

Data quality workshop: getting it right – allocations & lettings, income and asset management and satisfaction

Prepared by: Acuity Research & Practice



Content

Purpose: help ensure the quality & credibility of your data

For: those tasked with collecting/submitting data

1) Benchmarking basics – reminder

2) The definitions:

- Allocations and Lettings
- Income management
- Asset Management
- Satisfaction

Anything that can't be answered will be followed up

Recording/presentation available on Acuity website



ACUITY BENCHMARKING DATA ENTRY SCHEDULE

ACUITY BENCHMARKING REPORT

MEMBERS ANNUAL SCHEDULE FOR DATA ENTRY

FIRST EDITION

- 1 APR 2024 Commence data entry for the financial year end period March 2024
- 31 MAY 2024 Deadline for data entry submission
- 18 JUN 2024 Acuity Benchmarking Datasheet (first edition) to members
- JUL 2024 Benchmarking Club meetings to go through the Datasheets

FINAL EDITION

- 1 AUG 2024 Commence final data entry for financial year end period March 2024
- 2 SEP 2024 Deadline for data entry submission
- 25 SEP 2024 Produce final Acuity Benchmarking Report and issue to members
- OCT 2024 Benchmarking Club meetings to analyse the final reports

Benchmarking Overview



What it is....

- Cost and performance – customer feedback, service reviews, shared purpose
- Compare the organisation's performance against peers
- Understand what good look like
- Setting evidence-based improvement plans including resource deployment
- Context is important when analysing data against other comparators
- Stick to the agreed definitions for calculating data – deviating undermines the value of comparison
- Less is more – focus on getting a smaller number or key metrics right

What it is not....

- Not everything that is performance managed needs to be benchmarked
- Not a finely calibrated tool for crude league tabling
- Not designed to blame or expose failures
- Definitions can't legislate for every eventuality
- Not a science – clubs are a useful forum to discuss anomalies
- Not the **how** but the **what** to fix

Key points to note

Benchmarking only focuses on (definitions found on the 'profile' page):

- **general needs**
- **housing for older people**
- **support**

Limited exceptions in financial metrics (eg overall margin, EBITDA)

We capture other info on your 'profile' page to provide essential business context (eg other forms of housing, turnover, staffing levels) – useful when picking a bespoke peer group

When submitting end of year data, please update your 'profile'

SPBM benchmarking main menu
Pamela Farquharson

Status for Nehemiah UCHA
Current period : 2020/21 Q4
Your return for this period : 0 PIs out of 49 completed


| 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 |

Finding the definitions

On the data entry page click on the blue '?'

PACT [Admin Menu](#) [Reports](#) [Members](#) [PIs](#) [Periods](#) [Salaries](#) [Invoicing](#) *Steve Smedley* 

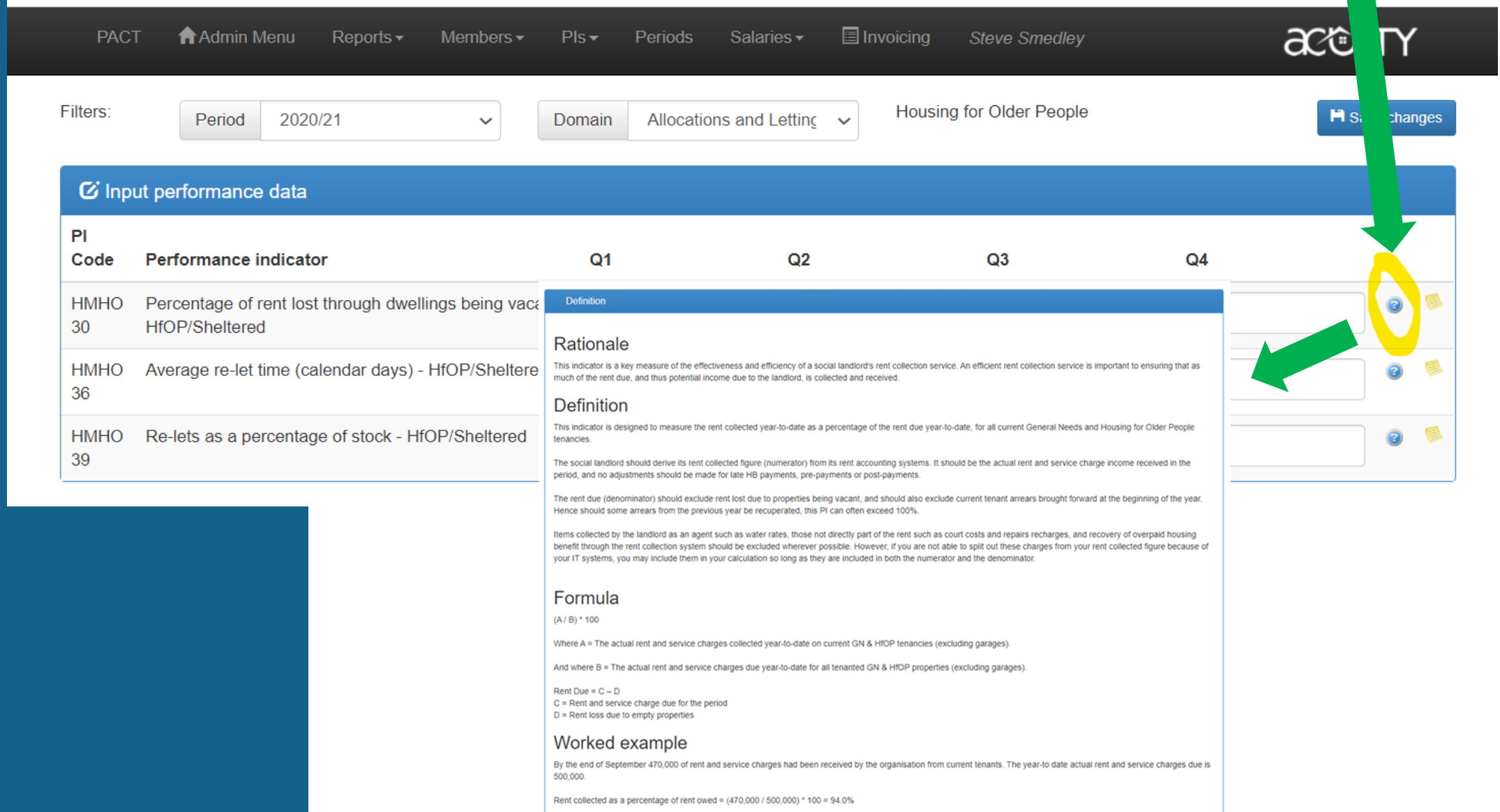
Filters: [Period](#) 2020/21 [Domain](#) Allocations and Letting Housing for Older People [Searches](#)

Input performance data

| PI Code | Performance indicator | Q1 | Q2 | Q3 | Q4 |
|---------|--|---|----|----|----|
| HMHO 30 | Percentage of rent lost through dwellings being vacated - HfOP/Sheltered | Definition | | | |
| HMHO 36 | Average re-let time (calendar days) - HfOP/Sheltered | Rationale This indicator is a key measure of the effectiveness and efficiency of a social landlord's rent collection service. An efficient rent collection service is important to ensuring that as much of the rent due, and thus potential income due to the landlord, is collected and received. | | | |
| HMHO 39 | Re-lets as a percentage of stock - HfOP/Sheltered | Definition This indicator is designed to measure the rent collected year-to-date as a percentage of the rent due year-to-date, for all current General Needs and Housing for Older People tenancies. The social landlord should derive its rent collected figure (numerator) from its rent accounting systems. It should be the actual rent and service charge income received in the period, and no adjustments should be made for late HB payments, pre-payments or post-payments. The rent due (denominator) should exclude rent lost due to properties being vacant, and should also exclude current tenant arrears brought forward at the beginning of the year. Hence should some arrears from the previous year be recuperated, this PI can often exceed 100%. Items collected by the landlord as an agent such as water rates, those not directly part of the rent such as court costs and repairs recharges, and recovery of overpaid housing benefit through the rent collection system should be excluded wherever possible. However, if you are not able to split out these charges from your rent collected figure because of your IT systems, you may include them in your calculation so long as they are included in both the numerator and the denominator. | | | |

Formula
 $(A / B) * 100$
Where A = The actual rent and service charges collected year-to-date on current GN & HfOP tenancies (excluding garages).
And where B = The actual rent and service charges due year-to-date for all tenanted GN & HfOP properties (excluding garages).
Rent Due = C - D
C = Rent and service charge due for the period
D = Rent loss due to empty properties

Worked example
By the end of September 470,000 of rent and service charges had been received by the organisation from current tenants. The year-to-date actual rent and service charges due is 500,000.
Rent collected as a percentage of rent owed = $(470,000 / 500,000) * 100 = 94.0\%$



Key Allocations and Lettings metrics

Tend to be differentiated by client group (GN, HfOP, Support)

- Borrow heavily from CORE definitions
- 1. GNPI 30 (GN), HMHO 30 (HfOP), HMSH 30 (Supported) - % of voids loss (rent lost through dwellings being vacant)
- 2. GNPI 36 (GN), HMHO 36 (HfOP), HMSH 36 (Supported) - Average re-let time (calendar days)
- 3. GNPI 39 (GN), HMHO 39 (HfOP), HMSH 39 (Supported) - Re-lets as a percentage of stock

1. GNPI 30 (GN), HMHO 30 (HfOP), HMSH 30 (Supported) - % of voids loss (rent lost through dwellings being vacant)

- Rationale: optimum use of social assets/revenue maximisation, **revenue lost from unused assets** (Major Works included!)

Calculation:

$$\frac{\text{(numerator) **rent \& service charges lost due to dwellings being vacant**}}{\text{(denominator) **gross rent and service charges receivable**}} \times 100$$

- '*gross rent and service charges receivable*' - total potential rent & service charges collectable for the period 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)
- **NB** – unlike average re-let time, you include MW
- Exclude completely if 'unavailable to let' because the stock is not expected to be let as social dwellings again, eg awaiting demolition
- If inputting **quarterly data** (cumulative)
 - ✓ numerator - year to date rent/service loss
 - ✓ denominator – pro-rata annual rent/service charge

Key Allocations and Lettings metrics

2. GNPI 36 (GN), HMHO 36 (HfOP), HMSH 36 (Supported) - Average re-let time (calendar days)

- Rationale: efficiency of key business process
- Isolates most voids – **standard (or routine) re-lets**
- **Exclude** – major works, new lets, successions, exchanges, voids held for decant
- Major Works never 'convert' to standard/routine once work phase finished – always stay separate

Calculation:

$$\frac{\text{(numerator) } \underline{\text{total \# days (standard relet) properties were vacant in period}} \times 100}{\text{(denominator) } \underline{\text{\# of (standard relet) lettings in period}}}$$

- ✓ '# of days vacant' = # days between tenancy end date and tenancy start date
- ✓ day property goes vacant does not count nor actual day let
- ✓ can get 0 days, can't get negative
- ✓ Counted as calendar days
- Count squats from after repo date & police use from after hand back
- Only include voids once let and include whole time, eg it may have become void in the previous reporting period
- Long voids will impact data

Major Work (definition):

- Work that couldn't reasonably be carried out with tenant in-situ for example work which is necessary for property to remain habitable, eg structural - 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 while the property is void**

Key Allocations and Lettings metrics

3. GNPI 39 (GN), HMHO 39 (HfOP) and HMSH 39 (Supported) series - Re-lets as a % of stock

- Rationale: provides context for re-let time & void loss indicators, may indicate churn for whatever reason e.g. difficult to let
- Definition- re-lets as a proportion of the units **managed**
 - ✓ exclude owned stock if not managed by you

Calculation:

$$\frac{\text{(numerator) } \underline{\text{number of properties re-let during the period}} \times 100}{\text{(denominator) } \underline{\text{number of properties managed}}}$$

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

Key Income Management metrics

Tend to be differentiated by client group

1. HMHO 210 (Supported) and GNPI 28 (GN) - Rent collected as a % of rent owed (excluding arrears b/f)
2. CMCX 13 (GN), HMHO 220 (HfOP) and HMSH 220 (Supported) - Current tenant arrears as a % of the annual rent debit
3. SWBM 400, 410, 420 - Rent arrears net of unpaid HB

1. HMHO 210 (Supported) and GNPI 28 (GN) - Rent collected as a % of rent owed (excl. arrears b/f)

- Rationale: efficiency of key process & income maximisation/financial capacity - interested in effectiveness of **current collection process** (arrears metrics are historic & especially suited to trend analysis over time)

Calculation:

(numerator) **actual rent and service charge income received year to date x 100** (received in period)

(denominator) **actual rent and service charges due year to date** - (NB 'year to date' is there for those who collect quarterly)

- **no adjustments** for: late HB payments, pre-payments or post-payments
- Exclude rent lost due to properties being vacant – **exclude void loss (only count tenanted properties)**
- Exclude current tenant arrears brought forward at the beginning of the year - **only arrears should be from current year**
- Exclude garages completely (in numerator or denominator)
- 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
- Possible to score over 100% if making headway into historic arrears

Key Income Management metrics

2. CMCX 13 (GN), HMHO 220 (HfOP) and HMSH 220 (Supported) - Current tenant arrears as a % of the annual rent debit

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

Calculation:

$$\frac{\text{(numerator) actual current tenant rent & service charge arrears at period end}}{\text{(denominator) annual rent/service debit for current financial year (exclude void loss)}} \times 100$$

- 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**
- Denominator alert for Quarterly submissions (not many do these)
 - Q. If collecting quarterly, how do you provide annual rent debit for current financial year, excluding void loss as you don't know what voids you will be getting?
 - A. Whatever you have at quarter end for rent debit excluding void loss is projected forward
 - ✓ at Q1 £100,000 rent debit minus £1000 void loss = £99,000
 - ✓ at Q1, 13 weeks have elapsed so £99,000/13 gives a weekly rent debit minus void loss of £7615 (if Q2, it would be 26 weeks)
 - ✓ multiply £7615 by 52, to get a projected annual figure of £395,980

3. 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 Asset Management metrics (Repairs & Maintenance)

Repairs metrics apply across GN, HfOP & Supported housing

1. SWBM 201 - Average number of responsive repairs per unit
2. HMPI 101 - % of repairs completed at the first visit
3. HMPI 90 - Average end-to-end time for all reactive repairs

1. SWBM 201 Average number of responsive repairs per unit

- Rationale: as much about context as performance?
- High number: poor diagnostics, poor application of repairs policy, poor quality or simply about tenant or stock profile?

Calculation:

(numerator) Total number of responsive repair orders issued during the benchmarked period

(denominator) **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** – several 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
 - 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

Key Asset Management metrics (Repairs & Maintenance)

2. HMPI 101 - % 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:

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

- 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
 - ✓ Communal repairs

Key Asset Management metrics (Repairs & Maintenance)

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

- Resurrected by RSH, ‘% repairs completed in target time’
 - ✓ Setting different targets not a great basis for benchmarking
 - ✓ A timely service is ‘what tenants want’
 - ✓ Shorter average suggests efficient process (but possibly at the risk of quality)

Calculation:

$$\frac{\text{(numerator) } \underline{\text{sum of the total number of calendar days taken to complete responsive repairs in the period}}}{\text{(denominator) } \text{total number of responsive repairs completed in the period}}$$

- 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
- Key benchmarking satisfaction metrics come from STAR:
 - STA 002 (GN) - Satisfied with the quality of the home
 - STA 003 (GN) - Satisfied with the neighbourhood
 - STA 004 (GN) - Satisfied with the VFM rent
 - STA 005 (GN) - Satisfied with the VFM service charges
 - HMPI 102 - Satisfied with the repairs and maintenance (transactional) – still useful for real-time data
 - STA 009 (GN) - Satisfied that landlord is easy to deal with
- Session to be held at the conference in April

Help is out there: Tutorial videos on the website or call us for a one-to-one session! This session will also be on the website together with the presentation pack.

For further information on this report please contact:

lea.Richardson@arap.co.uk or 07956 208018

Acuity

Tel: 01273 287114

Email: acuity@arap.co.uk

Address: PO Box 395, Umberleigh, EX32 2HL



Certificate No:359292021

