

Introduction to Performance Indicators

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To be effective, organisations like the TMO need to be able to measure their performance. They need to be able to compare it against meaningful targets and against the performance of other organisations (often called benchmarking). Performance data isn't the whole story of service delivery however it is a critically important part. Therefore good performance information is very important if we are to know the areas where we perform well and those where we need to make improvements. This guide looks at how we measure and disseminate performance information and how this relates to your role in the TMO

What are Performance Indicators?

Performance Indicators (PIs) measure the key aspects of our services. Some examples of this are:

- The percentage of rent collected compared to rent owed.
- The percentage of urgent repairs completed on time.
- The percentage of service charges collected compared to the amount owed.

PIs help identify where performance is good, poor or on target.

What are Best Value Performance Indicators?

Best Value Performance Indicators (BVPIs) are a vital part of the Government's performance management framework. They give a clear view of how a range of Government services are performing particularly in the area of service delivery.

BVPIs are a suite of indicators that all local authorities (including ALMOs) are obliged to measure and provide to the Government (or Government agencies). BVPIs help local and national Government to analyse, monitor and benchmark between local authorities. All the BVPI data is available to the public who can check on how well their local authority or ALMO is performing.

What are Local Performance Indicators?

Local Performance Indicators (LPI) are discretionary (we choose to monitor them). These are not statutory; however they are useful measures for areas not covered by BVPIs. Examples include:

- Complaint turnaround time.
- Repairs and Consumer Contact Centre average call handling times.

What are targets?

Targets define the acceptable level of performance for each performance indicator. For BVPIs the target is often the “top quartile” figure. This is the level of performance set by the top 25% of local authorities or ALMOs either nationally or regionally (in our case London). Targets are meant to be stretching but attainable and are set annually. Some examples of targets used by the TMO include:

- Increase rent collection to 98%
- Reduce void turnaround time to 22 days.

Longer term targets can be set by Government and an example includes:

- All homes should reach the decency standard by 2010.

Targets help housing organisations, such as the TMO, to focus on what needs to be achieved to. Service users can see how the TMO is performing by comparing performance to targets. This information is published both in the TMO Link magazine and on the TMO’s website.

The roles of the TMO and the Council

The TMO has been an Arms Length Management Organisation (ALMO) since 2002 and we manage all the council housing on behalf of the Royal Borough of Kensington & Chelsea. We collect and send PI data to the Council who use it to monitor our performance and who, in turn, refer it to Central Government (we also send some PI data directly to Government).

What are Audit Commission Inspections?

The Audit Commission has a responsibility to assess the performance of all ALMOs nationally. They visited the TMO in July 2006 and spent two weeks making assessments of our performance in key service areas. Their assessment included looking at the full range of our performance indicators. We were subsequently awarded three stars with “excellent prospects for improvement” their highest possible rating. We are one of only a handful of ALMOs to achieve this!

What are Comprehensive Performance Assessments?

Comprehensive Performance Assessments (CPAs) were introduced in 2002 by the Audit Commission. CPAs are inspections for Councils in England to investigate how services are run and they use PIs in housing, education and social care as part of their assessment. Councils were placed in one of five categories (excellent, good, fair, weak or poor). However since 2005, CPA was changed to offer a stiffer challenge and has been labelled 'The Harder Test.' The ratings are now a ranking system from zero to four stars. CPAs take place annually and the Council was awarded "4 stars and improving strongly" in February 2007.

What is HouseMark?

HouseMark is a PI benchmarking club for ALMOs, Housing Associations and Councils in England. They aim to improve performance and efficiency in social housing. They run quarterly "benchmark clubs" in all regions of the country including London.

Staff involved in PIs attend the meetings where PI performance monitoring information is shared and best practice topics discussed: for example homelessness or rent arrears. Our Performance Monitoring Co-ordinator always attends on behalf of the TMO and other staff are encouraged to attend, particularly if there is a topic of interest to them up for discussion. These meetings help highlight PI developments or ways of increasing performance.

Being a member of HouseMark also gives us access to their website which provides a great deal of useful information and shares best practice on subject right across the housing spectrum. Please make sure you make full use of it

TMO PI meetings

Internal PI meetings take place every quarter and staff involved with producing and collating PI data are invited to attend. These meetings give time for us to discuss our Quarterly Monitoring reports and help identify any weaknesses in PIs and how we might tackle them to be monitored as well, and they are set for the following year or three years.

If you have any queries regarding PIs please contact Sandip Sodha on ssodha@kctmo.org.uk.