



Report to:

Northwards Housing Board

16th May 2006

Item No:

9

Title:	Performance Management Framework		
Date:	8 th May 2006		
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Confidential:	NO		
For: (Please tick action required)	NOTING	DISCUSSION	APPROVAL √

PURPOSE OF REPORT

To inform the Board of:

- a) Northwards Housing's performance for the final quarter of 2005/6 (it's first operational period)
- b) Summarise the Performance Indicator targets for 2006/7, as recommended by the relevant Sub Committee for approval to the Board.
- c) Report on current Organisational Health Performance and proposed targets for 2006/7.
- d) Report on several changes to the report template

RECOMMENDATION

1. The Board are asked to note and comment on the performance of the Company for the final quarter of 2005/6.
2. To note the Performance Indicator targets recommended by the relevant Sub-Committee to the Board to improve overall performance for 2006/7.
3. To note and approve the amendment to the Performance Management Report template.
4. To recommend that the approval of the remaining Performance Indicator targets be delegated to the Sub-Committees in May, with a final report back to the Board in June.
5. To consider and approve the Organisational Health indicator targets for 2006/7.

IMPLICATIONS	
Equality & Diversity:	The proposed targets demonstrate a commitment by Northwards to implement its policy and meet its objectives.
Financial:	Potential for increased revenue and savings in key areas such as rent, repairs and voids performance.
Staffing:	Internal and external recruitment policy will take into account proposed targets.
Decency Target:	The performance report provides for monitoring of progress towards the Decency target.
Governance:	The Board will ensure effective governance through the Performance Management Framework.

Equality & Diversity Implications (Please tick where relevant):

BME	<input checked="" type="checkbox"/>	Lesbian/Gay/Bisexual/Transgender	<input type="checkbox"/>
Elderly	<input type="checkbox"/>	Single Parents	<input type="checkbox"/>
Young	<input type="checkbox"/>	Domestic Violence	<input type="checkbox"/>
Disability	<input checked="" type="checkbox"/>	Alcohol / Drug Mis-users	<input type="checkbox"/>
Gender	<input checked="" type="checkbox"/>		

Consultation/Consideration:

	Yes, No or N/A:	Name:	Date:
Sub-Committee:	Yes	Procurement and Property	19.04.06
		Human Resources and Equality	26.04.06
		Performance and Quality Services	28.04.06
		Resource and Governance	25.04.06
Area Panel:	No		
Ward Councillors:	No		

1. Introduction

- 1.1 This report summarises the current status of Performance Management reporting for Northwards Housing and the proposed indicators for 2006/7. A separate report is available to the Board detailing the company's performance in all areas for the final quarter of 2005/6. The report contains year to date information including performance prior to 12th December 2005 (i.e. when the stock was managed by Manchester City Council). In some cases, however, year to date performance is recorded from 12th December 2005 and this is indicated in the report.
- 1.2 There have been several changes to the standard template for performance management information. These are:

- a) The removal of duplicate graphs from the main body of the report where these are already shown in the summary at the start of the report (as per the request of the Performance and Quality Services Sub Committee)
- b) The inclusion of additional On Call performance information such as number of calls answered, speed of answer and duration of call, to provide a clearer context of how the service is performing overall.
- c) The removal of the proposed indicator measuring the numbers of introductory tenancies becoming secure as this offered no real value in monitoring performance.

2. Targets for 2006/7

2.1 The following targets for 2006/7 were agreed by the Sub Committees and have been recommended for approval to the Board:

Indicator	Description	2005/6 Target	End of year Performance	2006/7 Target
Performance and Quality Services Sub Committee				
BV212	Average relet time	36 days	70.4 days	50 days
MHL045	Void rent loss	3%	3%	2.5%
BV74	Tenant satisfaction with overall service	n/a	75% (04/05)	80%
BV75	Tenant satisfaction – opportunities for participation	n/a	62% (04/05)	65%
BV156	Public Buildings – accessibility	55%	50% (04/05)	MCC Target to be adopted
BV157	Electronic delivery of services	100%	91% (04/05)	100%
MHL017	Phone calls answered within 15 seconds	93%	85.7%	90%
MHL018	Letters answered in 10 working days	93%	98.2%	95%
MHL020	Compliance with dress appearance standard	100%	98.5%	100%
MHL021	Staff wearing name badges	100%	98.5%	100%
MHL022	Complaints answering in 15 days	96%	90.14%	92%
MHL103	Enquiries resolved by On Call	80%	80.62%	82%
MHL001	Rehousing registrations within 10 days	97.8%	95.26%	98%
NHL067-069	Nuisance and ASB – response to complaints	n/a	94.7% - 100%	100%
Procurement and Property Sub Committee				
MHL040	Average time taken for non-	9.1 days	5.1 days	5.5 days

Indicator	Description	2005/6 Target	End of year Performance	2006/7 Target
	urgent response repairs.			
MHL039	% of urgent repairs completed within government time limit.	98.2%	96.6%	97.2%
NHL082	% of variation orders against jobs	n/a	26.83%	26%
NHL083	Average cost of variation orders.	n/a	£41.57	£40
NHL048	% of all possible appointable jobs when an appointment was made and kept, (excluding emergencies, external work and communal areas).	88.2%	87.7%	88.5%
MHL005	% of appointments made and kept	98.5%	95.6%	98.5%
MHL003	% of appointable jobs where an appointment was made.	99%	98.6%	99.1%
MHL006	% of repairs completed within deadline	95.5%	95.5%	96.5%
MHL009	% of jobs completed on first visit	85%	84.8%	86%
MHL012	% of repairs satisfaction letters where tenants were satisfied with the service	89%	84.3%	89%
MHL014	Tenant satisfaction rate after investigation and rectification	98.3%	95.6%	99%
NHL079	Emergency repairs completed on time	n/a	98.17%	98.5%
NHL080	Routine repairs completed on time	n/a	96.88%	96%
HR and Equality Sub Committee				
BV164	Does the ALMO follow the CRE code of practice for rented housing and follow good practice standards for social landlords on tackling harassment?	Yes	Yes	Yes
BV174	The number of racial incidents recorded by Northwards Housing.	n/a	69	80
BV175	Racial incidents that resulted in further action	100%	100%	100%
BV2a	The level of equality standard for Local Government to which Northwards Housing conforms	n/a	Level 2	Level 3
BV2b	The duty to promote Race Equality (measured against 19 point Race Equality Scheme)	55%	89%	68% compliance
BV12	Average sickness absence per employee	10.3 days	4.2 days (since Dec)	10 days

- 2.2 There are still a number of targets to be set e.g. rent collection, and these were deferred by the Sub-Committees whilst clarification and further detailed information was sought. The Resource and Governance Sub Committee, for example, requested further benchmarking information.

3. Organisations Health Indicator Targets 2006/7

- 3.1 The Board are asked to consider the Organisational Health information available from the period ending April 2006 and to approve the following 8 targets:

4. **Target 1 BV 11a: Top 5% of earners that are women (PO6 and above) recommended target is 42%**

- 4.1 Outlines the percentage of women who are on a PO6 grade and above.
- 4.2 MCC published figures of 37.93% for the 4th quarter of 2005/06, resulting in a minus 8.07% variance from the target of 46%.
- 4.3 Top Quartile ALMOs (4 of the 8 top quartile ALMOs provided statistics: Ashfield Homes, Brent Housing, Carrick Housing and Sheffield Homes). Research has established that the average of earners who are women within these organisations is 21.42%.
- 4.4 Northwards' current status as of April 2006 is 37.5%. This equates to a total of 6 women and 10 men of a PO6 position or higher.
- 4.5 Visibility of women currently in a PO6 position transferring out of their current role in 2006 is not foreseeable, due to the emergence of the new organisation in 2005 and recent appointees in situ.
- 4.6 To summarise, this category is performing well. However, the appointment of one additional female would equate to 41.18%.
- 4.7 The Board are asked to approve a target of 42%.**

5. **Target 2 BV11b: Top 5% of earners from black and minority ethnic communities (PO6 and above). Recommended target is 6%**

- 5.1 Outlines the percentage of black minority ethnic employees who are on a PO6 grade and above.
- 5.2 MCC published figures of 3.45% for the 4th quarter of 2005/06, underachieving their target by 0.8%. MCC's target for 2006/07 is 4.4%
- 5.3 Research from the top Quartile ALMOs, where this information was measured, indicated an average figure of 4.8%.
- 5.4 Northwards' current status of BME employees in a PO6 grade and above is 0%. Research has indicated that BME representation at middle- management level (i.e. Grade PO1 and above) within Northwards currently stands at 10.64%, indicating growth for internal promotion and succession planning into a PO6 position. The

appointment of one BME employee to a PO6 position would equate to a 6.25% figure.

To summarise, the organisation has identified scope to increase BME representation at all levels in 2006/07.

5.5 The Board are asked to approve a target of 6%.

6. **Target 3 BV11 c: Top 5% of earners that are disabled (PO6 and above)**
Recommended target is 6%

6.1 Outlines the percentage of disabled employees who are on a PO6 grade and above.

6.2 MCC published figures of 3.51% for the 4th quarter of 2005/06, and targets for 2006/07 have yet to be published.

6.3 Top Quartile ALMOs: one ALMO reported a figure of 3.5%; the remaining either did not measure this statistic or reported a figure of 0%.

6.4 Northwards' current status of disabled employees at grade PO6 and above is 0%. The appointment of one disabled employee on a grade PO6 would equate to a figure of 6.25%

6.5 The Board are asked to approve a target of 6%.

7. **Target 4 BV12: Number of working days/shifts lost due to sickness absence.**
Recommended target of 10 days.

7.1 Outlines the number of working days/shifts lost due to sickness absence, which is calculated by dividing the employee headcount into days lost to establish an average figure across the organisation.

7.2 MCC published figures of 11.44 working days for the 4th quarter of 2005/06. Their target for 2005/06 was 10.3 days, reporting a minus variance of 1.14 days per employee. MCC's target for 2006/07 is 10 days.

7.3 Research has established that Top Quartile ALMOs averaged 10 working days lost due to sickness absence in 2005/06.

7.4 Northwards' current status is 4.5 days, cumulative from January 2006, with 8 months remaining. This highlights that if the current trend continues at 1 day per month, Northwards would exit the year at 12.5 days. Therefore, a target of 10 days is both stretching and realistic to achieve.

7.5 The Board are asked to accept the recommendation of the Sub Committee and approve a target of 10 days.

8. **Target 5 BV14: Employees retiring early (excluding ill-health retirements) as a percentage of the total workforce. Recommended target of 0.40%**

8.1 MCC published figures of 0% for the 4th quarter of 2005/06, and their

target was 0.25%. The published target for 2006/07 is 0.22%.

8.2 Top Quarter ALMOs' figures reveal that one organisation had a single employee taking early retirement in 2005/06, which represents 2% of the workforce. Other figures obtained reported a total of 0%.

8.3 Northwards' figures for 2005/06 are 0.40 % of the workforce. It is reasonable to assume this trend will continue.

8.4 The Board are asked to approve a target of 0.40%.

9. **Target 6 BV15: Employees retiring on grounds of ill-health as a percentage of total workforce. Recommended target of 0.36%**

9.1 MCC's figures for the 4th quarter of 2005/06 reveal a total of 0.29%. Their target for 2005/06 was 0.40%, and for 2006/07 0.35%.

9.2 Top Quarter ALMOs reported an average of 0% in this field

9.3 Northwards' total for 2005/06 is 0%. Effective management of the absence policy and procedure would minimise employees taking retirement on the grounds of ill health.

9.4 The Board are asked to approve a target of 0.36%.

10. **Target 7 BV16: Disabled employees in the Northwards workforce. Recommended target of 3.57%**

10.1 MCC's figures for the 4th quarter of 2005/06 reveal that a total of 5.98% of employees are registered as disabled. This exceeds their target of 2.81% for 2005/06. The target for 2006/07 is 2.90%.

10.2 Research revealed that Top Quarter ALMOs had an average of 5.42% disabled employees in the workforce in 2005/06.

10.3 There are currently 8 registered disabled employees in the Northwards workforce, representing a total of 3.15%. An additional registered disabled employee would equate to the figure of 3.57%.

10.4 The Board are asked to approve a target of 3.57%.

11. **Target 8 BV17: BME employees in the Northwards workforce. Recommended target of 11.43%**

11.1 MCC's figures for the 4th quarter of 2005/06 reveal a total of 16.29%, which exceeds their 2005/06 target of 12.54%. The target for 2006/07 has been set at 13.41%

11.2 Top Quarter ALMOs' figures reported an average total of 3.26% BME employees.

11.3 Information from the Census 2001 highlights the following BME population within the local community:

- Cheetham 48.7%
- Crumpsall 23.2%
- Higher Blackley 5%
- Harpurhey 7.7%
- Newton Heath 4.8%
- Charlestown 4.4%
- Moston 6.2%

The average figure is 14.3%

11.4 It is anticipated that from April 2006 up until the 4th quarter 2006, the organisation will recruit 30 positions. Therefore, the target is to recruit 15 BME employees, equating to a BME target for 2006/07 of 11.43%. This is felt to be a realistic target. When this is achieved in January 2007, a stretching target will be established to reflect the population of BME representation in the local community, which currently stands at 18.4%.

11.5 The Board are asked to approve a target of 11.43%.

12. Conclusion 2006/7 Performance Management Reporting

12.1 Performance Management for Northwards Housing will be reported on a monthly and quarterly basis. There are a number of indicators, however, that rely on Council systems providing the data and at present it is not possible to report on all the indicators at a frequency that Northwards wishes to introduce. The indicators most affected by this are:

- rent statistics where a cumulative year to date figure is currently provided each quarter, rather than a figure for the quarter itself..
- Void statistics, where MCC are not resourced to provide monthly data

12.2 The introduction of a new ICT system (Comino) in the Autumn will help to resolve this problem, ultimately allowing for performance management information to be produced for all areas of the service effectively and more efficiently.

12.3 The annual indicators such as the customer satisfaction from MCC's status survey will also be updated during 2006/7 when MCC carry out a further survey. In the meantime, Northwards Housing is planning to undertake its own survey of tenants in May 2006 to assess current satisfaction levels.

12.4 A further report with the remaining Performance Indicator targets will be presented to the relevant Sub Committee and to the Board in June for final approval before they are then formally agreed with MCC.