as a result of the reviews are reflected in these "old world" measures.

3 2012-13 BENCHMARKING FINDINGS

- 3.1 The results of the report are mixed, with many areas of strength, some areas to review and one area of relatively weak performance that was the subject of a specific report to this committee in September. The key findings of the report are:

Areas of strong performance

- The cost of our overheads (office premises, IT, finance, HR etc) is the lowest of the group

- Days lost to sickness and other absence is low
- Our total housing staff costs, including rent collection and arrears management, resident involvement, anti-social behaviour, tenancy management and lettings, are low
- The cost of providing the rent collection/rent arrears control service is relatively low while the level of rent arrears we have is also very low
- The cost of providing a tenancy management service is low and the satisfaction level is high

Areas for further analysis

- The cost of our major works programme is high although our staff costs are low
- The cost of our responsive repairs service is low while our staff costs are high
- The cost of our void works service is high while our management costs are low
- The amount of staff we employ to carry out housing management functions is relatively high while the amount we pay staff is the lowest of the group
- The cost of providing a resident involvement service is high and the satisfaction rate with it is also high
- The cost of providing a lettings management service is low while performance (in terms of average void times and rent loss on empty properties) is average

Areas of weak performance

- The cost of providing an anti-social behaviour service is very high but the success rate in resolving cases is low

3.2 The data also shows that we have improved in the following areas since the previous year:

- Staff turnover and staff sickness
- Rent arrears
- Number of anti-social behaviour cases reported
- Tenant satisfaction with the quality of their home
- Percentage of dwellings that meet the decent homes standard
- SAP rating (ie energy efficiency rating) of dwellings
- Percentage of repairs completed on time
- Cost of responsive repairs and void works

3.3 However, our performance has deteriorated in the following areas:

- Average void time for re-letting properties
- Percentage of anti-social behaviour cases successfully resolved
- Total cost of major and cyclical works
- Number of days to complete repairs

3.4 The full report is available in the Members' room and online at <http://intranet/index.aspx?articleid=2615>.

4 ACTIONS

4.1 The Council has been carrying out benchmarking for some years, as well as engaging our tenants in performance reviews, and we are aware of the areas where service improvements are required. I am confident that the system reviews that are

taking place in housing services will fundamentally address these service areas, particularly in antisocial behaviour and lettings management, which are about to be rolled in to the *Help me with my Housing Problem* review and voids and planned works, which are part of the *Maintain our Assets* review. However, experience from previous systems reviews is that initially services worsen and we must be alive to this, particularly with respect to the “old world” measures. For example, some areas of consistently good performance, such as rent arrears, may worsen permanently as our priorities change from, in that example, collecting rent efficiently to helping understand why our residents have not paid and helping them to improve their long term financial and housing outcomes.

- 4.2 However, we will undertake further analysis of the areas highlighted by the benchmarking to understand the underlying reasons and establish whether any changes should be made in advance of the conclusion of the systems reviews.

5 CONCLUSIONS

- 5.1 Benchmarking has been an important management tool and still has a place in service improvement. However, the systems reviews currently being undertaken in housing will deliver service improvements without reference to this report and its continued future value will be reviewed over the next couple of years. For the last decade, housing organisations and local government in general have been governed by performance data sets such as this and we recognise that it will be a difficult transition for residents, Members and staff to measure good performance differently.
- 5.2 We will continue to resource and use Housemark until we are confident that the systems data is providing all the measures we need to improve our services and assert strong performance.

6 RECOMMENDED

- 1) That the Committee notes the key findings of the Housemark Core Landlord Services Benchmarking report and the future direction of performance management for housing services.

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Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

Summary of benchmarking results 2011/12. December 2012. Housemark