East Devon District Council

Annual Performance Summary

February 2021

As the largest UK-wide network of social housing businesses and the leading data-driven solutions provider for the sector, HouseMark is partnering with the sector to improve performance, deliver value for money and understand the impact of COVID-19 through on-time insight, data analysis and peer-to-peer sharing.

This report compares costs and peformance for East Devon District Council with a bespoke peer group of similar social landlords. It forms just part of the new HouseMark offer to members and is supplemented by:

- In depth analysis and data downloads from our online reporting tool
- Monthly COVID-19 impact monitoring
- Bespoke budget forecasts for East Devon District Council

To find out more about any of these solutions, visit our website or call our helpline on: 024 7647 2707

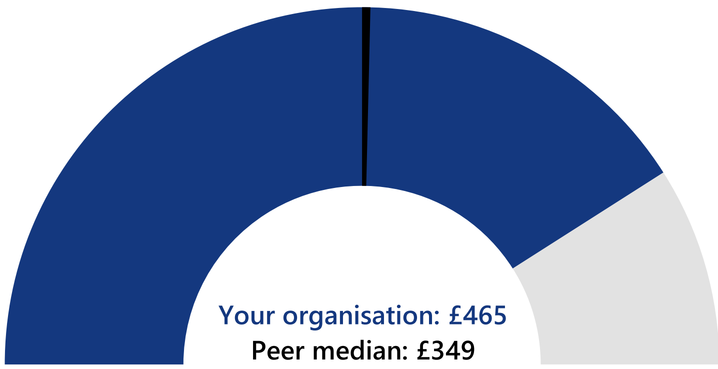
www.housemark.co.uk
@housemarkltd
info@housemark.co.uk

Executive summary

This summary report provides key cost and performance comparisons for your organisation. The data relates to the financial year 2019-20, but has been supplemented by bespoke HouseMark forecasts built using in-year data and public data sources. Your bespoke peer group, chosen by you, is detailed in the appendix.
As well as annual cost and performance benchmarking, HouseMark also provides a range of other data services, including monthly COVID-19 impact monitoring and a bespoke budget forecasting tool for your organisation. For more information email data@housemark.co.uk.

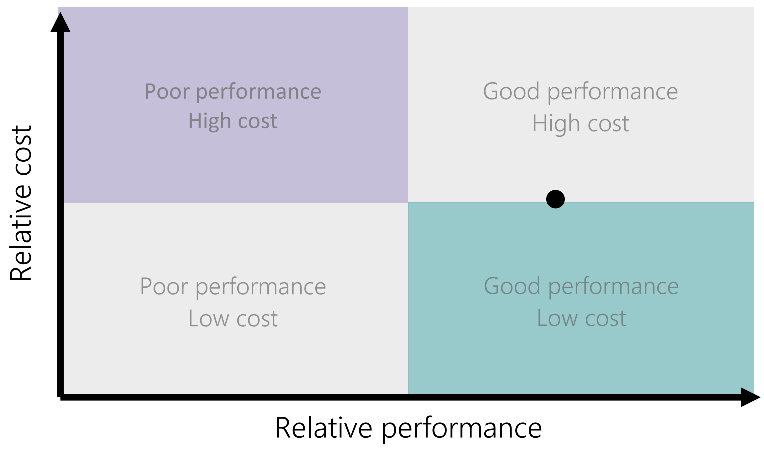
Overheads

Your overhead cost per property was comparatively greater than your peers in 2019-20. Central overheads make up 25% of your operating costs. Finance, HR and IT contribute 34% and 41% is spent on premises. Organisations with high back-office costs can ask HouseMark for more detailed analysis by staffing or budget line to ensure they are getting value for money.



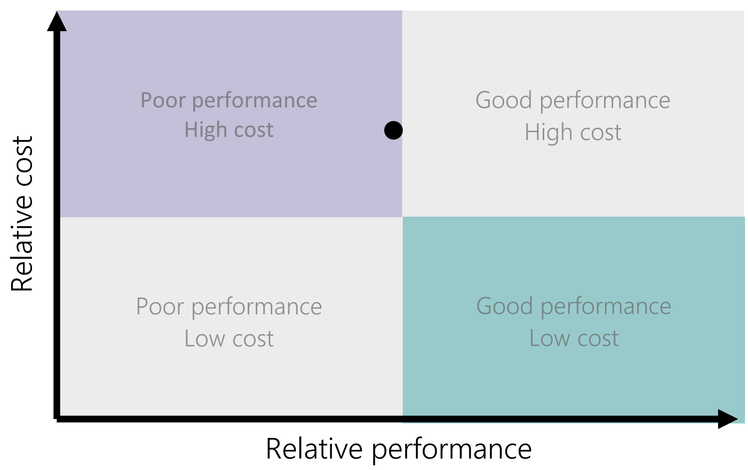
Housing management

Your overall management performance was above that of your peers and your costs are close to the median. This is based on your front-line housing management cost per property of £268 and your average performance across five KPIs relating to arrears, voids and lettings.



Housing maintenance

Your overall maintenance performance was slightly below that of your peers and your front-line costs are also greater. This is based on your responsive repairs and void works cost per property of £1,222, your cyclical maintenance and major works cost per property of £2,002 and your average performance across four repairs and maintenance KPIs.



The overhead cost per property calculation used in this report divides all overheads by all units (excluding garages). Should you require further guidance please contact data@housemark.co.uk.

Overheads

Overheads cost per property

HouseMark's definition of overheads includes all spend on premises, ITC, finance, HR and other central back-office costs. Typically this is a mixture of staffing costs (including accountants, HR officers and ITC support) as well as other costs taken from the trial balance such as office rent and utilities, ITC hardware and software purchase and depreciation, audit fees and corporate subscriptions. For Local Authorities, this cost is largely made up of a recharge to the general fund.

£465

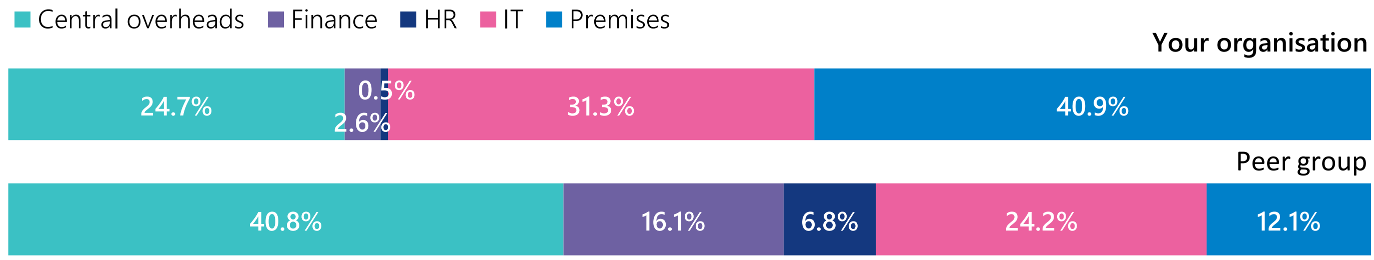
▲ up by £16 on 2018-19

2018-19: £449
2017-18: £308

This places you in
Quartile 4

Q1: £261
Median: £349
Q3: £429

Overheads breakdown



Average time to answer inbound telephone calls (seconds)

You did not submit data in 2019-20

Peer median: 171.0

Long call waiting times correlate with lower tenant satisfaction. As landlords continue to shift more contact to digital channels, it is important to ensure the process remains as easy and efficient as possible, no matter which channel is used. HouseMark can provide granular analysis of your contact centre productivity and progress towards channel shift.

Satisfaction with the service provided

2019-20: 73.7%

This places you in quartile 4

Peer median: 83.0%

This measure is sourced from perception surveys – a random sample of all residents rather than triggered by an interaction with the landlord. Perception survey results are typically lower than transactional results, but do provide a consistent barometer for how you are perceived by your customers.

Percentage of staff turnover in the year

2019-20: 7.83%

▼ down by 6.00 on 2018-19

This places you in quartile 2

Peer median: 9.69%

As employers and recruiters, the housing sector is likely to benefit from the stark effects of recession in other parts of the economy as the talent pool widens and sector activity remains constant. We found that the number of people employed by the sector increased by 3.7% since the pandemic started.

Average working days lost due to sickness absence

2019-20: 10.1

▼ down by 3.33 on 2018-19

This places you in quartile 2

Peer median: 10.7

There has been an unprecedented impact on sickness levels in 2020/21 as a result of the pandemic. Sickness levels peaked at 7% in March 2020 before falling to around 3-4% over the summer months. Levels started to increase again over the winter months. We estimate 5% of sector staff have suffered with COVID-19.

The overhead cost per property calculation used in this report divides all overheads by all units (excluding garages). Should you require further guidance please contact data@housemark.co.uk.

Housing management

Housing management cost per property

Housing management is a core landlord service that relates to the management of rented social housing. It is largely made up of employee costs and includes specialist staff such as rent collection officers, lettings teams, specialist ASB managers and generic housing, neighbourhood officers and administrators. It also includes a proportion of contact centre staff time as well as some additional items from the trial balance such as legal fees, choice-based lettings fees, cash collection charges and tenant incentives. A well-resourced housing management function has the ability to achieve better than average performance on key metrics such as arrears and void loss.

£268
▼ down by £126 on 2018-19
2018-19: £393
2017-18: £399

This places you in
Quartile 3
Q1: £210
Median: £261
Q3: £319

Current tenant arrears

2019-20: 1.76%

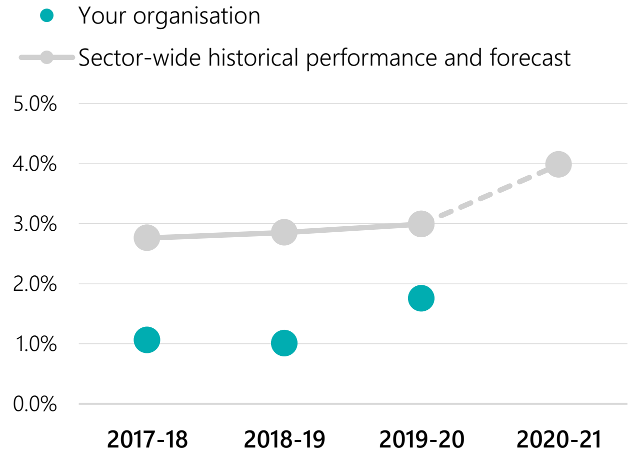
▲ up by 0.75 on 2018-19

This places you in quartile 1

Peer median: 2.90%

HouseMark is forecasting that by the end of March 2021, the average landlord will have arrears 35% higher than they would have been without the pandemic. However, the picture varies by landlord and region. Landlords who have invested in additional rent collection staff have on average seen better performance on arrears. HouseMark can help you calculate the optimum resourcing levels to minimise arrears increases, given your context.

Comparison against sector forecast



Rent loss due to voids

2019-20: 2.57%

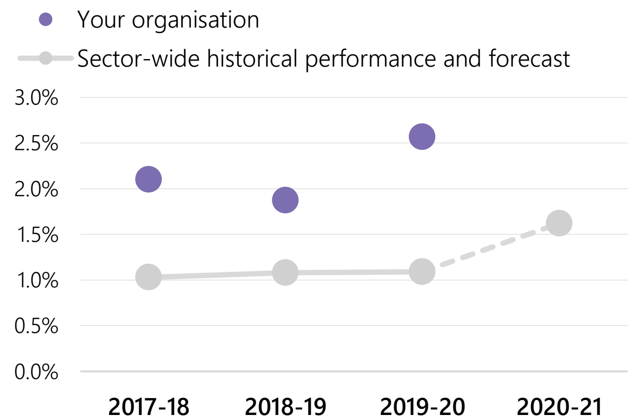
▲ up by 0.70 on 2018-19

This places you in quartile 4

Peer median: 1.31%

HouseMark is forecasting that by the end of March 2021 the average landlord will have void loss over 60% higher than it would have been without the pandemic. Tenancy turnover varies significantly by region, largely driven by housing availability and the relative difference between market rent and social rent. Landlords who quickly let empty properties following the first national lockdown have already minimised the impact on the bottom line.

Comparison against sector forecast



Former tenant arrears

2019-20: 0.04%
▼ down by 0.33 on 2018-19
This places you in quartile 1
Peer median: 1.85%

Average standard re-let time (days)

2019-20: 23.0
▼ down by 1.97 on 2018-19
This places you in quartile 2
Peer median: 33.0

Proportion of vacant properties

2019-20: 0.38%
▲ up by 0.21 on 2018-19
This places you in quartile 1
Peer median: 1.29%

The housing management costs shown in this report include direct front-line costs only - no overhead apportionment has been added.

Housing maintenance

Housing maintenance cost per property

Maintaining properties in a good state of repair is a social landlord's largest expenditure line. It includes payments to contractors for responsive repairs, void works and planned maintenance. The HouseMark definition also includes capital spend on major works. For landlords with a direct labour organisation, this category also includes the cost of operatives. Finally, this category also includes any employees responsible for managing responsive repairs and cyclical works programmes, any surveyors on the payroll and a proportion of contact centre staff time. Maintenance costs are heavily influenced by stock condition, but landlords can use HouseMark data to ensure they are achieving high-productivity from their operatives and that they are performing in line with peers.

Major works and cyclical maintenance

£2,002
▼ down by £148 on 2018-19
2018-19: £2,150
2017-18: £1,467

This places you in
Quartile 3
Q1: £1,368
Median: £1,636
Q3: £2,026

Responsive repairs and void works

£1,222
▼ down by £69 on 2018-19
2018-19: £1,290
2017-18: £806

This places you in
Quartile 4
Q1: £659
Median: £784
Q3: £971

Number of responsive repairs per property

2019-20: 2.4
▼ down by 0.35 on 2018-19
This places you in quartile 1
Peer median: 2.9

The number of repairs a landlord carries out is a key driver of overall costs. A high number can be reflective of poor stock condition.

Average number of calendar days taken to complete repairs

2019-20: 13.0
▼ down by 2.70 on 2018-19
This places you in quartile 4
Peer median: 10.0

Completing repairs quickly is good, but the sector average end-to-end time has increased gradually over the past few years as landlords focus more on offering flexible appointment times that suit the resident.

Proportion of properties with a valid gas safety certificate

You did not submit data in 2019-20
Peer median: 99.96%

Traditionally social landlords perform strongly on this key metric. The pandemic has however resulted in a greater number of access issues. At the height of lockdown average sector compliance dropped to around 96%, but has since recovered to pre-pandemic levels.

Satisfaction with the repairs service received (transactional)

2019-20: 72.0%
▼ down by 22.60 on 2018-19
This places you in quartile 4
Peer median: 94.0%

HouseMark's STAR review found that transactional surveys carried out following a repair typically deliver satisfaction that is around 12% higher than perception surveys. The pandemic saw an initial bounce in sector-wide satisfaction results throughout the first quarter, but they have since returned to pre-pandemic levels. Making the repairs service quick and easy should be a priority for landlords wishing to improve satisfaction.

The housing maintenance costs shown in this report include direct front-line costs only - no overhead apportionment has been added.

Appendix

The data in this report is based on cost and performance data for the financial year 2019-20 (and previous years where trend is provided). Where forecasts have been included, these are based on monthly data collected by HouseMark throughout the COVID-19 pandemic.

All quartile comparisons are based on your bespoke peer group which is detailed below. Further analysis against different peer groups is recommended using HouseMark's online reporting tool. Our online reporting tool includes hundreds of additional measures that can help you understand your performance in context.

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.

HouseMark data is an invaluable asset that helps drive improvement through evidence. See how some of our members have used HouseMark data to drive improvement in the case studies below:

Resourcing teams optimally to drive down arrears

Improving void turnaround times and maximising income

Delivering value for money in anti-social behaviour management

To find out more about unlocking the power of HouseMark data or to book in your membership inclusive annual tailored feedback, contact data@housemark.co.uk or telephone 024 7647 2707.

The organisations in your peer group have the following characteristics:

Peer group name
LA Club

Size
0 - 53,432 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	✓

Sample size
95