

Key Performance Indicators

Core measures



Year:	2009/10
Quarter:	2

Summary

There has been deterioration in performance in Q2. Three KPIs that were meeting their target last quarter are now missing their target. These are:

- Current rent arrears of shared owners.
- Routine repairs completed within target.
- HM operating cost.

Shared owner arrears just dipped under the target in Q1 but crept back above the target in Q2. There was a significant drop in performance in routine repairs completions in Q2 due to known but short term issues with 2 contractors that have not continued into Q3. The target for HM operating costs was made more challenging after Q1 and the new more challenging target was not met in Q2.

Overall performance and trends

	This quarter	Last quarter
KPIs meeting / exceeding target performance	6	9
KPIs failing to meet target performance	10	7
Trends		
KPIs where performance trend is improving	4	8
KPIs where performance is static	7	5
KPIs where performance is deteriorating.	5	3

Key to graphic indicators

Performance indicators

Meeting / exceeding target performance	✓
Failing to meet target performance	✗

Trend indicators

Performance improving	↗
Performance static	↔
Performance deteriorating	↘

Targets and trends

Customer services		Target	Trend
1	Calls answered within 12 seconds	✓	↔
2	Complaints responded to within target	✗	↔
Housing services			
3	Estate inspections as (% of due) - rented - shared owners	✗ ✓	↓ ↑
4	Current tenant rent arrears (% of rent roll) – rented - shared owners	✓ ✗	↓ ↑
5	Void turnaround time (all voids)	✗	↑
Repairs and maintenance			
6	Repair completions - emergency - urgent - routine	✓ ✗ ✗	↔ ↔ ↓
7	Gas safety inspections (overall % valid CP12)	✗	↑
8	Repairs satisfaction – quality of work	✓	↔
Efficiency			
9	Invoices paid within target	✗	↔
10	HM operating cost (% of income-rented)	✗	↓
11	Void rent loss (one year moving average)	✓	↔
12	Rent collection rate (one year moving average)	✗	↓

Notes

(1) Trend indicator is based on the four quarter rolling average figure unless otherwise stated.

1 Helpdesk calls answered within 12 secs

Summary indicators

- Performance vs target ✓
- Trend ↔

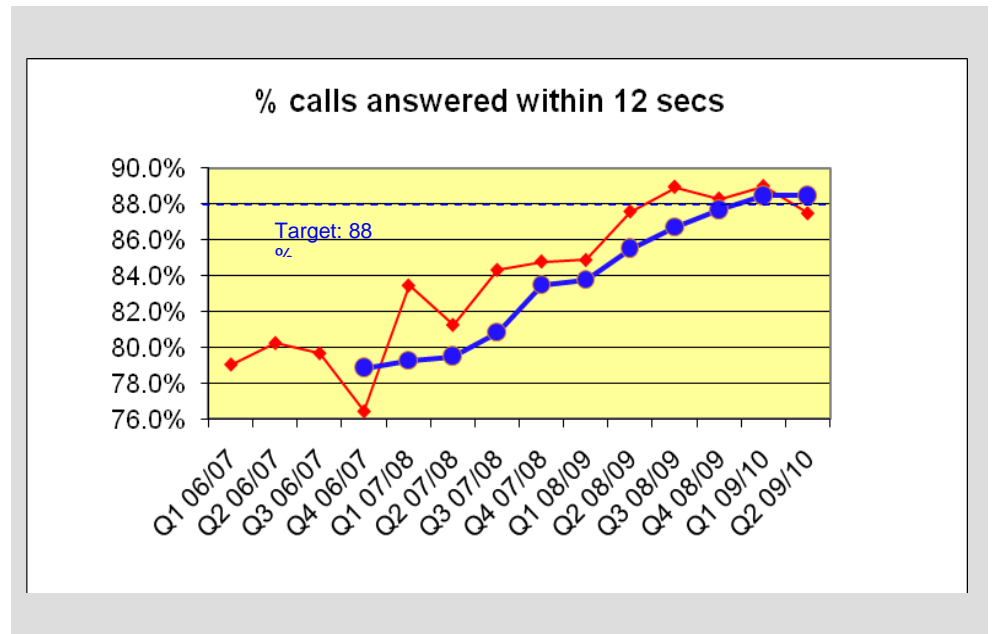
KPI definition

The proportion answered calls that are answered within the target time of 12 seconds. [Abandoned calls are discounted].

Commentary

At the end of Q1 2009/10 the Board agreed that the target for the % of calls answered within 12 seconds should be increased from 80% to 88%.

The blue line shows the rolling 4-quarter average performance whilst the red line shows the specific performance in each quarter.



Comments

The new tougher target was just missed in quarter 2, but the four quarter rolling average remained above average and performance of the helpdesk in call handling overall remains excellent and fairly stable against a backdrop of slowing increasing daily call volumes.

The average daily call volume in Q2 this year was 121 calls. In the same period last year it was 118 calls and the year prior to that 113 calls.

Performance in answering calls within the 12 second target time has improved against a background of increasing call volumes and an abandoned call rate that has remained fairly constant at around the 2.5% rate.

Period	Within target (quarter)	4 – quarter rolling av.
Q1 06/07	79.1%	
Q2 06/07	80.3%	
Q3 06/07	79.7%	
Q4 06/07	76.5%	78.8%
Q1 07/08	83.5%	79.2%
Q2 07/08	81.3%	79.5%
Q3 07/08	84.3%	80.8%
Q4 07/08	84.8%	83.5%
Q1 08/09	84.9%	83.8%
Q2 08/09	87.6%	85.5%
Q3 08/09	89.0%	86.7%
Q4 08/09	88.3%	87.7%
Q1 09/10	89.0%	88.5%
Q2 09/10	87.5%	88.4%

Action taken / planned to address underperformance

No specific action required. Existing performance levels to be maintained.

2 Complaints responded to within 14 days

Summary indicators

Performance vs target ✘

Trend ↔

KPI definition

The proportion of stage 1 complaints made during the quarter that received a response within the target of 14 days.

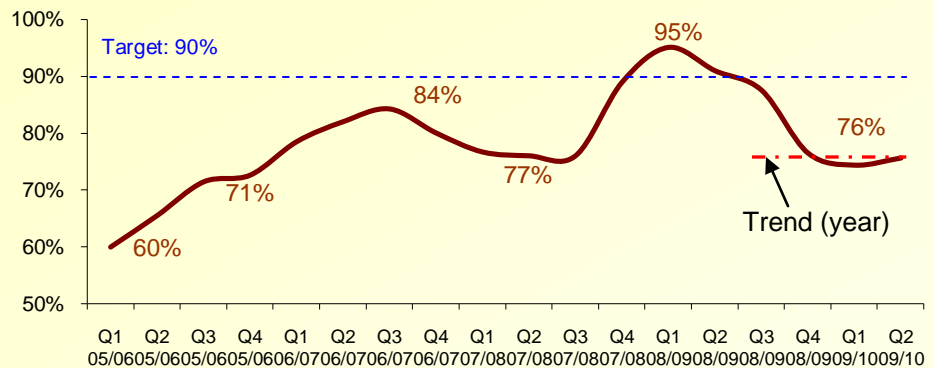
Commentary

Eight of the nine complaints received during the first quarter received a response within the 14 day target period. This was equivalent to 89%, a small improvement on the first quarter of the year.

The four quarter rolling average rose slightly to 76%.

Complaints - response within target

(As % of all responses - four quarter rolling average)



Comments

The number of complaints received decreased significantly from 14 in the first quarter to nine in the second, which is similar to the average of eight complaints per quarter received last year. The target was missed on 1 complaint in Q2 which resulted in a performance just below the target at 89%.

There was a significant drop in performance in Q3 of 08/09 which lasted 2 quarters but after which there has been a recovery. The trend indicator for this KPI has been changed from declining to stable given that for three consecutive quarters the four quarter rolling average has been stable at around 75%. If the increased performance seen in the last 2 quarters is maintained in Q3 and Q4 the four quarter rolling average should improve towards the target figure by the end of the year.

Period	Within target (quarter)	4 - quarter rolling ave
Q3 05/06	78%	71%
Q4 05/06	76%	73%
Q1 06/07	100%	78%
Q2 06/07	90%	82%
Q3 06/07	75%	84%
Q4 06/07	56%	80%
Q1 07/08	86%	77%
Q2 07/08	100%	76%
Q3 07/08	75%	76%
Q4 07/08	100%	89%
Q1 08/09	100%	95%
Q2 08/09	86%	90%
Q3 08/09	60%	86%
Q4 08/09	58%	76%
Q1 09/10	86%	74%
Q2 09/10	89%	76%

BOM KPIs – Q2 2009/10 (CORE measures only)

Action taken / planned to address underperformance

A temporary part time executive support assistant has recently been appointed, which has allowed the executive support officer more time to focus on monitoring and chasing complaints. Senior managers should now receive a reminder before the “due date” for the response for each complaint.

3 Estate inspections

Summary indicators	Rented	Shared owners
Performance vs target	✗	✓
Trend	↘	↗

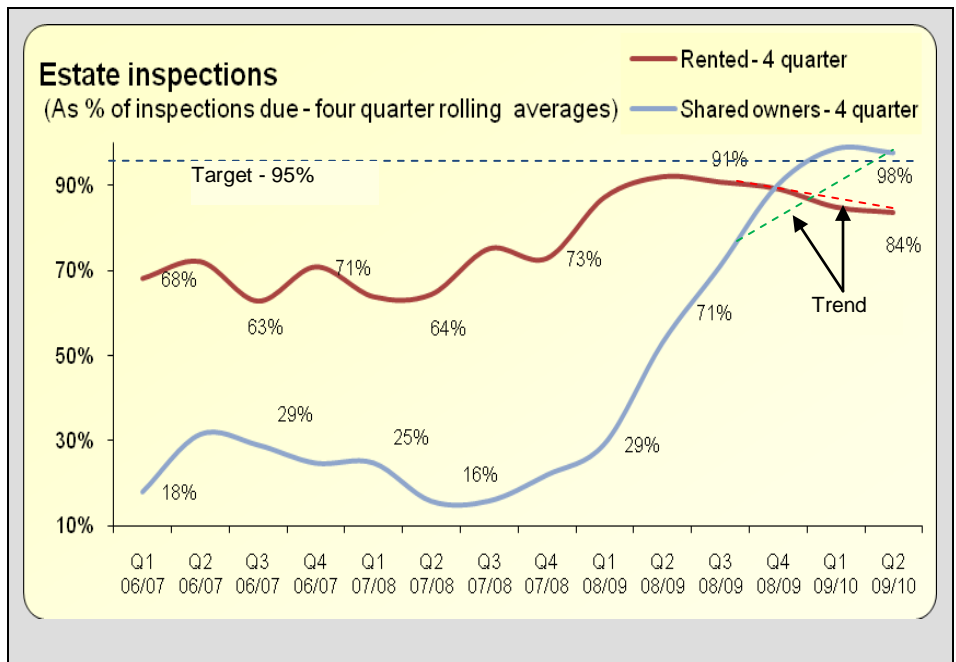
KPI definition
 The proportion of estate inspections completed as a % of those due during the quarter.

Commentary

Estate inspection rolling quarter average performance has stabilised at a much improved level for shared ownership estates (98% over the last two quarters).

The four quarter average for rented homes fell slightly to 84%, but the quarterly result improved from 80% to 93%.

The target of 95% was achieved for shared ownership estates for the second quarter in a row.



Comments

Some revisions have been made to the calculation for the estate inspection KPI, which will reduce the headline performance figure.

The extent to which the change in the calculation method will impact the numbers is currently unclear.

Period	Rented (quarter)	Rented (4 Q rolling ave)	Shared owners (quarter)	Shared owners (4 Q rolling ave)
Q1 06/07	68%	68%	18%	18%
Q2 06/07	76%	72%	45%	32%
Q3 06/07	44%	63%	24%	29%
Q4 06/07	95%	71%	12%	25%
Q1 07/08	40%	64%	18%	25%
Q2 07/08	78%	64%	9%	16%
Q3 07/08	87%	75%	24%	16%
Q4 07/08	86%	73%	36%	22%
Q1 08/09	98%	87%	47%	29%
Q2 08/09	98%	92%	104%	44%
Q3 08/09	82%	91%	96%	71%
Q4 08/09	79%	93%	112.5%	81%
Q1 09/10	80%	85%	81%	98%
Q2 09/10	93%	84%	100%	98%

BOM KPIs – Q2 2009/10 (CORE measures only)

Action taken / planned to address underperformance

Although the four quarter average for rented homes fell slightly to 84%, this is due to a good performance in Q2 08/09 dropping off of the quarterly rolling average. The quarterly result improved from 80% to 93% and we should see the rolling average improve next quarter if this performance is maintained.

4 Rent arrears

Summary indicators	Rented	Shared owners
Performance vs target	✓	✗
Trend	↘	↗

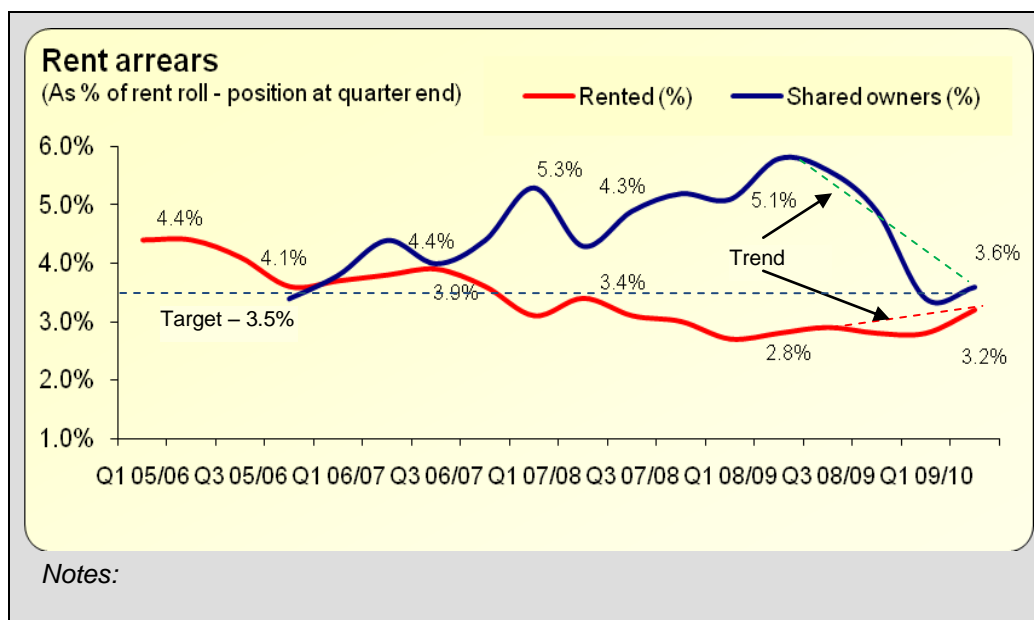
KPI definition

Current tenant rent arrears and shared ownership rent and service charge arrears as a % of the annual rent roll. For all stock where CDS carries out the rent accounting function

Commentary

Rent arrears for renting tenants increased significantly to 3.2% of the annual rent roll, up by 0.4% from Q1. However arrears remain under the target of 3.5%.

Shared ownership arrears increased marginally from 3.4% to 3.6%, just above target.



Comments

Although arrears for renting tenants have increased from the lows of last year, bearing in mind the current economic climate, the increase has been less than we originally feared.

Although arrears for shared owners increased marginally, the total remains lower than for several years. This is probably because reductions in interest rates have reduced mortgage payments for many homeowners - and offset other more negative effects of the recession.

The current arrears figures do not include the arrears for our two new clients, Deptford Housing Co-operative or Green Dragon Lane Housing Co-operative. Since both these co-ops have very high arrears, once they are incorporated into the data, the headline arrears figure (currently 3.2%) will rise considerably – probably to at least 4.5%.

Period	Rented (%)	Shared owners (%)
Q1 05/06	4.4%	-
Q2 05/06	4.4%	-
Q3 05/06	4.1%	-
Q4 05/06	3.6%	3.4%
Q1 06/07	3.7%	3.8%
Q2 06/07	3.8%	4.4%
Q3 06/07	3.9%	4.0%
Q4 06/07	3.6%	4.4%
Q1 07/08	3.1%	5.3%
Q2 07/08	3.4%	4.3%
Q3 07/08	3.1%	4.9%
Q4 07/08	3.0%	5.2%
Q1 08/09	2.7%	5.1%
Q2 08/09	2.8%	5.8%
Q3 08/09	2.9%	5.6%
Q4 08/09	2.8%	4.9%
Q1 09/10	2.8%	3.4%
Q2 09/10	3.2%	3.6%

BOM KPIs – Q2 2009/10 (CORE measures only)

Action taken / planned to address underperformance

The arrears control team has received additional resources (an extra member of staff) over the past few months to assist with the extra workload resulting from an increase in the number of accounts and also the impact of the recession.

5 Void turnaround time (all voids)

Summary indicators

Performance vs target	✘
Trend	➔

KPI definition

The average time taken (in days) to repair and re-let empty properties. Figures are for all units where CDS administers the letting.

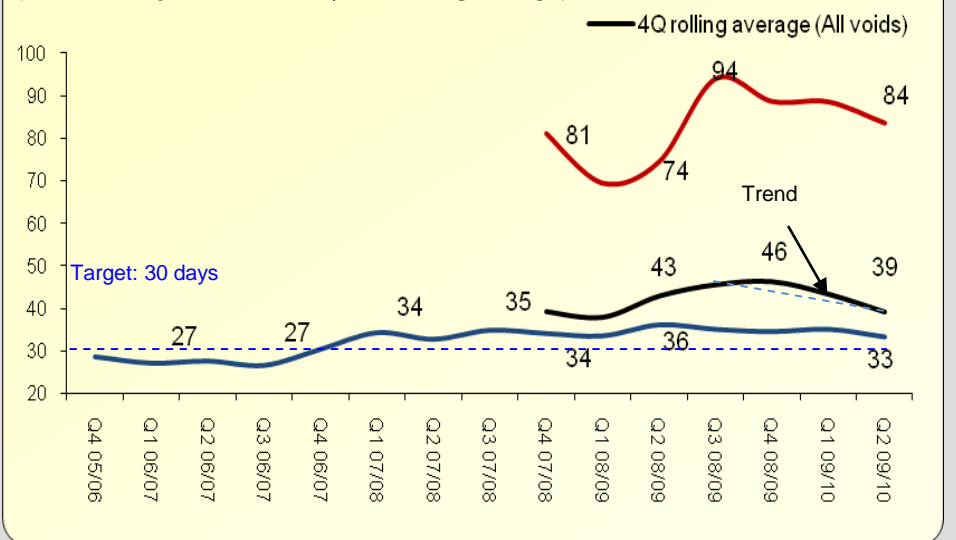
Commentary

Performance on re-let voids improved significantly from the previous quarter with an average turnaround time of 28 days. The four quarter rolling average fell to 33 days. This represents the best re-let void performance for two years.

Turnaround time for “all voids” fell to 30 days in Q2 (from 34 last quarter) and to 39 days (from 43) on a rolling four quarter basis. However, void performance remains below target.

Void turnaround time

(All voids - days to relet - four quarter rolling average)



Notes:

Comments

The latest figures indicate that void performance has begun to show a sustained improvement.

Period	Re-let voids (Q)	Re-lets (4Q rolling)	Major repair voids (Q)	Major repairs (4Q rolling)	All voids (Q)	All voids (4 Q rolling)
Q2 05/06	29	-	-	-	-	-
Q3 05/06	34	-	-	-	-	-
Q4 05/06	26	29	-	-	-	-
Q1 06/07	20	27	-	-	-	-
Q2 06/07	31	28	72	-	-	-
Q3 06/07	30	27	56	-	-	-
Q4 06/07	41	31	81	-	-	-
Q1 07/08	35	34	110	-	50	-
Q2 07/08	25	33	29	-	25	-
Q3 07/08	38	35	59	-	41	-
Q4 07/08	38	34	78	81	40	39
Q1 08/09	33	34	83	69	47	38
Q2 08/09	34	36	73	74	44	43
Q3 08/09	34	35	156	94	51	46
Q4 08/09	37	35	64	89	42	46
Q1 09/10	34	35	38	89	34	43
Q2 09/10	28	33	44	84	30	39

BOM KPIs – Q2 2009/10 (CORE measures only)

Action taken / planned to address underperformance

The assistant housing services manager is holding regular meetings with helpdesk, lettings and maintenance staff in order to ensure that voids are processed more efficiently. The new “void key” system is also bringing to bring benefits.

This strategy now appears to be having a clear impact with an improvement in the figures for two consecutive quarters.



6 Response Repairs Performance

Summary indicators	E	U	R
Performance vs target	✓	✗	✗
Trend	↔	↔	↘

KPI definition

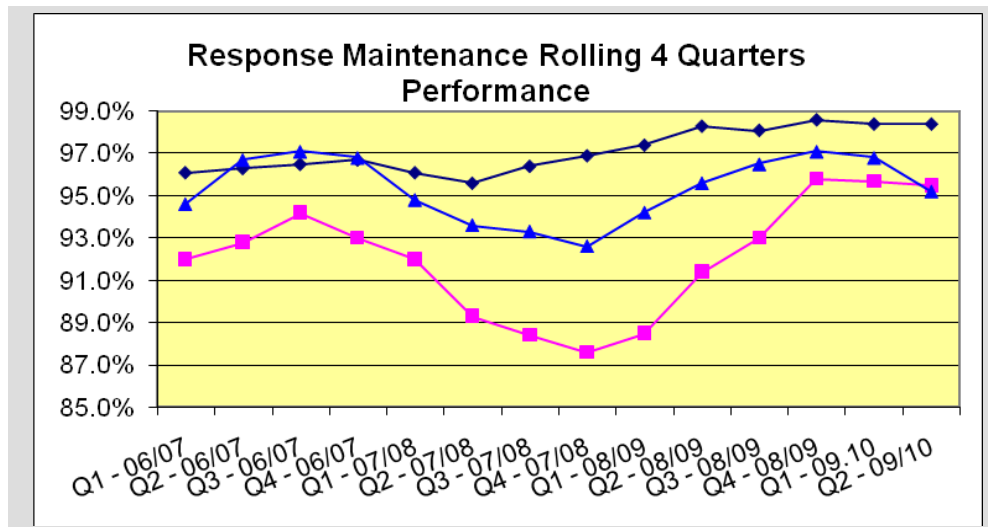
The percentage of works orders completed within target time for each category. 24 hours for emergency, 7 days for urgent and 28 days for routine. For repairs raised by the helpdesk and the out of hours service.

Commentary

The black line represents emergency repairs.

The pink line represents urgent repairs.

The blue line represents routine repairs



Comments

Performance on Emergency repairs appears now to be consistently above the target response time. There has been a significant improvement in performance on urgent repairs but it is still below target at around 95.0%. There was a sharp drop in performance on routine repairs in quarter 2. This was partly due to particular short term issues with 2 contractors.

Period	Quarterly Performance			Rolling 4 Quarter Performance		
	E	U	R	E	U	R
Q1 06/07	99.3%	95.1%	97.1%	96.1%	92.0%	94.6%
Q2 06/07	96.5%	95.0%	97.1%	96.3%	92.8%	96.7%
Q3 06/07	96.0%	94.0%	96.0%	96.5%	94.2%	97.1%
Q4 06/07	95.7%	89.7%	96.9%	96.7%	93.0%	96.8%
Q1 07/08	96.4%	90.3%	89.3%	96.1%	92.0%	94.8%
Q2 07/08	93.9%	83.2%	93.3%	95.6%	89.3%	93.6%
Q3 07/08	98.9%	90.0%	93.8%	96.4%	88.4%	93.3%
Q4 07/08	97.0%	86.8%	93.5%	96.9%	87.6%	92.6%
Q1 08/09	98.8%	95.1%	96.9%	97.4%	88.5%	94.2%
Q2 08/09	99.3%	95.8%	98.9%	98.3%	91.4%	95.6%
Q3 08/09	98.2%	95.6%	96.9%	98.1%	93.0%	96.5%
Q4 08/09	98.6%	96.4%	95.5%	98.6%	95.8%	97.1%
Q1 09/10	97.6%	95.0%	96.0%	98.4%	95.7%	96.8%
Q2 09/10	99.4%	95.1%	91.6%	98.4%	95.5%	95.2%

BOM KPIs – Q2 2009/10 (CORE measures only)

Action taken / planned to address underperformance

The continued underperformance in this area is of concern to us and there are a number of initiatives underway that are trying to address this. Some of them are immediate short term measures and others are medium term initiatives aimed at addressing value for money issues but not simply in terms of the cost of the repairs work but the added value issues in terms of the quality of information that we receive back from our contractors.

We have introduced a system of contractors texting that a works order is completed as they leave the job. This has been adopted by most of the contractors but is not yet being done systematically for every job and not yet by every contractor. We have a round of contractor performance meetings at the end of November, early December where we will be reiterating to contractors that this is a new requirement that we expect them to follow if they wish to continue to receive works from the Society. The full adoption of this procedural change will enable us to:

- Easily identify jobs that are coming up to their target date for completion but that have not yet been completed and chase the contractors to ensure that the target is met.
- Carry out some real time quality control calls to residents, phoning them almost immediately to confirm that the works have been completed and to their satisfaction.

We are developing a new weekly monitoring report that will examine the works orders that should have been completed in the previous week. It will identify contractors that have missed targets or not completed works in the previous week allowing us to challenge them on their performance as soon as there is an indication that it is slipping and also allowing the helpdesk staff to use this information in deciding how to allocate new works on the basis of past performance. This system will be in place from the start of January 2010.

Our value for money consultants Plan2do are carrying out a dual exercise on our behalf with a view to achieving improvements in value for money and quality of response repair work. For the Milton Keynes, Hemel Hempstead, Welwyn Garden City and North London schemes they will be tendering for new response repairs contractors [this is an area where we have struggled to find consistent and reliable contractors]. The tender will address cost issues but also performance requirements in terms of meeting targets and providing data to us. On the back of this tender process they will also enter into discussions with our existing key contractors in the Kent / South-East London area with a view to obtaining commitments from them on the same issues. It will be made clear that should we not see the improvements that we are seeking then the tender process may be repeated for the Kent area.

The draft performance standards from the TSA appear to identify that their key target in terms of repair works is going to be right first time rather than target response times. We will be looking at developing a KPI to measure right first time – for jobs where right first time is appropriate.

7 Gas Safety Inspections



Summary indicators

Performance vs target	✗
Trend	↗

The trend indicator for this KPI compares the position at end of Q1 this year with the end of Q1 last year. The Society's CP12 programme is clustered in two batches around the end of Q1 and Q3 this makes comparing the trend from quarter to quarter less informative.

KPI definition

The percentage of properties with a valid CP12 certificate for all CDS owned stock and client co-op stock where CDS administers the gas safety process

Summary of current position on 2009 gas safety inspections

As at 30/09/09	CDS Owned		Client Co-ops		Total	
	Number	%	Number	%	Number	%
Total Number of Properties	689		643		1332	
Valid CP12 on file	687	99.7%	621	96.6%	1308	98.2%
< 1 month overdue	0	0.0%	7	1.1%	7	1.1%
1-3 months overdue	1	0.15%	11	1.7%	12	0.5%
3-6 months overdue	0	0.0%	2	0.3%	2	0.4%
>6 months overdue	1	0.15%	2	0.3%	3	0.2%

Status of properties overdue for inspection on 30/09/09

As at 23/11/09	CDS Owned		Client Co-ops		Total	
	Number	%	Number	%	Number	%
Total overdue as at 30/09/09	2		22		24	
CP12 carried out since 30/09/09 and certificate recd			9	40.9%	9	37.5%
CP12 carried out but certificate not yet on file						
Void property						
Properties with gas supply issues			2	9.1%	2	8.3%
Properties at 1 st /2 nd appointment stage			1	4.5%	1	4.2%
Properties sent non access warning letter			6	27.3%	6	25.0%
Properties CSO asked to serve notice			4	18.1%	4	16.7%
Properties where notice has been served						
Properties where CSO asked to initiate court action	2	100%			2	8.3%

Overall Summary by Scheme for the 2009 inspection programme as at 23/11/09

Scheme	Summary
Phoenix Place	Inspections complete
Furbank	Inspections complete
Halycon	Inspections complete
Greendale	1 property outstanding – CSO asked to initiate court action
Senacre	Inspections complete – but 1 certificate outstanding
Hazel	Programme underway – 10 properties have 2 nd appointments booked
Mulberry	2 properties outstanding – CSO asked to serve notice
Moat Farm (CDS owned)	Inspections complete
May Day Permanent	1 property outstanding – resident in hospital liaising with CSO
Shenley Church End	Inspections complete
Sylhet	Inspections complete
Oast Wood	Inspections complete
Normandy	1 property outstanding – CSO asked to initiate court action
Riverdale	Inspections complete
Rutherford Gate	Inspections complete
Atwell	1 property outstanding – due for inspection in December 2009
Shorncliffe	1 property outstanding – warning letter sent to resident
Delce Manor	Inspections complete
Allnutt Mill	2 properties outstanding – 1 no gas supply / 1 not due until December 2009
Aquinas Street	Inspections complete
Cheriton	Inspections complete
Blenheim	1 property outstanding – boiler condemn, tenant refusing access to install new one
Oakapple	Inspections complete
Ashford Pavilion	Inspections complete
Bradwell Common	Inspections complete
Minster	Inspections complete
Lynsted	Inspections complete
Elliot	Inspections complete
Golden Hill	6 properties outstanding – 6 appointments booked in November
Forge Fields	Inspections complete
The Halt	Inspections complete
Hourglass	1 properties outstanding – CSO asked to serve notice
Harold Campbell Court	1 property outstanding – warning letter sent to resident
Brighton Buildings	10 properties outstanding – 5 due Nov/Dec, 5 warning letters sent
Hollymeadow	Inspections complete
Shellons Street	Inspections complete
Manor Road	Inspections complete
CRISH	Inspections complete
Deptford	1 property outstanding – suspect no gas with CSO/Co-op to resolve.

BOM KPIs – Q2 2009/10 (CORE measures only)

Action Planned / Taken to address underperformance

Administration Manager to attend a HQN seminar on tenant safety issues which includes achieving 100% access for CP12s. Following this there will be a review of the CP12 procedure that will address a number of issues, including:

- Quality control. What requirements should be put in place to ensure that the contractors carrying out gas safety inspections are doing so correctly and complying with the regulations.
- How to deal with the increasing occurrence of residents with debt on their meter cards when the contractor attends the property resulting in their inability to carry out a proper gas safety inspection (the inspection requires there to be gas supply).
- How to improve the Society's response once we reach the stage of the resident not responding to the non-access warning letter. Currently the procedure requires notice to be served and there are frequently delays in serving this notice and then once the notice expires court action has to be initiated and this is also frequently delayed.



8 Repairs satisfaction – quality of work

Summary indicators

Performance vs target ✓
 Trend ↔

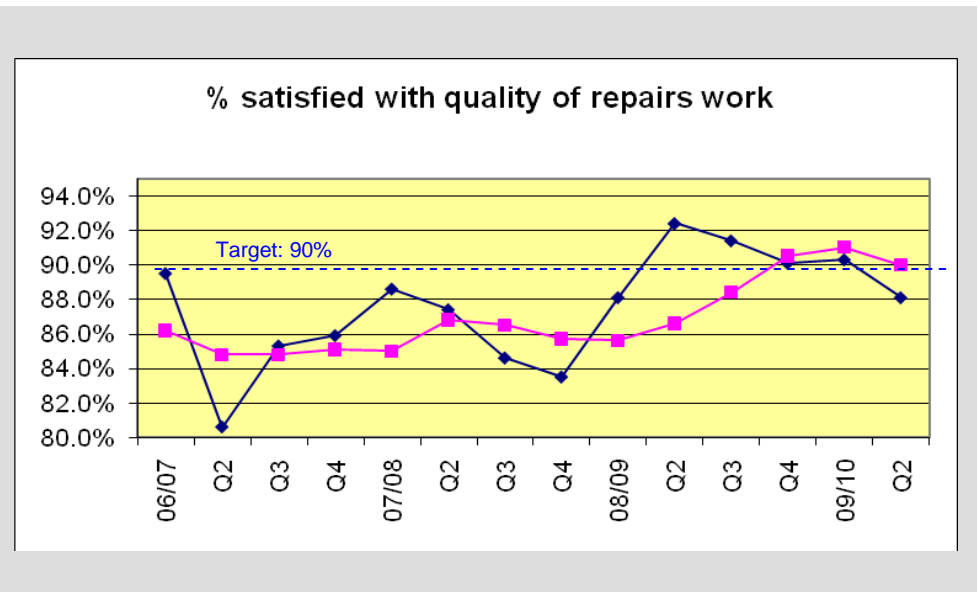
KPI definition

The proportion of residents returning a repairs satisfaction monitoring form who stated that they were satisfied with the quality of the contractors work. For repairs raised by the helpdesk and the out of hours emergency service

The trend indicator reflects the trend in the rolling 4 quarter average.

Commentary

The black line shows the performance in each individual quarter whilst the pink line shows the rolling four quarter average performance



Comments

There was a significant drop in the performance in Q2, but the rolling four quarter average just stayed on target at 90.0%.

The performance trend is essentially flat with three quarters where the rolling average has fluctuated between 90 & 91%.

Period	Within target (quarter)	4 - quarter rolling av.
Q1 - 06/07	89.5%	86.2%
Q2 - 06/07	80.6%	84.8%
Q3 - 06/07	85.3%	84.8%
Q4 - 06/07	85.9%	85.1%
Q1 - 07/08	88.6%	85.0%
Q2 - 07/08	87.4%	86.8%
Q3 - 07/08	84.6%	86.5%
Q4 - 07/08	83.5%	85.7%
Q1 - 08/09	88.1%	85.6%
Q2 - 08/09	92.4%	86.6%
Q3 - 08/09	91.4%	88.4%
Q4 - 08/09	90.1%	90.5%
Q1 - 09/10	90.3%	91.0%
Q2 - 09/10	88.2%	90.0%

BOM KPIs – Q2 2009/10 (CORE measures only)

Action taken / planned to address underperformance

A more in depth survey is currently being conducted by the Tenant Auditor. She is surveying residents who had a response repair completed between 1 October and 9 November 2009. These results will be reported back in the next quarter's KPI report.

As reported in section 6 of the KPI report, we are also carrying out a value for money exercise that will be addressing work quality issues as well as pricing.

9 Invoices paid within 28 days

Summary indicators

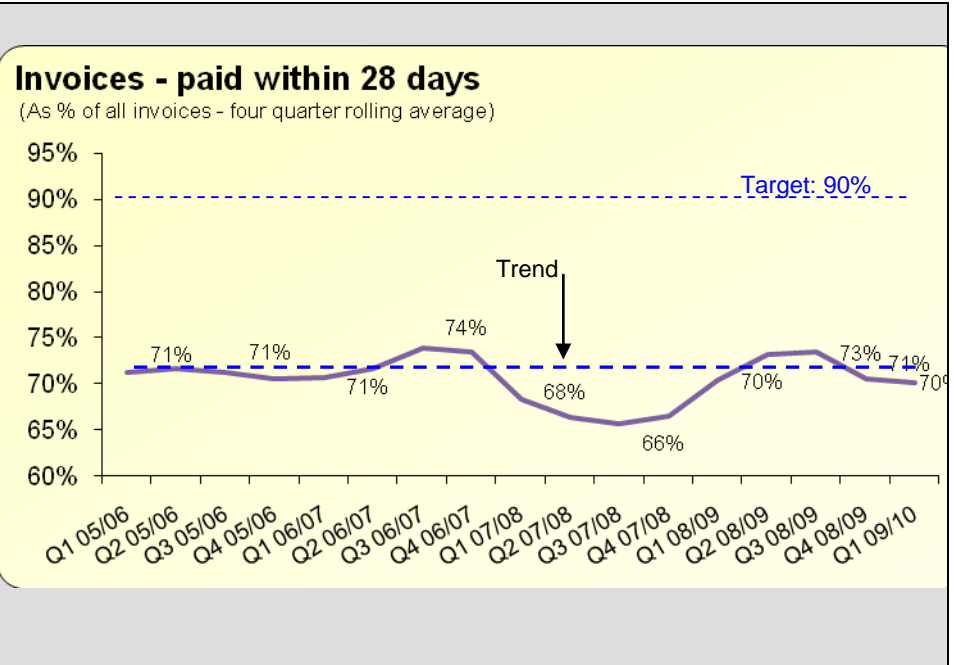
Performance vs target	✘
Trend	↔

KPI definition

The proportion of invoices paid within the target of 28 days as a % of all invoices paid.

Commentary

Apart from a distinct drop in performance in the 07/08 financial year this KPI has essentially been consistently in the the low 70% range.



Comments

Performance over a 12 month rolling period edged up in 2008/09 as the poorer performance in 07/08 dropped out of the figures. We are now in a situation where in the first quarter of this year performance was essentially unchanged from the position when we started monitoring this KPI four years. In the intervening period, performance has essentially fluctuated around the 70% mark which is well below the target of 90%

However, the average time taken to pay invoices stands at 25 days which is below the target for time of 28 days.

Period	Within 28 days (quarter)	4 - quarter rolling ave
Q1 05/06	72%	71%
Q2 05/06	69%	72%
Q3 05/06	60%	71%
Q4 05/06	76%	71%
Q1 06/07	77%	71%
Q2 06/07	73%	72%
Q3 06/07	70%	74%
Q4 06/07	73%	73%
Q1 07/08	57%	68%
Q2 07/08	66%	66%
Q3 07/08	67%	66%
Q4 07/08	78%	67%
Q1 08/09	71%	70%
Q2 08/09	76%	73%
Q3 08/09	68%	73%
Q4 08/09	66%	71%
Q1 09/10	70%	70%

BOM KPIs – Q2 2009/10 (CORE measures only)

Action taken / planned to address underperformance

A complete review of the invoice logging process is to be undertaken during December 2009 with a view to looking at streamlining the process. There is also a debate as to what measure we should use to monitor performance. Date of receipt in the office or date of invoice. The problem with using the date of receipt in the office is that sometimes invoices are sent to the client co-operative first – with the co-op approving them and then sending them back to us and if we use the date of receipt in the office as the start point for measuring the performance the time taken by the co-op to approve the invoices and send them onto us is excluded from the figures. However, if the invoice comes to us first and then has to be sent out to the co-op for approval and returned before payment is made then the time taken by the co-op to approve the invoice will be included in the figures.

The core of this issue has to be whether the KPI should be measuring the performance of the Society in terms of its client co-operatives in terms of how long it takes to pay invoices or whether the KPI should be measuring our performance as an organisation that procures services and pays its suppliers promptly.

When this KPI was introduced, it was definitely the latter because it was tied up with the Egan principles and being a good procurement organisation that paid its suppliers promptly. That agenda has, somewhat falling by the wayside and there is a view that we should be using this KPI to measure our service to our clients in processing and paying invoices on their behalf. This issue will be addressed as part of the review of the procedure.



10 HM operating cost

Summary indicators Rented

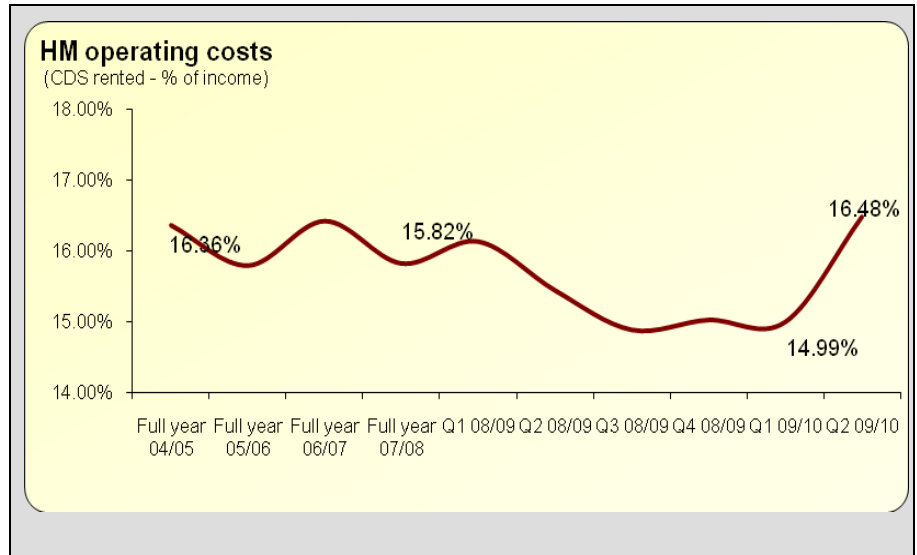
Performance vs target	X
Trend	↘

KPI definition

The average operating housing management operating cost for the quarter to date as a proportion of net rental income (gross rent receivable less voids).
CDS owned properties only.

Commentary

The target was recently reduced from 20% to 15%.



Comments

There appears to be a significant increase in Q2. However, there has been an increase in staffing during the financial year to reflect the addition of new clients. These increased costs should all be allocated to the provision of managed services. However, the cost allocation uses a time allocation for staff agreed at the start of the year. This means that some of these increased costs have been incorrectly allocated as CDS costs in Q2. The time allocations will be adjusted to reflect the true position from the start of Q3.

Period	Operating cost (%) (Quarter)	4 - quarter rolling av
Full year 04/05		16.36%
Full year 05/06		15.79%
Full year 06/07		16.42%
Q1 07/08	13.78%	
Q2 07/08	17.92%	
Q3 07/08	16.33%	
Q4 07/08	15.26%	15.82%
Q1 08/09	15.06%	16.13%
Q2 08/09	15.15%	15.44%
Q3 08/09	14.05%	14.88%
Q4 08/09	15.76%	15.02%
Q1 09/10	14.99%	14.99%
Q2 09/10	16.48%	15.33%

Action taken / planned to address underperformance

Time allocations to be adjusted from start of Q3 to reflect increased resourcing for client co-operative work against work on CDS owned stock.

11 Void rent loss

Summary indicators

- Performance vs target ✓
- Trend ↔

KPI definition

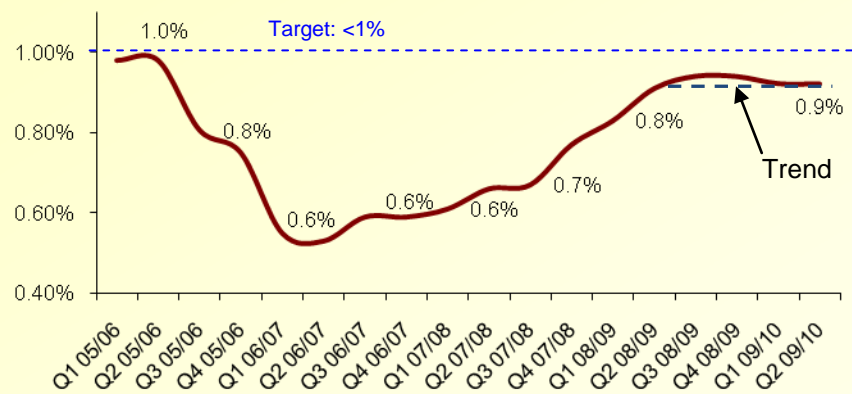
The proportion of the rent roll that went uncharged due to empty properties.
 Figures are for all units where CDS carries out the rent accounting function.

Commentary

Void rent loss, as a proportion of rent charged, increased slightly to 1.0% for the quarter. The four quarter rolling average remained static at 0.9% - below the target of 1.0%.

Void rent loss

(All rented - % of income - 4 quarter rolling average)



Notes: (1) Figures for 05/06 are for the full year rather than four quarter rolling averages.

Comments

Although void rent loss increased slightly compared to Q1, this reflects a sharp increase in the number of void properties let in Q2 rather than a deterioration in performance (void performance was actually sharply improved). There is no immediately obvious reason for the increase in the number of voids, but this will be investigated in more detail if the trend persists.

Period	Rent loss (Quarter)	4 quarter rolling ave
Q1 05/06	1.0%	1.0%
Q2 05/06	1.0%	1.0%
Q3 05/06	0.5%	0.8%
Q4 05/06	0.5%	0.8%
Q1 06/07	0.6%	0.6%
Q2 06/07	0.6%	0.5%
Q3 06/07	0.7%	0.6%
Q4 06/07	0.5%	0.6%
Q1 07/08	0.7%	0.6%
Q2 07/08	0.8%	0.7%
Q3 07/08	0.8%	0.7%
Q4 07/08	0.9%	0.8%
Q1 08/09	0.9%	0.8%
Q2 08/09	1.1%	0.9%
Q3 08/09	0.9%	0.9%
Q4 08/09	0.9%	0.9%
Q1 09/10	0.9%	0.9%
Q2 09/10	1.0%	0.9%

BOM KPIs – Q2 2009/10 (CORE measures only)

Action taken / planned to address underperformance

None required

12 Rent collection rate

Summary indicators	Rented
Performance vs target	✘
Trend	↘

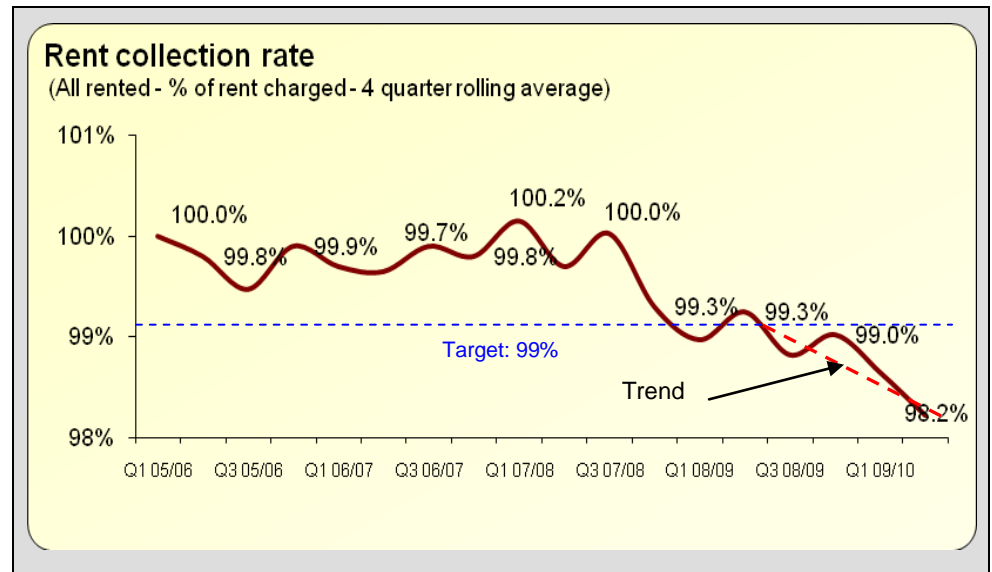
KPI definition

The proportion of rent collected as a % of rent due during the year to date (excluding arrears brought forward).
 Figures are for all units where CDS carries out the rent accounting function

Commentary

The rent collection rate continues to fall, with the downward trend having accelerated since the first quarter.

Only 96.3% of rent due was collected during the quarter, with the four quarter average falling to 98.2%.



Comments

The rolling average rent collection rate is now 0.8% below the target of 99% and likely to fall further given the financial problems many tenants are currently experiencing due to the recession and the poor collection rate in recent months.

The SMT may consider reviewing the appropriateness of the current target figure if it proves to be unrealistic given the current economic climate.

Period	Rent collection (Quarter)	4 quarter rolling average
Q2 05/06	98.9%	99.8%
Q3 05/06	98.4%	99.5%
Q4 05/06	101.4%	99.9%
Q1 06/07	100.1%	99.7%
Q2 06/07	98.7%	99.7%
Q3 06/07	99.4%	99.9%
Q4 06/07	101.0%	99.8%
Q1 07/08	101.5%	100.2%
Q2 07/08	96.9%	99.7%
Q3 07/08	100.7%	100.0%
Q4 07/08	98.1%	99.3%
Q1 08/09	100.2%	99.0%
Q2 08/09	98.0%	99.3%
Q3 08/09	99.0%	98.8%
Q4 08/09	98.9%	99.0%
Q1 09/10	98.7%	98.7%
Q2 09/10	96.3%	98.2%

BOM KPIs – Q2 2009/10 (CORE measures only)

Action taken / planned to address underperformance

See section on rent arrears.