



APPENDIX 3

Benchmarking with other Housing Authorities

The primary purpose of benchmarking is as an internal performance management and self-assessment tool for managers seeking to understand current levels of performance and costs in order to improve the quality and value for money (VFM) of services delivered to tenants. The following tables compare UDC with a peer group of 44 other housing authorities.

Corporate health



The summary table below compares UDC housing staff turnover and sickness absence with other landlords. High staff turnover can impact significantly on costs and performance and tackling absenteeism can help produce productivity gains.

Corporate Health Summary							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
Percentage of staff turnover in the year	33	6.3	9.6	11.5	8.7	13	
Average number of working days/shifts lost to sickness absence per employee	31	7.0	9.6	13.8	7.0	9	

Customer service

With the move to greater self-regulation and tenants being able to hold their landlord to account, how Council's respond to and deal with complaints is becoming increasingly important. The TSA expects landlords to offer a quality customer service in which tenants are treated with respect and courtesy. Landlords are expected to understand their tenants' needs and use this information to design and deliver housing services and communicate with them.

The summary table below enables compares UDC Housing performance for two key measures of customer service with the peer group.

Customer Service							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
Percentage of complainants satisfied with the outcome of the complaint	10	75.0	57.4	37.8	100.0	1	
Percentage of complainants satisfied with complaint handling	9	70.3	57.0	39.0	100.0	1	

Value for money (VFM) standard summary

The following VFM summary has been provided to help understand the relationship (VFM) between cost and performance across the main business activities.

Efficiency Summary for Uttlesford DC				
Business Activity	Cost KPI	Cost KPI Quartile	Quality KPI	Quality KPI Quartile
		Uttlesford DC (2010/2011)		Uttlesford DC (2010/2011)
Overheads	Overhead costs as % adjusted turnover		Overhead costs as % direct revenue costs	
Major Works & Cyclical Maintenance	Total CPP of Major Works & Cyclical Maintenance		Percentage of tenants satisfied with overall quality of home (GN)	
			Percentage of dwellings failing to meet the Decent Homes Standard	
Responsive Repairs & Void Works	Total CPP of Responsive Repairs & Void Works		Percentage of tenants satisfied with the repairs and maintenance service (GN)	
			Percentage of all repairs completed on time	
			Average time in days to re-let empty properties	
Housing Management	Total CPP of Housing Management		Percentage of tenants satisfied with overall services provided (GN)	
			Percentage of tenants satisfied that views are being taken into account (GN)	
			Current tenant rent arrears net of unpaid HB as % of rent due	
Development	Staff involved in standard units developed per 100 units		Percentage of owners satisfied with overall quality of new home	
			Standard units developed as % of current stock	
Estate Services	Total CPP of Estate Services		Percentage of tenants satisfied with their neighbourhood as a place to live (GN)	

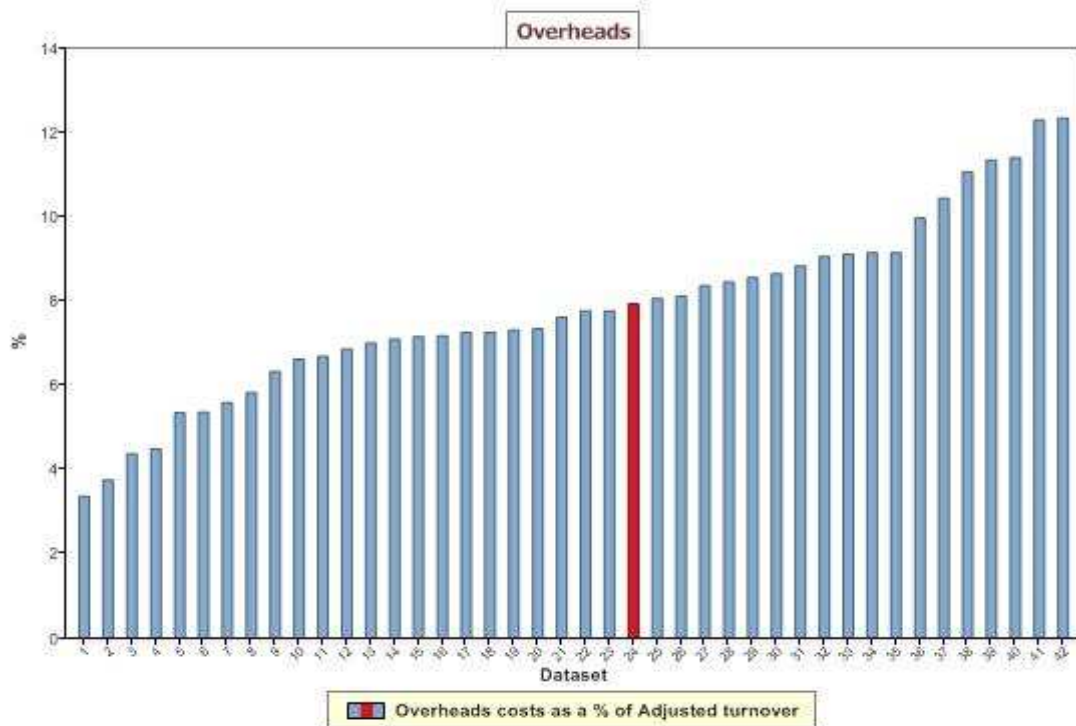
Quartile Key							
	Upper Quartile	Middle Upper	Median	Middle Lower	Lower Quartile	N/A	No Data
Valid dataset							
Small dataset							

Overheads

Overheads can be a key area for efficiencies. 'Back office' spending is generally the most controllable of an organisation's costs, and there is usually less risk in reducing overhead costs than cutting front-line service costs.

Overhead costs as percentage of adjusted turnover

The chart below shows UDCs overhead costs as a percentage of adjusted turnover:

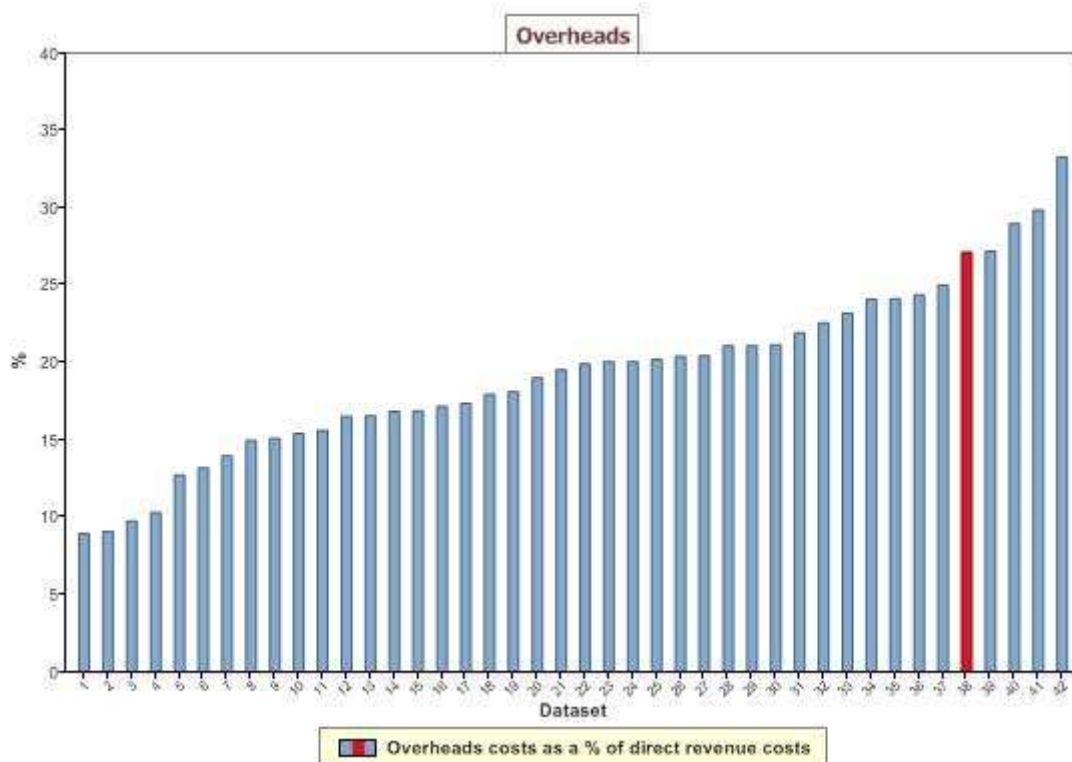


Overheads costs as a % of Adjusted turnover				
Comparator Group Quartiles		Upper	Median	Lower
		6.69	7.62	9.06
Id	Results for Uttlesford DC	Result	Rank	Quartile
24	Uttlesford DC (2010/2011)	7.93	24	

Turnover is generally accepted as a useful measure to benchmark the total overheads of an organisation. It provides a common measure of activity across the whole business and between different types of organisations.

Overhead costs as a percentage of direct costs

This chart shows the same overheads as in the above indicator, but uses direct costs as the benchmarking measure. This indicator can be reported consistently across all business areas and at summary level.



Overheads costs as a % of direct revenue costs				
Comparator Group Quartiles		Upper	Median	Lower
		15.62	19.53	21.94
Id	Results for Uttlesford DC	Result	Rank	Quartile
38	Uttlesford DC (2010/2011)	27.15	38	●

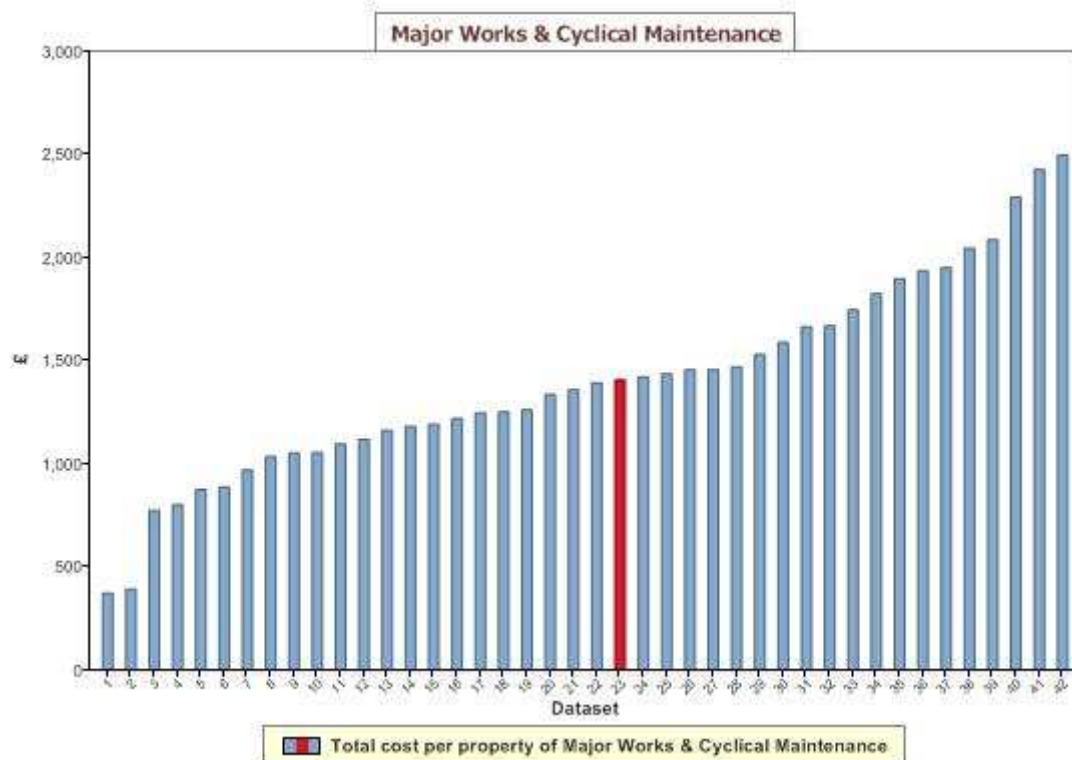
Breakdown of overheads by cost category

The following summary table benchmarks UDCs overhead costs per direct user for each overhead function with the other organisations in the peer group:

Overhead cost breakdown per direct user							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
Premises	41	2,326	3,031	4,020	3,974	31	●
ITC	41	4,100	5,809	6,577	5,935	24	●
Finance	41	2,244	3,230	4,521	4,005	29	●
Central	41	6,150	7,989	11,061	9,437	27	●

Major works and cyclical maintenance total cost per property

The following chart shows how much per property each member of the peer group spent on the total costs of major works and cyclical maintenance (including direct works costs, direct employee costs, direct non-pay costs and allocated overhead costs). This measure includes both the 'client side' management and administration costs and the 'contractor side' direct spend.



Total cost per property of Major Works & Cyclical Maintenance				
Comparator Group Quartiles		Upper	Median	Lower
		1,095.78	1,358.44	1,668.43
Id	Results for Uttlesford DC	Result	Rank	Quartile
23	Uttlesford DC (2010/2011)	1,406.63	23	

Analysis of service provision and management costs for major works and cyclical maintenance

Total costs for major works and cyclical maintenance can be analysed between service provision (contractor costs) and management (client side) as detailed in the summary table below.

Major Works & Cyclical Maintenance - Costs							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
Total CPP of Major Works Service Prov	41	735	1,049	1,230	1,052	22	
Total CPP of Major Works Mgt	41	55	81	111	34	4	
Total CPP of Cyclical Maint Service Prov	41	157	222	278	267	29	
Total CPP of Cyclical Maint Mgt	41	18	28	44	54	35	





The above cost measures include overheads, enabling a more relevant comparison between organisations that outsource to a contractor and those that have an internal DLO.

Clearly the amount spent on major works in any year depends on a number of factors, such as where an organisation is in its stock investment programme and the proportion of units failing to meet the decent homes standard (see below).

Low management costs may be an indication of efficiency in the 'client side' functions. Conversely, they might be an indication that more resources are required to manage/administer the service. High management costs per property may indicate inefficiency in management/administration.

Key performance indicators for major works and cyclical maintenance

UDC results compared with the peer group are shown in the table below.

Major Works & Cyclical Maintenance - Additional performance measures							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
% of respondents satisfied with overall quality of home (GN)	24	83.25	79.75	76.90	NoData	N/A	
% of dwellings failing to meet the decent homes standard	41	0.0	0.9	5.3	2.0	25	
Average SAP (2005)	39	71.0	68.5	65.5	70.0	14	
% Landlord gas safety record	41	99.92	99.70	99.20	97.88	38	

The decent homes standard is a key indicator for all social landlords. It is current government policy that all social rented homes (with some limited and specific exceptions) should have met the decent homes standard by 2010 and should thereafter continue to be maintained to that standard.

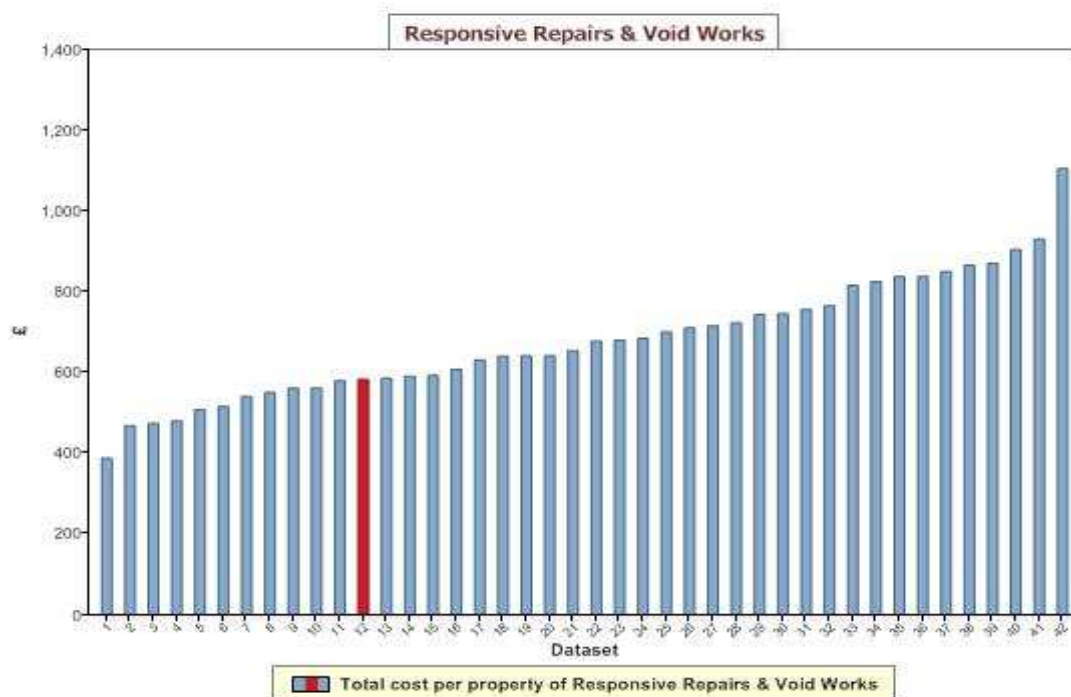
The best measure currently available to compare environmental performance is the average SAP rating. SAP is the government's standard assessment procedure for energy rating of dwellings. The latest methodology (SAP 2005) expresses the SAP rating on a scale of 1 to 100: the higher the rating, the more energy-efficient the dwelling. The average SAP rating is calculated on all self-contained, general needs dwellings in ownership.

The landlord gas safety record reflects landlord obligations under the Gas Safety (Installations and Use) Regulations 1998. Failure to meet these obligations may result in serious consequences.

Responsive repairs and voids re-servicing total cost per property

The chart below shows the total costs per property (including direct works costs, direct non-pay costs, direct employee costs and allocated overhead costs) of responsive repairs and voids re-servicing compared with peers. It includes both the 'client side' management and administration functions and the 'contractor side' direct

spend.



Total cost per property of Responsive Repairs & Void Works				
Comparator Group Quartiles		Upper	Median	Lower
		579.02	677.96	765.61
Id	Results for Uttlesford DC	Result	Rank	Quartile
12	Uttlesford DC (2010/2011)	582.99	12	

Summary of service provision and management costs for responsive repairs and void works costs

The following table distinguishes between the 'client-side' costs and the 'contractor-side' direct spend of responsive repairs and void works costs. However, it is not always easy to separate these costs, especially where partnering arrangements are in place or where client-side functions are outsourced, so these indicators should be treated with caution. These measures also include allocated overhead costs, enabling a more useful comparison to be made between organisations that outsource to a contractor and those that have an internal direct labour organisation (DLO).

Responsive Repairs & Void Works Service Provision & Management Costs							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
Total CPP of Responsive Repairs Service Prov	41	311	384	452	350	18	
Total CPP of Responsive Repairs Mgt	41	68	89	141	105	24	
Total CPP of Void Works Service Prov	41	112	148	213	104	7	
Total CPP of Void Works Mgt	41	24	32	39	24	11	

A low service provision cost per property for responsive repairs may be the result of effective planned work programmes. It may also indicate that the organisation has negotiated efficient procurement arrangements, bringing down the cost of labour and materials. However, it may reflect a lack of investment in the service and it is

important to view this indicator in conjunction with the performance and satisfaction indicators provided below and in the detailed appendices.

A high cost per property for responsive repairs management may indicate inefficiency in the management/administration of that service. A low cost may reflect an efficiently run service. However, it might also be an indication that more resources are required in this area.

Void works service provision costs only include the routine void costs when a property is re-let. Major works undertaken to void properties are included within the major and cyclical repairs function.

Key performance indicators for responsive repairs and void works

UDC results compared with the peer group are shown in the table below:

Responsive Repairs - Additional performance measures							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
% of respondents satisfied with repairs and maintenance (GN)	24	78.75	74.30	70.93	NoData	N/A	
% of repairs completed on time	37	96.1	94.4	90.5	87.7	30	
Average time to complete a repair (in days)	35	7.28	10.15	12.60	7.00	8	
Average time in days to re-let empty properties	41	23.61	26.70	33.19	66.16	42	
Repairs "right first time"	25	94.2	89.9	81.0	98.0	4	
P1 & P2 as a % of total repairs	36	43.9	50.5	58.6	44.1	11	

Tenant satisfaction with the repairs and maintenance service (general needs) is a key measure of whether a good service is being delivered from the tenants' perspective. This information is sourced from the most recent STATUS satisfaction survey data (or similar) submitted and relates to tenants living in general needs accommodation.

The percentage of repairs completed on time can be used to identify whether a landlord is keeping its commitment to tenants. It indicates how efficient and reliable the landlord is in delivering on a key customer care promise of its repair service: protecting the health and safety of the occupiers of its homes and maintaining the value of its assets.

The average repair completion time reflects the actual time tenants have waited. It is more tenant-focused than reporting the landlord's performance in achieving its own target response times (as in the traditional measure 'percentage of emergency/urgent/routine repairs completed within target').

Completing a repair 'right first time' is an important measure in terms of both service efficiency and effectiveness and minimising inconvenience for tenants. It is a relatively complex performance indicator, requiring the landlord to distinguish between works that can be completed in a single visit and those that need a series of pre-planned visits. A high percentage score suggests that the landlord is diagnosing repair problems effectively and planning for their rectification.

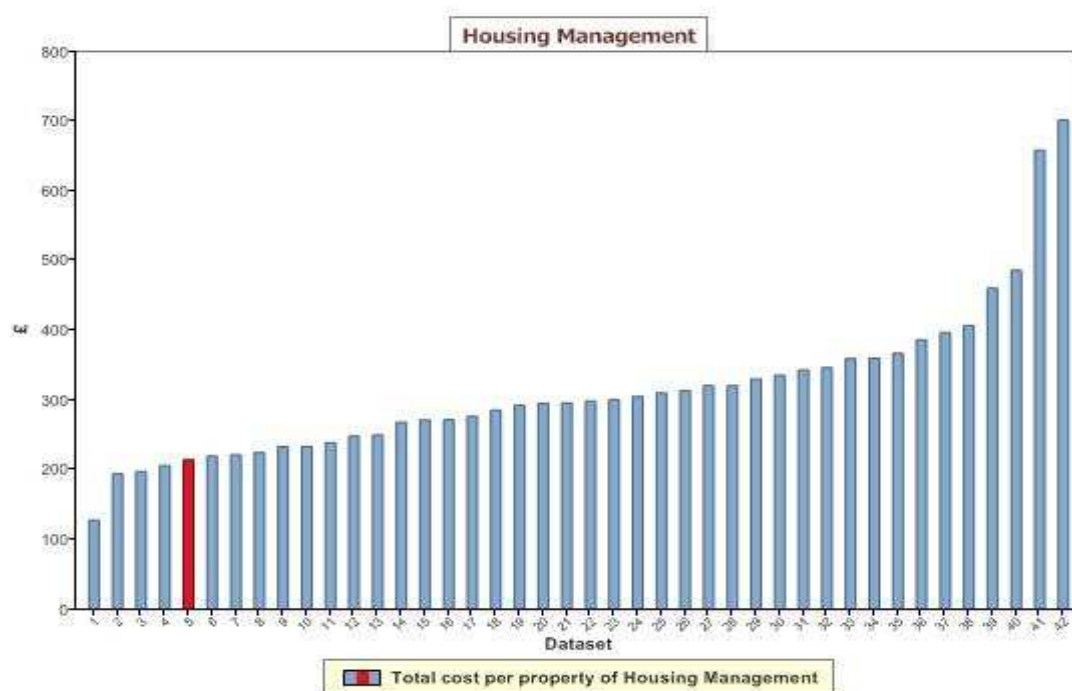
Responding to a repair as a priority is more expensive than treating the same repair as routine. Reducing the number of emergency and urgent repairs can bring

important financial savings. The proportion of priority work undertaken will be influenced by several factors, including the nature of the stock and tenant profile. However, a high percentage of emergency and urgent repairs may indicate that work is being over-prioritised and highlight training needs around the accurate diagnosis and prioritisation of repairs.

Social landlords should aim to minimise the time that properties are empty between each letting. A low figure may indicate an efficient voids and lettings process. However, a number of factors will affect performance against this measure, including demand, stock condition and the type of stock.

Housing management total cost per property

The chart below shows the total costs (including direct employee costs, direct non-pay costs and allocated overheads) for the housing management function, expressed as a cost per property. The housing management function includes rent arrears and collection, resident involvement and consultation, anti-social behaviour, tenancy management and lettings.

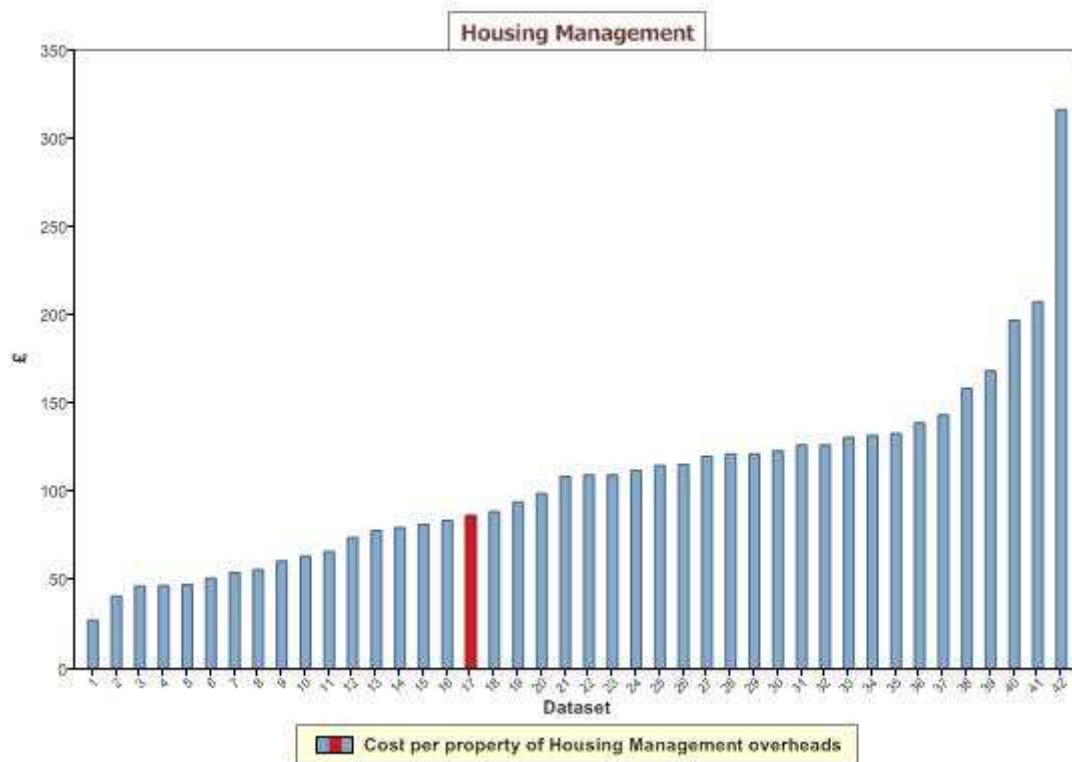


Total cost per property of Housing Management				
Comparator Group Quartiles		Upper	Median	Lower
		248.42	298.46	346.32
Id	Results for Uttlesford DC	Result	Rank	Quartile
5	Uttlesford DC (2010/2011)	214.65	5	●

The model enables analysis of total housing management costs between overhead costs and direct costs (pay and non-pay) as shown in the following two charts.

Housing management allocated overheads

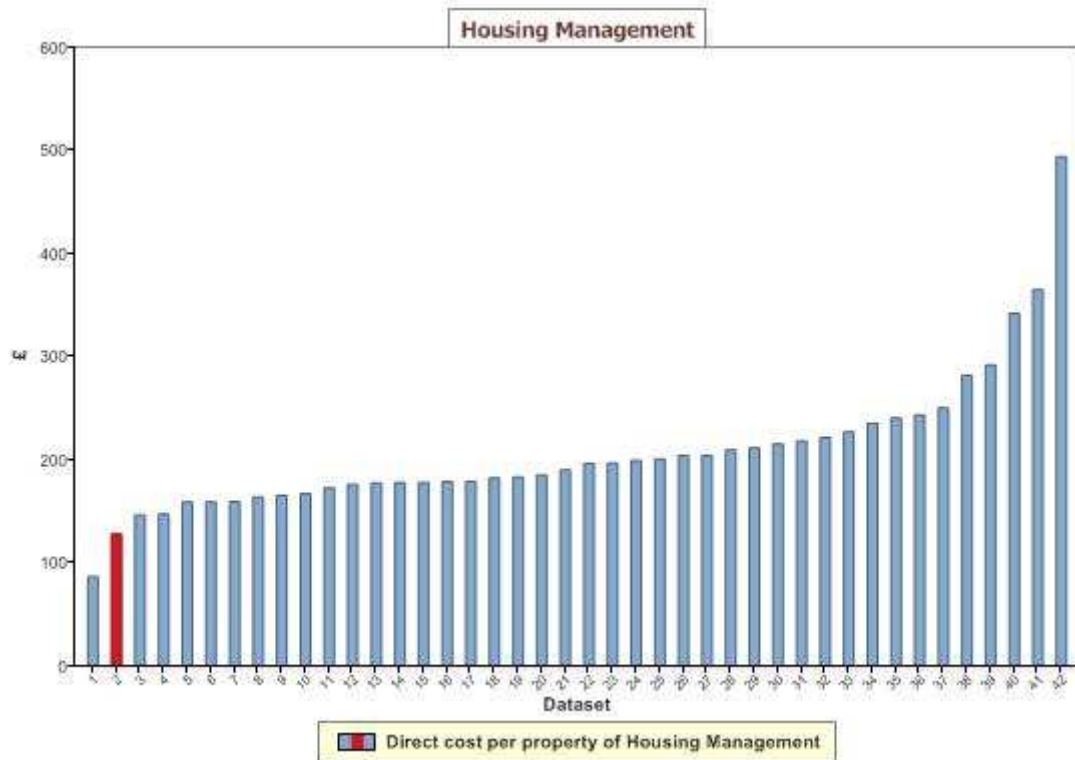
The core benchmarking methodology allocates overheads to direct activities, following simple and consistent apportionment rules. The chart below shows the total overhead costs apportioned to the housing management function.



Cost per property of Housing Management overheads				
Comparator Group Quartiles		Upper	Median	Lower
		66.54	109.63	126.71
Id	Results for Uttlesford DC	Result	Rank	Quartile
17	Uttlesford DC (2010/2011)	86.80	17	

Direct housing management cost

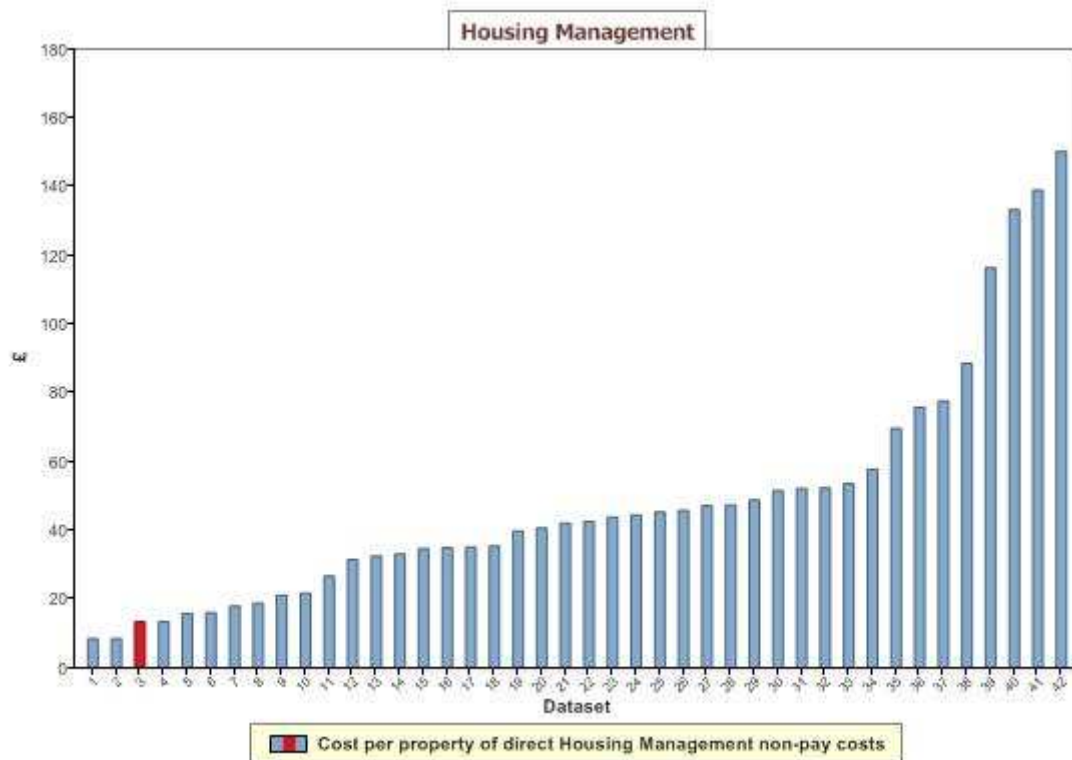
The chart below shows the direct costs (including direct employee costs and direct non-pay costs) for the housing management function, expressed as a cost per property. The housing management function includes rent arrears and collection, resident involvement and consultation, anti-social behaviour, tenancy management and lettings.



Direct cost per property of Housing Management				
Comparator Group Quartiles		Upper	Median	Lower
		176.17	196.49	221.62
Id	Results for Uttlesford DC	Result	Rank	Quartile
2	Uttlesford DC (2010/2011)	127.85	2	●

Housing management direct cost per property can be further analysed between non-pay costs and pay costs to help you assess the impact each type of cost has on your overall costs.

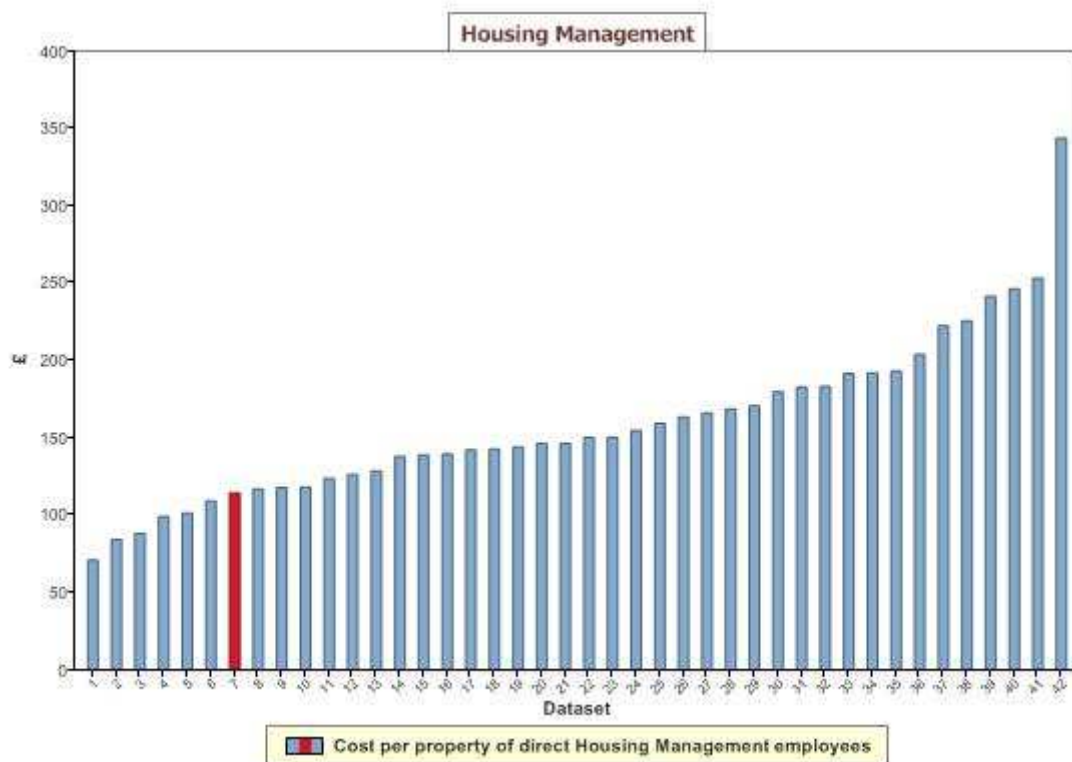
Housing management direct non-pay costs



Cost per property of direct Housing Management non-pay costs				
Comparator Group Quartiles		Upper	Median	Lower
		31.54	42.66	52.40
Id	Results for Uttlesford DC	Result	Rank	Quartile
3	Uttlesford DC (2010/2011)	13.41	3	●

Housing management non-pay costs include such items as legal fees, court costs, resident involvement expenses, grants to resident organisations, professional witnesses and assistance to tenants to help them move.

Housing management direct pay costs

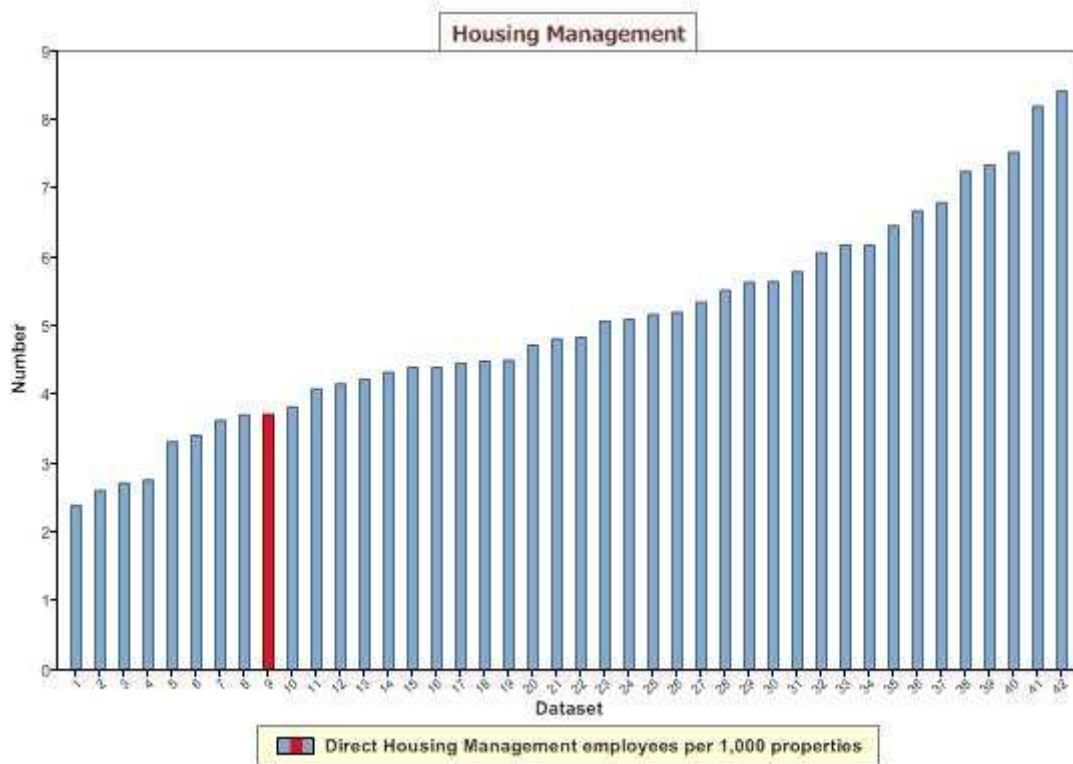


Cost per property of direct Housing Management employees				
Comparator Group Quartiles		Upper	Median	Lower
		126.22	150.21	183.32
Id	Results for Uttlesford DC	Result	Rank	Quartile
7	Uttlesford DC (2010/2011)	114.44	7	●

Direct housing management pay costs can be affected by a variety of cost drivers, such as the resources employed for these activities and cost of them. The following two charts provide details of the number of employees working in housing management per 1,000 properties and their average pay costs.

Housing management employees per 1,000 properties

This chart enables comparison of resourcing levels for the housing management function with organisations of varying size.



Direct Housing Management employees per 1,000 properties				
Comparator Group Quartiles		Upper	Median	Lower
		4.16	4.84	6.07
Id	Results for Uttesford DC	Result	Rank	Quartile
9	Uttesford DC (2010/2011)	3.72	9	●

Housing management average pay costs

This chart enables you to compare your average pay costs for the housing management function.



Average pay cost per direct Housing Management employee				
Comparator Group Quartiles		Upper	Median	Lower
		29,608.75	31,018.90	33,551.29
Id	Results for Uttlesford DC	Result	Rank	Quartile
18	Uttlesford DC (2010/2011)	30,789.74	18	

The way you structure your service delivery may have an impact on your average pay costs.

Housing management direct cost per property by activity area

The preceding analysis looked at your total housing management costs and how you can use the HouseMark model to analyse in further detail the various cost drivers.

To help you identify which specific areas of housing management are high/low cost, we have developed a new summary table. This analyses the total direct housing management costs detailed above in the five housing management activities of rent arrears and collection, resident involvement and consultation, anti-social behaviour, tenancy management and lettings.

Housing Management - Direct cost per property by activity area							
KPI	Sample Size	Upper	Median	Lower	Uttlesford DC (2010/2011)		
					Result	Rank	Quartile
Housing Management DCPP	41	176.17	196.49	221.62	127.85	2	
Rent arrears & collection	41	49.54	60.16	69.36	49.26	11	

Resident involvement	41	20.36	28.21	36.26	24.57	15	
ASB	41	19.91	27.44	38.25	17.21	10	
Tenancy mgt	41	36.46	48.73	71.39	27.55	4	
Lettings mgt	41	17.76	27.74	37.45	9.25	3	

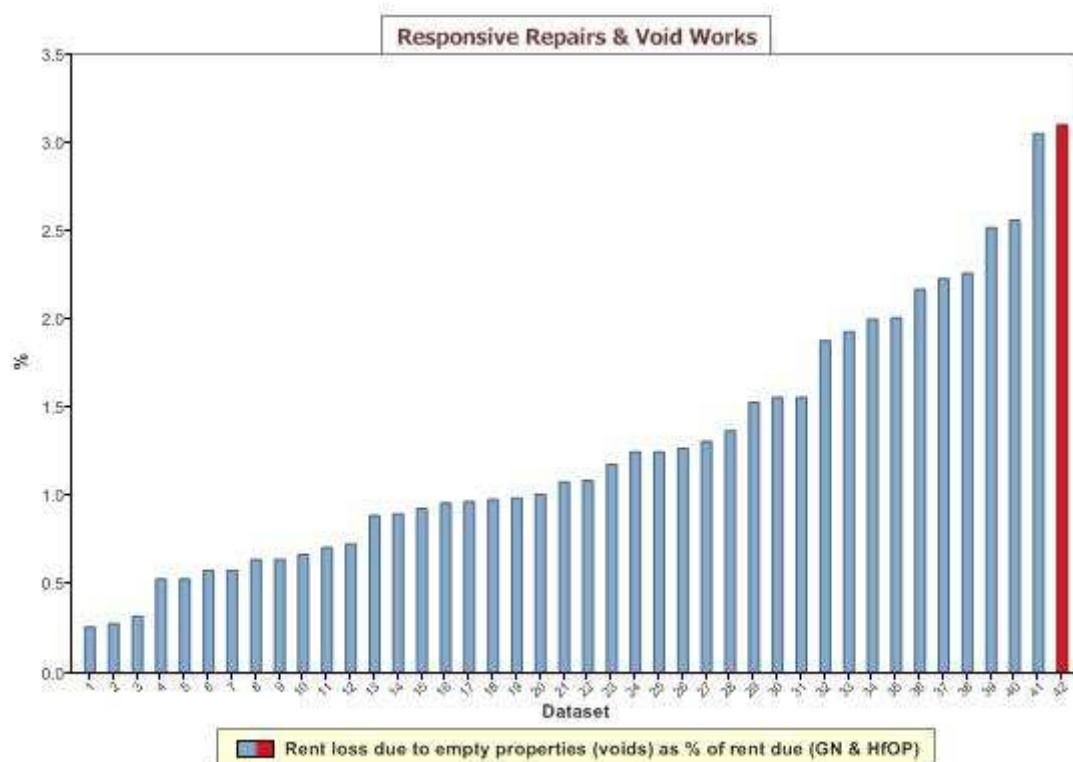
Further analysis of each activity are available online, using the core benchmarking website, and in the accompanying annex, schedules C1-C18.

Having looked at housing management costs in considerable detail, the next section of this report provides benchmark comparisons for a number of key housing management performance indicators.

Rent loss due to properties being empty

The following chart shows UDCs rent loss due to empty properties as a percentage of rent due, compared with peers. This measure is an indicator of an organisation's performance in minimising the number of empty properties and the speed of turning them around. This is a key area where efficiency gains can be made.

Rent loss due to empty properties (voids) as % of rent due (general needs and housing for old people)



Rent loss due to empty properties (voids) as % of rent due (GN & HfOP)				
Comparator Group Quartiles		Upper	Median	Lower
		0.71	1.08	1.56
Id	Results for Uttlesford DC	Result	Rank	Quartile
42	Uttlesford DC (2010/2011)	3.10	42	

Tenancy turnover

The TSA expects landlords to support tenants to maintain their tenancies and prevent unnecessary evictions. The chart below shows UDC tenancy turnover rate compared with the other organisations in your club.

There are many factors affecting tenancy turnover, including size and nature of the landlord's stock, the tenant profile, the landlord's policies and practices, and wider social and economic factors. Hence it is important not to view this measure in isolation.

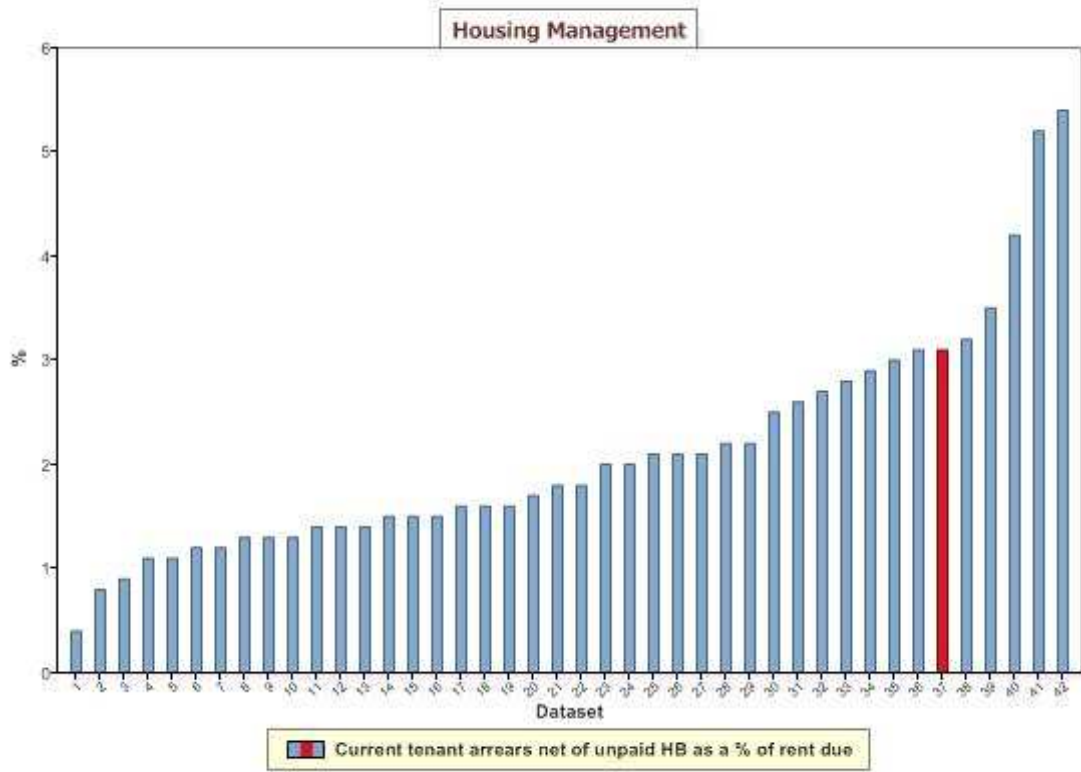


Tenancy Turnover				
Comparator Group Quartiles		Upper	Median	Lower
		6.56	7.53	8.45
Id	Results for Uttesford DC	Result	Rank	Quartile
25	Uttesford DC (2010/2011)	7.95	25	

Current tenant rent arrears (net of outstanding HB)

Success in collecting rent, preventing debt arising and minimising rent arrears is an important means of sustaining tenancies. This avoids the expense of legal action and loss of income from empty homes following eviction or abandonment. The following chart shows your UDCs performance compared to other members of the peer group.

Current tenant rent arrears net of unpaid HB as a % of rent due



Current tenant arrears net of unpaid HB as a % of rent due				
Comparator Group Quartiles		Upper	Median	Lower
		1.4	1.8	2.6
Id	Results for Uttlesford DC	Result	Rank	Quartile
37	Uttlesford DC (2010/2011)	3.1	36	●