

1. CUSTOMER

Monthly	Oct-09	Target	12 mnth trend	3 mnth trend	RAG status	Natl ave 0708	RAG logic
Number of calls received per 100 homes	110	<73	✓	✗	R		Numeric
Calls resolved first point contact	95.4%	>90%	✗	✓	G		Numeric
Overall satisfaction with repairs service (TSA)	87.7%	>90%	✗	✓	A	75.5%	Numeric
Tenancy failures (evictions and abandons) per 1000 homes per month	1.15	<0.8	✓	✓	A		Qual'tive
Quality of property - Decent Homes failures (TSA)	13.1%	<5% by end 2010	✓	✓	G	10.9%	Qual'tive
Properties below minimum SAP (energy efficiency)	10.6%	<2.5%	✗	✓	A		Numeric

Quarterly	Jul-Sep09	Target	12 mnth trend	RAG status	RAG logic
Satisfaction with handling of ASB report	47.0%	>50%	✓	A	Quant'tive
Satisfaction with handling of complaints	22.0%	>50%	✓	A	Quant'tive

Exception commentary:

Tenant Services Authority measures are indicated by '(TSA)', with a glossary located in the appendix.

Call levels, repairs and satisfaction:

The number of calls received has risen slightly this month, and this trend will probably continue throughout the winter when there is an increased demand for responsive repairs. On a positive note satisfaction with the repairs service has increased by over 5%, and the number calls resolved at the first point of contact has also increased this month by 2%. Overall, performance of the responsive repairs service is gradually improving, as officers continue to monitor Mears very closely.

Decent Homes and energy efficiency:

Assuming adequate financial resources, both MHT London and Spirita are confident of meeting the DH standard on their homes. The financial resources to meet DH are being reviewed as part of the business planning cycle. CPH is set to achieve the DH beyond 2010 as part of their Master plan and have informed the Tenant Services Authority of this. Energy efficiency – the problems related to the upgrade to the latest standard (SAP2005) have now been resolved.

2. FINANCE

MHP Financials	Oct-09 ytd	Oct-09 budget ytd	Year end budget	RAG	RAG logic
Surplus	£10,936,000	£9,374,000	£14,915,000	A	Qual'tive
Asset sales	£4,908,000	£4,660,000	£6,614,000	A	Qual'tive
Surplus/(Deficit) pre Asset Sales	£6,028,000	£4,714,000	£8,301,000		

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Monthly - MHT Ltd	Oct-09	Internal target	External target	12 mnth trend	3 mnth trend	Current RAG	RAG logic
MHT Gearing (incl Granta)	72.0%	<70%	<80%	n/a	n/a	R	Qual'tive
MHT Gearing (excl Granta)	78.0%	<70%	<80%	n/a	n/a	R	Qual'tive
MHT Interest cover inc Asset Sales *	155%	>130%	>110%	n/a	n/a	G	Qual'tive
% current tenant rent collected - rolling 12mth	98.2%	> 99%		*	✓	A	Numeric
% gross income collected	n/a	> 99%				none	Numeric
Monthly Cash Inflow/(Outflow) £	-29.46m	TBC		n/a	n/a	none	Qual'tive
Current ratio	5.22	>2.84		n/a	n/a	none	Qual'tive
Acid test ratio	4.49	>2.78		n/a	n/a	none	Qual'tive
Aged debtors figure - non rent (days)	n/a	<30		n/a	n/a	none	Qual'tive

- External targets relate to loan covenants.
- Two figures for Gearing are shown, both including and excluding figures from the balance sheet for Granta, as requested by the Finance Committee.

Exception commentary:

The summary financial position includes the reforecast budget as recommended to the Board by Finance Committee at its meeting on the 17th November 2009. The forecast outturn of £12.468m includes the approved ACE costs to the end of the financial year end, together with an additional provision for impairment and other risks of £5m as requested by the Finance Committee.

The underlying financial performance of the Partnership at the end of October 2009 remains poor, the favourable variance against budget being a result of better than budgeted asset sales, and lower than budgeted interest costs.

2 a) Sales

MHO - monthly	Aug-09	Sep-09	Oct-09	Yr end target	RAG status	RAG logic
Average sales period - wks	25	25	21	21	R	Qual'tive
No. of homes unsold	114	99	117	n/a	none	Qual'tive
% of homes unsold with no offer	40%	58%	42%	15%	R	Qual'tive
Average lettings period (void) - wks	114	45	30	10	R	Qual'tive
MHO net margin - to month ending	-7.0%	2.0%	15.0%	22.0%	A	Qual'tive
MHO turnover - to month ending	£2.17m	£2.65m	£3.35m	£6.07m	G	Qual'tive

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MHO - quarterly	Apr-Jun09	Yr end target	RAG status	RAG logic
No.of households housed in New Build homes	56	320	A	Qual'tive
No.of households housed in Open Market homes	176	850	A	Qual'tive
Homebuy Agency: % of applicants with				
Income ? £30K	42	50%	A	Qual'tive
Income >£30k ? £62K	58	50%	A	Qual'tive
No.of enquiries	51211	350000	A	Qual'tive
No.of approved applications	8572	35000	none	Qual'tive
No. of client lettings and sales supported	n/a	4000	R	Qual'tive

Exception commentary

- At end of October, sales periods go from 7.5 wks London, 21.5 Eastern, to 32.6 Midlands. All regions experiencing falls this month but Midlands falls mainly due to transfer of stock to Eastern region.

3. PEOPLE

Monthly	Oct-09	Target	12 mnth trend	3 mnth trend	RAG status	Peer gp ave	RAG logic
Staff turnover %	n/a	<1.3%	✘	✓	A	1.28%	Qual'tive
Sickness %	n/a	<2.5%	✓	✓	A	4.60%	Qual'tive

Quarterly	Jul-Sep09	Target	12 mnth trend	RAG Status	RAG logic
% Vacancies filled internally	30%	>50%	✘	A	Qual'tive

Quarterly Jul-Sep09	Number raised	per 1000 staff	12 mnth trend	Number upheld	RAG status	RAG logic
Grievances	20	9.1	✓	0	G	Qual'tive
Employment tribunals	11	5.0	✘	0	R	Qual'tive

Exception commentary:

Comments:
 Figures for turnover and sickness are not currently available as the Oracle reports are yet to be upgraded to work with the upgraded Oracle HR system.

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4. PROCESS

Monthly	Oct-09	Target	12 mnth trend	3 mnth trend	RAG status	Natl ave 0708	RAG logic
Gas appliances without LGSR	2.6%	<0.5%	✓	✓	A		Numeric
Non compliance with gas appliance servicing procedure	1.2%	0%	✓	✓	A		Numeric
General Needs %age homes empty	3.6%	<1.65%	✗	✗	R	2%	Numeric

Exception commentary:

Gas servicing:

The level of non compliance with the gas servicing procedure has improved across MHP, with a steady reduction in the number of appliances without a safety certificate. The new interim contracts in London are established and the procurement process for a replacement for Connaughts' is in progress.

Empty (void) properties:

Improvement of rental voids performance is a high priority for MHP, and the Spirita MD is taking a lead on this, given the demand issues faced by Spirita. A clear action plan with targets is in place. This includes a whole range of activity from process improvement to a proactive approach to marketing, and incentives for tenants to give the required notice and leave their homes in good order.

Reportable incidents

Monthly	Oct-09	Target	12 mnth trend	3 mnth trend	RAG status	RAG logic
Serious accidents (RIDDOR)	0	0	✓	✓	G	Qual'tive

Exception commentary:

The Health and Safety Team have met with many of the businesses to initiate the development of Business Health and Safety Plans. Progress is being made by businesses, with many reporting that the plans will be complete and presented to their Boards in January 2010.

5. REGULATION UPDATE

The position remains as reported in the April Board Summary. The TSA cannot commit to agreeing the qualitative status of our overall regulatory status, and we remain at **'Amber'** due to the fraud investigations and the general state of the economy with MHP simultaneously seeking to strengthen our financial platform. The HCA has now been issued which is reasonable positive overall. (**Green**- would be nothing beyond the usual issues that arise for a large developing association. **Amber** - a heightened level of concern with more regular contact with the TSA than usual and **Red** - major concerns that involve high level, frequent contact over business critical issues)

Formal consultation on the new Regulatory Framework by the TSA is in progress, and we will be consulting residents about this in time to make a full response to the TSA in February. Overall, the proposed framework appears less onerous and more focused on service quality than the proposals made earlier this year, and we welcome the reduction of additional codes and guidance notes, although we would want to see continued clear guidance on issues such as rent setting and other technical matters.

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6. Appendix 1 – Glossary

This section sets out an explanation of the terminology and definitions used in this Board Summary. The table in Section 2 shows the Performance Indicators which are currently used by the Tenant Services Authority (TSA).

1. Financial definitions

Gearing gives an indication of the contribution of long term loans to the long term capital structure of a business. It is calculated as:

$$\text{Gearing} = \text{Long term liabilities} / (\text{capital} + \text{reserves} + \text{long term liabilities})$$

Interest cover measures the surplus available to cover interest payments, calculated as:

$$\text{Interest cover} = \text{Surplus before interest and taxation} / \text{interest payable}$$

Current Ratio is a measure of the liquidity of the business and is calculated as:

$$\text{Current Ratio} = \text{Current assets} / \text{Current liabilities}$$

Acid Test Ratio is a more stringent test, it excludes stock from the definition and is calculated as:

$$\text{Acid Test Ratio} = \text{current assets (excluding stock)} / \text{Current liabilities}$$

2. Mandatory and optional Performance Indicators for Housing Associations - summary of Performance Indicators 2008 – 2009.

Below is the list of TSA Performance Indicators. PIs are identified as Mandatory (M) or Optional (O) for each year, and those which become Discontinued. Tables on the TSA/HC website are based on the PIs available in 2008. The definitions below the table explain the terminology.

Many of these PIs are not dynamic, and are therefore not reported in the Board Summary.

PI	Short title (used on website)	2008	2009	In Board Summary
Percentage of GN/Sup/HOP rental stock failing to meet the Decent Homes Standard	Stock Failing Decent Home Standard	M	M	Y
Percentage of GN/Sup/HOP rental dwellings vacant at 31 March	Vacant Dwellings	M	M	GN only
Average days to re-let a (managed) GN/Sup/HOP rental dwelling (dwelling not new & not subject to major repairs)	Re-let time (all managed stock)	M	M	N
Rent arrears of current GN/Sup/HOP tenants at the financial year end as a percentage of rent debit	Current tenant arrears at FYE	M	M	N
Average SAP rating (energy efficiency) of self-contained general needs dwellings	Average SAP rating	M	M	N
Percentage of routine repairs completed within target	Routine repairs completed in target	D	D	N
Percentage of tenants satisfied with the overall service provided by their landlord	Tenant Satisfaction overall	M	M	N
Percentage of tenants satisfied with opportunities to participate in management and decision-making in relation to housing services provided by their landlord	Tenant Satisfaction with participation	M	M	N
Percentage of general needs dwellings vacant at 31 March	Vacant GN Dwellings	D	D	Y
Average days to re-let a general needs (managed) dwelling (dwellings not new & not subject to major repairs)	GN Re-let time (for managed stock)	D	D	Y

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Percentage of tenants very or fairly satisfied with the way their landlord deals with repairs and maintenance	Tenants satisfied with repairs & maintenance	M	M	Y
Percentage of tenants very or fairly satisfied with the quality of their new home	Tenant Satisfaction with quality of new build	O	O	N
Satisfaction of shared owners with the overall service provided by the association	Shared owner satisfaction overall	M	M	N
Satisfaction of shared owners with the sales process	Shared owners satisfaction with the sales process	O	O	N

Definitions

- GN = Rented housing for people with no specific needs
 Sup = Rented housing for people with support needs
 HOP = Rented housing for older people
 SAP = Standard Assessment procedure for assessing energy efficiency

It should be noted that the satisfaction surveys referred to in the table refer to benchmarking surveys which must be run in accordance with the TSA rules at least every three years.

RAG Status

Where the RAG logic column shows "Qual'tive", judgements have been made by these teams on the status of the indicators.

Where this is shown as "Numeric" the RAG status is assigned as detailed below. For performance indicators where a target is not set, the PI will be treated as being outside target.

Monthly performance indicators:

PI	Trends		RAG status
	12 month	3 month	
Outside target	x	x	Red
Outside target	✓	x	Red
Outside target	x	✓	Amber
Outside target	✓	✓	Amber
Inside target	x	x	Amber
Inside target	✓	x	Green
Inside target	x	✓	Green
Inside target	✓	✓	Green

Quarterly performance indicators:

PI	12 month	RAG status
Outside target	x	Red
Outside target	✓	Amber
Inside target	x	Amber
Inside target	✓	Green