

2020-2022 Strategic Plan – Q2 2022/23 Performance Update

Objective 1 – Improve lives and communities

KPIs	Annual Target	Q1 2022/23 Outturn	Q2 2022/23 Target	Q2 2022/23 Outturn	Current Quartile	Short Term Trend	On Target
Percentage of repairs completed within published timeframe	99%	92.84%	99%	93.52%	--	↑	
Percentage of residents very or fairly satisfied with major works	95%	100%	95%	95.45%	--	↓	
Percentage of residents very or fairly satisfied with the repairs service	95%	96.30%	95%	96.74%	--	↑	
Percentage of residents satisfied with the outcome of their anti-social behaviour complaint	92%	100%	92%	97.98%	1 st	↓	
Percentage of complaints and enquiries dealt with within timeframe (cumulative YTD)	100%	100%	100%	99.35%	1 st	↓	
Percentage of tenancies sustained after 12 months	98%	99.15%	98%	99.36%	--	↑	
Percentage of tenancies sustained after 24 months	95%	97.52%	95%	97.87%	--	↑	

Deliverable 1.1 – Deliver top quality housing services

In Q2 the percentage of repairs completed within timeframe improved to 93.52%. We completed 14,776 repairs during Q2 of which 10,316 were completed in time, with 640 out of time. Year to date emergency repairs completed in time 8,576 (97.52%) and routine repairs completed in time 11,297 (90.70%).

As reported in Q1, it is similar for Q2 that both emergency and routine repairs have been adversely impacted upon by a lack of resource due to staff related absence. A shortage of available trades and that we still have a high percentage of our total repair completions being emergency repairs, with fire door repairs still accounting for over 85 emergencies per week on average. This is exacerbated by the completion of planned repairs (60 days priority) which we are completing in half that time and most routine repairs well inside the 20-day target.

Limited availability of operative capacity is an ongoing issue, particularly in respect of carpentry. Whilst approval has been given to recruit additional carpenters for a Fire Door Team, it has taken time to appoint the new members of staff. However, from 1st November the Fire Team will be completing all fire door repairs, taking pressure off responsive repairs and two new carpenters will have started so this should mean reduced work going to contractors.

During Q2 the percentage of residents satisfied with the outcome of their anti-social behaviour complaint reduced but remained in the top quartile. The housing management teams handled 200 cases, closed 116 cases, and opened 139 new cases. Virtual court hearings via telephone conferencing and in-person hearings continue at the Plymouth Courts. In Q2 Tozers, our legal firm, progressed all case work due to a vacancy in our in-house legal team. Tozers attended 16 court hearings relating to injunctions, disrepair, and possession. Further hearings included four gas no-access hearings and one electrical injunction hearing.

Deliverable 1.2 – Listen and respond to residents, staff and partners

In Q2 the performance for complaints and enquiries handled within timeframe is 99.35%, with two complaints handled out of timeframe.

The Home Office have recently published the Domestic Abuse Act 2021 Statutory Guidance. Within the guidance there is a significant focus on the role of housing providers in response to domestic abuse, and specific mention of the Domestic Abuse Housing Alliance (DAHA) accreditation that PCH are already committed to work towards as a good practice approach to supporting survivors of domestic abuse while holding perpetrators to account for their harm.

In August the Scrutiny Steering Group and tenants who were involved in recent scrutiny review of how PCH manages contractor's engagements with residents presented their report to Customer Focus Committee. We have started to make improvements based on the recommendations of the report and we are also planning to review our scrutiny model based on feedback from participants.

Objective 2 – Look after our homes

Deliverable 2.1 – Manage and improve our homes in the most effective way

KPI	Annual Target	Q1 2022/23 Outturn	Q2 2022/23 Target	Q2 2022/23 Outturn	Current Quartile	Short Term Trend	On Target
Average number of days to re-let routine void property	20 days	36.08	20 days	36.54	2 nd		
Rent lost due to voids as a percentage of annual debit (void rent loss)	0.8%	0.65%	0.8%	0.59%	1 st		
Current tenant rent arrears as a percentage of annual debit	2%	1.68%	2%	1.85%	1 st		

The average routine re-letting time for Q2 was 36.54 days which is considerably lower than the 2021/2022 average of 43.15 days but is an increase compared to the previous quarter. This increase arose from letting some longer-term voids which increased the average and we also received 39 new homes for first letting which increased the workload of the lettings team over and above regular terminations. These homes were mainly in the Briarwood Heights development which is designated for over 55s and the remainder were within the North Prospect Phase Five regeneration area.

The new allocations part of the MyPCH portal is now being used by the Housing Choices team for some lettings. This replaces part of the manual pre-tenancy assessments and verification process for new PCH tenants. Over 25 applications have been processed through the portal so far, with more being processed weekly.

The current rent arrears performance for September 2022 was within target at 1.85%. This is alongside only one eviction for rent arrears in the quarter (two in total in the year so far). As at the end of September 2022, the number of tenants claiming Universal Credit (UC) was 4,928, an increase of 188 over the quarter. The Financial Inclusion Officers had 104 active cases open.

The current arrears of 1.85% have increased over the quarter from 1.68% at the end of June 2022. An increase over the summer follows the usual pattern as people have more expenses, for example, over the summer holidays. However, there are additional factors that are making rent collection and keeping arrears low increasingly hard including:

- the arrears percentage for those on UC was 3.08% at the end of September. As the number of people on UC increases, there is therefore an increasing effect on our overall arrears performance.

- the increases in costs of fuel, food and utilities are really starting to affect people on low incomes, and we are seeing more and more individuals and families struggling. To help with the cost of living, however, every household is due to receive £400 help towards their electricity bill, which will be paid over the period October 2022 to March 2023. In addition, for those on means tested benefits, the second instalment of the £650 cost of living payment will be paid during October and November. It is also helpful that we have the Financial Support Fund in place to help social housing tenants who were affected by the rent increase in April.
- we are finding that fewer applications for Discretionary Housing Payments are being approved. Whilst applications to help with rent in advance are generally approved (particularly as these are often helping the council to house a homeless individual or family), fewer applications for help with bedroom tax or arrears are being approved.
- where rents have gone up, any missed payment means a higher level of arrears. If a tenant in our new build properties is struggling financially, with the much higher rents than other stock, this means the arrears can build up very quickly.

Deliverable 2.2 – Keep residents safe and warm

KPI	Annual Target	Q1 2022/23 Outturn	Q2 2022/23 Target	Q2 2022/23 Outturn	Current Quartile	Short Term Trend	On Target	
Percentage of homes with an energy rating of C and above	---	71.08%	---	71.16%	---		---	
Energy Efficiency Rating								
	A	B	C	D	E	F	G	No EPC
Number of homes	98	1864	8101	3891	127	13	2	45
Percentage of homes	0.69%	13.18%	57.29%	27.52%	0.90%	0.09%	0.01%	0.32%
KPI	Annual Target	Q1 2022/23 Outturn	Q2 2022/23 Target	Q2 2022/23 Outturn	Current Quartile	Short Term Trend	On Target	
% Properties with a valid 5-year electrical test	100%	97.18%	100%	98.03%	---			
Number of properties without a valid 5-year test	---	397	---	278	---		---	
The percentage of homes with an energy rating of C and above has increased slightly. This quarter's work was centred around preparation for Wave 2 of the Social Housing Decarbonisation Fund, which will lift up to 600 properties to C+ between April 2023 - March 2025.								

Tenant Satisfaction Measures – Building Safety

KPI	Annual Target	Q1 2022/23 Outturn	Q2 2022/23 Target	Q2 2022/23 Outturn	Current Quartile	Short Term Trend	On Target
BS01 – Proportion of homes for which all required gas safety checks have been carried out.	100%	99.99%	100%	99.99%	2 nd	–	
BS02 - Proportion of homes for which all required fire risk assessments have been carried out.	100%	100%	100%	100%	--	–	
BS03 – Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out.	100%	90.66%	100%	99.93%	--	↑	
BS04 – Proportion of homes for which all required legionella risk assessments have been carried out.	100%	78.76%	100%	78.44%	--	↓	
BS05 – Proportion of homes for which all required communal passenger lift safety checks have been carried out.	100%	73.11%	100%	100%	--	↑	
<p>At the end of Q2 there are two properties without a valid gas safety certificate which are with legal awaiting court orders.</p> <p>The finalised Tenant Satisfaction Measures (TSMs), which were proposed in the Social Housing White Paper, were released in September 2022 and several indicator definitions were amended. We are now reporting on the finalised measures in readiness as they will be reported to the Regulator from April 2024 using 2023/24 data. The calculation for the Legionella TSM BS04 includes both communal and individual property risk assessments and to obtain a “pass”, a dwelling within a block is required to have both assessments to be compliant. Having reviewed our current data, we have identified an issue with how we have structured some of the data within the housing management system, which will be resolved before the TSMs come into effect. The Legionella Team have been prioritising individual property risk assessments for rented stock and have completed 12,030 of the 14,141 required. In the next quarter, the team will prioritise communal risk assessments to ensure these can then be fully compliant.</p>							

Objective 3 – Build new homes in Plymouth and beyond

KPI	Current Target	Q1 2021/22 Outturn	Q2 2022/23 Target	Q2 2022/23 Outturn	Current Quartile	Short Term Trend	On Target
Number of new affordable homes completed and handed over (overall)	232	14	131	71	-		

Deliverable 3.1 – Build and buy more homes

During Q2 we completed 61 new homes: 33 for social rent, 19 Affordable rent, 5 shared ownership and 4 for open market sale. These were 33 flats at Phase 5, North Prospect and 13 homes at Phase 4, North Prospect with 2 homes in Liskeard, 9 homes at Brixton and 4 new homes for open market sale located in Crownhill off Tamerton Foliot Road which is a partnership project between Plymouth Community Homes Regeneration (PCHR) and Halsall Homes. The 33 social rented flats for over 55s at Phase Five now complete this penultimate phase of the North Prospect regeneration. We are below the completion target for a variety of reasons but mostly due to slow delivery of S106 projects in particular the Saltash S106 project which has suffered from staff turnover at Barratt Homes as well as reprogrammed delivery.

We expect to take handover of a further 60 new homes during Q3.

We are now forecasting completing 197 homes by the end-March 2022, missing the start of year target of 232 homes.

Future Developments

Annington Homes have provisionally accepted PCH's conditional offer of 86 Ministry of Defence homes in Plympton. Progressing this will be subject to Board approval and grant funding from both Plymouth City Council and Homes England.

Negotiations over the purchase of the former printing works site in Southway to deliver over 100 affordable homes appear promising.

PCH has announced plans for a £33.5million eco-friendly neighbourhood in partnership with Plymouth City Council (PCC) offering more than 140 new affordable homes in the city centre to rent and buy. A mixture of 1, 2 and 3 bed apartments and townhouses will be developed on land off Bath Street in the Millbay regeneration area adjacent to Plymouth city centre, with modern, energy-efficient homes bordering communal gardens and tree-lined open spaces.

Sales

There were 12 sales completed in Q2: 8 for shared ownership and 4 for open market sale.

Final shared ownership sales took place at Phase 5, North Prospect with 2 sales and with the sale of the final flat at Sherford Phase 1A. There were 4 shared ownership sales in Brixton with 1 at Wrangaton. These first tranche shared ownership sales raised £294,219 of income. The 4 open market sales at Tamerton Foliot generated £607,000 for PCHR.

Market conditions are making the sale of the open market homes at Tamerton Foliot Road more challenging. To date 7 of the 27 have been sold and a further 7 reserved.

Deliverable 3.2 – Expand outside of Plymouth

There were 61 completions of new homes in Q2, 9 took place outside Plymouth. Contracts for the 14 homes at Mosside in Callington have been concluded during Q2, with a further 24 homes at Bodmin being close to being entered into.

Objective 4 – Grow our business

KPI	Current Target	Q1 2022/23 Outturn	Q2 2022/23 Target	Q2 2022/23 Outturn	Current Quartile	Short Term Trend	On Target
Rent collected from current and former tenants as a percentage of rent due (excl. arrears bf)	100%	98.39%	100%	98.41%	4 th	↑	🚩
Total income / surplus from non-social housing activity	£1.204m	£299k	£799k	£836k	---	↑	🚩
Average number of days sickness per FTE (rolling year)	8	9.08	8	8.70	---	↑	🚩
Percentage of staff very or fairly satisfied with PCH as their employer	TBC	76%	---	68%	---	↓	---

KPI	Outturn Q2	Budget Q2	Variance Q2
EBITDA Operating margin – Financial Strategy >25%	22%	25%	-3%
EBITDA-MRI interest cover – Financial Strategy >150%	164%	174%	12%
Net Debt per unit – Financial Strategy < £15,000	£8,018	£8,626	£608
Gearing	20%	25%	5%
Headline social housing cost per unit	£4,571	£4,439	-£132

Annual amount spent on the block refurbishment programme	£8.005m	£8.278m	-£0.274m
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Deliverable 4.1 – Provide a healthy financial and social return for reinvestment

The operating margin forecast is c£700k worse than budget (c£500k Q1) mainly due to pressures in repairs. This means the financial strategy operating margin percentage is 3% below budget, this also affects the higher headline social housing cost per unit and the EBITDA-MRI interest cover as the operating surplus is lower to meet interest costs.

Although interest rates are forecast to further increase during the year on our floating debt, we are forecasting lower overall drawn debt than budgeted by year end. The financial strategy calculations for the EBITDA operating margin and EBITDA-MRI interest cover include non-property depreciation in line with funder covenants. Note: the debt per unit calculation is on gross debt.

The operating margin now includes release of £400k of the £500k contingency budget from September to offset some of the repairs pressures. Gearing is lower because of the lower debt as of 31st March.

Other non-social housing income is broadly on budget at Q2. For PCH Energy the operating surplus is £4k below budget at Q2 mainly due to extra cost of system relocations with income broadly on budget.

Shops and commercial income are on budget at Q2 with running costs £4k below budget. The Beacon lets operating position is a £27k deficit, £2k better than budget YTD, with income on budget and costs £2k lower. The Beacon Cafe is budgeted at £18k deficit but at Q2 reporting a £9k deficit so £9k better overall.

Plumer lets operating position is £23k better than budget at Q2. With income on budget and running costs £23k below budget. There were no new voids or lets since the last quarter.

There were six new commercial lettings made in the quarter, a continuing strong demand for our commercial properties and excellent arrears collection considering the current position in the retail and hospitality sectors. The Beacon is also busy with bookings and the café is doing very well.

Deliverable 4.2 – Be an employer and housing provider of choice

Sickness absence has reduced during this quarter and is now below 9 days sickness per FTE for the last 12 months, although still above the target of 8 days. This reflects the reduction in long-term sickness absence cases during this period, as well as the summer period when Covid related and short-term absences in relation to coughs, colds and flu tend to be low.

Work towards the People Strategy continues to be progressed. A new HR & Payroll system has now been procured and the benefits review has been received, which is now being looked at. In July, a Refer a Friend Scheme was introduced to encourage and reward employees whose friends are successful in obtaining roles through the recruitment process. In August, the Make a Difference Scheme was re-launched

giving employees the opportunity to three days paid volunteering per year, to the benefit of local organisations. In September, a new PCH Facebook Careers page was launched, to make it easier for candidates to find our vacancies and opportunities to work at PCH.

The percentage of employees that are very or fairly satisfied with PCH as an employer has reduced this quarter by 8% to 68%.

In Q2 PCH staff have been given the opportunity to access free GCSE Maths and English classes and exams at City College Plymouth in their own time.

Key of Symbols

	On Target		Warning		Alert	Short Term Trend = Performance compared to last quarter
	Improving		No Change		Getting Worse	