

Short Notice Inspection of Housing Management Services – Capital Works, Anti-social Behaviour and Leasehold Management

Tower Hamlets Community Housing

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Short Notice Housing Association Inspections

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively and delivers high quality local services for the public.

Within the Audit Commission, the Housing Inspectorate inspects and monitors the performance of a number of bodies and services. These include local authority housing departments, local authorities administering Supporting People programmes, arms length management organisations and housing associations. Our key lines of enquiry (KLOEs) set out the main issues which we consider when forming our judgements on the quality of services. The KLOEs can be found on the Audit Commission's website at www.audit-commission.gov.uk/housing.

This is a short notice inspection which is part of a pilot programme to test out the use of a new approach to housing inspection. Tower Hamlets Community Housing (THCH) volunteered to take part in the pilot programme. A full evaluation of the methodology used in the pilot programme will be published in summer 2008.

The Association

Tower Hamlets Community Housing was formed in March 2000 through a stock transfer from the London Borough of Tower Hamlets. Further homes transferred to the association in 2004 and 2006. It is a Registered Social Landlord with 2,800 properties – 1,791 tenanted, 992 leasehold, plus shared ownership and commercial properties. It employs 81 staff, working in three area housing offices and its head office. The association operates in an area with diverse communities, and a high level of social deprivation.

The association operates from its head office in Tower Hamlets.

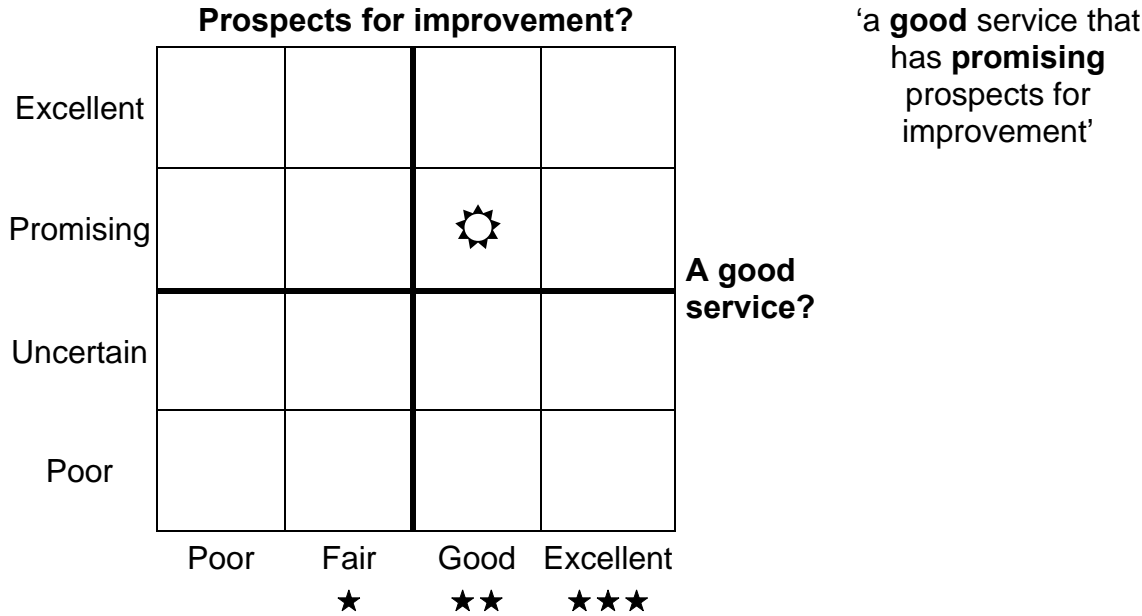
The Scope of the Inspection

The scope of this inspection focussed on three important services, which have been identified in consultation with the regulator: capital works, anti-social behaviour and leasehold management.

Scoring the service

As a result of the inspection we have assessed that Tower Hamlets Community Housing is providing a good, two-star service that has promising prospects for improvement. This assessment is based on an inspection of the following services – capital repairs, dealing with anti-social behaviour and leasehold management.

Figure 1 Scoring chart



Performance summary

How good is the service?

- 1 The association is providing a good service in the areas inspected with strengths outweighing weaknesses.

Access and customer care

- 2 Strengths in this area include:
 - satisfaction with overall services is high among both tenants and leaseholders;
 - the website is clear, uncluttered and easy to use. It is visited frequently, and enables residents to easily access the information and services they require;
 - the resident newsletter is informative and well regarded by customers, allowing residents to access both the association's services and other important services in the local area;
 - the association responds quickly to correspondence, telephone calls and complaints, which means that residents have a timely response to their enquiries; and
 - there are a range of innovative schemes to build local community organisations, and these have had measurable outcomes in fostering resident participation and improving services.
- 3 There are also some weaknesses in this area.
 - The opening hours of local offices are limited, which means that some residents may find it difficult to access services.
 - Leaflets and handbooks, particularly covering domestic violence and harassment, do not provide clear information to residents about the best way to access services, which may prevent residents obtaining the services they need.
 - Performance standards are not fully comprehensive, and are not fully publicised in all relevant leaflets and handbooks.
 - Resident satisfaction with customer services at local offices is mixed, with the result that the association cannot guarantee a consistently good service in all areas.
 - The complaints system could be clearer, and residents are often told to write in to make complaints. This limits the opportunity for residents to make their views known and for the association to improve its services.

Diversity

- 4 There are some strengths in this area.
 - All local offices and community halls comply with the requirements of the Disability Discrimination Act¹, which means that all residents have access to services and facilities offered there.
 - A wide range of community initiatives address the needs of a diverse population. This means that groups which are vulnerable or hard to reach can benefit from service offered by the association.
 - Initiatives to address overcrowding and to develop the employment skills of local residents have had positive outcomes, particularly for residents from Black and Minority Ethnic (BME) communities.
 - The make up of staff, management board and resident groups reflect the diversity of the local area, and there is a high awareness of the diversity agenda among these groups.
- 5 There are also weaknesses in this area.
 - There is no systematic measurement of the use of services by different groups, with the result that the association cannot be confident that all groups are gaining access to their services.
 - There are limited facilities on the association's website to facilitate access by all residents, including those with disabilities.
 - Policies and information on domestic violence and racial harassment are limited, and the association has not taken steps to maximise reporting of incidents of hate crime.

Capital repairs

- 6 We found a number of strengths in this area.
 - An active programme of improvements means that 98 per cent of THCH's homes achieve the Decent Homes Standard (DHS)². This means that residents enjoy an adequate level of facilities and thermal comfort in their homes.
 - The association has accurate and up to date information on the condition of its homes. As a result, it can accurately resource and plan improvements, and inform residents of major and planned works that are due in their homes.

¹ The Disability Discrimination Act 1995 requires that public buildings are accessible to people with disabilities

² The Government requires that all social rented housing should achieve DHS by 2010. This means that homes are warm, weatherproof and have reasonably modern facilities.

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- There is a robust asbestos survey, and information on asbestos is available to residents, which means that tenants can be confident that the health and safety issues of asbestos in the home are being addressed.
- Residents are consulted and supported during major works, and the standard of work to individual properties is high.

7 There is also some weakness in this area.

- The service standards for major works and the major works consultation policy are not comprehensive, with the result that residents may be unaware of the standards they can expect when they have extensive works to their properties.

Dealing with anti-social behaviour

8 There were some strengths in this area.

- Multi-agency working has resulted in positive outcomes for residents suffering from anti-social behaviour.
- The range of diversionary activities for young people is commended by customers, and has had measurable outcomes, such as a graffiti-free environment on local estates.
- Major works included secure by design features, which enhance the security of residents.

9 There were some weaknesses in this area.

- The out-of-hours estate warden service does not meet the aspirations of local residents, and is not customer-focussed.
- Record keeping for anti-social behaviour cases is not systematic, with the result that it is unclear whether actions have been taken or cases resolved.

Leasehold management

10 There were some strengths in this area.

- Leaseholders are generally positive about the services they received from the association.
- There is a range of ways to pay for major works, which means that leaseholders are more likely to be able to pay substantial major works bills without undue hardship.
- The association has developed a handbook for tenants renting their properties from leaseholders. This means that these tenants are made aware of their responsibilities in terms of, for example, anti-social behaviour.

11 There were also weaknesses in this area.

- The association is not taking a proactive approach to identifying leaseholders who are subletting their properties. Subletting is identified by customers and officers as a significant issue, and the lack of a systematic approach means that the association is not minimising service charge arrears or anti-social behaviour.
- There is a lack of personal contact in the service charge arrears process. As a result, potentially vulnerable leaseholders may not receive the advice and support they need.

Value for money

12 There are some strengths in this area.

- THCH service charges are substantially below those of comparable organisations in the area.
- The association has realised savings through joint procurement of the ReACT system³ and office equipment, and through tendering of major works and IT systems.
- The ratio of planned to responsive repairs is close to Audit Commission good practice guidelines. As a result, resources are used more effectively to meet residents' needs.
- The association has secured additional resources, enhancing the provision of community activities.

13 There were also several weaknesses in this area.

- Value for money (VFM) considerations are not fully embedded in the operation of the associations, and are not reflected adequately in corporate plans, appraisals and target setting. This restricts the opportunity to systematically identify and realise value for money efficiencies.
- There is limited information to compare VFM performance with other landlords, which means that it is not possible to demonstrate that residents are receiving value for money.
- The process of apportioning service charges, issuing leaseholder charges and collecting arrears is not fully developed. As a result, the association is not maximising its income from leaseholders.

³ ReACT is an IT based system recently introduced to improve the monitoring of anti-social behaviour

What prospects are there that the services inspected will improve?

- 14 The service areas inspected have promising prospects for improvement based on our findings below.

What is the service track record in delivering improvement?

- 15 There are some strengths in this area.
- Across the full range of performance indicators, the association is generally moving in a positive direction.
 - The association has completed improvement works stock transferred in 2000 and 2004 ahead of time and on budget.
 - THCH has implemented key recommendations from the 2006 Audit Commission inspection.
- 16 There are also a number of weaknesses in this area, including:
- The association has achieved VFM in some areas, but cannot evidence significant value for money improvements across its operations.

How well does the service manage performance?

- 17 There are some strengths in this area.
- There is a clear system of performance management involving officers, board members and residents. Challenges to performance have resulted in improvements in outcomes for residents.
 - The system of appraisals and one-to-ones is robust. Comprehensive individual appraisals link the work of officers and board members to the corporate plan, which ensures that individuals clearly contribute to achieving the aims of the organisation.
 - THCH takes an active approach to individual complaints from surveys and resident forums. As a result, residents are confident that the association listens to their comments and acts upon them.
 - The association has incorporated best practice from other organisations, and is able to evidence service improvements as a result of this process.
 - The association has started to address many of the issues raised in this report. For example, it has plans to compare costs with other local housing providers, increase the environmental sustainability of its stock, introduce mystery shopping, develop a community warden service and improve its website. These initiatives will improve services in terms of value for money and quality.

18 There are also some weaknesses in this area.

- The corporate plan does not include plans or targets to address equal opportunities and diversity, with the result that staff do not have explicit requirements to address diversity issues in their day to day work.
- Target setting is under developed. Many targets are set below current and previous performance, which means that the association does not set itself the challenging targets required to continuously improve its services.
- THCH has not acted to improve the reporting of domestic violence and harassment, and the response rate for anti-social behaviour surveys. As a result, it cannot be confident that services in these areas are accessible and of good quality.
- The complaints process is not satisfactory. A lack of clarity around reporting of complaints and limited satisfaction data mean that the service does not fully benefit from learning from resident feedback.

Does the service have capacity to improve?

19 There are a number of strengths in this area.

- Clear leadership is provided by senior staff and the management board, giving officers a clear sense of direction for the future of the association.
- There is a good range of skills on the management board, which means that the association is able to identify opportunities to expand its operations, and deal with the risks of further development.
- Both officers and board members show a commitment to the aims of the organisation, and an enthusiasm for change, which will facilitate future changes and improvements.

20 There are also weaknesses in this area.

- The approach to training is not effectively planned. This means that the association does not ensure that all officers and board members are equipped with the skills they need to carry out their duties.

Recommendations

Recommendations

R1 Improve access to services and the quality of customer care by:

- *improving the accessibility of the association's website for residents with disabilities;*
- *carrying out an options appraisal which balances the current system of providing services through local offices with alternative methods of delivery;*
- *assessing the quality of service currently offered in housing offices, and taking steps to improve the customer experience where appropriate;*
- *improving service standards and information in partnership with residents;*
- *improving the out-of-hours service which deals with anti-social behaviour; and*
- *taking a systematic approach to identifying and contacting leaseholders who sublet their properties.*

The expected benefit of this recommendation is improved customer satisfaction with services.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by December 2008.

Recommendations

R2 Improving services to residents from diverse backgrounds by:

- *measuring the use of services by different groups to ensure that they are accessible to all and of good quality; and*
- *producing clear policies, procedures and publicity on how the association will deal with harassment and domestic violence.*

The expected benefit of this recommendation is an improvement in services for residents who come from diverse backgrounds and for residents who are vulnerable.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by December 2008.

Recommendations

R3 Improving the approach to performance management and value for money by:

- *setting challenging and achievable performance targets;*
- *making sure that corporate planning and the appraisal systems explicitly address diversity and value for money issues;*
- *systematically comparing the cost and quality of services with other housing providers to identify areas where VFM can be improved;*
- *improving the system of collecting service charges by reviewing the relevant costs charged to leaseholders, issuing service charge estimates in a timely manner, and visiting leaseholders in arrears as soon as possible;*
- *improving the complaints process to make it more transparent and more accessible;*
- *developing a training plan based on the competences required of officers and board members, and ensuring that officers and members receive the training they need to carry out their duties;*
- *taking steps to improve the response rate for satisfaction surveys for complaints, ASB and hate crime; and*
- *improving record keeping for ASB and complaints to ensure that actions and outcomes are clear.*

The expected benefit of this recommendation is that the association will have the information and targets necessary to improve services and VFM.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by March 2009.

The next steps

- 21** We have asked the association to take steps to improve the services which we have identified as weak.
- 22** We would like to thank the board and senior management team of Tower Hamlets Community Housing for taking part in the pilot programme, and the staff who made us welcome and met our requests efficiently and courteously.
- 23** Dates of inspection: 22 to 24 April 2008

Appendix 1 – Performance indicators for the services which have been inspected

- 1 Housing Corporation General Needs Performance Indicators for the year to 31 March 2007 - based on South region associations with similar stock levels and/or operating in similar geographical areas.

Table 1 Performance Indicators and Comparative Information for the year to 31 March 2007

Performance Indicator	2004/05	2005/06	2006/07	2006/07 Comparison Group Mean	2006/07 Comparison Group Median	2006/07 Quartile Position in Comparison Group
Stock Failing Decent Home Standard	5.4%	15.5%	8.2%	8.7%	6.6%	3
Average GN SAP rating	80	74	71	72	71	2
Routine repairs completed in target	96.0%	95.0%	96.0%	94.4%	96.0%	2
Vacant Dwellings	-	-	0.6%	2.3%	1.8%	1
Vacant General Needs Dwellings	-	-	0.6%	2.0%	1.3%	1
Re-let time (all managed stock)	-	-	33.9 days	47.5 days	40.1 days	1
GN Re-let time (for managed stock)	-	21 days	33.9 days	43.8 days	39.4 days	1
Current tenant arrears at FYE	-	-	6.0%	5.8%	5.8%	3
Tenant satisfaction overall	75%	75%	75%	73%	74%	2
Tenant satisfaction with participation	54%	54%	54%	52%	51%	2
Tenants satisfied with repairs and maintenance	-	-	71%	69%	69%	2
Shared owner satisfaction overall	-	-	-	58%	-	-

Source: Housing Corporation