Data quality workshop: getting it right – repairs, lettings, collection/arrears & satisfaction

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Agenda & stuff

Purpose: help ensure the quality & credibility of your data

For: those tasked with collecting/submitting data

1) Benchmarking basics – reminder

2) The definitions:

- Lettings/voids
- Collection & arrears
- Repairs & maintenance
- Satisfaction

- Pause after each theme to pick up Q/A
- Anything that can't be answered will be followed up
- Scheduled for 1.5 hours but will overshoot if needed
- Recording/presentation available on Acuity website

Order your coffee now & put away sharp objects

Benchmarking basics

- benchmarking = comparisons

- not everything that is performance managed needs to be benchmarked….

- ….. so, the question is: *will comparisons provide additional insight?*
  - it's about exploring variation in results to understand
    - why is it so? What's the story?
    - extent to which context is a factor

- why do it?
  - understand what good looks like – basis for exploring different approaches/good practice
  - setting evidence-based
    - improvement action/targets
    - resource allocation
  - mitigate risks in challenging circs – create headroom/buffer
  - to hold exec/board to account
  - provide assurance of sound grasp of cost and performance, in context – a VFM regulatory requirement

- benchmarking provides no answers, only questions – the basis for intelligent analysis

Past — **Biz Plan Review Cycle** → **Future**

Benchmarking results
+ other quantitative & qualitative data

→

Analysis
What's the story?
How are we doing?

→

Insight
Understand strengths, weaknesses, priorities

→

Decisions
Further investigation, priorities, resource allocation, improvement action

→

Implement
Evidence-based Biz Plans & VFM Strategy/Action Plans

Benchmarking basics

- intelligent analysis?
  - cost & performance/quality in the round, complemented with other info (eg qualitative customer feedback, service reviews), <u>taken in context</u>
  - look at related metrics in conjunction eg:
    - arrears reduced at expense of void loss?
    - FTAs reduced by write-offs?
    - good void & repair times at expense of satisfaction?
    - etc
- unintelligent analysis? - not a finely calibrated tool for
  - crude league tabling
  - getting hung up on immaterial/minor apportionment
  - blaming/exposing individuals

Benchmarking basics

- less is more: best focus on getting a smaller number of key metrics right

- getting it right? - everybody sticks to the definition - might be different to how you traditionally count something

- any alternative is not benchmarking - undermines credibility of data & ultimately the sector

- definitions can't legislate for every eventuality – sometimes need interpreting based on what metric is trying to do
  - clubs a useful forum to discuss
  - call us

Usual format: numerator/denominator = result

All definitions available on data entry page by clicking on the blue '?'

Benchmarking basics

- focused on benchmarking the primary forms of **managed social housing**
  - = **general needs, housing for older people** & **support** (definitions on 'profile' page)
  - limited exceptions in financial metrics (eg overall margin, EBITDA)
  - we capture other info on your 'profile' page to provide essential biz context (eg other forms of housing, turnover, staffing levels) – **useful when picking a bespoke peer group**

- when submitting end of year data, don't forget to ensure your profile is up to date

Stock

GN properties	924
Supported housing properties	44
HfOP properties	266
Leasehold and Shared Ownership	4
Other social housing units	0
Other non-social housing units	2
Turnover	7005000
Rent receivable	6862000

Staff

Total staff	27
Full time equivalent staff	27

Repairs

Emergency repairs target (Hours)	24
Urgent repairs target (Days)	5
Normal repairs target (Days)	14

Key lettings/voids metrics

- tend to be differentiated by client group (GN, HfOP, Support)
- borrow heavily from CORE definitions
- GNPI/HMHO/HMHS 30 series - Percentage of rent lost through dwellings being vacant
- xxxx36 series + CMPI 03 + BV212 - Average re-let time (calendar days)
- xxxx39 series - Re-lets as a percentage of stock

xxxx 30 - Percentage of rent lost through dwellings being vacant

- Rationale: optimum use of social assets/revenue maximization, ROI foregone from unused assets (Major Works included!)
- calculation:

  rent & service charges lost due to dwellings being vacant   x   100

  gross rent and service charges receivable

- denominator - *'gross rent and service charges receivable'* - total potential rent & service charges collectable for the period for all dwellings if all dwellings had been occupied
  - dwelling may have been vacant for any reason - includes dwellings that are 'unavailable to let' (eg MW & held for decant)
  - But…. if 'unavailable to let' are not expected to be let as social dwellings again, eg awaiting demolition, they should be excluded from both numerator & denominator (ie ignore completely)
- if collecting 1/4ly
  - numerator - year to date rent/service loss
  - denominator – pro-rata annual rent/service charge
- Watch out! – unlike average re-let time, you include MW

xxxx36 series + CMPI 03 + BV212 - Average re-let time (calendar days)

- Rationale: efficiency of key biz process
- Isolates the majority of voids – **standard (or routine) re-lets**
- standard (or routine)? – no major works, new lets, successions, exchanges, voids held for decant in numerator or denominator
  - MW never 'convert' to standard/routine once work phase finished – always stay separate
  - definition of MW is critical (see next slide)
- calculation:

  total # days (standard relet) properties were vacant in period

  # of (standard relet) lettings in period

  - '# of days vacant' = # days <u>between</u> tenancy end date and tenancy start date
  - day property goes vacant does not count nor day let.........because it's let!
  - can get 0 days, can't get negative
  - calendar days – 7 days in a week
- count squats from after repo date & police use from after hand back
- only include voids in this calc once let & include whole time, eg it may have become void in the previous reporting period
  - finally letting that long void has sting in tail!

.....so what's a MW void?

- differentiating between standard/routine void & MW void comes down to detailed definition of MW:
  - couldn't reasonably be carried out with tenant in-situ – decant test = acid test
  - .....typically such work is necessary for property to remain habitable, eg
    - structural - essential to stability and weather resistance eg floors, walls and roofs.
    - site works to area around (typically safety & security)
    - services installations – gas, electric, water, heating, ventilation, lifts
    - work that significantly improves dwelling – **this may be relevant to those who upgrade whilst property void (can the decant test be applied?)**

xxxx39 series - Re-lets as a percentage of stock

- Rationale: provides context for re-let time & void loss indicators, may indicate churn for whatever reason

- Calculation:

  <u>number of properties re-let during the period</u>   x   100

  number of properties managed

- Definition- re-lets as a proportion of the units **managed**
  - exclude owned stock if not managed by you

- as with void loss, include dwellings vacant for any reason except where not to be used as social housing again (eg awaiting demolition)

Key rent collection & arrears metrics

- tend to be differentiated by client group

- xxxx210 series + GNPI 28 - Rent collected as a percentage of rent owed (excluding arrears b/f)

- xxxx220 series + CMCX13 - Current tenant arrears as a percentage of the annual rent debit

- SWBM 400, 410, 420 - Rent arrears net of unpaid HB

xxxx210 series + GNPI 28 - Rent collected as a percentage of rent owed (excluding arrears b/f)

- Rationale: efficiency of key process & income maximization/financial capacity
- Calculation:

$$\frac{\textbf{actual} \text{ rent and service charge income received year to date}}{\text{actual rent and service charges due year to date}} \times 100$$

(nb 'year to date' is there for those who collect 1/4ly)

- solely interested in effectiveness of **current collection process** (arrears metrics are more historic & especially suited to trend analysis over time)
- possible to score over 100% if making headway into historic arrears
- exclude garages completely (in numerator or denominator)
- *actual rent and service charge income received in the period* (numerator)
  - **no adjustments** for: late HB payments, pre-payments or post-payments
    - ('arrears net of HB' deals with late HB….2 slides time)
  - other non rent/service charge items collected by landlord should be excluded if possible:
    - water rates, court costs, repairs recharges, overpaid housing benefit etc
    - if unable to split these out of rent collected, include them in both numerator and denominator.
- *actual rent and service charges due* (denominator) – exclude
  - *rent lost due to properties being vacant* – **exclude void loss (only count tenanted properties)**
  - *current tenant arrears brought forward at the beginning of the year* - **only arrears here should be from current year**

xxxx220 series + CMCX13 - Current tenant arrears as a percentage of the annual rent debit (total arrears)

- rationale: effective arrears process/income maximisation – particularly useful over time (trend)
- calculation:

  <u>**actual *current* tenant rent & service charge arrears at period end**</u>   x   100
  annual rent/service debit for current financial year (exclude void loss)

- exclude:
  - void loss from denominator (as previous metric)
  - court costs/sundry debts, garages (as previous metric)
  - arrears from previous tenancy, FTAs – **only interested in current rent/service arrears**
  - advance payments/credits (masks true arrears - not your £ - they can ask for it back)
- **no adjustment for late HB** (see next metric 'arrears net of HB' – it deals with 'technical' arrears)
- denominator nerd alert for quarterly people
  - Q. if collecting quarterly, how the devil do you provide annual rent debit for current financial year, excluding void loss?.....you don't know what voids you'll get!@~#
  - A. whatever you have @ quarter end for rent debit excluding void loss is projected forward
    - at Q1 I have £100,000 rent debit minus £1000 void loss = £99,000
    - at Q1, 13 weeks have elapsed so £99,000/13 gives me a weekly rent debit minus void loss of £7615 (if Q2, it would be 26 weeks)
    - if I multiply £7615 by 52, I get a projected annual figure of £395,980

SWBM 400, 410, 420 - Rent arrears net of unpaid HB

- rationale, calculation & definition: as previous metric but this allows you to adjust for the HB cycle – it deals with 'technical' arrears
- simply *exclude arrears due to late Housing Benefit payments*

Key repairs & maintenance metrics

- repairs metrics apply across GN, HfOP & Supported housing

- SWBM 201 Average number of responsive repairs per unit

- HMPI 101 Percentage of repairs completed at the first visit

- HMPI 90 Average end-to-end time for all reactive repairs

- '% repairs completed on target' suite:
  - HMPI 70 Percentage of all reactive repairs completed within target time – **Dropped to avoid confusion with TSM RP02 (1)**
    - GNPI 18 % emergency repairs completed within target time - **Rebadged as TSM RP02 (2)!***
    - GNPI 19 Percentage of urgent repairs completed within target time   ⎤ **Dropped as individual PIs & replaced**
    - GNPI 20 Percentage of routine repairs completed within target time   ⎦ **by aggregated TSM RP02 (1)!***

- G15C0 Percentage of dwellings with a valid gas safety certificate – Dropped to avoid confusion with G15C1/TSM BS01 (it's dated too)

- G15C1 Percentage of gas safety checks completed within target – Rebadged as TSM BS01

*Rebadged and replaced metrics to be revisited in Workshop 3: TSMs

SWBM 201 Average number of responsive repairs per unit

- rationale: as much about context as performance? Useful can opener.
  - High number: poor diagnostics, poor application of repairs policy, poor quality or simply about tenant or stock profile?
- calculation:

$$\frac{\text{Total number of responsive repair orders issued during the benchmarked period}}{\text{Total number of GN, SH \& HfOP units where the landlord is responsible for responsive repairs}}$$

- definition of 'reactive' (or 'responsive') is key:
  - **all** minor, ad hoc/unplanned repairs (regardless of priority)
    - that are reported by tenants or
    - arise from damage/wear and tear to **communal areas and common parts**
  - defect that is the landlord's responsibility to make good (as per Landlord and Tenant Act 1985)
  - **counting jobs rather than SOR lines** – a number of SOR tasks might be batched up into 1 job
    - not an exact science – especially if local practice involves batching lots together as part of annual visit
    - can be teased out in a group - extent some members have composite orders or include/exclude handymen type repairs
  - exclude
    - repairs undertaken as part of a pre-determined maintenance programme eg gas (cyclical)
      - including making good type repairs following cyclical works (if you can split them out)
    - void repairs

HMPI 101 Percentage of repairs completed at the first visit

- formerly *Percentage of repairs completed right first time*
- metric has its problems
  - was trying to expose poorly diagnosed, trained, organized and equipped council services back in 2000s (aimed to encourage multitrade operatives in vans with parts)
  - tweaked over time to address perceived unfairness but now feels clunky
  - fails to pick up that many small HA tenants happy for operative to nip to B&Q for parts
    - definition says that this should not be counted because operative left & returned = 2 visits
  - discounted by RSH in TSM consultation
- calculation:

$$\frac{\text{\# response repairs completed by operative without need to return a second time}}{\text{all responsive repairs completed (emergency, urgent \& routine)}} \times 100$$

- (unbelievably?) now allows for multiple trade visits where essential and known in advance
  - where job requires multiple trades, work completed first visit so long as each trade completes in one visit as planned
- exclude totally:
  - diagnostic pre-inspections (no intention of repairing) – metric is about remedial action only
  - no access
  - ?????arguably communal repairs??????

HMPI 90 Average end-to-end time for all reactive repairs

- supersedes 'old school', (but now resurrected by RSH), '% repairs completed in target time'
  - why old school? - setting different targets not a great basis for benchmarking!!!!!!
  - a timely service is 'what tenants want'
  - shorter average suggests efficient process (but not satisfaction of course!)
- calculation:

  sum of the total number of calendar days taken to complete responsive repairs in the period
  total number of responsive repairs completed in the period

- definition:
  - *average number (calendar) days between responsive repair being requested and its satisfactory completion including the day of request and the day of completion*
  - *date of satisfactory completion* - decided by the landlord

Satisfaction

- surveying practice beyond scope of this session (session at Acuity Annual Event 19 April)
- Key benchmarking satisfaction metrics come from STAR:
  - STA 001 Satisfied with landlord's overall service – Rebadged TSM TP01
  - STA 002 Satisfied with the quality of the home
  - STA 003 Satisfied with the neighbourhood
  - STA 004 Satisfied with the VFM rent
  - STA 005 Satisfied with the VFM service charges
  - STA 006 Satisfied with the repairs and maintenance (perception) - Rebadged TSM TP02
  - HMPI 102 Satisfied with the repairs and maintenance (transactional) – still useful for real-time data
  - STA 007 Satisfied with the listens to views and acts - Rebadged TSM TP06
  - STA 008 Satisfied with the safety and security of home – Rebadged TSM TP05
  - STA 009 Satisfied that landlord is easy to deal with
- Those metrics rebadged by TSMs will be defined by RSH TSM guidance & covered in Workshop 3: TSMs

Satisfaction

- Remaining STAR metrics – you should adhere to the methodology here eg
  - questions phrased specifically
  - 5 response categories (with neutral middle)
  - appropriate sample size
    - for small organisations this is tough – it might mean a census rather than a sample! ie you survey everyone!
    - online sample size calculator
- data collected as part of a methodologically sound STAR survey - results good to go
- remaining non-STAR satisfaction metrics are very transactional, eg satisfaction with ASB, complaints & not collected widely but do overlap with TSMs (where they are perception-based) – again covered in Workshop 3: TSMs
- Acuity is a key survey provider
  - we can help you get it right end-to-end (from deciding what to ask – to analysis and actionable insight)
  - provide 3rd party assurance

Get in touch about any further issues

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