

Rother District Council

Report to	-	Overview and Scrutiny Committee
Date	-	9 September 2019
Report of the	-	Executive Director
Subject	-	Performance Report: First Quarter 2019/20

Recommendation: It be **RESOLVED:** That:

- 1) it be recommended to Cabinet that the Asset Income target be increased to £1,939,000, keeping in line with the income requirement as part of the approved annual Revenue Budget; and
 - 2) the Overview and Scrutiny Committee consider these findings and recommend any other actions to Cabinet, as necessary.
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Head of Service: Ben Hook

Introduction and Background

1. For the financial year 2019/20, Members of the Overview and Scrutiny Committee (OSC) and Cabinet selected a set of 10 key performance indicators (KPIs). These indicators stand as a barometer of the delivery of the Council's Corporate Plan and those service areas Members wish to scrutinise over the year (Cabinet Minute CB18/69 refers). For the 2019/20 financial year, the focus was set on four themes:
 - Housing and homelessness in order to monitor the delivery of the Housing and Homelessness & Rough Sleeping Strategy that was adopted in 2019.
 - Benefits performance in order to monitor the improvements to service delivery through a number of projects.
 - Waste and recycling in order to monitor the start and roll-out of the new waste and recycling contract from July 2019.
 - The financial performance of investment assets in order to monitor the value for money from the Property Investment Strategy adopted in 2018.
2. This report brings before Members a summary of the Council's performance against the selected indicators, giving the position at the end of the first financial quarter (1 April to 30 June 2019) and for the financial year 2019/20. The report gives Members an opportunity to scrutinise the progress towards the Council's stated aims, outcomes and actions in the Corporate Plan and make any necessary recommendations to Cabinet for future service delivery.

Overview

3. Within Housing and Homelessness, during quarter one, two measures met or exceeded their target (green) and four did not meet their target (red). Indicators within Benefits Performance met or exceeded their target; Asset

Income did not meet its forecast, although return on investment did, and within Recycling, two met or exceeded their forecast and one did not.

4. The results are summarised in the table below with the detail reported in the appendices. The table below provides current traffic light status (red, amber, green). Performance is compared to the previous quarter result and to the same period last year.

HOUSING & HOMELESSNESS			
PI Name	Status	Compared to previous quarter	Compared to previous year
Weeks in Temporary Accommodation			
Homelessness Prevention Cases per 1,000 homes			
New Homes Built (net) Supply target			
New Homes Built (net) Local Plan target			
Affordable Homes Built (gross) Supply target			
Affordable Homes Built (gross) Local Plan target			
BENEFITS PERFORMANCE			
New Benefit Claims: calendar days to decision			
Existing Benefit Claims: calendar days to decision			
WASTE & RECYCLING			
Re-use, Recycling, Composting: ESCC (2018/19)			
Re-use, Recycling, Composting: Contractor (April)			
Missed Bins per 10,000 homes			
ASSET INCOME			
Investment Assets: Net Income			
Investment Asset: Return on Investment %			
Green, on target, amber, off target a little, red, off target & at risk better than previous, worse than previous, same as previous			

Table 1: KPI summary performance, Quarter One 2019/20

5. Attached at Appendices 1, 2, 3 and 4 are the tables of performance and explanation accompanying each of the four themes.

Asset Income

6. It is noted at Appendix 4 that the original income target of £1,520,000 was set prior to the budget setting for 2019/20. The budget was forecast at £1,939,000 including the income from the property investment strategy. Therefore, it is recommended the target in the performance indicator be adjusted accordingly.

Performance by Exception

7. Members requested to have reported, by exception, any other performance that is doing significantly better or significantly worse than its target. There are two indicators to report (Appendix 5). Those not on target are:
 - a. Car park income
 - b. Planning income

Conclusion

8. This report sets our performance against the agreed key indicators for the four themes, for the first quarter of 2019/20. As set out in Appendix 4 (paragraph 4.3) Members are requested to recommend to Cabinet a change to the asset income target, in order to bring the target in line with expectations set out within the agreed 2019/20 Revenue Budget.
9. Members are requested to consider performance against targets or forecasts and pass any additional recommendations for action to Cabinet for consideration.

Dr Anthony Leonard
Executive Director

Risk Assessment Statement

There are financial, reputational, and statutory and health risks to Rother District Council and, more importantly, the wider community if Rother District Council does not monitor and manage its performance across all the services.

This report mitigates those risks because it ensures that reporting performance to Members takes place and gives Members an opportunity to scrutinise results and make remedial recommendations.

Any changes to risks on individual performance areas are included in the report and its appendices.

HOUSING & HOMELESSNESS

Average Weeks Households in Temporary Accommodation (TA) ●

1.1 This measurement is the average number of weeks that households in temporary accommodation (TA) have remained in TA. The target for 2019/20 is 10 weeks. The result at the end of the first quarter was 16.81 weeks.

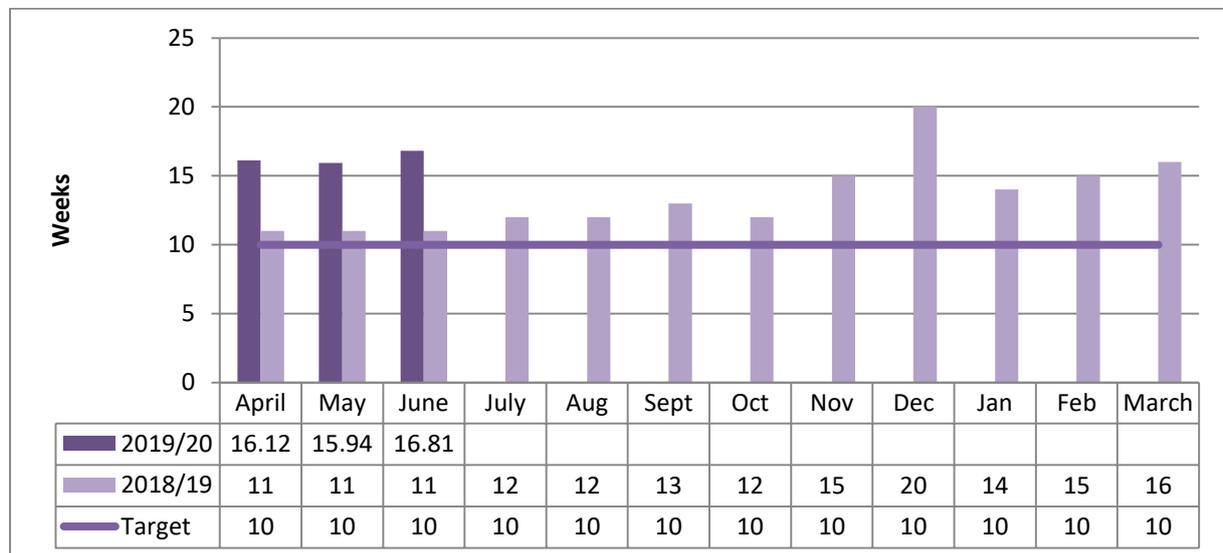


Figure 1: Average Weeks Households Stay in Temporary Accommodation
Polarity: Lower is better

Prevention of Homelessness Cases per 1,000 Rother Households ●

1.2 This measurement shows the number of households the Housing Needs service prevented from becoming homeless through intervention, advice, assistance and relief. It is expressed as the number of cases in proportion to 1,000 Rother households and can be benchmarked against other district councils in England.

1.3 The target for 2019/20 was 1.25 preventions per 1,000 households (above median performance). The result in the first quarter was 0.4 per 1,000 Rother households. In real terms it is 18 households assisted. This is in the worst quartile performance for district councils.

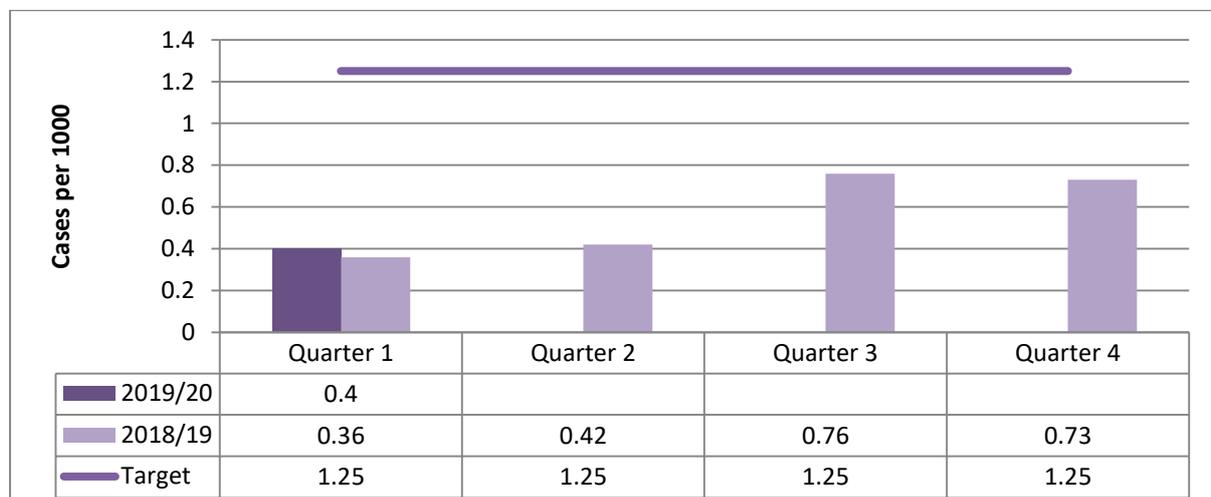


Figure 2 Cases of Homelessness Prevention per 1,000 Households. Polarity: Higher is better

Net Additional New Homes in Rother ●

- 1.4 This measurement counts the number of all new homes in Rother, allowing for demolitions and change of use to give a net gain. This measurement monitors the delivery of the Corporate Plan outcomes to manage spatial development and the provision of affordable and decent housing stock. This indicator also has a supply target based on known planned development and a Local Plan target based on local need. The supply target for 2019/20 is 384 new homes and the Local Plan target is 448 new homes. The targets for the first quarter are 96 for the supply target and 112 for the Local Plan target. The estimated result was 45 new homes. This is nine fewer homes than in the first quarter 2018/19 (54).

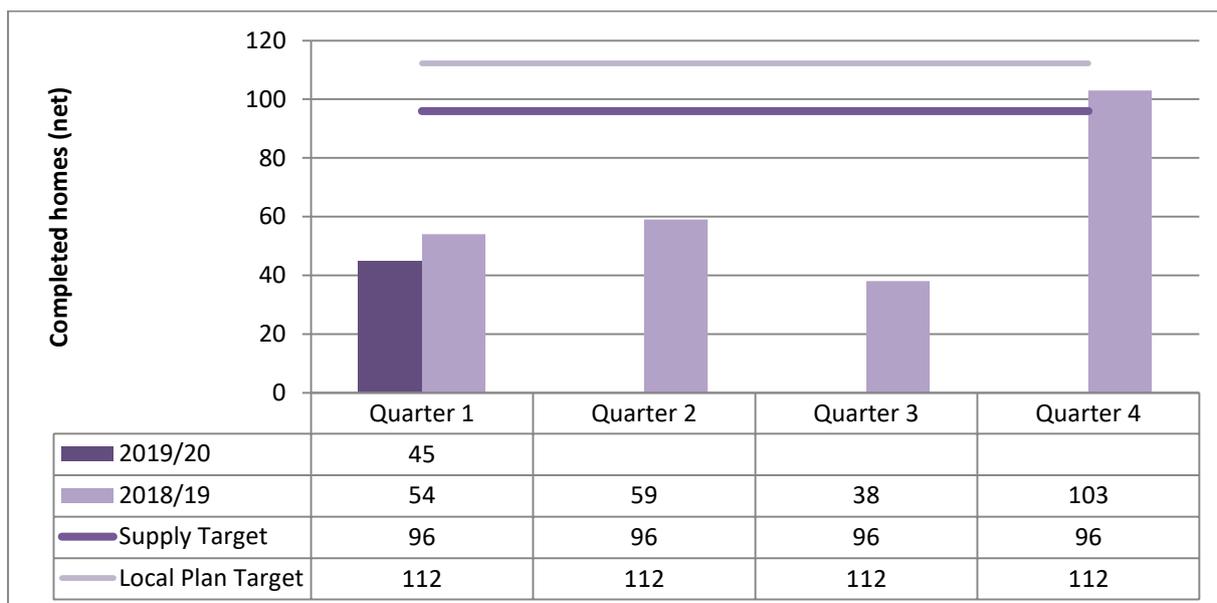


Figure 3: Net additional new homes. Polarity: Higher is better

New Affordable Homes ✔

- 1.5 This measurement is the gross number of new affordable homes that have been completed in the district. By completed we mean that the home has been built and handed over from the developer to the provider for occupation by a tenant or purchaser. The home may not yet be occupied. This measurement monitors the delivery of the Corporate Plan outcome for affordable and decent housing stock, specifically the action to support the development of affordable accommodation.
- 1.6 The indicator has two targets: the supply target and the Local Plan target. The supply target is based on anticipated delivery from planned sites that we knew about at the time of setting the target. The supply target is 46 new homes for 2019/20. The Local Plan target is based on local housing need set out in the Local Plan and is set at 138 new affordable homes by the end of 2019/20. We exceeded the supply target for the whole year in the first quarter with 56 new affordable homes. We are on target for the Local Plan target but estimated outturn suggests we will not be on target at the end of the year.

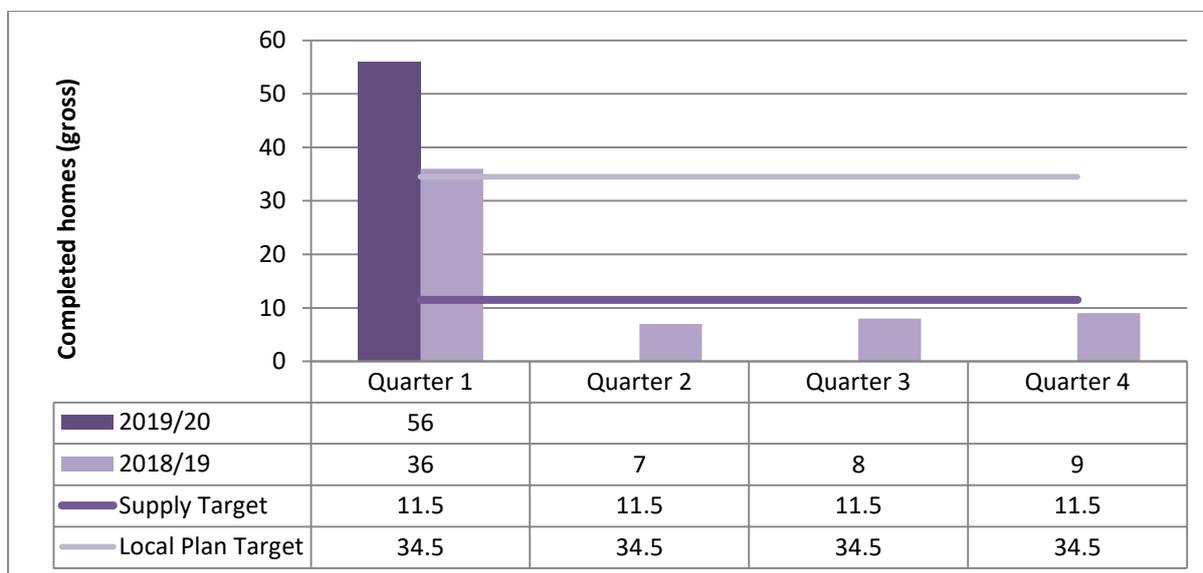


Figure 4: New affordable homes delivered (gross) quarterly. Polarity: Higher is better.

Housing and Homelessness Summary

- 1.7 Four of the performance indicators have red status and are not on target. Two of the measurements have green status and are on or exceeding target.
- 1.8 The Housing Service continues to experience high demand and low levels of access to all forms of housing, a problem which is driven by low household incomes relative to the cost of rents and low housing supply. As a result, homeless households are spending increased amounts of time in temporary accommodation. Prevention and relief of homelessness is improved from the same point last year; however, the wider trend is one of a worsening situation. The Council is dealing with more homeless households and access to housing in the private sector and social housing is proving increasingly difficult; a successful funding bid to Government has provided additional staff, who commenced duties in July 2019, to help access to private sector housing through improved support to tenants and incentives for landlords.
- 1.9 The supply of all new homes continues to be less than the target. However, the 2019/20 target has been exceeded for new affordable homes in Rother in the first quarter. In addition, the district has another seven wheelchair accessible affordable homes. More completions are coming in Bexhill and four rural villages.
- 1.10 The Council is responding positively to the challenge of meeting housing needs and seeking to increase and accelerate the rate of housing delivery across the district. The allocation of land to accommodate some 1,562 new homes, outside of designated Neighbourhood Areas, is being made through the Development and Site Allocations (DaSA) Local Plan, which is currently at examination and scheduled for Adoption in autumn 2019.
- 1.11 A Housing Delivery Test Action Plan has recently been agreed (<http://www.rother.gov.uk/CHttpHandler.ashx?id=32302&p=0>); this is in response to a Government requirement to publish an action plan where housing delivery over the previous three years has been less than 95% of the housing requirement. It sets out the causes of under delivery and the intended actions to increase delivery.

BENEFITS PERFORMANCE

New Housing Benefit Claims Processed on Time ✔

- 2.1 This measurement is the average number of calendar days it takes to process a new housing benefit claim from the date the claim is received to the date the decision is taken. The 2019/20 target is 28 calendar days for the average processing time. This measurement and the next related measurement monitors the delivery of the Corporate Plan outcome on addressing deprivation and welfare needs and the actions on managing the impact of welfare reform and monitoring deprivation levels. It also monitors the outcomes of quality customer services and communications and for value for money, performance improvement and efficiency.
- 2.2 The result for the first quarter is 17.53 calendar days to process a claim, which is better than the Council target (green status). Performance is above the median of 20 days for all English districts and best quartile performance starts at 15 days. Results are reported to and monitored by the Department of Work and Pensions and published online.

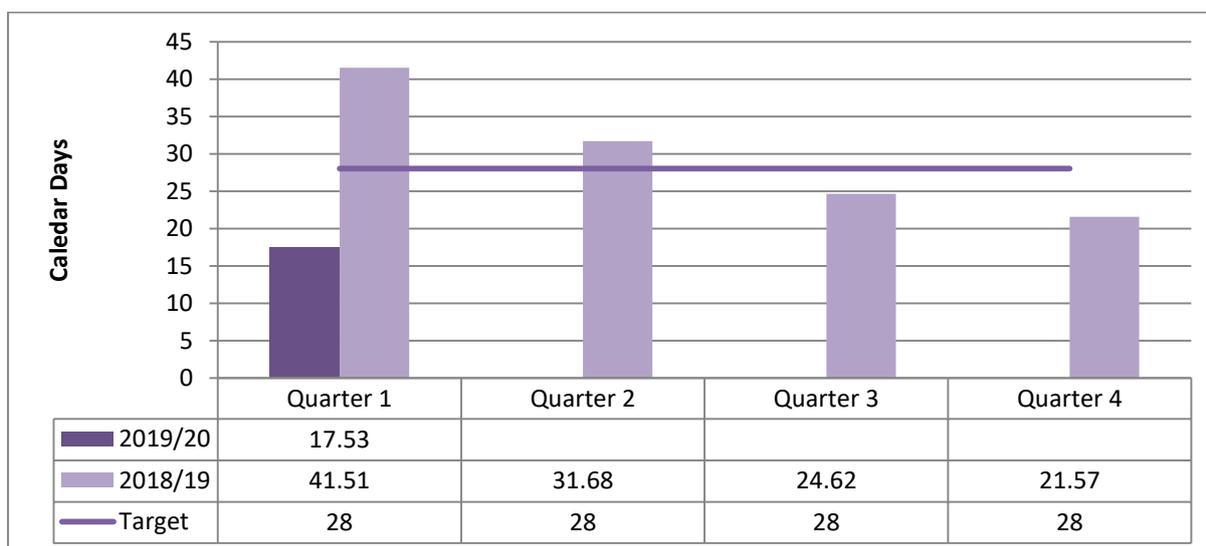


Figure 5: Processing time, new housing benefit claims. Polarity: Lower is better.

Changes to Existing Housing Benefit Claims on Time ✔

- 2.3 This measurement is the average number of calendar days it takes to process a submitted change to an existing housing benefit claim from the date of submission to the date of the decision. The end of year target is an average of 14 calendar days processing time. The target for the first quarter is 14 calendar days.
- 2.4 The result for the first quarter is an average of 6.15 calendar days to process a claim (green status). This is above median performance. Median is seven days and best quartile is five days for all English districts. Results are reported to and monitored by the Department of Work and Pensions and published by the Government.

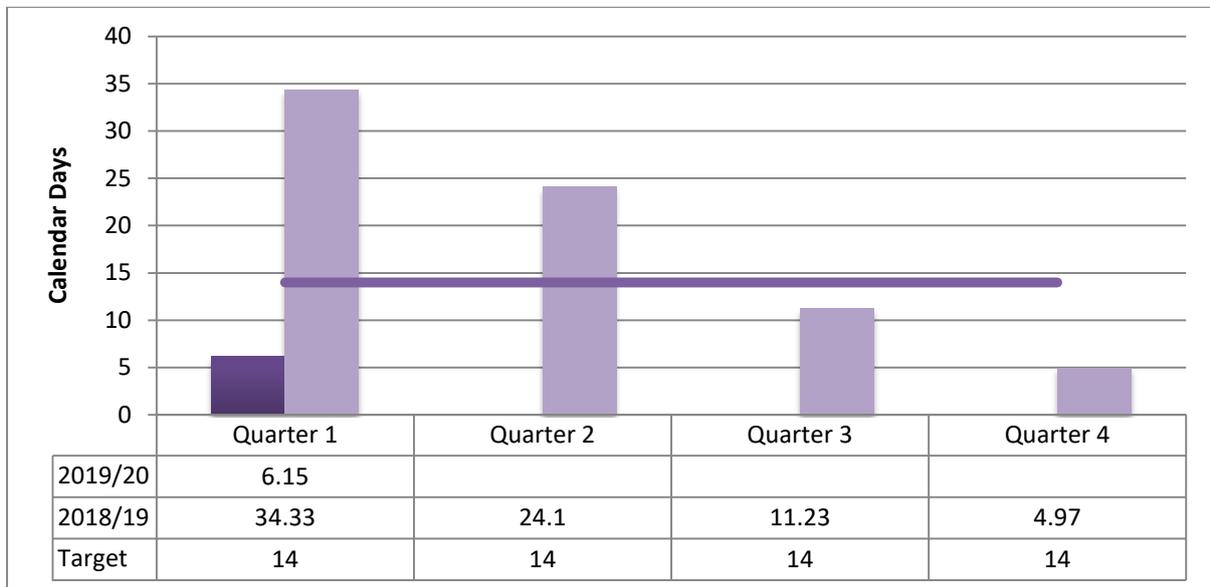


Figure 6: Processing time, changes to existing housing benefit claims. Polarity: Lower is better.

Benefits Performance Summary

2.5 Both of the performance indicators relating to benefits performance have green status. The time taken to process new housing benefit claims has improved significantly and now places the Council in the best 25% of all English districts. The time taken to process changes to existing housing benefit claims has also improved to be above median for all English districts. The service continues to work on improvements in its systems and processes, in accordance with the adopted business improvement plan.

WASTE & RECYCLING

Household Waste Sent for Re-use, Recycling and Composting ✓

3.1 This measurement is the percentage of collected household waste sent for re-use, recycling and composting. There are two measurements. The first based on data reported by East Sussex County Council using all waste collection streams but is reported one quarter in arrears. The other measurement is the data provided by the contractor that uses most but not all waste collection streams. It is not the official result but gives an indication of likely outturn.

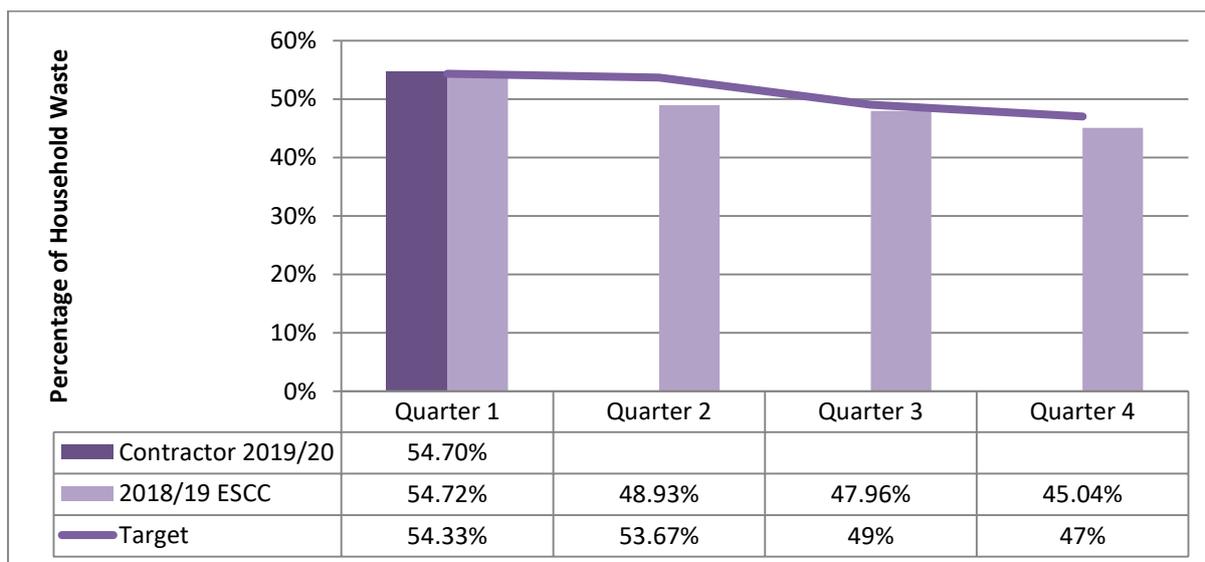


Figure 7: Household waste: re-use, recycling and composting. Polarity: Higher is better

Missed Bins for every 100,000 Collections ●

3.2 This measurement is calculated dividing the number of missed bins by 100,000 collections in order to make data comparable to other waste collection services. The target for 2019/20 is 120 missed bins per 100,000 collections. The result for the first quarter is 207 missed bins.

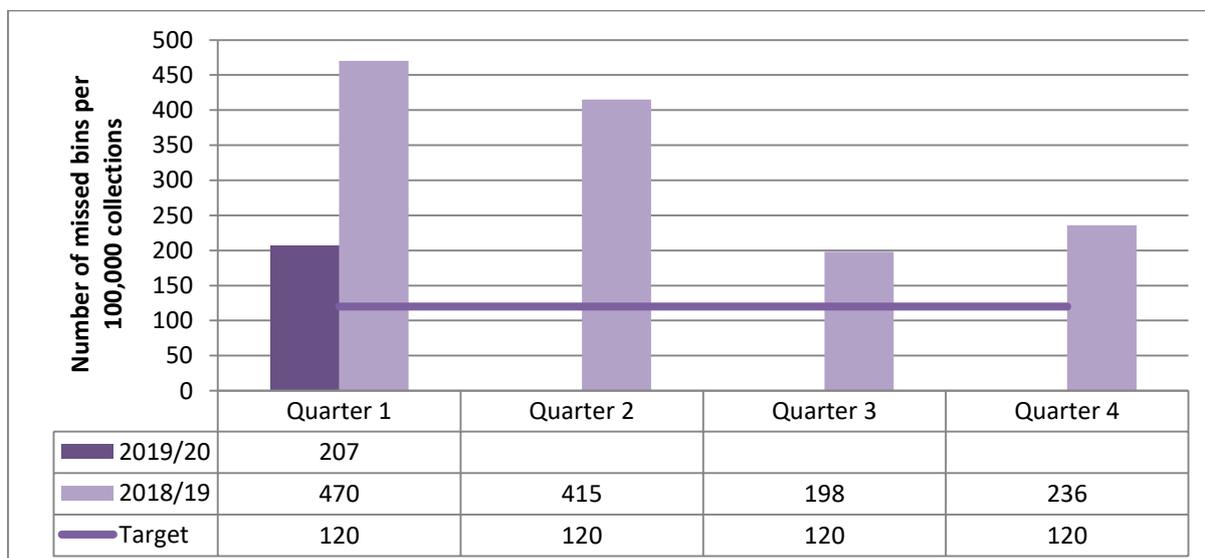


Figure 8: Missed bins per 100,000 collections. Polarity: Lower is better.

Waste and Recycling Summary

- 3.3 The new contract started in June 2019 so most of the quarter represents the performance of the previous contractor. Two of the performance indicators are green, for the percentage of household waste that is re-used, recycled and composted. The district continues to have above median collection rates for an English district. The number of missed bins is not on target; however, the early indications are that the new contractor's approach is reducing the number of waste and recycling contacts the Council receives both online and through our contact centre, which indicates that the missed bin rate is improving.

ANNUAL ASSET INCOME

**Percentage Return on Investment from Rother District Council
Investment Assets** ✓

4.1 The Council calculates its return on investment based on the valuation of the investment assets, their combined income and combined expenditure. The target for 2019/20 is a 6% return on investment. The current forecasted result is 6.93%.

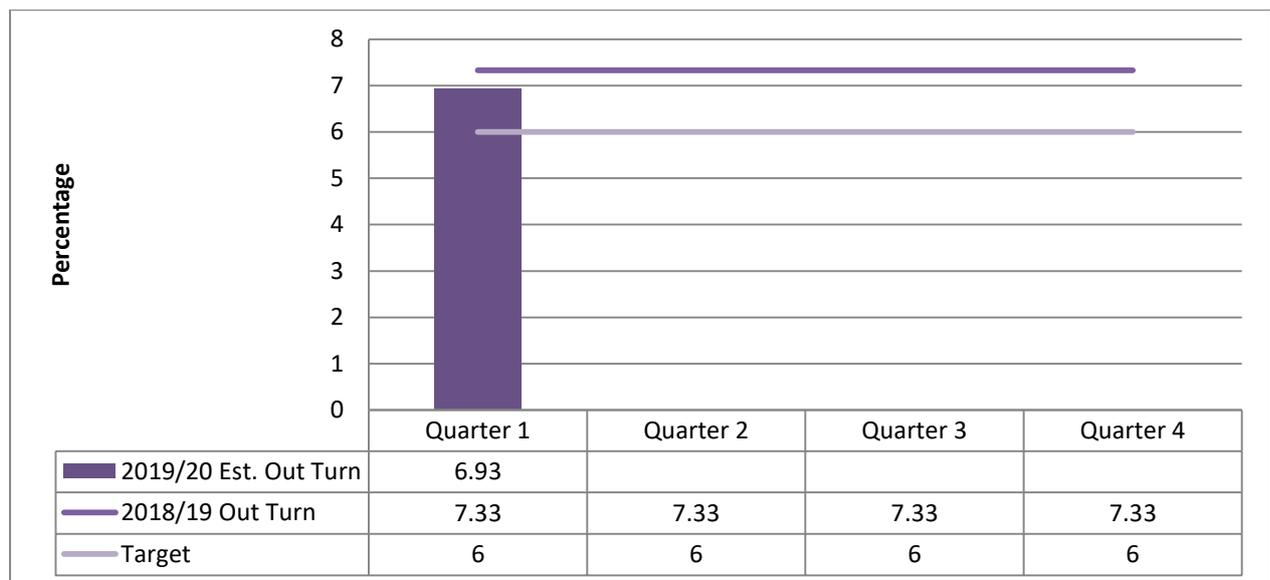


Figure 9: Percentage return on investment for investment assets. Polarity: Higher is better.

Net Income from All Investment Assets ●

4.2 This measurement is the forecast annual net income from investment assets calculated from gross income less expenditure excluding borrowing and interest payments. The original target for 2019/20 was set at £1,520,000. The estimated outturn for 2019/20 is £1,650,267.

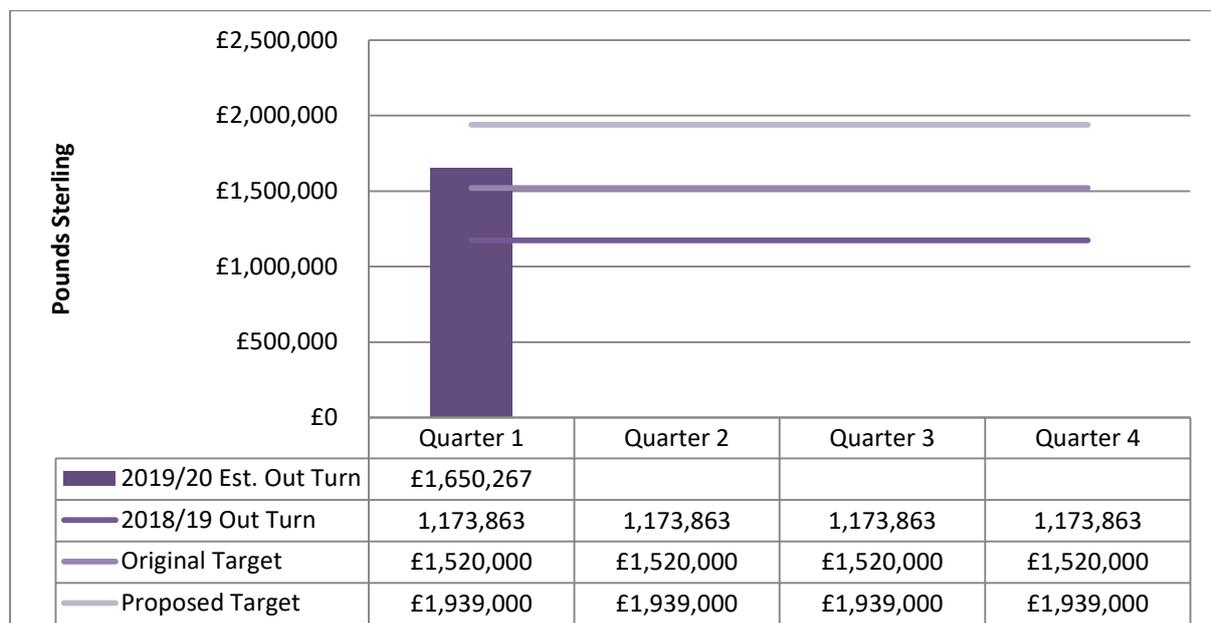


Figure 10: Net income from all investment assets. Polarity: Higher is better.

Annual Asset Income Summary and Suggested Target Change

- 4.3 The Head of Acquisitions, Transformation and Regeneration reports that performance in 2019/20 remains strong and includes the additional rent being collected as a result of the four properties purchased through the Property Investment Strategy in 2018/19. This includes Glover's House which will generate gross income in excess of £400,000 this financial year.
- 4.4 Whilst the Council is still achieving a good return on its investments (in excess of the 6% target) the overall budget deficit remains high and the need to generate further income through investment persists. It is recommended that the original target of £1,520,000 be changed to £1,939,000. Changing this target would be consistent with the income expectations included in the approved 2019/20 budget. This is made up of £970,000 for the existing assets and £969,000 for those properties purchased through the property investment strategy. The budget was finalised after the KPI set and targets were recommended by Overview and Scrutiny Committee to Cabinet. The estimated outturn for 2019/20 is £1,650,267, meaning without further property purchases there will be a shortfall of £288,918.

PERFORMANCE INDICATORS BY EXCEPTION: QUARTER ONE 2019/20

1. Car Park Income ●

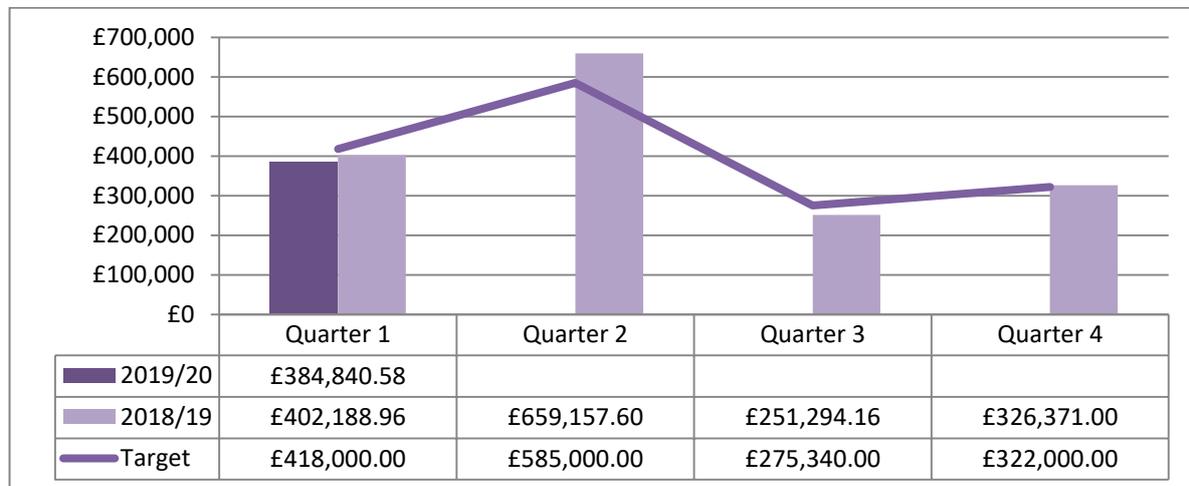


Figure 1: RDC Car Park Income. Polarity: Higher is better.

- The Head of Service Housing and Community reports that the car park income budget for 2019/20 was set in line with the income collected in 2018/19. Car parking income is very dependent on the weather – particularly at Camber Sands and Bexhill – and the spring weather has not been as good during 2019/20 as it was in 2018/19. This has led to a small shortfall of £33,000 in the first quarter.
- There has been an increase in the number of fines issued during the period as result of a second parking enforcement officer being employed in February 2019. For the first quarter there was an increase of 299 tickets issued compared to the first quarter of 2018/19 (see table below).

	Q1 2018 Tickets	Amount	Q1 2019 Tickets	Amount
Paid	280	£17,670.00	437	£26,890.00

N.B. Notices which have been cancelled are not included in these totals – outstanding Notices include those which are being chased by the Operations Team and those which have progressed to the Legal Department.

4. Planning Income (All Sources) ●

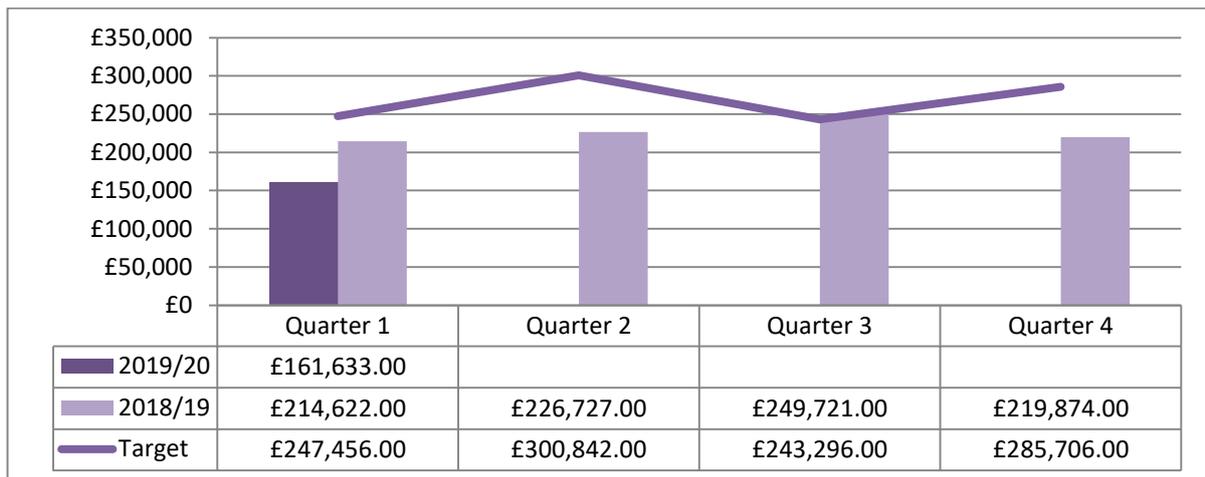


Figure 2: Planning Income. Polarity: Higher is better.

Head of Service's Comments:

- The Head of Service Strategy and Planning reports that all income sources (applications, advice, land charges) are below budget. It is indicative of a slowdown in the housing market.