March 2023

Annual Performance Summary

Babergh District Council

Executive summary

As tenants grapple with the cost-of-living crisis, social landlords are facing an unprecedented series of challenges. Significant investment in assets will be required to meet net zero and ensure buildings are safe to live in. Operating costs in many places are outstripping inflation and below-inflation rent caps will squeeze margins further.

Availability of materials and labour present significant logistical challenges as landlords continue to recover from the pandemic. Against this back-drop, landlords are increasingly looking at how their services are designed and the role technology and data can play in generating efficiencies and improving the customer experience.

This annual performance summary shows how your costs and performance compare for the 2021/22 financial year against a group of similar landlords. It is one of many tools provided by Housemark to help you understand productivity and use comparative data to drive service improvement and achieve value-for-money. To understand these scores in context and how you might improve, contact data@housemark.co.uk.

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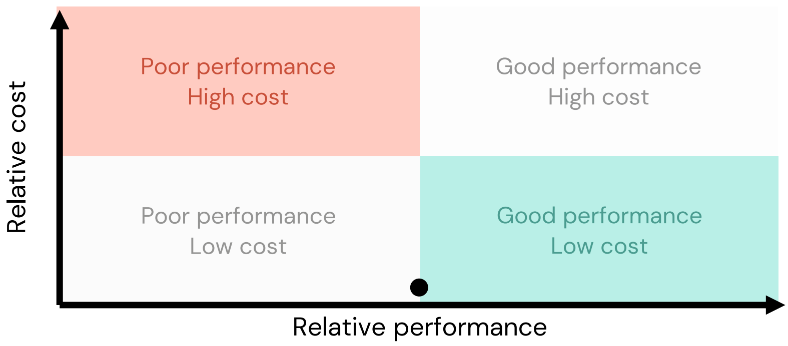
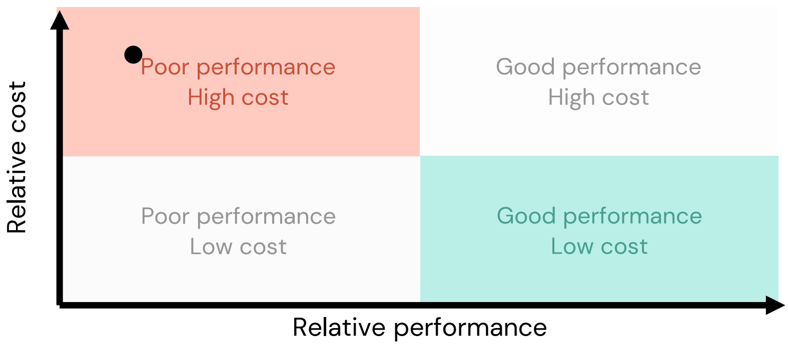
Operational productivity

Your overall operational performance was slightly below that of your peers, however, your costs are lower. This is based on your overheads cost per property of £221, front-line housing management cost per property of £202 and your average performance across arrears, void loss, staff sickness and turnover.



Asset management

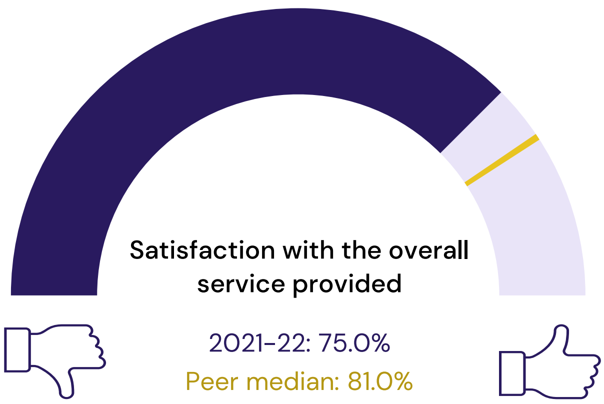
Your overall maintenance performance was below that of your peers and your front-line costs are higher. This is based on your responsive repairs and void works cost per property of £1,131, your cyclical maintenance and major works cost per property of £5,290 and your average performance across gas safety, repairs volumes, length taken to complete repairs and repairs satisfaction.



Customer experience

Your overall satisfaction score was below that of your peers. This is based on your STAR survey results from 2021/2022 and places you in quartile 4.

It is important to understand the impact of your operational context and how you carried out your survey to build a clear understanding of relative performance. We published an analysis of the key variables that influence the outcomes of satisfaction surveys - get your copy here.



Operational productivity

Overheads cost per property

Housemark's definition of overheads includes all spend on premises, ITC, finance, HR and other central back-office costs. Central overheads make up 43% of your spend, finance, HR and IT contribute 49% and 8% is spent on premises.
For the average landlord, premises expenditure declined significantly during the pandemic and still remains lower in 2021-22. However, money saved on premises has been redirected to IT – meaning overall back-office expenditure remains broadly in-line with pre-pandemic norms. Staffing expenditure on functions like HR and finance has shown little year-on-year change.

Housing management cost per property

Housing management is a core landlord service largely made up of employee costs - including specialist rent collection officers, lettings teams, ASB managers and generic housing, neighbourhood officers and administrators. Housemark's trend data shows an increase in overall housing management costs in 2021-22. With landlords focusing more on a positive customer experience we are noticing a trend towards more generic housing officer structures and smaller patch sizes, which tends to be more expensive than specialist options.

Housing management

Current tenant arrears

2021-22: 2.52%
▼ down by 0.24 on 2020-21
Peer median: 2.86%
This places you in quartile 2

Average arrears have increased steadily since the summer of 2021, when emergency uplifts to benefits ended and inflation started to rise. This trend of rising arrears continued into 2022 as the cost-of-living crisis presented many households with difficult spending decisions. Even with promised government assistance, income management teams face increasing pressure to ensure rent payments continue.

Rent loss due to voids

2021-22: 1.68%
▲ up by 0.30 on 2020-21
Peer median: 1.41%
This places you in quartile 3

Following unprecedented disruption to lettings during 2020-21, many landlords were still grappling with persistent voids backlogs into 2022. Longer re-let times driven by operational difficulties have hampered those landlords' ability to clear backlogs. As a result, the average landlord still had a higher proportion of vacant dwellings in 2021-22 than before the pandemic, resulting in greater void loss.

Staff wellbeing

Average working days lost due to sickness absence

2021-22: 13.4
▲ up by 6.63 on 2020-21
Peer median: 10.5
This places you in quartile 4

Median sickness absence in 2021-22 was higher than 2020-21 as the social housing workforce restarted face-to-face contact. Our Monthly Pulse data through the year and into 2022/23 shows a distinct relationship between COVID infection spikes and sickness levels, showing the effect that the virus still has on absence.

Percentage of staff turnover in the year

2021-22: 12.63%
▲ up by 1.38 on 2020-21
Peer median: 16.22%
This places you in quartile 2

Median staff turnover increased by 50% between 2020-21 and 2021-22 as employees who had delayed changing jobs through the pandemic made the move. Our data shows this pattern was driven by voluntary staff turnover, which made up 86% of all staff moves. In 2022-23, we anticipate this moving to involuntary staff turnover as landlords redesign services.

Asset management

Housing maintenance cost per property

The year 2020-21 represented an anomaly in sector maintenance spend. Lockdown halted or postponed many planned works, while reactive repairs were subject to restrictions at various points in the year. As expected, 2021-22 maintenance costs represent a return to more normal working practices, with increased spending driven by more activity as well as price inflation due to material and labour shortages. With inflation in the construction industry rising during 2022-23, we forecast continued cost increases over the medium term.

Major works and cyclical maintenance

Your organisation: £5,290
Peer median: £1,519
This places you in quartile 4
▲ up by £4,138 on 2020-21

Responsive repairs and void works

Your organisation: £1,131
Peer median: £808
This places you in quartile 4
▲ up by £72 on 2020-21

Repairs

Number of responsive repairs per property

2021-22: 4.9
▲ up by 3.12 on 2020-21
Peer median: 3.4
This places you in quartile 4

Average number of calendar days taken to complete repairs

2021-22: 49.7
▲ up by 23.15 on 2020-21
Peer median: 17.3
This places you in quartile 4

Satisfaction with the repairs service over the last 12 months (perception)

2021-22: 76.0%
You did not submit data in 2020-21
Peer median: 80.4%
This places you in quartile 3

While repairs services were not subject to Covid restrictions in 2021-22, the effect of the pandemic continued as many landlords' repairs services took longer to recover than anticipated. The knock-on effects of material and wage inflation in the construction sector has led to fewer completed repairs and lower satisfaction levels reported by tenants. To mitigate these issues, leading landlords are leveraging technology and people to improve the end-to-end customer experience.

Building safety

During 2021 Housemark developed a suite of safety compliance measures specifically designed for social housing in response to sector demand. The table below outlines your performance against early sector results.

2021-22 results	Your result	Sector median
Dwellings with valid gas safety cert	N/A	99.99%
Properties with EICR up to 5 yrs old	N/A	97.20%
Non-domestic assets covered by valid Fire Risk Assessment	N/A	100.00%
Non-domestic assets covered by current asbestos survey	N/A	100.00%
Relevant water installations covered by risk assessment	N/A	100.00%
Lift safety (LOLER) examinations completed within target	N/A	100.00%

Decarbonisation

Currently, the most established metric for energy efficiency in UK housing stock is the Energy Performance Certificate (EPC). An EPC band 'C' is used by UK and devolved governments as a proxy for achieving minimum energy efficiency standards.

72.0% of properties UK-wide were rated EPC C or higher in 2021-22 – get in touch for help submitting this data.

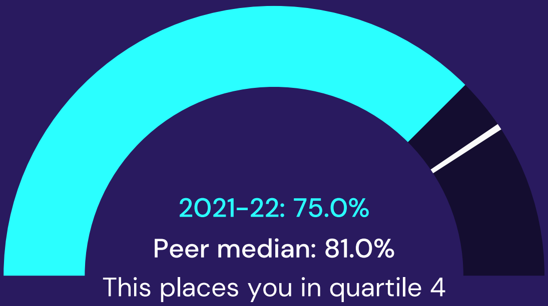
During 2022 Housemark delivered a research project which established a decarb baseline and outlined the sector's progress and approach to dealing with the climate emergency. The report is available to read here.

Customer experience

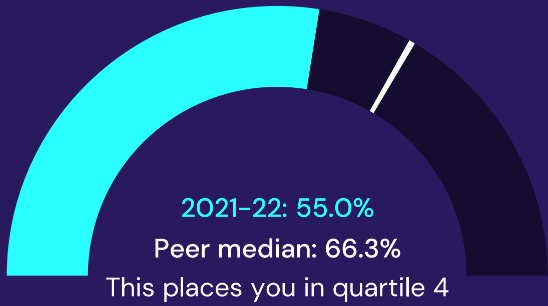
Satisfaction

Overall satisfaction with the service provided by social landlords has been declining for a number of years and our monthly monitoring shows this trend has continued into 2022-23. Landlords who have not performed a perception survey for quite some time should expect lower results now than when they last surveyed tenants. Our analysis shows that the ease of getting things done, especially repairs, is the key driver for overall satisfaction.

Overall service provided by the landlord



Listens to tenant views and acts upon them



Complaints

Stage 1 complaints received per 1,000 properties

2021-22: 47.4
▼ down by 39.58 on 2020-21
Peer median: 26.9
This places you in quartile 4

Percentage of complaints responded to within target time

2021-22: 49.6%
▼ down by 18.43 on 2020-21
Peer median: 79.3%
This places you in quartile 4

We know there is variation amongst landlords in what is recorded as a formal complaint, particularly when it comes to service requests. As such, high volumes are not necessarily negative as long as they drive service improvement. Our data shows an overall increase in volumes as tenant's become more aware of ways to voice concerns.

Anti-social behaviour

Number of new ASB cases reported per 1,000 properties

2021-22: 73.7
▲ up by 18.79 on 2020-21
Peer median: 44.0
This places you in quartile 4

Satisfaction that the landlord makes a positive contribution to neighbourhoods

2021-22: 56.0%
Sector median: 68.0%
We know that some members have not yet adopted this measure. For the purpose of this report, we have provided the national median.

Reports of ASB during the 2020 lockdowns were considerably higher but volumes have since returned to pre-pandemic levels. However, landlords with pre-existing high volumes of ASB reported an increase in cases of around 20% when comparing the current period with 2019-20, suggesting reports of low-level ASB are increasing.

Contact

Number of calls answered per property

2021-22: 4.4
You did not submit data in 2020-21
Peer median: 7.6
This places you in quartile 1

Average time to answer inbound telephone calls (seconds)

2021-22: 213.0
You did not submit data in 2020-21
Peer median: 109.0
This places you in quartile 3

Contact centres across the UK are under pressure as average wait times have doubled compared to just two years ago. Larger landlords in particular are facing a perfect storm of increased volumes at a time of high staff turnover. There has been modest progress toward digital channel shift which now represents 25% of inbound contact.

Appendix

The data in this report is based on cost and performance data for the financial year 2021-22, unless otherwise stated. All quartile comparisons are based on your bespoke peer group which is detailed below.

Note, we have issued this report now because we already hold data for most of your peers. However, due to mergers, acquisitions, entity name changes and late submissions, your peer group may change over time. Housemark can provide information and advice on peer groups on request, including expected submission dates for any potential latecomers.

Further analysis against different peer groups is recommended using Housemark's online reporting tool. Our online tool includes hundreds of additional measures that can help you understand your performance in context. The tool displays live data and so if more of your peers submit data, your results may differ compared to this report.

Summary quadrants

This report includes quadrants that summarise how well you perform compared to your peer group within two key areas. These are calculated using all the KPIs included on those pages. For example, 'Operational Productivity' plots your average relative cost position using your overheads and housing management cost per property results and your average relative performance position using your arrears, void loss, staff sickness and turnover results.

Peer group

The organisations in your peer group have the following characteristics:

Name

National RPs with <10,000 and a DLO

Size

0 - 9,823 units

Region

North East	✓
North West	✓
Yorkshire and Humberside	✓
Eastern	✓
East Midlands	✓
West Midlands	✓
London	✓
South East	✓
South West	✓
Scotland	✓
Wales	✓
Northern Ireland	✓
Other	✓

Organisation type

ALMOs	✓
London Boroughs	✓
Mets/Unitaries	✓
Districts	✓
Housing Association (LSVT)	✓
Housing Association (Traditional)	✓
Other	

DLO

Yes	✓
No	
No data	

Total sample size

123