

Inspection report

May 2005



Pennine Housing 2000 Ltd

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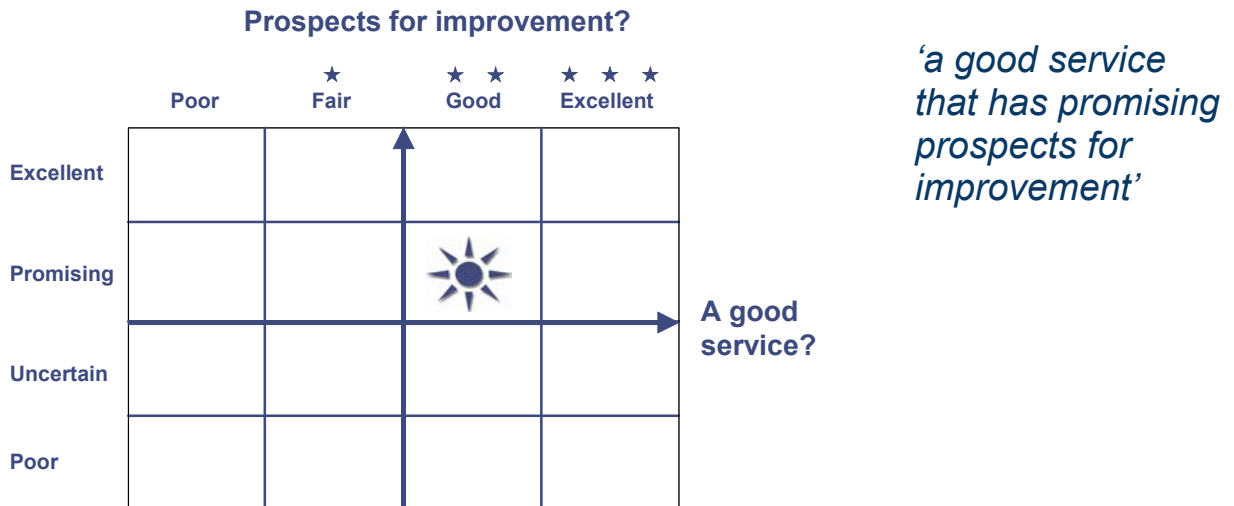
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Summary

Scoring the service

- 1 We have assessed Pennine Housing 2000 as providing a ‘good’ two-star service that has promising prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Scoring chart¹: Pennine Housing 2000 – Inspection Report



- 2 We consider the service to be good for the following reasons.

Strengths

- ◆ Staff are focused on the needs of customers.
- ◆ Customers can contact the organisation through a variety of routes.
- ◆ Office arrangements for customers are good.
- ◆ Services are increasingly delivered in the home rather than through offices.
- ◆ Tenants have access to high quality printed information on a wide range of topics.
- ◆ Tenants have a wide range of opportunities to be involved in consultation and give feedback and there are well developed arrangements for tenants to participate. Through these arrangements they can influence policy and practice.
- ◆ There is an effective response to tenant satisfaction information and this is driving service improvements forward.
- ◆ The organisation is effective in dealing with racial harassment.
- ◆ There is an ongoing focus on providing homes for people from black and minority ethnic communities.

¹ The scoring chart displays performance in two dimensions. The horizontal axis shows how good the service or function is now, on a scale ranging from no stars for a service that is poor (at the left-hand end) to three stars for an excellent service (right-hand end). The vertical axis shows the improvement prospects of the service, also on a four-point scale.

- ◆ The organisation is using its resources appropriately by seeking value for money across a range of services.
- ◆ Services are generally good but rents are lower than many comparable organisations.
- ◆ The organisation is making savings to keep the costs of services in check.
- ◆ There are a wide range of ways in which tenants can pay their rent.
- ◆ PH2K is attracting money from elsewhere to build new homes and regenerate areas.
- ◆ Some new homes are larger properties to meet the needs of larger families.
- ◆ The partnering arrangements are sustaining jobs for local people and work for local businesses.
- ◆ All tenants will have homes that meet the Government's standard by 2010.
- ◆ Tenants have influenced work programmes and priority areas. There is good choice for tenants in fittings and finishes and they are kept informed about improvement work. They have helped to establish the standard of houses which are to be let.
- ◆ The association is investing its own money to minimise the wait for adaptations for people with disabilities.
- ◆ Effective financial advice and support is available to tenants and there is assistance with housing benefit claims.
- ◆ Performance on rent collection is good.
- ◆ The large majority of repairs are completed at the first visit and within target timescales. Many tenants are satisfied with the repair service.
- ◆ Estates and common areas are well kept.
- ◆ There is an effective approach to anti-social behaviour.
- ◆ There is a clear and fair allocation process.

Weaknesses

- ◆ Tenants cannot judge the quality of all of the services they are receiving since some service standards are not in place.
- ◆ There is no comprehensive record of the vulnerabilities and communication needs of tenants.
- ◆ The complaints procedure is not effective in ensuring that all complaints are dealt with equally.
- ◆ The service to leaseholders is poor.
- ◆ Service users have not been involved in the formulation of diversity action plans.
- ◆ Hard to reach groups have only recently been involved in consultation.
- ◆ BME tenants are less happy with the service than other users.
- ◆ Not all of the association's public premises are fully adapted to allow their use by disabled people.
- ◆ Repair appointments are not available for all repairs, in the evenings or at weekends.

3 We consider the organisation has promising prospects for improvement because:

- ◆ there is a clear vision, challenging aims and it is well-led;
- ◆ it stays focused on the important issues and ensures that priorities are resourced;
- ◆ there is a good track record of implementing difficult changes;
- ◆ its staff are well trained and empowered to deliver good services;
- ◆ performance is improving in many service areas;
- ◆ the organisation is using the experience of others to help it improve services;
- ◆ there is a good track record of implementing reviews and service improvements and tenants have been involved in these;
- ◆ there is a strong focus on being a customer-focused organisation;
- ◆ governance of the organisation is open and inclusive; and
- ◆ there is a clear understanding of the local context in which the association works and it contributes to wider regeneration goals.

However:

- ◆ few services have reached the top quarter of achievements of comparable organisations;
- ◆ the organisation is not reaching some of its targets;
- ◆ some service reviews have not followed a rigorous process;
- ◆ the content of plans is variable; and
- ◆ performance management arrangements for individuals is variable.

Recommendations

- 4 To rise to the challenge of continuous improvement, organisations need inspection reports that offer practical pointers for improvement. In this context, the inspection team makes the following recommendations.

Diversity

- ◆ Within the Council's community cohesion strategy, work with partners to identify and explore further options to improve performance in lettings to members of BME communities – ongoing.
- ◆ Establish monitoring targets for the ethnic mix of residents associations that reflects local populations – by September 2005.
- ◆ Ensure that contractors, consultants and suppliers meet the Housing Corporation's diversity requirements for associations – by July 2005.
- ◆ Establish DDA compliance for all buildings requiring public access – by September 2005.

Access and customer care

- ◆ Publish and make available to tenants a comprehensive set of service standards – by March 2005.
- ◆ Ensure that there is clarity among staff as to what is to be treated as a complaint – by March 2005.
- ◆ Establish processes to establish comprehensive information on tenants vulnerabilities and communication needs and implement these – by March 2006.
- ◆ Transfer information held on tenant vulnerabilities to the new IT system – by November 2005.
- ◆ Deliver the leaseholders' action plan – by March 2006.

Value for money

- ◆ Review the reasons for the high level of emergency and urgent repairs, the balance between responsive and planned repairs and consider the batching of responsive repairs as part of the wider Vanguard review – by November 2005.

Stock investment

- ◆ Establish a reporting mechanism for properties where annual gas inspection has not been carried out within statutory timescales – Immediately.

Estate management

- ◆ Gather user feedback and monitor satisfaction following the closure of a complaint about anti-social behaviour – by July 2005.

Allocations, lettings and homelessness

- ◆ Establish monitoring of why properties are refused and why tenants leave their homes – by July 2005.

We would ask the association to address all other weaknesses identified in the report and submit this report to the board, staff, tenants and stakeholders, setting out proposals for addressing the issues and improving the service provided.

- 5 We would like to thank the tenants and staff of Pennine 2000, particularly, Peter Dawson who made us welcome and who met our requests efficiently and courteously.

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Dates of inspection: 29 November 2004 to 9 December 2004

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Report

Context

Pennine 2000

Role and history

- 6 Pennine 2000 (PH2K) was created in March 2001 to take a stock transfer of 12,759 homes from Calderdale metropolitan borough Council. The association had 11,725 properties at the time of the inspection.
- 7 More than 50 per cent of the stock is flats, maisonettes or studio flats. Of the flats 72 per cent were built post 1965. The age of the stock is typical of former municipal stock in that only 116 properties were built prior to 1919 and only 20 per cent in the period 1920 to 1944.
- 8 There are around 1200 supported sheltered housing units.
- 9 There continues to be stock loss through right to buy and right to acquire, although the latter is at a much lower level. Right to buy has accelerated in the recent past and 230 properties were sold through in 2003/04. This high level of disposals continues.

Location and areas of operation

- 10 All of the stock is within Calderdale. Generally there is not a problem with low demand. However, the association has identified 19 areas where there is a need for longer-term strategies to regenerate the area rather than straightforward repair and improvement. One area for which a regeneration strategy has been drawn up is classified as 'on the edge of market decline' Some clearance and redevelopment is being undertaken.
- 11 Unemployment parallels the national situation. However, the area is highly polarised in this respect. Ward unemployment varies from 1.3 per cent to 11.1 per cent and these high levels are associated with deprivation and ethnic minority communities. The borough is ranked 87th most deprived of 354 authorities.
- 12 The black and ethnic minority (BME) population is at around 6.5 per cent of the total population, a figure that has been increasing significantly in the last ten years. It is estimated that some 73 per cent of people of BME heritage live in west central Halifax where PH2K have little stock.

Profile of tenants

- 13 Around one per cent of tenants are from BME backgrounds.
- 14 The tenants' satisfaction survey showed that there are high levels of need. 89 per cent identified that the whole or part of their income was state benefits/pensions. Sixty-two per cent said they had a long-standing illness or disability and 60 per cent identified that they needed property adaptations.

Structure and operation

- 15 PH2K delivers the repair service through its own labour force. Major contracting works are carried out in partnership with private sector organisations. Right to buy is wholly administered by the association. Homelessness functions remain with the local authority.
- 16 There are 403 full-time equivalent staff. Some 37 per cent of employees are women and less than four per cent are from BME communities.

- 17 The board has 16 members of whom one is co-opted. There is one board member who is of BME heritage. Only five board members are women.

Strategy and priorities

The corporate plan 2002/06 sets out the strategic aims of the organisation:

- ◆ to provide high quality affordable homes which meet the needs of people now and in the future;
- ◆ to regenerate local communities by investing in people, their homes and the surrounding environment;
- ◆ to encourage its tenants to play an active part in deciding its spending plans and priorities;
- ◆ to widen the choices available to its tenants and work with others to improve the quality of life for its tenants;
- ◆ to deliver best value local services with equality for all; and
- ◆ to develop a culture where staff are valued and encouraged to enhance their skills and experience through training and continuous development.

How good is the service?

Access and customer care

- 18 The association has a strong focus on customer care and how tenants can access its services but there are some weaknesses. The complaints system is not yet effective at picking up verbal complaints and at the time of the inspection, some service standards were not in place.
- 19 The corporate focus on customer care is apparent at all levels of the organisation. There is published tenant participation strategy which is developed in the tenant involvement strategy. All staff are encouraged to 'think like a customer'. We found the staff to be approachable, with a 'can do' and customer-focused attitude. Users are encouraged to participate and we found that staff valued tenant input. There is a culture of encouraging staff to improve the service and established routes for achieving this. All staff are being trained in customer care matters. The organisation has created a positive environment for developing customer care.
- 20 The customer care message is consistent and regular. The 25 customer care champions, which include the Chief Executive, are a driving force in this. They are empowered to agenda and discuss the issue at the regular team meetings of the various groups they are drawn from and generally to be a customer care voice in those teams. The group has been instrumental in driving a number of initiatives including the service standards for reception areas. They maintain a common e-mail database to exchange information on better ways of doing things. This is positive practice in sustaining the focus towards a customer oriented organisation.
- 21 The organisation is aware of its weaknesses in delivering a service that meets its corporate ethos in this area and has taken steps to deal with that. The recent formation of customer groups for tenants with disabilities and from the BME communities are part of that. There is ongoing work to ensure that other minority groups, young people and leaseholders also have a voice and the opportunity to influence services. This work has been late in starting but these are positive developments.
- 22 There is a range of ways that customers may easily contact the association: in person at the head office in Halifax or via one of the association's five local offices. By phone (via dedicated repairs call centre or reception desks, or emergency repairs line run by English Churches HA), or online via the association's website, which offers opportunities for a full range of online transactions. Potential customers can also access services at the property shop. Tenants have a high level of contact with their housing officer and they have the opportunity to make contact as part of the regular estate walkabouts. As a result it is easy for tenants to contact the association.
- 23 Our reality checks on a number of offices showed that the arrangements for customers were good. Those offices we visited as part of our reality checks were well signposted and close to public transport stops and local services. There is a good customer care focus in the design and operation of reception areas, which are easy for customers and staff to access as well as caring for the security of staff. Opening hours are clearly displayed.

- 24 Reception areas offer wheelchair access and lowered counters. Information is available in a variety of formats, including all of the association's published leaflets, loop systems, language line and 'talking signs'. Braille signs, however, were not in evidence. Leaflets and posters about other local services and projects were displayed. Toys are available for children, seating areas are provided, and there are private interview rooms with IT facilities, including wheelchair accessible rooms.
- 25 As a result of restructuring, there has been a programme of office closures. A wide range of consultation techniques were used to gather the views and concerns of tenants and other stakeholders that informed the way forward. Prior survey work identified that the main reasons why people visited the offices was to pay rent and report repairs. Potential gaps in service created by these closures were addressed by the introduction of new services before they took place. These included the creation of the repairs call centre and new methods of rent payment. In addition, services have been refocused to provide services in the home and not through offices. Our discussions with tenants showed that this was indeed the case, with a high proportion of tenants reporting frequent contact with their housing officer.
- 26 The internal audit service has carried out 'mystery shopping' exercises around customer service. These included checking to ensure that opening hours were displayed, that leaflets were available in offices, that language line information was displayed and that hearing loops were available. This is a positive approach to maintaining standards.
- 27 Telephone access arrangements are generally good but there are no freephone numbers except for gas servicing appointments. There is a specific feedback line for customer comments. The emergency repairs service is available via English Churches housing association although the service is 'flagged' as PH2K. Calder care line provides an emergency response service for vulnerable tenants via a push button pendant. Information on how to contact the organisation is widely available from a variety of sources. All of the tenants we spoke to as part of our reality checks knew how to access the out-of-hours service.
- 28 Performance monitoring shows that the telephone arrangements for reporting repairs are effective. Contact with the call centre 'Pennine Direct', which has a queuing system, is automatically monitored and staff can see the current situation on a plasma screen. The average response time is improving and is now eight seconds. The percentage of lost calls has been reduced to less than 6 per cent. Using the monitoring data and in consultation with tenants, staffing levels have been matched to peak times and shift patterns altered to achieve this. Repairs appointments are offered on the telephone and followed up by a repairs card. Calls misdirected to the well known telephone number are handled effectively on a 'one-stop' basis. Despite some shortfalls in performance monitoring due to the limitations of the system, this is a good service which is continuing to improve.
- 29 Arrangements for tenant involvement in major improvement schemes are effective. There have been two reviews of the scheme panel approach. Both have involved tenants. The second in the recent past identified two areas of their operation where there was some concern. Recommendations from the last review were accepted by PH2K in their entirety.

- 30 There is not yet a comprehensive set of service standards available to tenants. Some standards are published including those for repairs, tenant participation and the complaints procedure although this is very recent. Standards for reception areas have been developed but not yet discussed with tenants. There are no standards in respect of rents, compensation and other service areas. We are aware that this is an issue that is being dealt with but the availability of defined standards of service is something that tenants should expect to be available.
- 31 High quality printed information is available for tenants. Useful, high quality and easy to read leaflets cover many aspect of the service although this is not yet the case for service standards. There is evidence that leaflets are updated. Sign-up packs and tenants' handbooks are provided in handy plastic wallets capable of updating, which include relevant leaflets, also provided are key fobs and fridge magnets which give contact telephone numbers, as well as an attractive calendar giving key dates - for example: tenants area committees and board meetings. Information is available in other formats. A video has been produced to promote tenant participation initiatives and a wide range of information is available on the website.
- 32 There is an attractive and informative tenants' newsletter – 'homing in'. Some 40 tenants have been involved in a comprehensive review of this, looking at issues such as content design and distribution. In addition there is a telephone survey carried out following the distribution of the newsletter to ensure that tenants feel it is of interest and use. A target satisfaction level is set and monitored. It has not proved possible to achieve greater tenant involvement to date, for example at editorial board level. Tenants are also in involved in the production of local newsletters.
- 33 The organisation contributes to the provision of information about services through local community located information points. In collaboration with partners, the association provides information at touch screen terminals based in locations which are accessible to the community. One of these is located in a mosque. Information is available in English, Urdu and Bengali in both written and spoken forms.
- 34 Overall, the provision of information is good. All of the tenants we spoke to as part of our reality checks confirmed that they received a lot of communications from PH2K. However, only 76 per cent of tenants rated as good the landlord keeping tenants informed.
- 35 Comments on the services provided are actively sought. A well publicised complaints procedure, suggestion boxes and feedback line encourage comments on the service. Users are encouraged to 'tell us what you think' via a new leaflet containing the complaints form. The association also has a 'feedback line' – a phone number specifically for comments on any of the services provided by the association. This is an innovative idea which has generated useful comments, some of which have led to changes in the service.
- 36 The revised complaints procedure is straightforward; it is a published policy of the organisation and is accessible to users in leaflet form. It has only two stages and welcomes verbal and phone complaints. The leaflet which contains a complaint form has been tested by tenants for readability, has language and alternative format flags and which asks tenants how they would like their complaint resolved, how they wish to be contacted, and includes monitoring of ethnicity. In practice, however, this form is very new to the organisation, and had not been used in any of the formal complaints files that we looked as part of our reality checks.

- 37 Formal complaints are taken seriously and acted upon both under the previous arrangements and the current procedure. Formal complaints are reported to a committee on an annual basis. The report identifies the nature of the complaint, whether it was upheld, dealt with within target timescales and the action taken. The latest report identified, in general, the lessons learnt. Formal complaints reported nearly doubled between 2003 and 2004 but were still at a modest level (52). The Chief Executive takes a lead role, seeing the incoming complaint and the closed file. He reports that complaints requiring a system response are discussed at the management team. The recent introduction of the pennine delivery group with a remit to bring about service improvements, as part of which they will consider complaints, should enhance the learning opportunities.
- 38 However, we found confusion amongst tenants and staff between this comments route and the formal complaints procedure. (Tenants think they have made a complaint, and staff think tenants have made a comment). This has meant that few verbal complaints have been treated as formal, and have not made their way into the process. This is an issue that needs to be resolved since it will lead to underreporting of complaints, customers who feel they are not being treated seriously and an ineffective process.
- 39 There are specific and good arrangements for dealing with dissatisfaction about the repairs service. A menu of eight satisfaction questions drawn up in consultation with tenants is used to gauge tenants' response to the service on a graded scale of one to ten. The quality of repair reporting is subject to random monitoring and active management. Job shadowing between reporting and contracting staff is used to improve mutual understanding. The performance of individual craft operatives is linked to a pay banding system. These are effective arrangements and we note that further improvements are being sought through new IT arrangements.
- 40 There is a wide range of opportunities for user consultation and feedback. There is a strong tenant involvement structure with high levels of participation, backed by a tenant participation team which also has a wider neighbourhood regeneration focus, and is routinely working with partners in the statutory and voluntary sector.
- 41 Users and stakeholders were involved in the development of consultation methods. Views are sought from a broad cross-section of users, by using a range of methods. A tenant compact offering a menu of avenues for participation was developed before, and as a condition of, stock transfer, and has been well promoted by the association since transfer.
- 42 There is up-to-date information about tenant satisfaction but the number of tenants responding was relatively small. The tenant satisfaction survey carried out in 2004 had a 36 per cent return rate on a sample of some 40 per cent of tenants – less than 15 per cent of all tenants. The data was collected and analysed to give view based on area, age, ethnicity and sheltered/non sheltered accommodation. The overall satisfaction levels were benchmarked and outcomes have been used to inform further consultation. The survey showed that there are high levels of vulnerability amongst tenants. Although there has been some work on identifying the communication needs and vulnerabilities of individuals, this data is not yet comprehensive, although support planning is in place for the tenants of sheltered housing.

- 43 PH2K's ambitions for older people extend beyond those who are their tenants. Working with a wide range of partners, they have sought to maximise the use of sheltered scheme accommodation. This has led to the silver service initiative. These have been local events at which a wide range of information is made available to the wider older community around issues such as health, fire safety, energy efficiency and pension entitlement. There are indications that up to 40 per cent of those attending will be better off through pension credit applications.
- 44 The existing service to leaseholders is rudimentary. However, some small improvements have recently been made and an action plan has been drawn up to improve the service. There are a relatively small numbers of leaseholders (188) although this is accelerating along with freehold right to buy. The billing arrangements rely on a manual system of calculation. There are no service standards in place, no consultation arrangements nor published information about the service and the rights and obligations of being a long leaseholder. There are no systems in place for consultation about works or a policy about how to proceed where leaseholder objections to works are maintained. Some small improvements have recently been made with the publication of contact details for key association staff as a part of the ongoing development of the service. In its current form the service to leaseholders denies them a voice as to the service they receive, is without defined standards and generally falls short of even a reasonable service.

Diversity

- 45 The association is making some progress in the way that it meets the diverse needs of the communities it serves but it is starting from a low base and there are significant weaknesses. It is only within the very recent past that it has begun to engage with some sections of hard to reach groups and has still to engage with others. Its action plans to deal with diversity issues were not drawn up with user involvement. Although 62 per cent of tenants identify that they suffer from a long-term illness or disability a disability forum has only recently been formed.
- 46 The association has a clear corporate policy on diversity which is understood through the organisation. A key aim is to ensure that equality is mainstreamed within the association's business. The principal aims of the equality policy are to: identify and eliminate discrimination and promote equality in all areas of the company's operation. This corporate approach is owned and understood throughout the organisation.
- 47 A high-level focus is maintained on equality and diversity issues. An equality forum has been in place since the formation of the company. This has a diverse membership from across the organisation and outside it. Its role is to be a monitoring body and to disseminate good practice. It reports directly to the board on an annual basis identifying progress and the challenges to be faced. Those reports have led to the board taking a lead in these issues. There is regular monitoring and reporting to the board and committees on equality issues both in employment and service delivery. These arrangements are positive practice.
- 48 PH2k have taken positive steps to ensure that their approach to diversity is owned at the highest level. The constitution has been changed to require Council nominees to the board to sign a declaration supporting the organisation's values, including equality, or be rejected as a nomination.

- 49 There are action plans in place to drive equality and diversity forward. These plans form the basis of the annual report to the board. The plans are specific, measurable, achievable, realistic and time bound (SMART). They cover such issues as improving consultation methods for people with special requirements and promoting greater tenant involvement opportunities amongst BME communities. There are currently three main plans: race and cultural diversity, disabilities and gender/sexuality. It is intended to combine the three plans into a single diversity plan. This will aid the association's focus on its wider responsibilities for diversity issues.
- 50 There has been no user involvement in the formulation of these action plans. Active involvement with black and minority ethnic group (BME) tenants and with disabled people is a very recent development. Key people have been identified to develop a lesbian, gay and bisexual tenants' forum but this is not yet in place. Development of the plans has been informed by support planning and informed advice and many of the actions listed are appropriate. However, the comprehensiveness of these plans is compromised by the lack of user involvement.
- 51 There is no comprehensive data on the communication needs of the tenants. The association has sought to maximise the available information by drawing on the knowledge of staff, speaking directly to tenants of sheltered housing and advertising the availability of alternative formats. A small database exists and the information on required alternative formats is maintained on the IT system. However, this is not in scale with the needs expressed through the tenant survey. This projected that for example, 600 tenants wanted information on audio cassettes. The database contains records of those who preferred audio tapes totalling 32. The reason for this conflict is not clear. There has been recent good work in asking all BME tenants about their communication needs but more work needs to be done before the 'information the way you want it' initiative can be shown to be meeting need.
- 52 A similar situation applies in the case of the cultural needs of tenants. Dialogue with BME tenants is at an early stage. This despite the recommendation in a report produced by the organisation in 2001 that BME communities needed help and support from PH2K to establish appropriate structures.
- 53 The profile of PH2K tenancies does not reflect the scale of local BME communities. Around 1 per cent of tenancies (118) are BME households. This is in contrast to the overall proportion of the population from those communities of 6.5 per cent. This is a situation that arises in part from the nature of those communities, their concentration in certain areas and the kinds of property owned by PH2K in those areas.
- 54 Lettings to BME households continue to be at a very low level. Lettings to BME households in 2003/04 were 2.2 per cent, a decline from the outturn for 2002/03 of 2.7 per cent and representing less than a half of the proportion of BME households in the population of the area. PH2K has set targets for the proportion of such lettings of 3 per cent, by April 2005 and 4 per cent by April 2006. Given historically low levels of achievement of below 2 per cent these targets appear unrealistic in the absence of major initiatives to secure improvements.

- 55 Recent analysis of overall lettings data indicates that these targets may not be achievable. This is because of the low level of properties becoming available in the areas of choice for BME applicants, the unsuitability of much of the stock in this area, the impact of the political profile of the area and a high level of homeless households requiring accommodation. However, the association will continue to fail to provide housing options for the BME communities if lettings continue at this low level. PH2K should continue to explore the fullest range of options including redevelopment, stock remodelling and working to create further areas where BME applicants would be willing to live, in order to improve performance in this area.
- 56 The current housing stock of PH2K does not meet the needs of BME communities. The 2001 census showed that the BME communities were highly concentrated in an area known as West Central Halifax. Most of the BME population of the area is of Pakistani/Kashmiri/Bengali heritage and need, in general, large family housing. Areas a small distance away from the areas of concentration of the BME communities are viewed by those communities as being undesirable places to live. Analysis of the stock owned by PH2K in West Central Halifax shows that it does not match the needs of the BME communities. Of the 340 dwellings, 271 (78 per cent) are one-bedroomed flats.
- 57 PH2K has made positive attempts to increase the proportion of lettings to members of the BME communities. In November 2002 it entered into a three-year partnership with a local BME housing association – Nashayman (now a trading division of the Home Group). The partnership introduced a three-year pilot local lettings project associated with intensive management, which was hoped would house ten families by the end of the pilot period. The basic strategy was to seek to broaden the area of choice for applicants. However, take-up of the scheme was at a low level, only two families had been housed by September 2004 and the scheme has been suspended.
- 58 PH2K continues to work in collaboration with Nashayman. In the recent past, a joint letter from both associations has been sent to all new applicants to Nashayman advertising the availability of housing through PH2K and that applications from people with ethnic minority backgrounds were welcomed. This joint approach is to be extended to the whole of Nashayman's waiting list. There is an agreement with Nashayman that they will provide intensive tailored housing management support to individuals housed through this initiative.
- 59 While PH2K has difficulty in letting to BME applicants it is working with the Council to ensure access to other housing association lettings. The association nominates applicants to other associations on behalf of the Council. During 2004/05 a total of 101 lettings were established in this way. Of these, 18 were from members of BME communities (17.5 per cent). This includes 'assured nominations', a Council initiative to increase BME lettings. In this arrangement, if there is low demand on the Council's waiting list from minority communities then the housing association may let to a BME family from their own waiting list and this is accepted as a nomination.
- 60 There is recognition of the need to provide larger homes to meet the needs of the local population. The association's new build development programme includes around 10 per cent of homes suitable for eight people (nine properties) and 25 per cent of homes (52 properties) suitable for five people. This will help in rebalancing the stock away from the current predominance of small flatted accommodation.

- 61 PH2K has an action plan in place to achieve the Housing Corporation's requirements for associations in respect of diversity. This followed a review with the corporation in 2003. Progress on the areas of activity are listed below in more detail. Most of the Corporation's targets have been met but there are some shortfalls. However, progress needs to be maintained particularly in respect of lettings and staffing levels to achieve an acceptable response to diversity issues.
- 62 The association is not meeting its targets for BME tenants' satisfaction with the service. The target is for satisfaction with the service to be the same as non-BME tenants. The tenants' survey carried out in 2004 showed that BME satisfaction with the association as a landlord was 68 per cent compared with 82 per cent of non BME tenants. Satisfaction levels for BME tenants were lower on nearly all indicators included in the survey.
- 63 Work to deal with the lack of satisfaction amongst BME tenants is at an early stage. Two initial BME tenants' focus groups have been held to seek views on the services provided and look at ways to improve those services. All known BME tenants were invited to be part of the focus groups. The opportunity was taken at the meetings to outline what PH2K was doing about BME issues in employment and service provision and to publicise the opportunities for election to the board. It is intended that the work will be taken forward by a forum meeting three or four times a year.
- 64 Together with partners, PH2K has put in place effective plans to deal with racial harassment. The association is a member of the West Yorkshire multi-agency hate reporting centre initiative. All of PH2K's offices are reporting centres and are clearly identified as such. The association is demonstrating good practice in this area.
- 65 There is active work with partners to provide housing support. Floating support services are provided by a range of organisations to a diverse client group that includes people with learning disabilities, vulnerable young people, substance misusers and people at risk of homelessness. A joint working protocol is in place to encourage collaborative working and the exchange of information and good practice.
- 66 PH2K is seeking to meet specific needs through the use of its stock. A small number of schemes have benefited from remodelling into housing with care schemes to meet demand and a teenage parents scheme has been developed in partnership. The association has taken advantage of single regeneration budget, community funding and transitional housing benefit for revenue funding.
- 67 There is active support for groups with specific needs. A multi-agency approach to domestic violence is in place with clear links to the domestic violence forum. The organisation contributes to the resources available to the Council to ensure its tenants receive prompt help with adaptations to their homes. The sheltered housing service has been reshaped to provide a more professional service and support planning is in place.
- 68 The representation of the BME community on the board is broadly proportionate to that in the local community but there is a low level of women board members. There is one board member from the BME community who is also the chief executive of Nashayman housing association. Overall, there are 16 board members. The level of BME representation is thus over 6 per cent. There are only five women board members.

- 69 PH2K takes a positive stance on the employment of people with disabilities and a significant proportion of its staff are disabled. It undergoes an annual assessment by an outside organisation of its commitment to employing disabled people in order to be able to use the disability symbol. More than 5 per cent of the workforce is disabled and there is a positive approach to redeployment to maintain employment. Access to work funding has been secured and the organisation commits its own resources alongside this. The training programme for both board and staff reflects the commitment to this group.
- 70 PH2K is making progress in improving its staff representation from BME groups. Significant progress has been made since the creation of the company; however, the levels are still considerably below those in the population of the area. At the time of our inspection it was 3.7 per cent. Targets have been set to improve this to 4 per cent by April 2005, and 5 per cent by April 2006. In order to improve the situation, links have been established with the Halifax Opportunities Trust to promote the organisation's job vacancies amongst the local BME communities. These links have also led to the appointment of a management trainee.
- 71 There are positive practices in recruitment and selection. There is active monitoring and reporting of the situation which includes reports to the board. The recruitment process includes monitoring of the success rates of BME and disabled candidates through the stages of the process. For the current year the proportion of BME candidates has increased from 4 per cent at application stage to eight per cent at appointment. A positive stance is taken with respect to applicants with disabilities who are guaranteed an interview if they satisfy the person specification. However, none have been appointed in the current year.
- 72 Progress is being made in establishing gender equality in the workforce. Equal proportions of men and women employed full-time earn in excess of £26,000 and there has been a significant decline in the proportion of women employed at the lowest grading levels. However, the overall employment level for women is declining against that for men and still nearly 70 per cent of those employed at the lowest grading levels are women.
- 73 There has been considerable success in recruiting apprentices from the BME communities. During the life of the scheme, the proportion taken on has averaged 22 per cent.
- 74 There is a good level of employment of people with disabilities and progress in being made in the employment of people from BME communities and women. Further work is necessary before the workforce is wholly representative of the community amongst which it works.
- 75 The ethnic mix of tenants who are a part of residents and tenants associations is at a low level although meeting the target that PH2K have set. In its conditions of grant aid to tenants' organisations, PH2K requires that they adopt a commitment to equalities. A survey has shown that representation is currently at 2 per cent, this is on target and above the level of BME tenants within the housing stock. However the database of BME tenants shows that they are not uniformly distributed amongst all areas of housing owned by PH2K and that there are concentrations in particular areas. Efforts need to be made to ensure that the mix of communities on a local basis is reflected in tenants' associations representing those areas.

- 76 Plans are in hand to ensure that contractors, consultants and suppliers meet the housing corporation's diversity targets for associations. These are that by April 2004 targets were to have been set and performance monitored. While it is the case that these organisations sign a commitment to comply with PH2K's equality policy and the specific requirements of the Housing Corporation for associations, compliance monitoring is not yet in place. Plans are in hand to achieve this, but at the time of the inspection compliance could not be demonstrated.
- 77 The role of tenants in contributing to policy and practice around the needs of people with disabilities has only recently been recognised. The results of the tenants' survey showed a substantial level of disability amongst PH2K's tenants. Following the survey, a tenants' conference in June 2004 recommended the creation of a disability forum. An initial meeting of this has been held in the last few months. As yet it has no terms of reference. The existing disabilities action plan, whilst considering the issue of communication, makes no reference to the participation of tenants. Given the very recent movement towards establishing a forum, PH2K cannot be confident that its approach to disability represents the needs and aspirations of its tenants.
- 78 Increasingly, information leaflets are a positive contribution to communication with the diverse communities served by the organisation. However, this is a recent development and work was not complete at the time of the inspection. Both title and the summary of content are translated into the primary community languages of the BEM communities. The availability of the leaflet in large print and audio tape are clearly identified and simplicity of language achieved through checking by a panel of federation members. The association told us that work to achieve this standard across all of the current range of leaflets and to review the provision of leaflets generally is due for completion in December 2004.
- 79 The association has not completed the works to its premises to ensure compliance with the Disability Discrimination Act. PH2K has employed a specialist access consultant to survey all of those offices that will remain open after the current closure plans. The recommendations have been drawn into a SMART action plan for each office. If work continues as identified in the plan then the large majority of required actions will be complete early in 2005. Work is continuing to identify which of the sheltered schemes may need to achieve compliance with the law as buildings that will require public access. While not an ideal situation given the levels of tenants declaring a long standing illness or disability, this represents reasonable progress.

Value for money

- 80 There is a focus on value for money. The operating costs of the company are low. Challenging savings targets have been identified and are being met. Outsourced services have been brought back in-house to achieve savings, major contracting is through partnering and this is being extended. Building maintenance services have been competitively tendered. There is effective marketing of low demand properties. Most homes will be decent by 2005/06. There is an increased focus on rent arrears and performance is improving. There is an effective approach to disrepair claims.

- 81 PH2K has set challenging savings targets as part of its business plan. Staffing costs constitute around 60 per cent of running costs. These costs were increased in the early years to facilitate the delivery of the investment programme. The business plan assumes that as the programme nears delivery, costs need to be reduced (or income increased) by 5 per cent a year over three years from 2004/05. The strategy for achieving this was based on achieving two objectives: the establishment of a workforce strategy and implementing local pay bargaining. These objectives have been achieved. Five per cent savings have been budgeted for the current financial year. The achievement of these savings is a challenging target and demonstrates a commitment to ensuring the financial stability of the organisation.
- 82 The operating costs of the company are low. Actual operating costs are confused by the fact that major repair expenditure is contained within this figure. The operating cost index produced by the Housing Corporation shows that the actual costs are considerably below predictive costs when major repairs are excluded from the calculation. Benchmarking against the northern group of large scale voluntary transfer associations shows that of the 24 organisations, PH2K have the third lowest costs compared with predictive data.
- 83 The business plan will need to be outperformed to meet the high level of stock loss through right to buy. Right to buy sales have been assumed at 170 for 2003/04 and 150 for 2004/05. Outturn for 2003/04 was 230 and the half-year position for 2004/05 was 141. This has been accounted for in the current budget but there is a need to revisit the original assumptions.
- 84 The association has adopted a prudent approach to its investment strategy which has maximised value for money stock transfer and the creation of arms length management organisations in West Yorkshire is leading to increasing levels of building activity. In order to avoid the effects of an overheating local building industry with consequently increased costs, the investment programme has been accelerated. The business plan shows that draw down of investment cash will be complete in 2006/07.
- 85 There are robust business plans and investment strategies that will achieve decency for PH2K's stock by the government's target of 2010. A standard for the refurbishment and improvement of stock has been adopted (the 12-point standard) which exceeds the decent homes standard. By the end of 2005/06 the majority of stock will reach this standard. However, some will not. This will be as a result of refusals, stock awaiting demolition and the resolution of action for areas of housing that need more than straightforward investment. These areas are subject to regular review to ensure progress.
- 86 There are clear links between policy and the commitment of resources. The service planning processes effectively link between corporate objectives and the work of teams in an annual cyclical process.
- 87 The association is effectively accessing other sources of funding to enhance its activities. There has been a successful bid for resources from the Housing Corporation and further proposals have been submitted, which if approved would lead to the provision of a further 220 homes. Some larger homes will be built as part of these developments which will assist in providing suitable homes for the BME communities. A bid of £4.6 million has been submitted to the regional housing board that seeks funding for the cross tenure regeneration of an area which is on the edge of housing market decline. The association has committed its own resources of nearly £2 million to be spent alongside this. The proposal would ensure the sustainability of the area and safeguard PH2K's investment.

- 88 PH2K is effective at generating income from its areas of expertise. The tenancy participation team and the anti-social behaviour group undertake paid consultancy work. Not only does this generate income but it develops the knowledge, skills and experience of the staff involved. This is positive practice.
- 89 PH2K are taking a proactive approach to achieving cost savings whilst maintaining standards. Links have been formed with a profit sharing private sector organisation with expertise in procurement to assist in this. Amongst the savings we have noted have been:
- ◆ outsourcing of the majority of material supplies and of storage of materials for responsive repairs and closing PH2K's stores - first year savings of £125,000 (although there are currently some difficulties with the arrangements that undermine its effectiveness);
 - ◆ new vehicle fleet lease arrangements - £188,000 savings over three years;
 - ◆ new energy supply arrangements - savings of £77,000/year;
 - ◆ office closures - £70,000 savings to date with two more offices to close; and
 - ◆ alternative provider for mobile telephones – savings £20,000/year.
- 90 The association has reviewed the service level agreements put in place at the time of the stock transfer to ensure that it was getting value for money. This was a first priority of the best value performance plan. As a result, services have steadily been brought back in-house. These have included creditors, debtors, insurance administration and most recently the payroll service. Savings on the last alone are some £42,000 over a three-year period.
- 91 There is effective marketing of hard to let properties through the property shop. In the last financial year some 270 properties were let through this route. Of these, 55 had been empty for more than six months. The tenancies created have proved no less sustainable than general lettings. Former tenants' arrears have been recovered from a number of people seeking a tenancy through the shop. This is a successful initiative that contributes to the income of the organisation whilst satisfying housing demand.
- 92 Housing capital receipts from right to buy sales are not being fully applied to housing expenditure. There is a sharing agreement with the Council for income from right to buy. Since transfer, some £8 million has come to the association in this way. However, over this period the Council has taken approximately 50 per cent of sale proceeds through the agreement. Whilst the income to PH2K is expanding in the short-term, there will be a long-term loss of revenue through rent. In the period to October 2004, some 5.5 per cent of the stock at the time of transfer had been lost through right to buy. The rate of loss increased between 2002/03 and 2003/04 by 40 per cent. The association continues to discuss the application of right to buy resources with the Council in order to try to ensure that housing capital receipts are applied to housing purposes.
- 93 Partnering arrangements for major works are in place. The improvement programme is carried out on a partnering open book basis. Savings have been made through this and innovations are ploughed back into carrying out additional work.
- 94 PH2K are committed to embracing the Egan and Byatt principles of partnering. In addition to major contracting works they are moving towards partnership agreements for all their electrical and electronic service contracts. Tenants have been involved in drawing up the new specification standards for these. The result should be more effective, efficient and customer-focused services in these areas.

- 95 Work with contracting partners has improved both opportunities for local business and produced cost savings. Purchasing from local businesses has contributed substantially to the turnover of suppliers and subcontractors. It has also led to significant materials cost savings, for example a 12.5 per cent reduction in timber prices and a six per cent reduction in door prices.
- 96 There is some recognition that a balance needs to be drawn between service quality and cost. Re-specifying the nature of the out-of-hours repair service led to an increase in costs, but with significant gains in the quality and flexibility of the service.
- 97 It is now easier for tenants to pay their rent. A best value review of rent collection was completed in 2003; the recommendations from this included the introduction of Allpay swipe cards. This allows payment at some 65 post offices in the area and around 50 other outlets as well as out of borough. There are other payment methods also, telephone payments, direct debit, via the internet and cash payments through Council offices. Some 60 per cent of all payments are by cash. PH2K has negotiated a considerable reduction from 98 pence to 63 pence per transaction (plus VAT) for this service but costs for this remain high compared with Allpay at 47 pence. In the light of this, there has been active promotion of cheaper ways of paying, particularly direct debit. This has been successful but of limited impact to date.
- 98 There is an increased focus on dealing with rent arrears and performance in rent collection is improving. A centralised 'rent first' team has been established in the recent past to support local teams. Local teams, who are responsible for income and debt management, have been charged with an increasingly preventative role and have locally set arrears targets. As well as chasing newly arising debt, officers are trained in housing benefit verification. A new IT system allows the operation of an escalating response to rent arrears. These initiatives are supported by rent statements issued to tenants each quarter, the employment of a full-time benefit co-ordinator and access to and encouragement to join a credit union. Private sector agents are employed on a commission basis to seek recovery of former tenants' arrears where local action has failed. Performance on rent collection improved from 95.7 per cent to 100.1 per cent between 2002/03 and 2003/04 and is in the top quarter of performance of comparable organisations. The number of rent arrears cases is reducing, however, arrears recovery performance is deteriorating. Performance in this area is in the worst quarter of comparable organisations
- 99 The costs of collecting water charges at the same time as rent payments is good value for money for the association. A cost benefit analysis has been carried out that demonstrates this. Tenants were consulted and favoured the association continuing to undertake this service as it was easier for them to pay using a single payment facility.
- 100 PH2K is not prepared to accept failing services. Following a review of gas related activity, the service was brought back in-house whilst retaining a partnering arrangement with the previous contractor for 25 per cent of the work. This provides a benchmarking opportunity and minimises risk while dealing with a mediocre service performance. A similar process has been followed in respect of grounds maintenance.

- 101 Expenditure on repairs and maintenance is a controllable business critical issue for PH2K. Sensitivity analysis shows that an increase in costs of 10 per cent will leave the outstanding debt almost at the same level as the peak debt of year 7. A reduction in costs of 10 per cent would see the debt discharged by year 23. The business plan shows repair investment rising to 2005/06, falling back briefly for the next two years but thereafter rising steadily. This is an area that requires ongoing scrutiny and analysis by the association.
- 102 PH2K has sought to achieve value for money through its building contracting and associated services although there is still further work to do. There is effective partnering for major works with cost savings. A range of other cost savings has also been achieved through tendering of services. The building maintenance function was the subject of competitive tender on the basis of cost and quality in 2000 and is still within the contract period. Payments to operatives reflect both the quality and quantity of work undertaken.
- 103 There is a high level of provision for responsive repairs which is inconsistent with the aim to improve efficiencies in this service area. The repairs and maintenance budget for budget for 2004/05 is £8.9 million of which £5.1 million is for responsive repairs. Proportionally this 57:43 in favour of responsive repairs. This does not meet the guidance offered by the Audit Commission as to the split between responsive and planned repairs.
- 104 The association is self-aware of the need to review the operation of the repairs processes. The proportion of emergency and urgent repairs exceeds best practice, no batching of repairs takes place and responsive repairs levels are high. A systems review of the repairs service which seeks improved service at lower cost is to start in the near future – the ‘lean fundamentals’ project.
- 105 The association has been effective in addressing the levels of disrepair claims made against it. In the last year new internal procedures have been introduced. These have sought to gain wider ownership of the issue and develop a proactive approach to identify and rectify repair problems before they become potential litigation. In addition, there has been specific training by a solicitor for the staff involved. These approaches have been successful. This has been achieved despite the fact that the association's estates have been leafleted by a company seeking to assist individuals in action against the company. In November 2003 there were 34 active claims for disrepair. By August 2004 there was only one active claim with three new cases having been received during the year and two discontinued.

Stock investment

- 106 PH2K is investing heavily in its stock. Substantial investment programmes are improving the stock rapidly. The programme of work is published and tenants have been involved in its formulation. There is good tenant choice and scheme panels oversee the work. The provision of sheltered housing has been remodelled and the association is using its own resources to help its disabled tenants. Repairs reporting arrangements have been improved and there is a high level of tenant satisfaction with the service. However, although gas servicing arrangements have been improved, five per cent of the stock had not been inspected in the previous year. There are gaps within the responsive repair service.

Capital improvement, planned and cyclical work

- 107 Stock condition information is good and being updated. PH2K are confident that initial five-year programme has been informed by a robust stock condition survey but not so confident in respect of later years. As a result, a continual update of the database is being undertaken. Currently 2122 properties have been surveyed and a number of clonings have been updated to take account of the variants between similar house types.
- 108 The databases that currently feed stock condition information are not integrated. In order to update the stock condition database, there is a reliance on staff inputting information on repair and improvement activity onto the system. However, there is no formal process or checks in place to ensure that this is occurring and it is not done for responsive repairs completed. As a result of this, the stock condition database may not accurately represent stock condition. A programme is in place to upgrade the IT systems that will remedy these shortcomings.
- 109 Tenants' priorities have been taken into account in establishing the investment programme. Tenants and staff were involved in establishing the accuracy of the original stock condition survey and PH2K took the opportunity to feed in tenants priorities for work and areas in developing the investment programme.
- 110 The organisation knows the level, scope and budget requirements of its refurbishment programme in the medium-term. An investment programme has been developed over a five-year period and published in the tenants' newsletter so tenants are aware of when their estates will be refurbished. This also aids the planning processes of its partner contractors.
- 111 PH2K has ensured that there is enough capacity to deliver their improvement programme and will now achieve the government's decency standard by 2006. Major partners have been appointed to deliver the investment programme alongside a small in-house team and two local contractors for smaller contracts.
- 112 There is an effective process in place for delivering the improvement programme. Estate planning days are carried out in addition to home visits to each property. This ensures that tenants are involved well in advance of the work being undertaken about the scope and nature of the planned works and levels of disruption. Communal facilities/respite facilities are made available if practical and usually in community centres. Where there are tenants who have mobility difficulties, attempts are made to provide facilities close to them.
- 113 Tenants and staff are heavily involved in implementing and monitoring the improvement scheme for their estate. A scheme panel is set up for every investment scheme which is made up of staff, tenants and contractors. The remit of the scheme panel is to arrange the most appropriate way the scheme should be delivered taking into account residents views and then monitoring progress and managing any complaints. Scheme panel meeting minutes are publicised in a newsletter and circulated to all tenants on an improvement scheme.
- 114 PH2K has a bespoke customer-focused investment programme. Tenants have a range of choice offered in respect of kitchens, bathrooms, tiling and flooring replacements. This range was developed with tenant involvement via a series of exhibitions where manufacturers were invited to attend and display their goods. Tenants therefore have first hand knowledge of the quality and choice being offered when their homes are being improved.

- 115 The work of the partner contractors is closely monitored and reported. The indicators cover a wide range of factors including tenant satisfaction, local labour and suppliers' targets, partnering savings and outturn against programme. Levels of programme delivery in 2002/03 averaged around 90 per cent for both partners. This improved significantly in 2003/04. For one partner the outturn was 97 per cent, and for the other, in excess of 100 per cent.
- 116 There has been positive work on remodelling the association's sheltered housing. As part of the overall review of sheltered housing, a stock options appraisal was carried out on all sheltered schemes leading to two schemes being de-commissioned, and one scheme being re-modelled into a housing with care scheme. This took advantage of transitional housing benefit funding under the supporting people arrangements to pay for the revenue costs. The remainder of the sheltered schemes will be dealt with in the six to ten-year investment programme once a further appraisal of the schemes have been undertaken.
- 117 Although the organisation has an approach to asbestos management this is not systematic or as robust as it could be in respect of responsive repairs. All operatives are aware of asbestos and the approach that the organisation has adopted and all staff have undertaken awareness training. If in doubt, advice is taken from the asbestos consultant employed to undertake surveys on an ad-hoc basis and to maintain the database. Operatives do not have access to the database and therefore have to rely on the consultant for this information. For major contracting works, asbestos surveys are carried out before work commences.
- 118 There is a lack of a joined up approach to planned maintenance as part of the asset management strategy. For example, there is a five-year cyclical programme in place for painting and other external maintenance works. However, district offices decide whether or not the work needs to be done. This misses the opportunity for pre painting inspection to inform the planned maintenance or investment programmes.

Responsive repairs

- 119 Arrangements for repair reporting have been improved. A call centre for repair reporting was introduced in January 2004 together with customer service advisors as a single point of contact for tenants on repair issues including repair appointments. Repairs can also be reported online. Talk type and language line are available to assist tenants with specific communication needs.
- 120 The repair service is highly rated by many tenants. Eighty per cent of those responding to the tenant satisfaction survey had had a repair carried out in the last year. The survey showed that there was an overall satisfaction level of 79 per cent. The attitude of repairs staff was rated excellent by 92 per cent. However, satisfaction with the service was much lower in respondents from BME communities. This is being explored as part of the new BME forum.
- 121 Some aspects of the repair service are improving. Comparison between quarterly monitoring data for the end of 2002 and the outcomes of the tenant satisfaction survey in 2004 show that two areas are improving and one declining. Overall satisfaction with the repair work declined slightly but there were significant improvements to the satisfaction with the attitude of the workers and to the cleanliness of working. While the two surveys did not use the same headings of satisfaction, or measurement approach, the level of improvement on the two indicators is likely to be real.

- 122 There is an appointment system in place on the basis of time slots. This is positive practice. However the appointment system is not as customer-focused as it could be, in that it does not cover all repair categories and is only available for non-urgent repairs ranging from seven to 42 days. The time slots available are limited to four and do not differentiate by teams or geographical areas. This presents the problem of unequal workloads with the associated problem of delayed access. In addition tenants can only make an appointment from the fourth day onwards and there are no appointments available out-of-hours or weekends.
- 123 In the first quarter of 2004/05 there were 10,790 repair jobs completed. Of these, 44 per cent (4,772) were completed following an appointment that was made and kept. This represents 97 per cent of all jobs where an appointment was made. Thus more than half of all jobs were undertaken without an appointment. On the basis of data for 2003/04, performance in this area was in the second quarter of a comparator group of associations although the comparability of the data is not clear.
- 124 Further development of the service is under consideration. The out-of-hours repairs reporting service is currently outsourced. The contract has been extended for a further 12 months. This provides the opportunity to consider a range of options and link to the work that is being done with assistive technology developments and the future plans for the call centre.
- 125 The categories of responsive repairs are not as clear as they could be. Within performance reports PH2K refer to four priority categories of responsive repairs while their policies and procedures refer to ten categories. It is not clear which ones are published and reported back on and whether they complement the targets that have been made available to tenants. This is potentially confusing to tenants. It is not clear whether tenants were consulted about the service standards and targets that have been adopted.
- 126 Efforts are being made to ensure good repair diagnosis but there is no diagnostic tool kit in place to aid this. There has been shadowing between the call centre staff and operatives delivering the repair service to improve their understanding both of estates and repair reporting. In addition there is regular monitoring of the efficiency of reporting by individuals through management arrangements for the call centre. There are regular meetings between call centre staff and the in-house contracting team to resolve any difficulties. However, in the absence of commonly used diagnostic aids which assist both staff and tenants, variation levels in repairs orders remains high.
- 127 Contracting arrangements seek to achieve first visit completion of repairs. Multi-tasking has been introduced albeit on an optional basis. All operatives are multi-skilled and all are choosing to work in this way. Overall around 85 per cent of operatives are regularly working in a multi skilled way, the remainder having few opportunities to do so. This results in a far more responsive service to tenants and avoids multiple ordering and frequent disruption to tenants.
- 128 There are high levels of variations in repair orders but the actual levels are not known. However, it is also the case that 86 per cent of repairs are completed at the first visit. It is unclear whether this is a reflection of the quality of repair reporting, or the impact of multi-skilling and the flexibility available to operatives. Although this level of variation is not having an effect on budget expenditure it could have an effect on the number of aborted calls and or delays to repairs being completed at the first visit, affecting service quality. While there is a good level of first time repair completions the reasons why this is the case are not clear. This will inhibit improvements to the arrangements.

- 129 Currently, 96 per cent of all job categories are completed within target. The breakdown of this overall performance shows that 98 per cent of emergency jobs, 96 per cent of urgent jobs and 94.5 per cent of non-urgent jobs are completed within target. The overall performance is better than the previous year where outcome was 94 per cent.
- 130 There is a rechargeable repairs policy but there could be improvements to its operation. Part of the process involves tenants signing 'liability slips' which involve them calling at district offices (although there are arrangements for vulnerable tenants). Where a rechargeable repair is mistakenly issued as an order and the work carried out there are subsequent difficulties in recovering the cost of the work. At the point of our inspection, operatives were not carrying the slips with them so as to overcome this difficulty. We have been told that this is now happening.
- 131 There are active links between the quality of the service and the payment of operatives. The former bonus arrangements have been replaced with a payment banding system. This is based on performance across a range of quantitative and qualitative measures and is reviewed on a three-monthly basis. The criteria include a skills and development assessment, whether the individual is multi-tasking and tenant satisfaction.
- 132 The level of pre-inspection of repairs is appropriate. Some 6 per cent of all jobs are pre-inspected and there is a clear process in place that triggers this. Time spent on this activity is effectively managed.
- 133 Post-inspections are triggered when complaints are received or a low level of satisfaction is recorded from customer feedback through the formal process. In addition there are informal inspections when assessing the work of operatives. All outcomes of post-inspections due to complaints or low satisfaction levels are confirmed in writing. Currently, 10.6 per cent of all jobs are post-inspected.
- 134 At the point of inspection, the level of post-inspection of sub-contractors' work was excessive. Post-inspections were carried out for any work by a sub-contractor over £100. This is not a good use of staff time. Following our observation, an analysis of post-inspections has been carried out and a policy change to £500 implemented, thereby reducing the number of post-inspections required.
- 135 Asbestos is taken seriously. All operatives are aware of the dangers of asbestos the approach the organisation has adopted and undertaken awareness training. If in doubt advice is sought from the asbestos consultant. However, operatives do not have access to the database and therefore have to rely on others to find out about a particular property.
- 136 Savings have been made by outsourcing the stores provision but there are some difficulties. The service not as efficient as it could be which has affected performance. Staff are trying to address this issue through regular meetings with the supplier. As a fall back position, operatives can order materials from other suppliers.

Empty (void) properties

- 137 Performance in dealing with empty properties is improving although performance is not yet in the top quarter of performers. As at 19 September 2004, vacant stock available for letting stood at 1.58 per cent, which compares favourably with the previous quarter figure of 1.61 per cent. Over the three full years from 2001/02 to 2003/04 the annual performance has improved from 3.8 per cent to 1.6 per cent. Rent loss through voids reduced from 6.1 per cent in 2002/03 to 5.8 per cent in 2003/04. While decreasing, this is substantially above the mean for a comparator group of organisations. This is reflection of the high level of vacant dwellings not available to let. We were told that this is partly due to properties held for decanting and those awaiting demolition not being removed from the rent debit.
- 138 A clear void lettable standard has been developed with the involvement of tenants and is published as part of the tenants pack. We viewed a number of ready-to-let properties during our inspection and found that the quality was of a high standard. All the properties we viewed were, meeting the lettable standard or the 12-point standard.
- 139 Teams work off the technical co-ordinators pre-inspection work schedule which is either to the association's decent homes standard (DHS) or to the agreed lettable standard. Discretion on whether 12-point standard work is carried out to void properties lies with the district office.
- 140 The policy on voids is generally that they are not brought up to the DHS unless work is being undertaken at the same time as other DHS work on that estate or they are deemed difficult to let. However, the opportunity is not taken to survey voids against DHS and use this information to update the stock condition and asbestos databases. This would be particularly relevant for properties where the association is currently reliant on 'cloned' data.
- 141 Processes preserve security without impacting on the locality. The procedures include the replacement of the outgoing tenant lock with a temporary 'void suited' lock. Outgoing locks are recycled but, in order to enhance security, are not refitted to the original property. Voids screening and alarms are only used when required. This improves the external appearance of the majority of empty properties making them more attractive for re-letting purposes.
- 142 There are four categories for void repairs and the technical co-ordinators in conjunction with the district manager assesses which category the property falls into, depending on the level of reinstatement works required and whether the property has been pre-allocated to a new tenant. The different categories of void repairs have turnaround targets of two, five, ten and 15 days.
- 143 Void repair work is currently undertaken by PH2K's internal workforce in all neighbourhood areas. PH2K have introduced specialist teams from a variety of trades for void works. Each team covers a particular geographical area but will assist by working in other areas at times of staff shortages.
- 144 Operatives consider that this arrangement works better than the old system as they are dealing with the same people on a day-to-day basis and work better as a team. There have, though, recently been longer delays in the return of void properties from the teams. It is thought that this is a temporary 'blip' caused by the new void lettable standard and the introduction of the new electrical regulations. Performance is monitored on a regular basis at a senior level.

- 145 Performance in turning round voids, although improving is still above target and does not compare favourably with other similar organisations. The overall composite turnaround target for voids is 32 days. However, only 88 per cent of all voids were completed within time scales in the first quarter of 2004/05 compared to 95 per cent in the same quarter of 2003/04 and re-let times increased from 5.6 weeks to 8.9 weeks and the average turn around time to 62 days, a significant decline in performance. The void repair process was cited as an issue and kitchen and bathrooms being replaced under the 12-point standard.
- 146 However, as at 19 September 2004 performance against the turn-around target was 34 days, which although is slightly above target, compares favourably with the previous quarters performance of 62 days and re-let times have been reduced to 4.2 weeks.
- 147 Contractor performance on the two and five-day groups is generally within target, but performance is significantly worse on the other two groups. This is attributed to the volume of void works being done in those groups. The association told us that there is a recognition that additional work needs to be done to ensure performance across all void categories. It is positive that the association has put in extra resources and considered new ways of working to improve performance. Given the improving performance to date, the association should meet turnaround targets by year-end.

Gas servicing

- 148 PH2K has taken active steps to improve their gas servicing arrangements. As a result of inadequate service provided by their contractor and as result of a best value review in which effective performing authorities were consulted, they have set up their own gas servicing team of 14 fitters who are predominantly multi-skilled. This covers three quarters of the stock. The private contractor has been retained to cover the remaining properties. This provides an element of benchmarking and protection from risk for the service. The new team became operational from February 2004.
- 149 The gas servicing procedure has recently been revised and has improved access. There is close working with local housing staff to share information that will improve access although this is inhibited by the lack of a shared database. Tenants are notified a few weeks before a visit and can change the appointment by ringing a freephone number. Outstanding jobs are given to operatives on a weekly basis so that they can chase these when they are in the area. All this has improved access. There is also a far more rigorous approach to taking legal action. The number of letters to tenants has been reduced from eight to three and there are currently 51 cases pending legal action and 29 awaiting court dates.
- 150 Although the gas servicing process has been revised and is more effective, there remains a potential bottle neck in respect of the time taken to establish court hearing dates. This aspect of the process could be improved. We have subsequently been informed that this is not an issue with the current arrangements.
- 151 At the time of our inspection there were inadequate reporting arrangements about gas servicing. While new processes adopted have improved access, an unacceptable number of properties have not been serviced in the last 12 months. Access on first visits is now over 80 per cent. However, at the time of our inspection, just under 600 properties (around 5 per cent of the stock) had not been serviced in the last 12 months and this critical piece of information was not a regularly reported. This shows a poor response to the organisation's statutory responsibilities.

- 152 As a result of our findings, PH2K report that they have taken effective steps to remedy the situation. They report that at 17 December, the number overdue for service had been reduced to 129 and by 1 February 2005 to 58. Of these 24 have either been to court or have a court date in February. Five are awaiting court dates. All but six properties have been visited more than once.

Aids and adaptations

- 153 The adaptation service is run by Calderdale Council through their Disabled Facilities Grant (DFG) arrangements. Assessments are made by Occupational Therapists (OT) who are employed by the primary care trust. The necessary work is carried out by the aids and adaptations agency which is part of the Council. Some work is funded out of PH2K's investment programme but tenants need to have had an OT assessment before this is carried out. Attempts are made where possible to fast track the service for tenants within investment programme areas.
- 154 PH2K show considerable commitment to their tenants with disabilities who on the basis of self declaration have a high level of need for adaptations. The tenants' satisfaction survey found that 60 per cent of tenants identified that they needed property adaptations and that 62 per cent had a long standing illness or disability. PH2K make a direct financial contribution to the Council who in turn enhance their DFG 'pot' to pay for disabled adaptations in the association's stock. This contribution is enhanced by government subsidy such that a £300,000 contribution generates work costing £750,000. This has resulted in the waiting list for tenants needing such work reducing considerably down to 47.
- 155 There are still delays associated with such work although these are not the responsibility of PH2K. Prioritisation arrangements are in place and waiting times for adaptations vary from five days to five months for an OT assessment dependant on level of priority given. There are also delays in the work being carried out after this assessment which average six months.
- 156 PH2K maintains good relationships with OT and the aids and adaptations agency. This provides access to a wealth of knowledge and expertise that assists PH2K assess the level and type of assistance required. In this respect, help and assistance has been given on producing the work specifications for aids and adaptations needed on investment programme properties.
- 157 Tenants are kept informed. The aids and adaptations agency writes to tenants once an assessment has been received and arranges to visit to means test and assess requirements. Explanations of waiting times are given as part of this.
- 158 There is recycling of equipment. Stair lift and step lifts are recycled where possible saving approximately £1000 per lift and enhancing the use of available resources.

Income management

- 159 There are more strengths than weaknesses in this area. The service is widely publicised and accessible, the choice of rent payment methods for tenants have been increased, there is an increased focus on arrears prevention and performance on income collection and current tenant arrears recovery are improving. The work done to encourage tenants to take-up cheaper forms of rent payment such as direct debit has had increasing but limited impact to date. The absence of comprehensive service standards is a weakness as are the limited use made of satisfaction surveys to inform future service improvements and the deteriorating performance on former tenant arrears.

- 160 The average PH2K rent was £44.12 per week in 2003/04 which is substantially below the comparison group mean and median. Following agreement with the Housing Corporation, rent restructuring will commence at the end of the guarantee period in March 2006 and full convergence will be achieved in year 23 of the business plan.
- 161 The rent collection service is delivered through seven area housing offices by local generic housing teams supported by a newly created centralised team (rent first).
- 162 A number of payment options have been introduced to assist tenants to pay their rent. Traditional rent cards have been replaced with a modern swipe card leading to an increase from the previous 20 payment locations to 110 pay-points in the borough, as well as any Post Office, Paypoints or Payzones in the country. There is also a commitment to increase the number of pay points especially in areas where there are proposals to close the local post office.
- 163 PH2K has also retained their agreement with the Council to collect cash via the Council collection offices. There is a good range of other options available for payment of rent including through the website, direct debit, standing order and telephone.
- 164 Following customer feedback, the design of the swipe card was changed, so as to make the text more legible and rent statements are provided to all tenants each quarter, and upon request which includes a facility for a variable 'message' to be added.
- 165 A range of media have been used to publicise the various methods available to pay rent. The new tenants pack for example offers clear details on the various options. Posters and promotion publicity to tenants are also used to raise awareness of the payment options. In addition, call centre staff include some questions relating specifically to rent collection and preferred methods of payment. This helps to ensure that clients are well informed about their options when paying rent.
- 166 There are no effective service standards. Although service standards have been produced they are yet to be widely published and circulated and proposals to monitor the standards have yet to be developed, rendering the service standards meaningless.
- 167 Further savings could be made in administrative costs. Rent collected through the Council offices, although reduced in number and cost from 2003/04, is still relatively expensive at 63p plus VAT per transaction and represents 60 per cent of all transactions. This compares with 40p for direct debit through the Allpay system. PH2K are aware of cheaper ways of establishing direct debit payments and have told us that they will consider these further when the existing contract with Allpay expires.
- 168 There has been emphasis on improving the take-up of the cheaper ways to pay rent, although there is currently no incentive to encourage customers to switch to cheaper payment methods. There has been active promotion of payment by direct debit both through personal contact with tenants and as part of a promotional campaign. Payment through direct debit has increased three-fold since April 2003 and now accounts for some 1800 cases.
- 169 Customers receive quarterly rent statements and statements are available on request. This is an effective way of ensuring that clients are regularly provided with information to assist in managing their accounts.

- 170 Performance in rent collection compares favourably with other registered social landlords. The association is in the top quartile and targets are focused on being amongst the best in the country. However, although performance has improved over a three-year period, performance over the past year has been variable. The table below illustrates however that the targets so far have not been achieved.

Measure	2004/05 to date		2003/04		2002/03	
	Target	Outturn	Target	Outturn	Target	Outturn
Proportion of rent collected	98.50%	98.14%	98.50%	97.74%	98.50%	97.66%

- 171 The rents module of the new IT system has already successfully been commissioned. Management information is easily accessed to manage case loads and the system is able to automatically generate reports of cases which require action according to the procedures, leading to increased efficiency of the service.
- 172 Satisfaction surveys could be used more effectively to identify areas for improvement. Customers were asked for their views on the rent collection service as part of the best value review. However, regular surveys are not systematically undertaken to establish the levels of satisfaction with the service and how they could be further improved which could then be used to inform future service reviews.

Arrears recovery and former tenants' arrears

- 173 PH2K's performance in arrears recovery has been variable. Rent arrears as a percentage of rent debit for 2003/04 stood at 5.63 per cent. This compares with 4.77 per cent in 2002/03. PH2K's current arrears as at week 30 in 2004/05 are £1,973,924 which is an increase of £291,247 from the previous year. The table below shows details of the current position on both current tenant arrears and former tenant arrears.

Debt	Current position (£)	Change (£)
	At week 30 2004/05	At year-end 2003/04
Current debt	1,973,924	£291,247 increase since 5.10.2003 (over 54 rent weeks)
Arrears over £500	1,262 cases	1,093 increase of 169 since 5.10.2003 (over 54 rent weeks)
Arrears under £500	5,552 cases	6,735 a decrease of 1210 since 5.10.2004 (over 54 rent weeks)
Former tenants' arrears	£1,819,076	£358,930 increase since 5.10.2003 (54 rent weeks)

- 174 The information on arrears recovery as shown above demonstrates that recovery performance still remains variable. Although the number of arrears cases are reducing and rent collection is slightly improving, rent arrears recovery is deteriorating albeit slightly.
- 175 The performance on recovering former tenant arrears is deteriorating and more noticeably and significant is the fact that larger arrears are becoming FTA cases. FTA arrears have increased by £359k since October 2003 to £1.82 million as at 14 November 2004.
- 176 Pennine have revised their policies and procedures to ensure they are more customer-focused and that the emphasis is on prevention and debt advice. A new current arrears recovery policy and procedure is in place following the review and a specialist rent team known as 'Rent First' has recently been set up to focus on arrears prevention as well as providing a much needed resource to target high level arrears cases including former tenant arrears and to be used as a specialist arrears recovery advice service. However, it is too early to assess the effectiveness of the new approach including the impact that the 'Rent First' team are having.
- 177 The emphasis on former tenant arrears is not as focused as that for current tenant arrears recovery. The newly revised FTA procedure includes an automated three letter stage with time limits. However, the policy does not differentiate between levels of arrears to assist prioritisation and the time limits between automated letters are far too long. This means that the chance of successfully recovering arrears is greatly reduced.
- 178 PH2K have a good relationship with the courts and are members of the court user group. This leads to a speedier approach to secure court action.

Housing benefit, welfare benefits and debt counselling

- 179 63.2 per cent of the association's tenants receive help with paying their rent from the government's housing benefit (HB) scheme administered by the Council. With so many tenants dependent on this support to pay their rent either in full or in part, it is important that claims are determined quickly and accurately. The quality of the housing benefit service has a significant impact on the income from rent.
- 180 Arrangements with the housing benefit section have improved performance. Performance over the last two years has improved significantly, especially since HB verification training has been undertaken by the association's staff. Unaudited figures show that against a national target to process new claims within 36 days, their current performance is 37 days.
- 181 There is good collaboration with the Council. The association holds regular meetings with the Council's benefits department as well as attending HB liaison meetings and an active landlord's forum that meets twice a year. This collaboration assists PH2K in meeting their aims of delivering a preventative and inclusive service.
- 182 Staff are aware of the fact that more could be done to increase disposable income for customers. There is now more emphasis on prevention of debt and ensuring more investigation are undertaken to ensure residents are receiving the benefits they are entitled to.
- 183 A welfare benefits officer has been employed. This officer has developed a close liaison with other agencies and has formed a benefits forum to share key issues and exchange good practice. Benefit and pension credit entitlement has been secured for almost 200 tenants since the post was created in 2003.

- 184 There are a number of experienced agencies involved in assisting with the prevention of debt. As well as advice from Council staff on such matters, clients are referred to independent organisations. PH2K partly fund the citizens' advice bureau (CAB) to provide specialist welfare benefit and housing advice. The case worker spends time at the association's offices and deals with either self made or direct referrals. A service level agreement is in place and the service is monitored through quarterly reports which include the number of cases dealt with, to a steering group who oversee the debt advice service.
- 185 PH2K has facilitated the reconstitution of a credit union and this is helping tenants. A grant from PH2K allowed a local credit union to meet the requirements of the financial services agency. This opened up the union to tenants. Nearly 300 tenants have joined. In recent innovative work, two tenants have been helped to avoid eviction by the work of the union. This support and promotion of the union by PH2K is helping tenants to avoid high interest loans and therefore increasing their capacity to pay their rent.
- 186 Details of the various agencies are promoted on tenant information leaflets and publicity is undertaken to promote and encourage tenants access to basic bank accounts. This helps the association's promotion of direct debit take-up and complements the work of the department for works and pensions on encouraging direct payment of pensions into bank accounts.
- 187 Housing staff are active in preventing debt. New clients are offered assistance to access housing benefit. At sign-up stage housing staff assist in the completion of the application forms and some nominated officers have been trained in the verification framework. This assists in reducing the time taken to process claims and helps to reduce the likelihood of rent arrears.
- 188 Existing clients are also offered support. Surgeries are held in area offices on a regular basis. As well as improving access to the service, particularly in the more rural locations, it has also improved communication with staff involved in the rent service.
- 189 During the inspection housing staff demonstrated a good knowledge of housing benefit and other welfare benefits and they are now more confident in advising tenants on housing benefit and other entitlements and sign-posting them to more specialist advise. A number of staff are trained in housing benefit verification work and all PCs have a housing benefits calculator resulting in speedier assessments of housing benefit entitlement.
- 190 A number of articles have been written in the tenant's newsletter to try and increase benefit take up and increase awareness of HB and other benefits such as Pension Credits. Direct Debit take-up is being encouraged and there is evidence as a result that take-up is increasing.

Estate management

Estate Management

- 191 The association delivers an effective estate and tenancy management service. It is responsive to the needs of its tenants and has introduced changes to reflect cost constraints and tenant aspirations. Its performance in dealing with complaints of anti-social behaviour (ASB) is particularly effective in both protecting tenants and in not further entrenching social exclusion. Areas of weakness include grounds maintenance which has attracted a number of complaints. However, as with other areas of concern, the association is dealing with the issue.

- 192 Caretaking and tenancy enforcement have been subject to best value reviews. The reviews were comprehensive and led to substantial changes in the services. Tenants and other service providers took active roles in the reviews and influenced outcomes.
- 193 The association has undertaken a long-term restructuring of its estate and tenancy management services. This was carried out in an environment of cost constraints and difficulties in recruiting residential caretakers to work in challenging environments. The main changes to services involved a programme of office closures, removal of residential caretakers and the establishment of a call centre for repairs reporting. Tenants and other stakeholders were widely consulted about the changes and their concerns addressed.
- 194 The restructuring was well planned. Potential gaps in service created by office closures and removal of residential caretakers were addressed by the introduction of new services. Research showed the majority of callers to area offices were for services which can be delivered by other means. For example: the loss of rent payment facility by the closure of offices was addressed by increasing payment points through Allpay; the loss of residential caretakers by having dedicated cleaners for blocks and a 24-hour concierge service; repair reporting by the creation of a call centre. It appears that the restructuring has gone well with rising tenant satisfaction levels and improved performance in most areas of work.
- 195 Support is given to tenants who lost their residential caretaker in the recent restructuring by holding monthly coffee mornings to discuss problems and monthly joint block inspections with the caretaker's team leader.
- 196 Good communications are maintained with tenants. As well as the tenants newsletters some estates have their own newsletter which their housing officer helps to produce and distribute. This happens either where there is an active tenants association or major works are under way. The newsletter features such things as estate improvements and asks tenants for their suggestions on any improvements they may have. Budgets for fencing and estate improvements are devolved to area committees and tenants can put forward their own bids for work. The work funded from such budgets is often substantial and comes directly from tenants suggestions. Estate pride is further encouraged by an annual gardening competition and other events such as estate tidy ups and bulb planting.
- 197 Estates and communal areas are generally well kept. Regular estate inspections have recently been introduced. These are advertised in the local newsletter and tenants association representatives are notified by their housing officer. The formal relationship between PH2K and associations, commits the association to two inspections a year. Tenants have a 'hot line' to call to report any defects. There are no published service standards in place. Tenant's opinions on the standards of caretaking and grounds maintenance are presently not systematically gathered, although there are plans to do this.
- 198 The caretaking service provides a comprehensive service for all tenants. It has been expanded to cover all communal areas and any 'emergencies' which cannot wait until scheduled maintenance. A 24-hour concierge service responds to out-of-hours emergencies and also provides other services such as acting as witness to anti-social behaviour and assistance to vulnerable residents. Caretakers carry out minor repairs such as fencing. There are service standards for the removal of graffiti which includes removal in 24 hours for obscene or racist graffiti.

- 199 It is easy for tenants to report problems. Housing Officers regularly visit their estates and tenants have their mobile phone numbers. Surgeries are held on more isolated estates. Pennine has contributed to an estate warden service. Housing officers meet regularly with the wardens and other agencies involved in the area. The website has information about the estate management service detailing such things as the frequency of grass cutting. There are up-to-date procedures for staff to follow when dealing with estate management problems such as animals causing a nuisance and properties kept in poor condition.
- 200 Grounds maintenance has proven problematic and has attracted a lot of complaints. A private contractor appointed after transfer following a tendering exercise for the function previously carried out by the Council did not meet contractual obligations. The association responded to this quickly by establishing a complaints hot line and took over employment of the contractor's local staff – which had been employed as a contractual condition - to provide their own in-house service. The in-house service is supported by the private contractor and the local authority by providing management and technical expertise. The association is presently using a geographical information system to assist in rationalising grounds management. This will involve the swapping of small plots of land between the association and the local authority if their management is best served by this.
- 201 The association are involved in the wider neighbourhood management agenda. Senior staff attend meetings of the Ovenden venture (neighbourhood management pathfinder) and are involved in the regional housing board.
- 202 Potential problems are anticipated with resources directed to areas to manage challenging estates. A measure of the effectiveness of the estate management service is the good appearance of an estate of four multi-storey blocks with a varied client group and the potential to pose management problems. The area and other estates are covered by Closed Circuit Television (CCTV) and several agencies have on site offices to support their vulnerable clients. CCTV coverage will shortly be extended to all multi storey block communal areas.
- 203 A comprehensive review has been carried out of sheltered housing. The review was undertaken by a formal review group that included tenants and staff. It took into account tenants' views and all schemes were formally consulted, as were staff, particularly the sheltered service officers. The aim was to create a service that offered choice whilst at the same time modernising the warden service and addressing issues of value for money. The result is a range of support offered, each with its own levels of charging, that reflects that support.
- 204 The review has radically altered the role of the former wardens. There has been a move away from the traditional resident warden/good neighbour scheme to a more flexible approach of a mobile sheltered service officer supported by Calder care-line and making use of assistive technology. Each tenant has a support plan in place which is jointly agreed. Far more collaborative work is undertaken with the primary care trust and the Council's social service department than was formerly the case.

Anti-social Behaviour

- 205 ASB is serious a problem for the association which it has responded to in an effective manner. Around 20 to 30 complaints per week are received, the majority of which are minor. The association has a dedicated team to deal with ASB. The team has four members, one of whom is a secondee from the local authority dealing mainly with private sector complaints. The team also provide a service to other social landlords in the area who in turn contribute to the employment costs of a team member.

- 206 The team is well resourced and its annual report shows a slight decline in the number of reported incidents in the last two years. Around 70 percent of complaints are resolved quickly and without referral to the anti-social behaviour team or other agencies.
- 207 The association's determination to deal with ASB is apparent at all levels in the association. The chief executive attends the crime and disorder parent group meetings and sub-group meetings are attended by other senior officers. At a grass roots level, housing officers meet with local police area officers and sit on co-ordinating groups dealing with specific issues such as domestic violence. The head of the ASB team also acts as the chair of Calderdale racial harassment multi-agency panel. Tenants are involved in the process and the tenants' federation anti-social behaviour sub group monitor the effectiveness of the association's response to the problem.
- 208 The service was subject to a best value review last year. Staff from all levels of the organisation were involved along with tenants and a number of changes came from the review. The most significant change was the introduction of a networked database.
- 209 A comprehensive procedure for dealing with all types of complaints was recently adopted. It incorporates all features one would expect from an association abreast with current thinking on how to combat the problem. For example, strategies are agreed with complainants on how to best deal with the problem and to address any unrealistic expectations on how quickly and easily the problem can be dealt with.
- 210 Policies and procedures were agreed with tenant groups and other concerned bodies. Procedures incorporate service standards which are monitored in 'one-to-one' sessions and through the association's recently introduced database. The tenancy conditions clearly state that anti-social behaviour and domestic violence will not be tolerated and that action will be taken. The tenancy conditions are accompanied by a plain English explanation.
- 211 There is a range of ways in which tenants can report ASB. However our experience was that one of these was not working. Reports can be made to their housing officers, the concierge service, at area offices or to an ASB hot line freephone number. As part of a mystery shopping exercise the number was called twice without response including any from an answering machine. After reporting this to the association a third call was answered. The association needs to ensure that tenants always receive a response. A leaflet giving practical advice on how to deal with ASB is available and was recently revised to give further assurance about confidentiality to those who want to complain anonymously. The website also provides useful advice. Some service standards are published but these are not yet comprehensive.
- 212 Comprehensive records of ASB are kept. All complaints are entered on to a database, recording all details required to build a comprehensive picture of the problem across the borough. All staff have been trained in its use and their entries are monitored by a member of the ASB team. Checks on several cases showed a number of gaps in officers' response to complaints which included slow and ineffective responses and cases closed without contact with the complainant. Other cases were handled more effectively and particularly so a case involving racial harassment. To address this, the association has introduced a series of quality controls. Now complaints cannot be closed on the database without contacting the complainant to gather their feedback on how well they consider their complaint was dealt with and if the problem has been solved.

- 213 The association's response to ASB can be characterised as adopting a twin track approach of support and enforcement. When appropriate, cases are always approached with the intention of changing behaviour and enforcement action is seen as a 'final resort'.
- 214 A variety of methods are used to address the problem. These ranges from proactive methods such as developing youth facilities to quasi-legal measures such as acceptable behaviour contracts. The association are co founders of a local mediation service, which has recruited and trained 16 volunteers. Injunctions which are easier to secure, and cheaper to obtain are preferred to possession proceedings.
- 215 When other methods have failed to change behaviour enforcement action is taken. The annual report 2003/04 mentions that seven anti-social behaviour orders (ASBO) have been secured and a further two achieved for other associations. In addition, 15 acceptable behaviour contracts have been signed and nine injunctions and possession orders awarded. PH2K has applied for one demotion of tenancy and has another pending. A photograph and details of the recipient of an ASBO was circulated around the estate where they had caused a nuisance. The leaflet contained the logos of the association and the local police. The action was taken only after careful consideration of the impact this may have on any relatives of the perpetrator living on the estate and in consultation with other involved agencies.
- 216 As well as responding to individual complaints, estates suffering from general ASB problems are identified by housing officers and tenants. Once an estate is identified, an intensive housing management approach is adopted with the housing officer being supported by an officer who specialises in dealing with anti-social behaviour. Other contributory issues such as poor environment and allocations issues are tackled. When dealing with such estates all areas of the association are involved. For example, the property shop let a number of long-term voids on one estate to applicants selected outside of normal lettings rules, but whom it was thought would bring stability to the area.
- 217 Other approaches used involve diversionary tactics, such as the provision of youth facilities, mentoring schemes in schools and apprenticeship schemes. Tenants have opportunities to suggest environmental improvements to their estates which can include security measures or the removal of bad design features.
- 218 After a consultation exercise involving tenants and other concerned agencies, it was decided that the demotion of tenancies would be used to improve behaviour rather than introducing starter tenancies. The 'final warning' nature of a demotion was seen as preferable to the termination of a tenancy and consistent with the association's policy to change behaviour rather than evict. A demotion of a tenancy has recently been secured and a further one is pending.
- 219 The association has made an impressive response to hate crime. All area offices are hate crime reporting centres and it is intended that each office will have three trained race crime reporters. From 31 March 2004 up to September 2004, 134 hate incidents were reported through PH2K offices – the bulk of which were not by PH2K tenants – representing 60 per cent of all hate crime reports in Calderdale. Most complaints involve racial incidents such as name calling and are referred on to the multi-agency racial harassment panel. PH2K has its own policies for dealing with hate crime which incorporate the recommendations and findings of recent reports such as the MacPherson report.

- 220 There is an expectation of a 5 per cent annual increase in hate crime reports by PH2K tenants in 2005. Thereafter as policies impact there is expected to be a decrease in reporting and a maximum annual 20 per cent 'repeat reporting'. (Both figures are set in line with West Yorkshire police targets).
- 221 The association has good links with other agencies dealing with the problem. This includes regular meetings with the police at a strategic level and more informal contact with area and community support officers at grass roots level. The association are part of an information sharing agreement. Community support officers accompany housing officers at their surgeries on more outlying estates; it is considered that the 'anonymity' given to people visiting their housing officer's surgery encourages more residents to report crime.
- 222 Support is given to other agencies involved in crime reduction. PH2K have contributed to the costs of a neighbourhood warden service operating in certain parts of the borough and has sponsored a police dog. Other agencies with whom the association have contact with include the local authority, education services, environmental health, probation and social services. The association are represented at a series of groups which influence service delivery such as the local ASBO panel, court user group and domestic violence multi-agency panel. Early intervention teams dealing with youth crime are used to both report youths who maybe at risk and to gather complaints which may not have been reported by tenants.
- 223 A clear resolve to combat domestic violence is shown. A housing officer attends the domestic violence forum and acts as a link to the association's services. Legal action has been taken by the association to remove violent partners from tenancies. In collaboration with the local police, CCTV has been fitted into a victim's new home. The association has up-to-date procedures for staff to follow when dealing with domestic violence which encourage a multi-agency approach.
- 224 An out of office hour's services is provided. The concierge service provides a 24-hour rapid response to urgent and security-risk situations and the anti-social behaviour team will also work out of office hours to take statements and witness incidents. Staff have been trained in dealing with aggression and have strict instructions not to put themselves at risk.
- 225 A pragmatic approach is taken with perpetrators of anti-social behaviour who find themselves homeless or apply for a transfer. Perpetrators are asked for undertakings that they will change their behaviour or evidence that they are dealing with any issues which maybe the underlying cause of their unacceptable behaviour. If it is considered that they still pose a problem they will not be rehoused. There is an appeals policy and the association always assists the local authority in discharging their statutory responsibilities to the homeless. Tenants applying for the right to buy have had their applications refused if possession proceedings have been commenced for breeches of the tenancy conditions.
- 226 Support is provided to the vulnerable. The association has its own floating support scheme – STAY. Support is provided to those struggling to maintain their tenancy and to address any underlying causes of poor behaviour.

227 A track record of dealing with ASB has been established. The association has put in place most of the measures one would expect to find in an association successfully dealing with the problem. Areas for further development include how the problem will be dealt with across the stock, including such things as how to address areas with particular problems or tactics on dealing with frequently occurring problems such as noise nuisance. The absence of user feedback and satisfaction monitoring is a further weakness. Both however, will be addressed with the information gathered from the database and the introduction of quality controls.

Allocations, lettings and homelessness

228 The association operate an effective and efficient allocations service, which as far as resources allow, meets applicants need. The association is aware of changes in housing need and demand and works closely with the local authority to meet them. It is easy for applicants to register for rehousing and allocations are made in a fair and accountable manner. The association has taken steps to address issues such as low demand by opening a 'property shop' and have agreed a timetable with the local authority for the introduction of a choice based lettings system by 2006. Strengths outweigh weaknesses.

229 There is a clear and fair allocations procedure. There are some service standards but these are not comprehensive. PH2K and the Council have an agreed allocations procedure and in effect operate a joint allocations scheme. The policy is needs based with points being awarded according to the extent of the applicants need for rehousing. Housing need is broadly calculated according to the need categories defined in the 1996 Housing Act. A housing needs register agreement was negotiated at the time of the transfer. It has a disputes resolution policy which sets out the obligations of both the association and local authority in detail. Calderdale has nomination rights to 75 per cent of all PH2K properties. Due to the number of decants required to complete the improvement programme the 75 per cent target has not been achieved in recent months. Approximately 20 per cent of all new lettings are to homeless households and a pragmatic approach is taken to a history of rent arrears or anti-social behaviour.

230 The association assists the local authority in discharging its statutory obligations. Homelessness assessments are carried out by the local authority. At the request of the local authority, a number of the association's staff are currently working on secondment in their housing aid section. The concierge service assists newly homeless people into temporary accommodation outside of normal hours.

231 The policy addresses issues of sustainability and other issues such as the rehousing of those with special needs. Local lettings policies are encouraged to meet local problems. Such policies are compiled with local tenants and have reviews built in. The effectiveness of local policies is monitored.

232 In addition to housing need, points can be awarded for a number of other reasons. This includes community stability points where someone who will contribute to the stability of an area can be awarded additional points. Additional points can also be awarded which will allow the better use of the housing stock. Before such points awards, staff have to go through a detailed procedure explaining the reasons for the award.

233 Specific housing need is considered through a special needs panel chaired by the local authority which includes other concerned agencies. The association has a dangerous offender's policy and applications from offenders go to a multi-agency public protection panel. Applications are accepted from 16 and 17-year olds if supported by a rent guarantor.

- 234 It is easy for applicants to register on the waiting list. Application forms can be downloaded from the internet; applications can be made over the phone, at home, area offices and at the property shop. All applicants are provided with details on how many points they have been awarded, which type of property they are being considered for and any other relevant details. All have the right to appeal. Prospects interviews are available to applicants. Information to applicants would be improved by detailing how many rehousing points each element of need attracts.
- 235 The property shop has led to a reduction in hard to let empty properties. It has its own web page advertising hard to let properties and for a small fee will advertise other social landlord's hard to let properties. The shop opens on Saturday mornings and applicants who cannot make weekday appointments are referred to the property shop. For most properties applicants do not have to provide references. Exceptions to this include furnished flats in a multi storey block where applicants have to be in employment. Applicants applying for properties through the 'property shop' also have to provide references. The property shop asks for references as they consider it may help avoid a high turnover in low demand properties.
- 236 There is no suspensions policy but applicants with arrears from a previous tenancy or a history of anti-social behaviour are asked to show a resolve to clear arrears or change behaviour. This may include a period of repayment or an undertaking to behave in a proper manner.
- 237 The association enjoys good relations with the local authority and works with it to address housing issues such as homelessness. Fortnightly meetings are held to discuss applications from homeless people and a priority list of those in temporary accommodation has been adopted. This has helped reverse the recent increase in the use of temporary accommodation. The association are to jointly fund the conversion of a disused sheltered housing scheme for use as temporary accommodation.
- 238 The Council has expressed some concern about the difficulty of housing an increase in single young homeless people, due in part to a series of age bars on multi-storey blocks inherited by the association at the time of transfer. The association are working with the Council to address this.
- 239 At present, PH2K cannot give a detailed breakdown of their rehousing applicants, other than their ethnic origin, desired area and property type. This will be addressed by the installation of a new system in 2005. A jointly funded housing needs survey will shortly be completed. It is likely to show an increase in demand and plans to demolish some properties have been mothballed.
- 240 Re-let times have fallen over the last two years but at 83 days in the year 2003/04 they are still more than a third greater than the average of comparable organisations of 61 days. This is explained by the letting of a number of long-term voids. Analysis of periods that voids have been empty shows that 13 per cent (144) empty for more than 20 weeks had a significant impact on the average period that all voids (1128) were empty. Without the impact of these, the average period to re-let would be of the order of 50 days. This is also reflected in the fall of available to let voids from 3.8 per cent of total stock in 2001/02 to 1.3 per cent in 2003/04. As soon as a property becomes empty the rehousing shortlist is searched for a suitable applicant. Generally properties go to those in high housing need, but consideration is given to match applicants to properties and local communities.

- 241 The lettings process is well managed. Inspection of files of recently let properties showed that all have audit trails and other appropriate information. Income or debt details are presently not recorded but there are plans to introduce this. All viewings of accommodation are accompanied and the housing officer visits the new tenant four weeks after they have moved into their new home. There is no monitoring of the reasons why properties are refused or exit surveys of departing tenants and the association may benefit from their introduction.
- 242 The percentage of properties let to BME applicants is significantly below the percentage BME population in the borough. Census figures of 2001 show the BME population to be 6.7 per cent of the boroughs total population. Lettings to BME applicants fell from 2.7 per cent in 2002/03 to 2.2 per cent in 2003/04. The association is aware of the situation but has no effective plan in place to change the situation significantly.
- 243 Encouragingly the number and percentage of BME applicants on the housing register is increasing. Progress however is slow and other initiatives are being discussed.
- 244 A best value review of allocations completed last year introduced a number of positive practices, including clearer audit trail of allocation decisions, community stability points (a tenant suggestion) and accompanied viewing. The local authority and tenants representatives were involved in the review. The review looked at good practise on allocations elsewhere and Audit Commission best practice recommendations.

Resident involvement

- 245 Tenant involvement is embedded in the organisation and shows considerable strengths. There are well developed arrangements for participation, the approach taken is open and inclusive and there are good opportunities for involvement outside of formal structures. Tenant involvement is making a difference to the policies, practices and actions of the association.
- 246 There are some areas of weakness. Arrangements for consultation and involvement of the BME communities, tenants with disabilities and leaseholders are very recent and have not yet influenced services. Arrangements to involve some hard to reach groups have not even reached this stage. The lack of focus on this area undermines the otherwise good quality of the service.
- 247 The nature of the governance arrangements for the association brings tenants to the heart of decision-making. The board of PH2K is composed of 15 people with an additional co-opted member. Five of these board members are elected tenants. There is a high level of voting in the elections, up to 36 per cent of those eligible to vote, exceeding that for local Council elections. This adds legitimacy to their appointment. A tenant board member is currently vice chair of the board. Tenant board members that we spoke to felt well supported and central to the operation of the organisation. Whilst the board structure is typical of post transfer associations, it is clearly working well in PH2K.

- 248 There is clarity about PH2K's approach to tenant involvement. The tenant participation strategy was produced after consultation with the tenants' federation. This lays out the principles of tenant participation in broad terms. Together with the other policies of the organisation, the strategy has a fixed review date (2006). The aim of that strategy is 'to provide the greatest possible number and variety of opportunities for tenants to gain influence over all elements of their housing'. The broad thrust of that strategy is given a short to medium-term activity focus in the tenant involvement strategy. Short-term targets for the service are contained within the monitoring arrangements of the compact. This overall framework provides a sound basis for development of the service and a guide against which tenants and others can judge the quality of that service.
- 249 There is a well established and enthusiastic tenant participation team composed of a senior Tenant Participation Worker (TPW), two full-time and two part-time TPW's. However, there is also recognition that tenant participation is an activity with a broader base than solely the specialist workers. There are plans to capture the work of housing officers in this field as a part of the monitoring arrangements. Tenant participation work is clearly central to the operation of the business.
- 250 There is positive support for tenants' groups. There are 36 active tenants groups that are formally recognised by PH2K with a form of contract that lays out what both sides agree to. As part of this PH2K gives an annual grant for running costs (currently £190), premises or hire costs, insurance, printing, training and the support of the local housing staff. This includes estate walkabouts and attendance at the group's meetings.
- 251 The overarching body for tenants groups is actively involved with the association. The groups nominate representatives to the federation of tenants and residents associations which meets monthly. The meetings are open although voting is restricted to member associations. The federation is involved in the development of policies and procedures in consultation with PH2K. In addition federation representatives attend the board meetings of the association and meet regularly with the Chief Executive for open discussions.
- 252 PH2K has an open and inclusive approach to governance. Board meetings are open to the public, advertised in the local press and individuals can raise issues with the prior permission of the chair. In addition the association has an open membership policy with 230 members.
- 253 Tenants don't have to belong to a group in order to be able to be involved. There are four area committees which meet bi-monthly and are attended by housing staff. These are open meetings at which any tenant can speak. They consider a range of issues and are actively involved in the decision-making on environmental works expenditure.
- 254 There are formal and informal mechanisms for consultation and involvement within sheltered housing schemes. There are the existing tenants associations within sheltered schemes and coffee morning meetings. Tenants can influence the coffee morning meeting agenda and notes of the meetings are distributed. Clear messages are captured and good practice is shared. Any issues are fed back to the Operations Committee.
- 255 There are monthly sheltered scheme newsletters produced. A focus group has been set up to look at policies and procedures and to develop a communal facilities guidance document. A sheltered improvement group has been set up to prepare for the service review under supporting people.

- 256 Overall, the arrangements for participation are publicised and broadly based. The dates of the various meetings are published in the tenants' magazine and on the PH2K calendar. The formal arrangements for participation are comprehensive, multi-layered and give good opportunities for tenants to be involved at whatever level they wish. This is good practice.
- 257 Tenant participation work is enhanced by consultancy undertaken by the team. Staffing levels in tenant participation are sustained by consultancy undertaken for other bodies. In addition there are benefits in developing skill levels, knowledge of other organisations and the development of the individuals undertaking the work. This is a positive approach to sustaining a high level of tenant participation activity and has a strong developmental dimension.
- 258 The association has a sensitive and effective approach to tenant training. The approach recognises that for many tenants their formal education was not a positive experience and that for older tenants that education was limited. It seeks to give people the capacity to deal with what they want to. Efficiencies are sought by establishing common issues and skill shortages.
- 259 In addition, a wide range of more structured and bespoke training is also made available. For federation members a monthly programme has been established with a diverse range of topics. Joint training of tenants and staff takes place. Tenants are involved in training new staff as a part of the induction process. There has been longer-term training in committee skills and for tenants likely to be involved in scheme panels. Training for tenant board members follows the established pattern for the board but tenant board members have also underlined to us the personal support and training offered by the officers of PH2K. These are effective and wide ranging arrangements.
- 260 There are good performance management arrangements for tenant participation. A tenant participation monitoring group has been established which meets four times a year. It is composed of four tenants, officers and the director of corporate services. Their role is to review the objectives and targets laid out in the annual performance plan which is published as a part of the tenant participation compact. The current plan has 22 of these in a SMART format. Whilst it is difficult to quantify the outcomes from tenant participation, in recent discussions, the group have begun to consider how to assess value for money in the service. This is good and innovative work.
- 261 PH2K has adopted an inclusive approach to tenant participation which goes beyond the formal structures. There are a range of examples of where the whole of the tenant group or those affected by decision-making about a particular service have been consulted. These include a referendum about water charges and consultation about the role of caretakers and the procurement of specific services. Whilst much of the participation follows traditional lines, there is an understanding of the need to develop new ways of engaging with tenants, particularly younger people and work is timetabled to explore this.
- 262 Tenants were involved in reviewing the sheltered housing service. A number of focus groups were set up to carry out the review and there are currently reviews being undertaken on policies and procedures.

- 263 Only a small majority of tenants are satisfied with the opportunity to be involved in management and decision-making. The tenants satisfaction survey carried out in 2004 showed that 60 per cent were happy with this aspect of the service. However this was a much lower percentage than some related factors. We find this outcome to be surprising in some respects. It is clear that tenants in both formal and informal arrangements have genuine opportunities to make some decisions and influence others. The results demonstrate however that the association has some way to go before tenants generally perceive that they can play an active role in decision-making.
- 264 Resident involvement is making a difference. We have evidenced a wide range of circumstances and levels of decision-making that have benefited and been changed as a result of inputs from tenants. At the highest level, it is clear from our discussions with tenant board members that they are actively engaged and that their involvement is not 'rubber stamping'. There is decision-making by the area committees on the environmental works expenditure. Scheme panels oversee capital expenditure works and the learning points from their experiences are fed to core partnering group which contains the contracting partners as well as federation representatives. The review of communal electrical services involved tenants not only on the review panel, but some 200 who benefited from the services were involved in direct consultation and identification of weaknesses in the existing arrangements. The panel continues to meet and is taking part in the procurement arrangements for the service.
- 265 Capital scheme and remodelling proposals for estate regeneration have been directly affected by resident input. The operation of the repairs service and the call centre operating hours were directly influenced by resident input in the repairs focus group. There has been wide ranging consultation on the operation of the caretaking service and a tenant's referendum on water charges. These examples, and there are many others, demonstrate that tenants influence both practice and policy.
- 266 The low level of staffing from the area's major BME communities inhibits communications with these groups. Consultation arrangements are generally traditional and should be subject to ongoing review as to their appropriateness. However there are examples of good practice in this respect - door knocking in rural areas and the doorstep survey of BME tenants. Resident involvement whilst embedded in the culture of the organisation will benefit from the improvement work being undertaken.

Summary

- 267 Access arrangements and customer care show some strengths with attractive offices, a range of ways for customers to contact the organisation, high quality printed information and an informative tenants' newsletter. Arrangements for user consultation and feedback are well developed. There is up-to-date information on tenant satisfaction, monitoring of the quality of the repairs service and encouragement to comment on services. However, there are weaknesses. There is a low and decreasing level of lettings to BME tenants although there are plans to deal with this. Dialogue with hard to reach groups is at an early stage and action plans have been drawn up without user involvement. The complaints procedure is not yet comprehensive, not all service standards are in place and there is no comprehensive knowledge of the communication needs of tenants. Services for leaseholders are poor.

- 268 There is a focus on value for money with challenging savings targets, well developed partnering arrangements to deliver home improvements and an ongoing review of procurement that is delivering a range of savings. New rent collection arrangements with greater choice have been introduced and rent collection is amongst the best quarter of comparable organisations. There is an increased focus on dealing with rent arrears although progress in recovery is variable. Disrepair litigation has been minimised and there is effective marketing of hard to let properties. Weaknesses include the predominance of expensive methods of rent collection, the high proportion of emergency and urgent repairs and the overall balance between responsive and planned repairs.
- 269 The programme to achieve the decent homes standard in the housing stock will be largely achieved by 2006. Tenants can be actively involved in the improvement process and there is a range of tenant choice for fittings. A repair call centre is in place and repair appointments are available. The repair service is highly rated by many tenants. There is a concentration on the prevention of debt through advice. However, 5 per cent of the stock has not been subject to inspection for gas safety in the last year, there is a high level of variations to repair orders, no repair diagnostic tools are in use and there are inefficiencies around the appointment system for repairs.
- 270 Estates and communal areas are generally well kept. The caretaking service now provides a comprehensive service for all tenants and sheltered housing provision has been remodelled. There is a well developed approach to anti-social behaviour and there is an effective and efficient allocations service. Grounds maintenance has given cause for concern and the service has been re-shaped.
- 271 There are structured arrangements for resident participation with a wide range of opportunities for involvement at different levels. However, this does not extend to hard to reach groups. The service is well funded and training is available. The involvement of tenants is a making a difference. Management of the organisation is open and inclusive.

What are the prospects for improvement to the service?

What is the evidence of service improvement?

- 272 There is evidence of substantial service improvements that tenants will recognise and have been involved in developing. Performance indicators are improving for many service areas but still fall short of best performance in the sector. There is effective networking and benchmarking is being developed. However, the association has areas of weakness. The overall approach to diversity issues is undeveloped and although action is now being taken, PH2K is starting from a low base. Services to leaseholders are poor and dialogue with hard to reach groups is in its infancy. Overall, strengths outweigh weaknesses.
- 273 Performance is improving in many areas but the association falls short of the performance of the top quarter of a group of comparable organisations in most areas. Rent collection and rent arrears performance is improving as are re-let times, two of the three repairs targets, vacant dwellings available to let and rent lost due to vacant dwellings. Tenant satisfaction overall has improved. Some indicators show declining performance: lettings to BME households and the proportion of emergency repairs carried out within target timescales. Repair appointments made and kept shows slightly declining performance but it is still in the top performing quarter of comparable organisations. The organisation is continuing to make progress but there is need for further improvement.

- 274 Right to buy applications are not all being processed within Government timetables although the situation is improving. New procedures have been introduced to deal with this work. Service is improving in this area although applicants are still not having their cases dealt with within reasonable timescales.
- 275 The association is benchmarking its services but has not yet established benchmarking partners for all of its activities. It is actively involved in the Yorkshire and Humber benchmarking club as a part of its ongoing membership of Housemark. As part of this it has hosted performance improvement seminars. It was instrumental in establishing the West Yorkshire Strategic Procurement Alliance that is examining issues around cost and performance and benchmarking data is now beginning to flow from that. Formal benchmarking partners for other work areas have not yet been established. The association expects to do that in the coming year. While there is comparison with other organisations there is not yet a demonstration of how this has led to improved services.
- 276 PH2K is a learning organisation. There has been active networking from the time of transfer. For example, networking has played a major role in the decision-making around the acquisition of the new IT system. Some 50 organisations were contacted in the first place and following that, three were chosen for major consultation. This work had a major bearing on the system chosen. Staff are encouraged to become involved with other housing related organisations and there has been learning as a result of this and through paid consultancy carried out. In considering how best to deliver gas servicing, there were discussions with high performing authorities. The association also seeks to learn from its own experience through processes such as complaint analysis and scheme panel final reviews.
- 277 PH2K has a good track record of service improvements as evidenced by the work around the best value reviews of front line services. For example:
- ◆ for the sheltered housing service amongst the range of outcomes were consistency in working practices, choice-based access to service, service standards and more effective use of the care alarm service. Floating support has been established for older tenants not housed within the schemes and extra care sheltered housing is currently being built;
 - ◆ the creation of specialist voids teams, improved tenancy sign-up arrangements, accompanied viewing and tenant visit four weeks after the tenancy start;
 - ◆ wide ranging work on anti-social behaviour including the introduction of a mediation service, use of the company's offices as hate crime reporting centres, active involvement in multi-agency work, a specialist team and out-of-hours service;
 - ◆ remodelling the repairs service from a client contractor split to an integrated service. The introduction of performance related pay for repair operatives, additional discretion for tradespeople to ensure more first visit repair completions and establishing a repair call centre;
 - ◆ the introduction of Allpay swipe cards for rent collection and quarterly rent statements;
 - ◆ reshaping the caretaker service to provide a wider geographical service than traditional residential based services. Provision of increased CCTV monitoring; and

- ◆ a strong focus on dealing with rent arrears at an early stage. The introduction of a specialist arrears team. The appointment of a welfare benefit advisor, financial support to the citizens' advice bureau and promoting credit union membership to tenants.

However, tenant's opinions about services are not systematically gathered to inform continuous improvement of those services.

278 Other evidence of service improvement includes:

- ◆ the achievement of the business plan target for savings for the current budget year; and
- ◆ the delivery of a substantial part of the commitments given at the time of stock transfer, including an improvement programme of some £60 million in the two years following transfer.

How good are the current improvement plans

279 Planning is an area which is generally well developed but there are weaknesses. Spending on responsive repairs is at a high level and proportionally so compared with planned works. There is as yet no analysis of the situation or action plans to deal with it although this has been commissioned through the 'lean fundamentals' project. Some reviews have not adopted a rigorous approach and tenants have not been involved at the core of policy review processes.

280 PH2K has a structured approach to policy review but until recently there was no formal arrangement for the involvement of tenants. There is a published policy review timetable for the review of policies. This contains 46 policies covering a wide range of activity including governance, procurement and tenant participation. Reviews are timetabled over a five-year period with the review cycle varying from one to five years. There is specific officer responsibility for the co-ordination of the reviews. In contrast to best value reviews, arrangements for the involvement of tenants and other stakeholders at the core of the review have only recently been introduced.

281 The organisation keeps a focus on what matters. There is a clear path between decision-making at governance level and the work plans of teams. The annual preplanning of agendas for committees ensures the regular consideration of key areas of operation. Risk management is well developed. There is good understanding at board level of key strategies and these are actively considered in away days and action planning. A board member described the work of the board as 'a continuous round of reconsideration'. This is a strong corporate planning framework.

282 Service reviews are delivering improvements. The organisation continues to implement its best value performance plan within the five-year programme. All major frontline services have been subject to review. As a result of those reviews, services have been substantially reshaped. This has included the introduction of the repairs call centre, new arrangements for rent collection, a radical change to the caretaking service and remodelling the provision of sheltered housing. These reviews have followed best value principles, actively involved tenants and staff and introduced service improvements that tenants value. It is clear that service review and improving change are central to the work of the organisation.

- 283 Not all reviews have followed best value principle in a rigorous way. While many front line service reviews have effectively challenged and radical change introduced as a result, there are examples where the process has not been robust, for example the competitive element of rent collection.
- 284 The service improvement planning process is not restricted to the best value improvement planning process. Where it is clear that there is a business need, as a result of identifying shortfalls, these have been responded to. A good example of this is the area of IT systems. These have been subject to comprehensive review and new systems are being rolled out. Similarly, the repairs processes are to be subject to review in the near future through the 'lean fundamentals' project. This demonstrates a self awareness of key weaknesses.
- 285 Action planning is a characteristic of the organisation. We have seen a wide range of plans which seek to improve the service, are monitored and in some cases reported on. These have included best value reviews, service characteristic plans eg diversity and tenant participation, service specific plans including repairs and maintenance and arrears and service development plans including the training plan. This approach ensures issues are not 'lost'.
- 286 A comprehensive review of the processes around repairs has been commissioned. Known as the 'lean fundamentals' project, this seeks to fundamentally re-engineer the service to achieve outcomes that the customer values. We are told that it will address many of the issues around the repair service that we have commented on.
- 287 The content of plans is variable. There are action plans in place which are used as working documents for responsive repairs and maintenance to drive forward improvements identified within the service. However, the action plans are not SMART and do not pick up the issues identified within this inspection, such as value for money issues, high levels of emergency and urgent repairs. Other plans are rigorous. The leasehold action plan is robust. It sets clear and challenging targets for the establishment of a good service by early in 2005. Its construction is SMART and there are clear milestones for the principal tasks. Priorities follow a logical progression for service development and timescales are realistic and challenging.
- 288 Not all action plans have lead to the delivery of change at the right time. The Housing Corporation's diversity targets for associations have not been met in full within the specified timescales and work to achieve compliance with the Disability Discrimination Act are not yet complete.
- 289 Other stakeholders are involved in planning. Work around wider regeneration and the development of social enterprises has been with a wide range of agencies and organisations. There are strong links with a BME housing association to further the interests of BME communities. Tenants have been actively involved in the planning processes through best value and other reviews and in work around estate planning and refurbishment. There is evidence that some of their suggestions have been implemented.
- 290 The approach to procurement is strong. Major investment programmes are delivered through modern procurement arrangements. This approach is being extended as existing contracts come to be reviewed. Tenants are involved in this. The work with the profit focus group continues and work with the procurement for housing consortium is producing supply chain savings.

Will improvements be delivered?

- 291 It is our judgement that improvements will be delivered. The organisation has strong leadership that stays focused on the important issues. There is a clear understanding of the local context and a significant contribution to wider regeneration. There is a clear vision, challenging aims and processes to ensure priorities are resourced. Procurement and partnerships are delivering real benefits. Performance management arrangements and service planning are generally good. Risk management is a particular strength. There are some areas of weakness but the majority of these are being dealt with. Issues that were identified during the inspection are being acted on. These are the characteristics of a dynamic organisation that will continue to improve.
- 292 The leadership of the organisation is strong. This strength is demonstrated by the consistency with which fundamental objectives have been pursued and by the constant underlining of the ethos of the organisation as being a people centred business. This strength has not however, been applied across the whole of the business since the repair service, while improved has not been effectively challenged. Difficult decisions have been taken to ensure the efficiency and viability of the organisation including workforce planning, organisational restructuring and office closures, major changes have been introduced in the housing management and repairs processes to improve their effectiveness and efficiency including the introduction of pay banding for craft workers that reflects service quality. Services are subject to an ongoing series of reviews to seek continuous improvement. New and integrated IT arrangements have been commissioned and are partly in place. Modern approaches to procurement have been adopted to deliver major spending programmes. The organisation as a whole accepts change.
- 293 There is a clear understanding of the local context in which the organisation operates. Good and effective liaison with the local authority is maintained at a strategic level. There are effective partnerships that further that understanding including those with the formal structures of tenant participation, with partnering contractors and with specific organisations including Nashayman. The organisation embraces the need to contribute to the aims of wider regeneration, sustainability and community development. It has well developed programmes to further that. Partnering arrangements with major contractors have monitored targets for local labour, local sub-contractors and local suppliers. More than 40 modern and adult apprenticeships have been established with a high level intake from BEM communities. The organisation, to use the title of the apprenticeship programme, is delivering more than brick and mortar.
- 294 There is a clear vision and challenging aims for both the immediate and medium-term future. The objectives in the medium-term are to continue to deliver the promises that were given to tenants at the time of transfer around rents, the investment programme, service improvements and maximising local economic benefits. These are expanded in the corporate plan with a range of key delivery strategies, many of which are already being delivered. In the longer-term there is recognition of the need to continue to develop the business, not be part of a process of managing decline and to sustain dynamism and momentum. The board have considered a range of options and these are currently being pursued.

- 295 There is a clear cyclical process for establishing priorities and ensuring that they are resourced. The core objectives and priorities of the organisation are reviewed on an annual basis. These then feed into team plans. The roles, personal objectives and training needs of individuals to deliver these plans are established through personal development reviews. This is a cyclical process that is also fed by the business plan, risk mapping work and service evaluations. Staff confirm that this is a process that is actively followed. The organisation is committed to formally consult with the federation of residents association on policy issues that affect tenants and this is a part of the performance framework. Representatives are welcomed at board meetings and can raise issues there.
- 296 The organisation is aware of its capacities and enhances these where appropriate. There is clear recognition that the needs of the organisation are changing over time. The changes resulting from the future completion of major investment works and the losses of stock from demolitions and right to buy have led to a timely approach to workforce planning. There was recognition that the existing IT systems were inhibiting the development of better services and monitoring and a new system has been commissioned. There is a comprehensive training and development programme for the board, managers, staff and tenants. There is specific assessment of the competencies of the management team, including that of the chief executive, on an annual basis. There is active encouragement of staff to become involved in other housing organisations which generates personal development and organisational gain. Capacity has been enhanced by consultancy work for other organisations.
- 297 Organisational culture seeks to develop and empower the workforce. Management is working to achieve a no blame culture and develop the discretions available to staff to deliver an appropriate service consistent with particular circumstances and the need for probity. Staff recognise this.
- 298 Partnerships are delivering tangible benefits. In addition to its contracting partnerships, PH2K has a productive partnership with the profit focus group. This has created considerable savings. Projects have included the outsourcing of material stores, the vehicle fleet, mobile phones and utility bills.
- 299 Performance management arrangements at board and committee level are robust but do not benchmark with best performers. A range of detailed monitoring reports are considered by the operations committee on a programmed basis. However, there is not yet benchmarking with best performers. The association argues that the rate of change within the organisation has been such that this would not have been helpful. It expects that this will be possible within the next year.
- 300 Good use is made of performance management information. A range of officer groups consider performance information both statistical and subjective in order to improve services. A further group is working to ensure that the data needs of performance monitoring can be met, including ensuring that the data meets the validation requirements of the housing corporation. Work is well advanced on establishing a group of indicators that show the 'health' of the organisation overall - the 'corporate dashboard'.

- 301 There are good service planning processes but target setting and monitoring is variable. Service planning draws clear links between corporate objectives and the contributions required of teams. So far as individuals are concerned, the picture is less clear. There is clear target setting for some groups of officers, for example housing officers, and clear monitoring arrangements for others, trades people and call centre staff. There is no express requirement for all staff to have clear personal targets and arrangements for monitoring. We accept the difficulty of target setting for those engaged in developmental work. However, it is our view that individuals should know what is expected of them and be monitored on their achievements.
- 302 The response to the inspection has been both positive and active. A number of potential improvements identified during the inspection were actioned immediately. These have included a revision to former tenants' arrears procedures, the establishment of void surveys to enhance the stock condition database, reduction in the inspection of sub-contractors' work and maintenance staff carrying liability slips for rechargeable repairs. Since we left site and prior to the publication of the report a draft action plan has been prepared and a comprehensive set of service standards prepared and consulted upon. We are told that they will be published this month.
- 303 The role of tenants in target setting and monitoring performance is undeveloped. There are good arrangements in place in respect of tenant participation but otherwise this is an area in which the association is weak. Whilst we were on site we were shown revised arrangements for including tenants in the formal, and timetabled, policy reviews. This is a positive development but is only part of what is required.
- 304 There are no comprehensive service standards in place. This is a significant weakness. Without such standards and the associated monitoring and reporting there can be no clarity about the quality of service as perceived by the customer and whether improvements are being achieved.
- 305 Budget setting and monitoring is currently a centralised process and inconsistent with the stated aim to empower staff. Monitoring arrangements are good and form the basis of exploring the whole operation of the business. There are plans to train managers and devolve budgets.
- 306 Some of the improvements seen during the inspection have been relatively recent. These have included the reworking of leaflets to offer plain language, alternative formats and with the use of community languages, the publication of the complaints procedure and starting to engage with hard to reach groups. We would have expected to have found these initiatives more established, notwithstanding the major change agenda the association has embarked upon.
- 307 There are good governance and codes of conduct in place. Staff and board members are required to make declarations of interest as they occur and declare receipt of gifts and hospitality. Members and senior staff are also required to make an annual declaration of interest in writing. Files are maintained with the original declarations and notes of declarations made at board meetings. The board receives an annual report on the declarations made. This framework gives confidence in the probity of the members and staff of the association.

308 Risk management is strength of the organization. A strategy has been in place since shortly after the formation of PH2K. It is currently considered by the board on a six-monthly basis. The risk map is comprehensive and identifies control mechanisms which themselves drive the actions of the association. It is updated on a regular basis. Helpfully the last report to the board identified the top-20 risks. Board members have been trained on their role in risk management. This approach ensures the minimization of risk.

Summary

- 309 Performance is improving in many areas but the association is not yet a top performer. There is a good track record of service improvements particularly following best value reviews of front line services. The association is a learning organisation that networks effectively and is developing benchmarking. There are weaknesses. The overall approach to diversity is underdeveloped although action is now being taken. Services to leaseholders are poor.
- 310 Action planning is a characteristic of the organisation. There are a wide range of plans that seek to improve the quality of service and there is a structured approach to policy review. There is a clear link between decision-making at board level and the work programmes of teams. Weaknesses include a high level of expenditure on responsive repairs with no current analysis of the situation or action plan to deal with it. Not all plans follow the rigour of best value reviews and tenant involvement at the heart of policy reviews is only now being introduced.
- 311 The organisation has strong leadership that stays focused on the important issues. There are processes in place to ensure that priorities are resourced. There is an understanding of the context in which the association works and a significant contribution to wider regeneration. Partnerships are delivering considerable benefits. Performance management and risk analysis inform action.

Appendices

The purpose of a inspection is to make two judgements. The first is how good is the service being inspected? The second is what are the prospects for improvement? We carried out a range of activities to enable us to reach our judgement.

Performance Indicators

Performance Indicator		2001/02	2002/03	2003/04	2003/04 Median Comp group	2003/04 Quartile position comp group	Improving or declining
Average weekly gross rent	£	39.79	42.85	44.12	51.48	1	
Rent collection	%	-	95.7	100.1	99.1	1	
Rent arrears	%		11.7	9.4	6.9	4	
Rent lost due to vacant dwellings	%	-	6.1	5.8	3.1	4	
Dwellings vacant and available to let	%	3.8	2.3	1.3	1.3	3	
Dwellings vacant and not available to let	%	3.2	5.1	5.4	1.8	4	
Re-let time	D		104	83	48	4	
Lettings to BME households(new)	%		2.7	2.2	-	-	
Average SAP rating		56	56	56	59	3	
Failing decent homes standard	%	59.9	60.3	-	11.2	4	?
Emergency repairs on target	%	96.0	97.0	96.1	96.4	3	

Performance Indicator		2001/02	2002/03	2003/04	2003/04 Median Comp group	2003/04 Quartile position comp group	Improving or declining
Urgent repairs on target	%	92.0	93.0	95.0	94.4	2	
Routine repairs on target	%	88.0	90.0	91.3	93.6	4	
Appointments made and kept	%	99.0	99.3	98.0	97	2	
Tenant satisfaction overall	%	78	78	82	79	2	
Tenant satisfaction with participation	%	62	62	60	63	3	

Documents reviewed

Before going on site and during our visit, we reviewed various documents that the association provided for us. These included:

- ◆ self-assessment;
- ◆ business plan;
- ◆ corporate plan;
- ◆ annual report;
- ◆ performance and target data;
- ◆ best value performance plan;
- ◆ risk map;
- ◆ governance documents;
- ◆ IT review papers;
- ◆ a wide range of policy and procedure documents;
- ◆ a range of agendas and meeting minutes;
- ◆ training programmes;
- ◆ structure charts and job descriptions;
- ◆ housing allocation scheme;
- ◆ tenants handbook;
- ◆ tenants compact;
- ◆ customer advice leaflets and tenants newsletters;
- ◆ residents satisfaction survey; and
- ◆ audit report.

We have also considered other relevant documentation. This has included:

- ◆ Housing Corporation Assessment - September 2004;
- ◆ Housing Corporation Performance Data; and
- ◆ Calderdale MBC Comprehensive Performance Assessment.

Reality checks undertaken

When we went on site we carried out a number of different checks, building on the work described above, in order to get a full picture of how good the service is. These on-site reality checks were designed to gather evidence about what it is like to use the service and to see how well it works. We also followed up on issues relating to the management of the review and the improvements flowing from it. Our reality checks included:

- ◆ observation of, and discussion with, a resident's group meeting;
- ◆ attendance at a scheme panel meeting;
- ◆ visits to office reception areas;
- ◆ visit to call centre;
- ◆ visits to estates and checking grounds maintenance and estate management;
- ◆ inspection of properties ready for letting;
- ◆ face-to-face and telephone interviews with tenants including active tenants;
- ◆ complaints file review;
- ◆ rent records; and
- ◆ group wise database.

Positive practice

'The Commission will identify and promote good practice. Every inspection will look for examples of good practice and innovation, and for creative ways to overcome barriers and resistance to change or make better use of resources'. (Seeing is Believing).

Customer care champions

There are 25 self-selected customer care champions spread throughout the organisation. Each department and office has a champion. They act as a voice for the customer in their teams. They agenda and discuss issues around customer care including good and bad practice at team meetings. They also deal with issues on a one-to-one basis. As a group, and with management support, they have been involved in the provision of 'talking signs', have instigated job swaps and shadowing and have drafted service standards. They maintain a common email database to network good practice.

Scheme panels

These panels are made up of staff, tenants and contractors and are established for each improvement scheme. They are responsible for arranging the most appropriate way for the scheme to be delivered taking into account residents views and then monitoring progress and managing complaints.

Financial support and advice for tenants

There is an emphasis on the prevention of debt and the provision of advice. A welfare benefits officer is employed, a worker from the CAB is part funded and works from the association's offices and there is active encouragement for tenants to belong to a credit union. Benefits advice is made available to tenants of sheltered housing schemes and the wider community through the 'silver service' initiative.