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**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE ON 6 OCTOBER 2020**

**SUBJECT: HOUSING PERFORMANCE REPORT – QUARTERS 3, 4 AND ANNUALLY FOR 2019/20**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)**

**1. REASON FOR REPORT**

- 1.1 To inform the Committee of the performance of the Housing Service for the period from 1 October 2019 to 31 March 2020 and the annual performance for 2019/20.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this Committee, the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (paragraph 9 of the Minute refers).

**2. RECOMMENDATION**

- 2.1 **It is recommended that the Economic Growth, Housing & Environmental Sustainability Committee:**
- i) scrutinises performance of the Service Plan, Operational Performance Indicators and Complaints to the end of March 2020;**
  - ii) welcomes the areas of good performance and notes the actions being taken to improve performance where required;**
  - iii) notes that Operational performance targets for 2020/21 are currently under review but that services will continue to measure performance against 2019/20 targets pending completion of the review;**
  - iv) notes the temporary changes to the Regulatory Framework; and**
  - v) approves the second Annual Assurance Statement in APPENDIX I.**

### **3. BACKGROUND**

- 3.1 On 7 August 2019, the Moray Council approved a revised Performance Management Framework for services (paragraph 5 of the Minute refers). The framework introduced new arrangements for Managing, Delivering and Reporting of Performance with the aim of increasing focus on priority areas, reducing the level of reporting on lower priority indicators and directing scrutiny towards areas of strategic importance trends. Whilst the key performance trends in operational performance will continue to be reported, the focus of committee scrutiny will be on the delivery of priorities in the Local Outcome Improvement Plan (LOIP), Corporate Plan and Service Plan. This report covers progress in achieving the Housing and Property Service Plan priorities, as well the important trends in the key housing performance indicators.
- 3.2 On 27 August 2019, the Communities Committee approved the key housing performance indicators and targets (paragraph 11 of the Minute refers). The indicators are mainly based on the Scottish Housing Regulator's (SHR) Regulatory Framework and statutory performance indicators reported through the Annual Return on the Charter (ARC).
- 3.3 The Performance Monitoring Statements document was developed to support the Performance Management Framework. The Half-yearly performance report refers to this document. The document includes tabular updates on actions, indicators relating to Service Plan priorities as well as complaints data, and can be found at:  
[http://www.moray.gov.uk/moray\\_standard/page\\_92321.html](http://www.moray.gov.uk/moray_standard/page_92321.html)
- 3.4 This report is split into two sections: paragraphs 4-5 which cover the Council's own Performance Management requirements and section 6 which covers those required by the SHR.

### **4. SUMMARY OF PERFORMANCE**

- 4.1 On 17 December 2019, the Communities Committee approved the Housing and Property Service Plan covering the period 2019-2022 (paragraph 9 of the Minute refers). In line with the Performance Management Framework, the Service Plan covers two distinct levels:
- Strategic Outcomes - locked down against commitments in National Outcomes, the LOIP and the Corporate Plan.
  - Service Level Outcomes – reflecting service priorities not covered in higher level plans.

#### **Summary of Service Plan Performance**

- 4.2 A total of 9 actions included in the Service Plan were due for completion by the end of 2019/20 with 5 completed as planned. 2 out of 4 actions that have not met the target timescales have recorded progress at over 90% and 2 at 60%.

<b>Action Level</b>	<b>No. of Actions</b>	<b>Completion by end of 2019/20</b>	<b>Actual Completion by end of 2019/20</b>
Strategic Outcome	4	4	2
Service Level Outcomes	10	5	3

#### **Strategic Outcomes - successes**

- 4.3 The Property Asset Management Appraisal actions in the Service Plan for 2019/20 were completed during 2019/20.
- 4.4 The total income from the sale of surplus properties was £1.4m and significantly exceeded the target of £1m.
- 4.5 A draft Climate Change Strategy and Action Plan was prepared in 2019/20, overseen by the Climate Change Working Group, but consideration by committee before year-end was delayed by COVID-19. With the new simplified committee structure introduced in 2020/21, the strategy and action plan was approved for public consultation by the Full Council on 2 September 2020.

#### **Service Level Outcomes - successes**

- 4.6 Progress on the delivery of the affordable housing programme was good with targets met across the performance measures. 78 house completions were achieved against a target of 72 (including the target of 28 Council houses); 63% of the houses delivered were specialist against a target of 30%; and total programme spend was £9.704m against a target of £9.08m. The Strategic Housing Investment Plan (SHIP) was submitted to the Scottish Government in November 2019.
- 4.7 The Council's Rapid Rehousing Transition Plan (RRTP) to transform the approach to addressing homelessness in Moray was submitted to the Scottish Government on 29 April 2019. In July 2019, the Scottish Government confirmed that the Council would receive funding of 183k for Year 1 of the plan and £93k for Year 2. In 2019/20, 51% of the Council's house allocations were to homeless applicants, slightly higher than the target of 50%. There was a reduction of 26 households moving into temporary accommodation at year-end against a target of 20.
- 4.8 In relation to actions to reduce fuel poverty in Moray, the Council achieved the target of fully expending the Scottish Government's funding allocation of £1.453 for the 2018/19 Moray Home Energy Efficiency Programme (HEEPS).
- 4.9 Proposals to improve repairs and maintenance to Council buildings by reshaping staff resources and functions within Property Services/Building Services DLO took a major step forward during 2019/20 with Change Management Plan proposals covering these services going out to staff for consultation in March 2020.

- 4.10 Although the procurement of a contractor for the statutory smoke alarm upgrades to Council homes was completed during 2019/20, progress with the delivery of the works was delayed by restrictions on home visits caused by COVID-19. With the easing of restrictions during the second half of 2020/21, works are proceeding but achieving full compliance with the legislation by February 2021 will be extremely challenging.

**Strategic Outcomes – challenges and actions to support**

- 4.11 Although Change Management Plans for Property Services and Building Services DLO were agreed by 31 March 2020, implementation was carried forward to 2020/2021.

**Service Level Outcomes – challenges and actions to support**

- 4.12 Plans to improve the energy efficiency of the Council's housing stock were significantly behind programme. At 31 March 2020, only 55% of the stock met the Energy Efficiency Standard for Social Housing (ESSH) against a target of 66%. All social landlords are required to bring properties up to ESSH standard by December 2020. Although the Council allocated a significantly higher budget and increased the scale of its ESSH programme during 2020/21, with delays caused by COVID-19 in delivering heating upgrades, it is now evident that the Council will not achieve ESSH compliance by the required date. Although comparative data on the performance of other social landlords has not yet been published by the SHR, information from the Scottish Housing Network benchmarking service indicates that Moray is the lowest performer in the list of 114 SHN members (27 local authorities and 87 RSLs) who have provided figures for 2019/20. Aberdeenshire is second lowest but has very similar result (54.74%), followed by Edinburgh (71.10%) and Highland (73.92%) but the vast majority of landlords are reporting compliance at over 80%. This is an area of material non-compliance with the Scottish Social Housing Charter (SSHC), which is covered Section 6 of this report, and is reported in the Council's Assurance Statement at **APPENDIX I**.
- 4.13 During 2019/20, the Housing Services ran a successful pilot to identify improvements in void management. The introduction of new processes led to some improvement in Q3 with a 36 day average void period against the target of 32 days. However, performance fell back again in Q4 to 49 days and the annual 2019/20 figure was 46 days. This performance also impacted on the percentage of rent loss due voids which was 0.95% for 2019/20 against at target of 0.63%. Restrictions in letting houses caused by COVID-19 impacted on void turnaround times in Q4. As with all social landlords across Scotland, these restrictions continue to create barriers to letting houses. Although actions around voids in 2020/21 have focussed mainly on overcoming these barriers, the Void Improvement Group continues have responsibility for building on the lessons of the pilot, driving improvement in working processes, learning from best the performing councils and overseeing the development and implementation of the void improvement plan.
- 4.14 Although the procurement of consultants for the Stock Condition Survey was completed in 2019/20, COVID-19 delayed progress with staff unable to carry out survey work in tenants' homes. The survey work commenced in September 2020, following the easing of lockdown restrictions, and is due to be complete by the end of the calendar year with the interim report available by January 2021. This is a delay beyond the original May 2020 completion

date but the results of the survey should be available to inform the details of the housing investment programme for 2021/22 and beyond. However, against the continuing backdrop of the pandemic, challenges in accessing tenants' homes may impact on progress in achieving this programme.

- 4.15 A report on the financial performance of Building Services DLO during 2019/20 is submitted as a separate item on the agenda of this Committee and addresses the challenges and actions around this outcome.

#### **Summary of Operational Performance**

- 4.16 In line with the Performance Management Framework, operational performance is reviewed quarterly by departmental management (DMT). Since March 2020 the normal DMT reporting process has been disrupted with the main focus of work being the response and early recovery of services. With many services now fully recovered, the reporting process will be reinstated. Areas performing well and/or areas subject to a decreasing trend, or where benchmarking results show performance is below comparators, will be reported to this committee for member scrutiny.

#### **Operational Indicators – areas of good performance**

- 4.17 Good performance continues on response repair timescales. The target timescale of 4 hours for emergency repairs (*indicator 2.7*) was achieved in Q3 (2.6 hours), Q4 (2.9 hours) and annually for 2019/20 (2.5 hours). The target timescale of 10 working days for non-emergency repairs (*indicator 2.8*) was also achieved in both Q3 (8.7 working days), Q4 (9.8 working days) and annually for 2019/20 (9.5 working days).
- 4.18 Following the introduction of a new process for collecting data from tenants, there was a marked improvement in satisfaction with the repairs and maintenance service (*indicator 2.11*) which achieved the 90% target for 2019/20 (99.2%).
- 4.19 The 100% target for the percentage of households requiring temporary accommodation to whom an offer was made (*indicator 4.7*) was achieved throughout 2019/20.
- 4.20 The 100% target for visiting new unauthorised encampments (*indicator 6.2*) was achieved throughout 2019/20.

#### **Operational Indicators – areas of improvement**

- 4.21 The percentage of stock meeting the Scottish Housing Quality Standard (SHQS) (*Indicator 2.1*) is below the 100% target for 2019/20 (90.7%). This is an area of material non-compliance with the Scottish Social Housing Charter (SSHC) and is covered Section 6 of this report and in the Council's Assurance Statement at **APPENDIX I**.
- 4.22 The Council must complete a gas safety check within 12 months of a gas appliance being fitted or its last check (*indicator 2.13a*). This is an area of non-compliance with the SSHC and is covered in the Assurance Statement at **APPENDIX I**.

## **Complaints**

- 4.23 Performance in responding to complaints was good. The Housing Service met the 5 working day target to respond to stage 1 complaints (*indicator 1.5c*) in Q3 (5 working days), Q4 (5 working days) and annually for 2019/20 (5 working days). The 20 working day target to respond to stage 2 complaints (*indicator 1.5d*) was also met in Q3 (20 working days), Q4 (19 working days) and annually for 2019/20 (20 working days).
- 4.24 Between October 2019 and March 2020, the Housing Service received 101 complaints, a fall of 6% compared to the 96 in the same period last year. 104 complaints were closed with 83 dealt with as front line (62%), 19 investigated further with 2 escalated. A total of 68 complaints (65%) were upheld, slightly higher than the same period last year (55%).
- 4.25 In addition to complaints, 65 MP/MSP enquiries (*indicator 1.7a*) were received in the same period. Performance responding to MSP/MP enquiries (*indicator 1.7b*) was almost at the 90% target in Q3 (89.5%) and Q4 (89.7%). Performance on this indicator has improved in each of the past three reporting years and the target was achieved for 2019/20 (91.7%).

## **5. PERFORMANCE TARGETS FOR 2020/21**

- 5.1 Performance targets would normally be based on historical and national performance but publications have been delayed until October 2020. For this reason it is recommended that services continue to measure performance using existing targets until this information can be fully reviewed. Service disruption due to the pandemic will adversely affect 2020/21 performance in some areas and some targets may not be realistic or achievable.

## **6. SCOTTISH SOCIAL HOUSING CHARTER PERFORMANCE**

- 6.1 The Scottish Housing Regulator (SHR) requires landlords to monitor progress against the outcomes and standards of the Scottish Social Housing Charter (SSHC). The Council's Annual Return on the Charter (ARC) was submitted in July 2020.
- 6.2 In August 2020, the Scottish Housing Regulator (SHR) consulted landlords, tenants and other stakeholders on temporary changes to the Regulatory Framework in response to the COVID-19 pandemic. The consultation response has been published and the key changes are summarised below.

### **Annual Assurance Statement**

- 6.3 The SHR requires social housing landlords to submit an assurance statement between April and October of each year. Due to COVID-19, the SHR has extended the deadline to submit this year's annual assurance statement to 30 November 2020.
- 6.4 The statement must be made by the landlord's governing body or relevant committee and be available to tenants and other service users. The statement will form the basis of the SHR's risk assessment and level of engagement with the landlord. The statement must:

- confirm the landlord meets all of the relevant requirements set out in its regulatory framework which can be found online at [www.housingregulator.gov.scot/for-landlords/regulatory-framework](http://www.housingregulator.gov.scot/for-landlords/regulatory-framework);
- set out any areas of material non-compliance and describe improvement actions and timeframes for these;
- confirm that appropriate evidence has been considered to support the level of assurance given by the governing body or Committee; and
- confirm the date of the meeting of the governing body or Committee.

6.5 In reaching a decision about non-compliance, the Committee must decide whether the issue is material. The Committee should consider whether an issue:

- seriously affects the interests and safety of tenants or other service users;
- threatens the stability, efficient running or viability of service delivery arrangements; or
- brings the landlord into disrepute, or raises public or stakeholder concern about the organisation or the social housing sector.

6.6 In line with the guidance issued by the SHR on the content of the assurance statement, a draft has been prepared for the Committee to consider and approve. This can be found in **APPENDIX I**. Officers have identified the following areas of non-compliance due to the following reasons:

- properties have been identified which fail to meet the Scottish Housing Quality Standard as detailed in section 4.10;
- properties will not achieve the Energy Efficiency Standard for Social Housing by the December 2020 deadline as detailed in section 6.2; and
- gas safety checks were not carried out within the 12 month timeframe for all properties as detailed in section 4.24.

### **Annual Performance Report**

6.7 Social landlords must produce an annual report on their performance for tenants and other service users which details how they are achieving or progressing towards the outcomes and standards of the SSHC. The SHR expects tenants to be involved in decisions about the content and format of the report.

6.8 Due to COVID-19, the deadline for the requirement to publish the annual performance report to tenants and other service users has been extended to 31 December 2020. The will reported to this committee in December 2020 for approval prior to publication. Officers will consider options on how to meaningfully involve tenants and service users in the development which may be more challenging given that tenant meetings have been temporarily suspended.

### **Engagement Plans**

6.9 The SHR will publish engagement plans for all landlords by 31 March 2021 but with a proportional risk assessment based on the context of COVID-19 which takes account of the take account of the unprecedented and demanding circumstances in which social landlords are operating.

## **7. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

The monitoring and management of performance assists the Council to continue to improve its housing services and helps to manage assets more effectively to provide the best outcomes for tenants and other service users. It also promotes safer communities and adults living healthier, sustainable independent lives safeguarded from harm, which meets the key objectives of the Corporate Plan and the Housing and Property Service Plan.

### **(b) Policy and Legal**

Reporting on Scottish Social Housing Charter performance indicators is a legal requirement under the Housing (Scotland) Act 2010.

### **(c) Financial implications**

There are no financial implications arising directly from this report.

### **(d) Risk Implications**

There are no risk implications arising directly from this report.

### **(e) Staffing Implications**

There are no staffing implications arising directly from this report.

### **(f) Property**

There are no property implications arising directly from this report.

### **(g) Equalities/Socio Economic Impact**

There are no equalities/socio economic impact implications arising directly from this report.

### **(h) Consultations**

Consultation on this report has been carried out with the Acting Head of Housing and Property Services, senior managers within Housing and Property and the Committee Services Officer (Lissa Rowan) and comments, where relevant to their areas of responsibility, have been incorporated in this report.

## **8. CONCLUSION**

**8.1 This report provides an analysis of performance in achieving Service Plan outcomes the end of 2019/20. Key trends in operational performance at year-end have also been highlighted in the report.**

**8.2 The report includes information on the temporary amendments to the Regulatory Framework and includes a draft of the Council's second Assurance Statement for consideration and approval prior to its submission to the Scottish Housing Regulator.**



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Background Papers: Held by the author  
Ref: