

Berneslai Homes Re-inspection

Barnsley Metropolitan Borough Council

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Arms Length Management Organisation (ALMO) Inspections

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

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

This inspection has been carried out by the Housing Inspectorate using powers under section 10 of the Local Government Act 1999 and is in line with the Audit Commission's strategic regulation principles. In broad terms, these principles look to minimise the burden of regulation while maximising its impact. To meet these principles this inspection:

- is proportionate to risk and the performance of the council/ALMO;
- judges the quality of the service for service users and the value for money of the service;
- promotes further improvements in the service; and
- has cost no more than is necessary to safeguard the public interest.

This service was inspected as part of the Government's ALMO initiative, which encourages councils to set up ALMOs to manage, maintain and improve their housing stock. The Government decided that councils pursuing this option can secure additional capital funding if the new arm's length body has received at least a 'good' rating from the Audit Commission's Housing Inspectorate.

An ALMO is a company set up by a local authority to manage and improve all or part of its housing stock. The local authority remains the landlord and tenants remain secure tenants of the authority. An ALMO does not trade for profit, and is managed by a board of directors comprising council nominees, elected tenants/leaseholders and independents.

The Housing Inspectorate has published additional guidance for ALMO inspections.

- *'ALMO Inspections and the delivery of excellent housing management services'*¹.
- *'Learning from the first housing ALMOs'*².

¹ March 2003

² May 2003

Summary

- 1 Barnsley Metropolitan Borough Council is a metropolitan council in South Yorkshire. The population is 218,000 of which 0.9 per cent are from minority ethnic communities.
- 2 The Council is Labour led with 33 of the 63 seats.
- 3 The Council employs 10,800 staff across all services and had a net revenue budget for 2004/05 of £244 million.

Scoring the service

- 4 We have assessed Berneslai Homes 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.

Table 1 Scoring chart³

		Prospects for improvement?				
Excellent						‘a good service that has promising prospects for improvement’
Promising			☀			
Uncertain						
Poor						
		Poor	Fair	Good	Excellent	
			★	★★	★★★	

A good service?

- 5 The service is good because Berneslai Homes has continued to develop access arrangements, enhance its approach to diversity issues and it has robust arrangements in place to ensure that value for money is obtained in service delivery. The ALMO’s lettings, tenancy, estate and asset management services are of high-quality and it is also improving the way it delivers repairs and rents.
- 6 Plans are in place to improve the leasehold management service, although these are newly implemented and not yet fully embedded and the company’s attempts to develop resident involvement work have not resulted in significant uptake by non-traditional groups.
- 7 Supported Housing, which represents a quarter of Berneslai Homes’ stock, is a poor service area. This service does not conform to modern standards and is awaiting a large scale remodelling, which is planned over the next 18 months.

³ 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.

- 8 The service has promising prospects for improvement because Berneslai Homes has a strong track record in improving the things which matter most to customers, in addressing the recommendations of the previous inspection and, particularly, in delivering its large scale decent homes improvement programme. It can demonstrate that strong leadership, robust planning and effective performance management systems have allowed it to focus on developing VFM in service delivery.
- 9 There are appropriate arm's length relationships with the council and a culture of continuous improvement is embedded, although this would be strengthened if a clearer long-term vision and formalised HR strategy were in place.
- 10 There remain, however, barriers to improvement in the slow pace of change which the ALMO has shown in addressing poor service delivery in its sheltered housing service.

Recommendations

- 11 To rise to the challenge of continuous improvement, organisations need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the organisation. In addition, we identify the approximate costs⁴; indicate the priority we place on each recommendation and key dates for delivering these, where they are considered appropriate. In this context, the inspection team recommends that the organisation shares the findings of this report with the ALMO Board, the council and customers and takes action to address all weaknesses identified in the report. The inspection team makes the following recommendations.

Recommendation

R1 Complete the DDA compliance survey on the common parts of residential buildings.

The expected benefit of this recommendation is:

- to ensure access for residents and visitors to all buildings under management.

The implementation of this recommendation will have medium impact but is not costed as it is a legal requirement. This should be implemented within three months.

Recommendation

R2 Develop the diversity action plan:

- *develop a stand alone improvement plan for targeted recruitment of Board members from under represented groups;*
- *review the approach to collecting and using feedback from excluded groups for service development; and*
- *analyse all satisfaction data by diverse categories.*

The expected benefits of this recommendation are:

- ensure the composition of the Board reflects the community the ALMO serves;
- ensure the views of all customers are taken into consideration in service development and tailored services are developed to meet specific needs; and
- ensure services are being delivered fairly.

The implementation of this recommendation will have medium impact with low costs. This should be implemented within three months.

⁴ Low cost is defined as less than 1 per cent of the annual service cost, medium cost is between 1 and 5 per cent and high costs is over 5 per cent.

Recommendation

R3 Develop existing service improvement plans for repairs and maintenance:

- *implement systems to increase the number of repairs done 'right first time' and to monitor and manage performance against this indicator;*
- *review the quality of the current lettings standard with a view to defining 'reasonableness' and to raising the standard of decoration; and*
- *review the approach to issuing decoration allowances and the staff training and guidance available in this area.*

The expected benefits of this recommendation are:

- ensure the quality of service delivered to customers continues to improve;
- improve consistency of quality in properties offered to prospective customers;
- optimise the likelihood of properties offered being accepted immediately and raise the satisfaction levels of new tenants; and
- reduce the likelihood that differential services are being delivered in different areas on the issuing of decoration allowances.

The implementation of this recommendation will have high impact with medium costs. This should be implemented within three months.

Recommendation

R4 Develop existing service improvement plans on income management:

- *carry out work to appropriately separate out rent account debits;*
- *develop partnership approaches to targeted take up campaigns, using data already available; and*
- *provide training and guidance for staff on the use of budget sheets.*

The expected benefits of this recommendation are:

- ensure the company is acting lawfully in rent accounting and that customers are clearer about the respective amounts owed for rent and other charges;
- maximise the incomes of the most vulnerable customers and enhance their ability to pay rent; and
- improve consistency in the service being delivered and ensure clarity of staff roles as creditor, rather than debt counsellor.

The implementation of this recommendation will have medium impact with low costs. This should be implemented within three months.

Recommendation

R5 Review the resourcing of resident involvement work with a view to ensuring it is adequately resourced and co-ordinated.

The expected benefit of this recommendation is:

- ensure the increasing involvement of residents from all communities in service improvement at all levels and in a wider range of ways.

The implementation of this recommendation will have medium impact with medium costs. This should be implemented within six months.

Recommendation

R6 Develop existing service improvement plans for supported housing:

- *evaluate opportunities for developing a dedicated supported housing team;*
- *address weaknesses in processes for delivering support services, in line with QAF guidance, to achieve a level C assessment (including development of support plans, addressing of Freedom of Information and data protection weaknesses and risk assessment);*
- *develop a monitoring framework for supported housing, using Supporting People guidance; and*
- *evaluate the provision of mobile phones and answering machines for wardens.*

The expected benefit of this recommendation is:

- ensure that a modern supported housing service is delivered.

The implementation of this recommendation will have high impact with medium costs. This should be implemented within three months.

Recommendation

R7 Develop a comprehensive human resources strategy.

The expected benefits of this recommendation are:

- Pull together existing strands to ensure effective workforce planning and training provide the capacity to move the business forward.

The implementation of this recommendation will have medium impact with low costs. This should be implemented within six months.

- 12 We would like to thank the staff of Berneslai Homes who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 28 November to 9 December 2005

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Report

Context

The locality

- 13** Barnsley Metropolitan Borough Council covers an area of 320 square kilometres in South Yorkshire, divided by the M1 motorway. At 218,000, it has the third lowest population density of the 36 Metropolitan Districts in England, of which only 0.9 per cent is from minority ethnic communities. The population is also ageing, with the 75 plus age group increasing by 14 per cent between 1991 and 2001
- 14** ⁵.
- 15** The district is diverse and includes rural areas in the west, with the population primarily focused on the market town of Penistone and outlying villages. Social and economic conditions here are generally similar to national averages, although a lower than average proportion of the population is economically active and training levels are comparatively low.
- 16** Eighty per cent of the population lives in the eastern half of the district, which includes the town of Barnsley and surrounding former mining towns and villages. This area is more deprived than the west. The decline of the coal industry has left a legacy of high unemployment, contaminated land, industrial disease and general ill-health in the working population. The number of people not working due to long-term sickness is double the national average. Overall, the district is ranked 34th in the indices of deprivation. Over 25 per cent of its areas are among the most disadvantaged 10 per cent in England⁶ and these figures rise to 41 per cent in employment and 33 per cent in health.
- 17** Of the 98,500 dwellings in the district, over 69 per cent are owner occupied and 23 per cent are rented from the Council. Only 2 per cent are owned by housing associations. The housing market has changed over recent years, with rising house prices, increased Right-to-Buy⁷ and a reducing council house turnover, 2.8 per cent of council properties remain 'difficult to let', however, and 25.8 per cent are 'low demand'. A housing market renewal pathfinder (HMRP) is in operation sub-regionally, including a small area in the east of Barnsley, and a ten-year sub-regional investment plan and strategy has been developed by a housing and regeneration partnership. The Green Corridor environmental renewal initiative straddles South and West Yorkshire.

⁵ 2001 Census.

⁶ Office of National Statistics Indices of Deprivation 2004.

⁷ 961 properties were sold in 2004/05.

The organisation

- 18 The Council is made up of 63 councillors and is controlled by the Labour group, which holds 33 seats. A leader and cabinet system is in place. It employs 10,800 staff across its five directorates and had a net revenue budget of £244 million in 2004/05.
- 19 The Council's mission statement is: *'to improve the social, economic and environmental wellbeing of Barnsley by working with, and on behalf of, all those who live, work and invest in the borough.'*
- 20 The council is a three-star CPA authority and has a fit for purpose housing strategy and housing revenue account (HRA) business plan. Its vision for housing, as set out in the housing strategy, is that *'Everyone should have access to a home that is warm, dry and affordable in a peaceful and secure environment'*.

The service

- 21 On 1 April 2005, the Council owned 21,070 properties in the district and there were 242 leaseholders. In addition, there are 12,000 properties which have been sold under the Right-to-Buy. The stock is largely traditional and built before 1965. There are only three medium-rise blocks. Nearly two-thirds of the stock is houses and almost a quarter is bungalows. The council has 49 sheltered housing schemes, housing approximately 1,600 tenants.
- 22 The gross rental income to the HRA in 2004/05 was £46.22 million. Capital programme expenditure was £64.1 million. Average rents were £41.73 per week. This low resource base is also reflected in the Council having the second lowest combined management and maintenance subsidy allowance of any metropolitan authority.
- 23 The Council established an Arms Length Management Organisation (ALMO) called Berneslai Homes in December 2002. It has an agreement for five years, with the option to extend this for further five-year periods. The ALMO has been given delegated responsibility for providing housing management and maintenance services. It employed around 390 staff to deliver the service until earlier this year, when it took over management of part of the Council's in-house building service section and now employs 713 people.
- 24 The ALMO strategic board consists of five tenants, five council nominees and five independents. It also has two area boards⁸ which operate as subcommittees and each have five tenant, four council and three independent members. It has additional subcommittees and working groups covering specific issues.
- 25 The Council has retained responsibility for: housing strategy and enabling; homelessness and housing advice; and the central call service.

⁸ North and south.

- 26 In September 2002, the Audit Commission inspected Berneslai Homes and judged it to provide a good, two-star service, with promising prospects for improvement. That assessment enabled Barnsley to receive an initial £48.2 million, rising to a total £141.6 million, to bring its homes up to the decent homes standard.
- 27 Berneslai Homes is a partner in the Housing Regeneration Forum and the Heads of Agency group, which feed into the local strategic partnership. It is also a key player in improvements in the HMRP area.

How good is the service?

What has the service aimed to achieve?

- 28** In 2003/04 the strategic and area boards held a number of visioning events to explore aims, objectives and role. This led to the adoption of a mission statement '*A fresh approach to people, homes and communities*'. Its aim is to provide excellent, customer-focused services by:
- providing homes that are well-managed;
 - treating tenants well;
 - delivering value for money;
 - having a deliverable strategy in place to achieve decent homes;
 - accessing alternative sources of funding; and
 - developing a clear vision for the future direction of the organisation.
- 29** To ensure that the vision is translated into action, Berneslai Homes has adopted seven service delivery objectives, as outlined in the business and delivery plan, which have been agreed and developed in consultation with stakeholders. These cover:
- revenue and asset management;
 - estate management;
 - lettings and the use of housing stock;
 - stock maintenance;
 - strategy, policy and planning;
 - partnership working; and
 - resident support.
- 30** The ALMO describes its philosophy as being:
- partnership working with customers, agencies and private companies;
 - customers being at the heart of decision-making and service standard setting and monitoring through a range of mechanisms;
 - services being designed and delivered to meet customer requirements; and
 - a positive and modern approach to the training and development of staff.

Is the service meeting the needs of the local community and users?

Access and customer care

- 31 At the last inspection access to housing services had improved, with the development of the property shop and website, good-quality re-branded leaflets and increased estate based accessibility of housing management staff. Efforts had been made to improve facilities in local offices, although the limitations of buildings meant that they were below modern standards. Staff were friendly, helpful and provided good customer care.
- 32 In this inspection, we found that the ALMO has continued to develop access arrangements and there remain significantly more strengths than weaknesses in this area. Under strong leadership and customer-focused staff frontline services are improving and there is a DDA compliance plan in place. Satisfaction levels, however, are not universally high and the company is not fully DDA compliant yet.
- 33 The ALMOs arrangement with Barnsley Connects has improved telephony services for customers. Performance data and reality checking indicate that there is improving accuracy, shorter waiting times, fewer missed calls and improving customer satisfaction with telephone services. Clear service standards are in place, dedicated process scripts are used and monthly monitoring meetings, which involve customers, ensure performance and good practice are kept under review. These arrangements ensure Berneslai Homes' customers making telephone enquires on repairs and other matters receive an efficient and effective service.
- 34 Barnsley Connects frontline offices also provide a good service. Well trained, uniformed staff are helpful, efficient and take responsibility for problem solving. The nine offices are welcoming, well-stocked with accessible leaflets and dedicated Berneslai Homes notice boards display performance and other useful information. This helps to ensure that customers visiting Barnsley Connects in person receive a good-quality service on behalf of the ALMO.
- 35 Berneslai Homes' Board receives appropriate reports on access issues and displays clear leadership on the need for a customer-focused approach to service delivery. The Board has particularly ensured that customer views have been taken on board and barriers to access addressed by extending opening hours and increasing the visibility of housing management staff.
- 36 The ALMO has a commitment to expanding access opportunities through the use of technology. It has a helpful website, offering a range of interactive services and also has a system for repair and complaint reporting through digital television. Analysis indicates that neither the website nor digital TV services are well used. This is because customers have limited access to computers and digital TV, despite support for computer literacy work in communities and digital TV aerials being installed as part of decent homes work. The availability of the service means some customers, however, have more access options and the company is well placed to develop these opportunities in future.

- 37 Published information provided for existing and potential customers is generally of high-quality and there is a comprehensive range in place. Documents and standard letters are written in simple language and have been approved by tenant and resident representatives. All include information about availability in community languages, following consultation with the Barnsley Black and Ethnic Minority Initiative (BBEMI) and asylum seeker team, as well as about alternative formats, including audio and Braille. Pragmatic decisions about which documents should be published and displayed in these formats and which should be available only on request have been based on value for money considerations and all customers can access key documents.
- 38 The company has adequate translation services in place, with frontline staff able to use language line and type talk, although monitoring indicates that customer take-up has been limited, to date. BBEMI occasionally provides interpretation services for lengthy interviews and there is an accessible register of staff language skills, including British Sign Language, which allows cost effective and speedy interpretation where necessary. All staff and the operatives of strategic partners also carry language cards, which allow customers to identify how they should be addressed. A website upgrade was pending at the time of this inspection, which will provide key information in a community language panel, improving electronic accessibility.
- 39 The company provides quarterly 'Open House' newsletters to its customers, which include performance and complaint information and informative articles on issues such as gas servicing. The newsletter also covers leaseholder issues, although the leaseholder forum will shortly discuss whether a separate newsletter is required for this customer group. This means that all customers receive essential information, even if they choose not to participate further in resident involvement activity.
- 40 Service standards have been developed with customers in most areas and are generally well-publicised. Application handling standards are also available for applicants and the void standard is issued at the offer stage. This means customers are aware of the standard of service they should expect in each area and whether it is appropriate to challenge or complain about service delivery.
- 41 Methods for making complaints are simple and well-publicised and the standard of complaints handling is high. All complaints are recorded and dealt with through a formal procedure and there are appropriate monitoring and reporting systems in place to ensure quality and speed of response. A 15 day target is in place for responses and 15 of the company's 18 divisions are performing within that timescale, giving an overall average of 16 days. Ombudsman enquiries are also effectively handled. This indicates that customers are receiving an efficient service.

- 42 Customer satisfaction with complaints is mixed, but managers have responded effectively to negative responses. For example, in the first quarter of 2005/06, there was 86 per cent satisfaction with the helpfulness of staff and 85 per cent with the speed of response, but only 46 per cent of complainants felt they were kept up-to-date with progress, there was only 64 per cent satisfaction with the explanation given about the outcome and only 73 per cent overall satisfaction with the process. This has resulted in refresher training for managers on complaints handling and revised audit arrangements to chase progress on outstanding replies. This indicates that Berneslai Homes is working to continuously improve the effectiveness of the complaints system.
- 43 Access to key processes and systems is easy and well-publicised and staff are customer-focused. There has been some general work done with customers to establish how they want to be contacted and their preference for personal letters is addressed in the way the company communicates with them on key issues. Inspectors observed staff in action at application, sign-up and introductory visit stages and found that they provide ample opportunity for customers to raise issues of concern and to ask questions. The way these sessions are conducted helps build positive, trusting relationships at an early stage.
- 44 Maintenance services are also delivered in a customer oriented way. A contractor code of conduct is in place, monitored by a customer care task group, and inspectors found that operatives from both construction services and partner organisations understand the behaviour expected of them. Customers receiving improvement works are offered extensive choices of fixtures and fittings, are well prepared for the disruption involved by being shown a series of 'before, during and after' photographs and dedicated Tenant Liaison officers make regular contact before and during works. Customers waiting for batched repairs are kept informed of when their work will be done and weaknesses in the information held by both Barnsley Connects and sheltered housing wardens about batching and decent homes work, which meant they were not always able to deal effectively with customer queries were addressed by Berneslai Homes during the inspection.
- 45 There is a resourced plan to achieve compliance with the Disability Discrimination Act 1995 (DDA) in offices by July 2006 but not in the communal areas of sheltered schemes or blocks of flats. The Council's £11 million investment of private finance initiative (PFI) credits in the Barnsley Connects service includes work to existing offices and some new build facilities. The ALMO's own estate offices are less accessible but their future has been thoroughly reviewed with user groups and only nine of the current 18 will be retained. Berneslai Homes' property shop is well located in the town centre and is DDA compliant. Surveys of communal areas in blocks of flats and sheltered schemes are due for completion by the year-end. Although a commitment has been given to make these areas accessible during 2006/07, a resourced plan cannot be developed until the scale of the work is known. This means that there is no certainty about when disabled customers will be able to access all public areas under the ALMO's management.

- 46 Overall customer satisfaction figures are not high, with only 71 per cent happy with the service, 74 per cent with enquiry outcomes and 80 per cent with the professionalism and friendliness of staff. It should be noted, however, that this survey was last carried out before improvements in the Barnsley Connects service were made and when only the first year of decent homes work had been completed. Survey methodology has also improved at service level in recent months, with better results generally being obtained by using more targeted and varied methods of information gathering, such as telephone surveys. These are covered elsewhere in this report, in each service area.

Diversity

- 47 In the previous inspection, although Berneslai Homes was strong in dealing with racial harassment and was beginning to identify and address the needs of BME communities, particularly travellers, there was still a significant amount of work to do on diversity.
- 48 In this inspection we found that the ALMO has begun to address diversity issues and there are now more strengths than weaknesses in this area. Berneslai Homes has put in place appropriate policies, recruited a specialist officer to drive forward this area of work and is profiling its customer base. Partnership working is strong and the company influences contractor compliance. Although it acknowledges that much of the work done on diversity is not yet embedded because it will take time for established cultures to change, Inspectors were impressed by how quickly staff at all levels have begun to understand the issues and with the very real commitment with which it is being driven forward by key managers. The Board does not provide proactive leadership on diversity issues, however, and work is still required on impact assessments and monitoring of satisfaction data to ensure services are not being delivered in a discriminatory or differential way.
- 49 The company is taking a sound corporate approach to addressing equalities and diversity issues. It has adopted a diversity mission statement, policy and action plan, with key community groups and other agencies such as BBEMI, the multi-agency panel for racial harassment (MAP) and Barnsley Partnership against Homophobia and Transphobia (BpaTH). It complies with the Commission for Racial Equality code of practice in rented housing and has achieved level 1 of the Equality Standard in Local Government, with plans in place to achieve level 2 by December 2005. This work demonstrates the ALMO's commitment to developing itself on these issues and provides a robust basis for moving forward.

- 50 The equalities action plan has addressed a number of human resources issues. These include training for senior managers in setting service objectives, equality monitoring, building equality objectives into appraisal mechanisms and staff training. Berneslai Homes is also taking action to achieve a better balance of black and minority ethnic (BME) staff, women in senior positions and staff declaring a disability. Appropriate targets are in place for the next three years, which are challenging in the local context⁹ and will be achieved by a mixture of proactive recruitment and recent enhancements in work life balance policies.
- 51 The company is a Stonewall 'diversity champion' which makes a public statement about its stance on equality in employment and its sensitivity in dealing with issues of gender and sexuality. This sends a clear message about the company's stance on issues of discrimination and hate crime directed at LGBT individuals and communities. This is important in an area such as Barnsley where there are few organised LGBT events and limited specialist support for customers or employees from these groups.
- 52 Berneslai Homes has diverted increased financial resources to meet its priority of enhancing diversity work within the organisation. A specialist officer was appointed in May 2005 to co-ordinate equalities and diversity work across the company, her salary and a further £66,000 has been committed in this area, of which £27,000 was spent on staff training. This represents a significant diversion of resources into an area where expenditure has previously been limited.
- 53 The ALMO is taking the issue of embedding diversity priorities seriously. It has recruited a 20 strong group of diversity champions from all tiers and divisions of staff and these volunteers are currently being trained in carrying out diversity impact assessments, alongside managers. Although diversity issues are not standing items at senior managers meetings, they have received significant coverage over the past six months. Progress against the strategy is monitored and managed within the business development area of the performance management framework and there is regular exception reporting on any failure to meet key milestones.
- 54 The company has taken a lead in partnership working on diversity and community cohesion issues and its staff are involved in an impressive range of local cultural events. Berneslai Homes has been instrumental in shaping the hate crime partnership and attends the Ethnic Women's Forum. Other examples include work with BPaTH and Stonewall to plan a lesbian, gay, bisexual and transgender (LGBT) history month event, sponsorship of a Christmas party for Asian children and the ALMO was recently awarded a certificate of appreciation for its community cohesion work with Russian speaking communities.

⁹ Thirty three per cent of women are in the top five per cent of earners, with a 40 per cent target, 0.7 per cent of staff are from BME communities, with a 1.2 per cent target and 0.6 per cent of staff have a disability, with a 1.2 per cent target.

- 55 There are a number of diversity initiatives in place in individual service areas. These include, for example, short stays in residential care or hotels to allow improvements to be completed for vulnerable residents, installation of additional security measures for the survivors of domestic violence and equal recognition for married, unmarried and same sex couples under lettings and assignment policies. These examples indicate that Berneslai Homes' policies recognise diversity issues and the company is doing more than is legally required to attract and retain customers from excluded groups. They also give clear messages to customers that it will not tolerate discrimination or differential service delivery.
- 56 Berneslai Homes has continued to do particularly supportive work with Gypsies and Travellers. The company has worked with other agencies and residents to develop a management committee and bring in external funding for a staffed community centre on the site, which is due to open in January 2006 and will enhance educational and social activities.
- 57 The ALMO has a positive approach to diversity in procurement. Partners in the improvement programme are achieving their 40 per cent targets for the use of local suppliers, labour and sub contractors and performance against these is monitored. The company also runs an annual supplier event, which gives smaller, newer and more local suppliers the opportunity to discuss whether they can offer value for money (VFM) and helps prevent them being excluded from the supply chain.
- 58 Berneslai Homes has robust processes in place to ensure ongoing contractor and consultant commitment to equalities and diversity. Its procurement consultants carry out annual equalities impact assessments on all long-term arrangements, which examine policy and procedure to ensure equalities issues are recognised and difference valued. These assessments are not currently published but the company is exploring how best to do this in future. Any contracts which run for less than 12 months are covered by initial tender assessments, which stipulate that contractors must have policies in place to prevent discrimination and ensure promotion of equalities issues.
- 59 The ALMO has done some work to profile its customer base but this is not yet comprehensive or easy for staff to use. Fifty per cent of customers have been surveyed to establish their communication and access requirements and to profile them by diverse categories, but the target of 100 per cent completion by the year-end is over ambitious and the information is not easily accessible to all frontline staff. Although all responsive repair job tickets contain the information, 'pop ups' are not available on the housing management or on strategic partner systems so staff must remember to use desktop shortcuts to the database to check communication requirements before visiting or when dealing with a telephone enquiry.

- 60 The company is beginning to use its profile data strategically to identify the communication requirements of hard-to-reach groups and a wide-range of reports is available to managers which will make it increasingly useful as the database is populated. For example, it sent out 600 large print rent statements in the last run. Profiling is also revealing interesting information about the relatively high number of disabled people living in unsuitable homes and managers are beginning to explore the reasons for this, questioning re-housing and adaptations policies and exploring unmet needs.
- 61 Some analysis of complaints and satisfaction data by diverse categories is in place, but this is not yet systematic in all areas. All elements of repairs and maintenance satisfaction surveys are analysed in this way, as is the large scale tenant satisfaction survey. Plans are in place for face-to-face interviews with known BME customers as part of the large scale survey next year, rather than the traditional postal questionnaire. This is because previous sample sizes have been too small for reliability in assessing satisfaction or the future needs of these groups. The company has also analysed its older persons' and lettings policy review surveys on the basis of diverse categories and monitors waiting list and lettings issues appropriately to ensure discrimination is not taking place.
- 62 The company acknowledges that it needs to do far more in this area if it is to satisfy itself that discrimination and differential service delivery is not taking place and in order to better tailor services to meet specific needs. Systems for monitoring complaint satisfaction by diverse category are newly introduced and data does not yet tell managers whether discrimination is occurring, although all complaints which involve customer defined harassment or hate crime are audited at the point of closure by the Business Development Director. Managers took on board inspector feedback on this issue and will immediately begin to analyse all satisfaction surveys on the basis of diverse categories.
- 63 The most significant weakness in the company's work on diversity is a lack of leadership by example from the Board. It receives the information it requires to exercise leadership, has approved diversion of resources into this work and some members are vociferous in championing these issues at meetings, but the Board profile does not mirror that of the local community¹⁰ and an understanding of and commitment to addressing issues is not yet fully embedded. There are no targets in place to improve representativeness in terms of gender, age or ethnicity and no targeted recruitment has taken place for independents or council nominees. Although diversity is an ongoing training priority for the Board, some members have benefited from training more than others, with inspectors finding a degree of complacency about the fact that members of non-traditional groups are not coming forward for membership and inappropriate comments occasionally having to be challenged in meetings.

¹⁰ There are three female, one BME and three members aged under 50 on the Strategic Board.

- 64 The company did not begin to carry out race impact assessments from April 2005, when this duty was introduced under the Race Relations Amendment Act. Although it has a three-year programme of prioritised diversity impact assessments in place from January 2006, this represents a missed opportunity to begin to address potential problems sooner and help embed new policies more firmly.

Stock investment and asset management

Capital improvement, planned and cyclical maintenance, major repair works

- 65 In our previous inspection, Berneslai Homes was judged to have a well planned approach to delivering its capital programme, was doing cutting edge work in developing partnering and was addressing industry capacity issues through supply chain management. There were, however, low levels of revenue funded planned maintenance. The ALMO is delivering its improvement works via a Beacon status strategic partnership with four external contractors.
- 66 In this inspection we found that the company is still on target to deliver decent homes in advance of 2010, based on sound stock condition data and effective planning to ensure investment is made only in sustainable stock. Effective partnerships are in place, alongside robust performance systems but there remains a forecast funding gap for maintaining decency beyond 2013 and systems for managing information around the location of asbestos are not being used to their full capacity.
- 67 Decency levels of 80 per cent¹¹ put the ALMO among the best 25 per cent of public sector landlords. Berneslai Homes' business plan also ensures it will meet the decent homes target, taking account of Right-to-Buy and building cost inflation assumptions. Decency has improved at a steady rate since the last inspection, with 4,500 properties made decent last year and 5,000 this year. A target is in place to bring most properties to decency by the end of 2007/08, although a residual 700 properties per year are estimated to require work between 2008 and 2010, either as they fall out of decency or, in two particular areas, where decent homes work has been held back pending the completion of master planning projects.
- 68 The ALMO's medium and long-term investment decisions are based on sound stock condition data. This originally came from a 1999 10 per cent sample survey which was updated in 2001 to incorporate decent homes requirements. This is being continually updated by surveys carried out at the time of decent homes work and by information from void, responsive and planned works. A further programme of surveys will commence in 2008 on those properties which have not been part of the decent homes programme and this will include an annual sample survey of those which have, to ensure information remains robust.

¹¹ 16592 properties.

- 69 An effective decent homes master plan and partnership working is in place to ensure investment is only made in sustainable stock and that decent homes work dovetails with the 15 wider regeneration schemes on site, such as that of the Housing Market Renewal Pathfinder in Goldthorpe and Thurscoe. This also assists in managing multiphase schemes and ensures pockets of stock cannot be overlooked. Analyses of supply and demand, revenue spend on responsive repairs and the views of communities were considered in putting together the detailed estate profiles which make up the master plan. Each estate has a risk rating and those at highest risk are subject to option appraisal. Where communities wish to remain in an area but the stock is no longer viable, the council and Berneslai homes have explored options for facilitating this, including a developer building new homes on one estate, which the ALMO will let and manage. Low demand sheltered housing has also been considered on a scheme by scheme basis, in conjunction with the older persons' review team.
- 70 The decent homes programme has been delivered effectively to date, meeting all of its expenditure targets in its first 36 months and achieving 'quick wins' by addressing problems on its small number of non-traditional properties early. The ALMO has also set aside a small proportion of decent homes funding for two capital programmes to run alongside the main programme. One is effectively replacing components, such as boilers, which fail before their programmed replacement date and the other has converted 182 solid fuel appliances to gas this year, where customers are vulnerable. These have been effective in reducing responsive maintenance expenditure.
- 71 The planning and delivery of decent homes works meets the needs of tenants by taking a 'whole house' approach, rather than carrying out work elementally, following early consultation. Satisfaction levels range from 91 per cent to 97.5 per cent across partners. Customers met during the inspection were particularly complementary about the way staff took time to check on the progress of work as it was being carried out and some reported daily visits from tenant liaison officers, which ensured they felt supported during a difficult period of whole house refurbishment.
- 72 Partnerships around delivery of the decent homes programme are robust. The four strategic partners work closely together to manage peaks and troughs in workload by exchanging labour and sharing learning through a regular operational and delivery team meeting. There are also a number of task groups in place, where representatives of all the partners, staff and customers progress specific issues. One example of this is the product specification and sourcing group, which appraised the quality and cost of various components and established common specifications for items, guaranteeing replacement potential over time. All partners were positive about the lack of a 'blame' culture and the absence of the bureaucracy which they have experienced with other partnering arrangements elsewhere.

- 73 There are effective performance management systems in place for the decent homes programme. It is managed in-house through the operational and delivery team and by an executive level group above this which is chaired by a board member. Partners are involved in monthly budget monitoring meetings and information is provided in a timely manner to ensure projected spend remains on target.
- 74 Berneslai Homes is working with partners to maximise the full effect of the programme for vulnerable clients. Furnished and heated respite properties are provided on each phase of works to allow customers to escape the inevitable disruption during the day. Partners are also identifying those customers who would benefit from adaptation work and these are being delivered on a case by case basis through the established programme, following occupational therapist input.
- 75 There is a reasonable approach to redecoration following improvement works. This only provides for a maximum payment of £160 but is in addition to redecoration of kitchens and bathrooms and additional assistance is offered to vulnerable tenants in certain circumstances, such as assisted decorating in other rooms through the Barnsley Community Build training programme.
- 76 There are effective cyclical maintenance programmes in place which are managed against a set of performance indicators mirroring those for capital works. Programmes are comprehensive and include a seven-year painting programme which is reducing annually to reflect capital investment in door and window replacements. Timber doors and windows are only painted where they are in good condition and will meet the decent homes standard without replacement. A five-year maintenance and monthly servicing contract is in place for lifts and a three-year one for specialist stair lifts and hoists. Annual fire equipment, emergency lighting and smoke alarm testing is in place and fixed electrical wiring systems are tested every five years. Efficient management of cyclical repairs means that Berneslai Homes is maximising the amount of cost effective, preventative maintenance which it does and reducing its expenditure on more expensive responsive repairs.
- 77 The ALMO is contributing to the ecological agenda and to reducing fuel poverty through an innovative biomass district heating and hot water system in its medium-rise blocks. This is an innovative development which is helping reduce carbon dioxide emissions and we have identified it as positive practice. It also allows customers to control their individual heating and has allowed flexible charging, based on the amount of fuel used, via a prepaid metering arrangement.
- 78 The most significant weakness in the area of asset management is the fact that the company requires £982 million over 30 years to retain the stock at decency levels but it only has funding in place to cover this until 2013. Although it intends to make best use of planned maintenance and to continue to try to make efficiency savings in responsive repairs, both the Council and company recognise that there is a funding gap to be addressed which threatens the longer-term viability of the ALMO.

- 79 The company's work on decent homes is weakened by the fact that it has not established with customers a stock wide, published model for 'decent homes plus' which includes environmental works. This is despite the fact that consultation has consistently highlighted this as a priority for customers and revised ODPM spending guidance would have allowed redirection of funding into this area. The decent homes standard in use does include new floor coverings in kitchens and bathrooms and the provision of focal fires, in addition to central heating upgrades. Environmental works are only done, however, in areas where additional external funding has been attracted for works such as off street parking and boundary treatments, because this is not affordable if the decency standard is to be met. The targeted nature of the additional funding available means a differential service is being delivered.
- 80 Berneslai Homes is not fully compliant with good practice on the control of asbestos because it will not complete its asbestos surveys until July 2007. These have been done on approximately 60 per cent of the stock but only half of this data has been entered on to the company's asbestos database. This is because the bulk of survey work is carried out by decent homes partners and only passed over on completion of improvements, which can include asbestos removal. In addition, the database was not due to be made accessible to all contractors until an IT upgrade was made, shortly after this inspection. These failings means that although the ALMO has carried out contractor training, put in place appropriate written procedures for staff and produced good-quality information for residents, it cannot discharge its obligations to deal safely with asbestos for the next 18 months. The company is also failing to make the best use of the information it does have in the meantime. Managers responded to Inspector feedback by implementing a change in procedure to ensure all information held is immediately recorded from January 2006, but the wider issues remain unresolved.

Responsive repairs

- 81 In this inspection we found that performance on responsive repairs was improving across the board, under a Beacon status strategic partnership which involves the in-house contractor, construction services, delivering two-thirds of the work and an external partner delivering the remaining one third. Effective performance and budget management are in operation and systems were recently put in place to increase the relatively low number of repairs completed on the first visit and of appointments made for non-urgent repairs. There are more strengths than weaknesses in this area of the service.

- 82 There is improving performance on the completion of non-urgent repairs. For the last five successive quarters, the average time taken to complete works has dropped and was 10.33 days by the end of the second quarter of 2005/06. In the quarter immediately before the inspection, the joint performance of construction services and the external partner improved in all eight of the repair categories in use and customer satisfaction figures for June¹² were 82 per cent for construction services and 86 per cent for the external partner, against an 86 per cent target. This was an improvement on figures at the time of the last inspection, when only 78 per cent and 74 per cent satisfaction was being recorded. Discussions with customers during the inspection substantiated the fact that there is a general perception that the repairs service is becoming more responsive.
- 83 Berneslai Homes is effectively prioritising how its responsive repairs budget of £12 million is spent. The ALMOs priority is to ensure any under spends are redirected into planned works, such as boiler replacements outside of the decent homes programme, which will reduce the pressure on the responsive maintenance service in the medium-term. At the time of the last inspection, it had a £264,000 backlog of repairs, which is now cleared.
- 84 Appropriate systems are in place for quality audit of responsive repairs. Partners randomly post inspect 10 per cent of repairs. Although this is not targeted at higher-risk work, in terms of cost or complexity, it represents a sufficient sample to ensure learning for the company and to determine that a good-quality service is being delivered to customers.
- 85 Although there is no formal strategy in place to do so, the company is in the process of introducing a number of initiatives to increase the number of jobs completed on the first visit, which are currently low at 66 per cent. These include training in multi-skilling, enhancements to imprest stock on vehicles, diagnostic training for staff and plans to install diagnostic software on handheld computers the month after this inspection.
- 86 There has been a reduction in disrepair cases which require action over the past two years. The company is currently disbanding the specialist section which formerly dealt with these, indicating that decent homes improvements are impacting on long-term disrepair problems in the stock.
- 87 There are differentials in the appointment system being provided between contractors, geographical area and trade. Construction services extended its appointment service shortly before the inspection to cover six trades. The external contractor has provided appointments for all trades for some time. Performance on appointments made and kept is improving across the board but there have been significant differences between contractors, with construction services only using 31 per cent of its appointment slots in the second quarter of 2005/06 while the external partner used over 70 per cent, giving an overall figure of 55 per cent. The extended appointment system and IT enhancements should improve Construction services' performance but the service being delivered to customers at the time of the inspection was better in some areas than others.

¹² Latest available.

- 88 Not all targets set for the responsive repairs service are challenging. A set of revised repair priorities and targets for completion were agreed in August 2005, but the company only aims to attend 90 per cent of emergency repairs within 24 hours, 87 per cent of urgent repairs within either three or seven days and 90 per cent of non-urgent repairs within 25 days. This means that over 10 per cent of customers are not receiving the service set out in service standards.

Empty (void) property repairs

- 89 In this inspection we found that, although void repairs performance is generally improving, there are a number of long-term voids which continue to blight estates, the standard of void properties being relet is not high and there are as many weaknesses in the service as there are strengths.
- 90 Although long-term void figures have reduced over the past two years, Berneslai Homes still has 468 voids 227 of which have been empty for over six months. Less than a third of these are either undergoing major works or being kept empty for decent homes decanting purposes, with the remainder being held for 'housing management' reasons or a range of regeneration purposes. These contribute to current void rent loss of £720,000 and a void rate of 2.26 per cent¹³. This problem, therefore, not only distorts performance figures and indicates that significant potential income is not being generated, but also means that hundreds of customers have been living with the problems associated with long-term voids in their immediate neighbourhoods for some time.
- 91 Option appraisal processes on voids can be protracted. These are triggered on voids where costs are likely to exceed £1,500 or where demand is very low, but inspectors found one example of a group of four dangerously vandalised and insecure voids where no action had been taken for a long period before a recent decision to consult the community about demolition.
- 92 The standard of void properties being let is variable and basic, being driven principally by the ALMO's priority of keeping costs low and the failure of the lettings standard to adequately define 'reasonableness' in key areas. Inspectors found voids to be clean, but external repairs had generally not been done and a number of voids had been subject to extensive work without making good to decorations. The standard is not due for review until 2007/08 when the decent homes programme will be almost complete and it will be necessary for the ALMO to begin bringing all voids up to that standard¹⁴. In response to inspector feedback, however, managers agreed to review the standard with a view to clearly defining 'reasonableness' by February 2006, introducing a targeted void decoration scheme by April 2006 and bringing all voids up to the decency standard from April 2007.

¹³ Excluding demolitions.

¹⁴ This currently only happens where decent homes work is due within ten weeks.

- 93 There is a significant risk of a differential service being delivered in the discretionary issuing of decoration allowances. The allowance is paid either as a credit to the rent account or as a cheque, which ensures those in receipt of housing benefit are not disadvantaged. Lack of guidance for impact officers, however, means the ALMO is not ensuring that it is delivering a consistent service. It also has a policy of not offering any practical support with decorating, despite only 59 per cent of properties being let on the first offer. The decorative condition of sheltered voids, in particular, is low and the lack of flexibility to address the needs of this vulnerable client group indicates a lack of customer focus.
- 94 Berneslai Homes is not enhancing the security of prospective tenants by changing locks at void stage, except where a property had been abandoned. Although this approach keeps costs low, it indicates limited customer focus. Following inspector feedback, the ALMO immediately took this criticism on board and began exchanging the lock barrels of its voids as a low cost alternative to fitting new locks on every void.
- 95 Performance on the speed of repairing voids is significantly improving. This reduced from 33 days in 2003/04 to 20 in 2004/05. An overall target of 14 days was in place for the early part of this year and the external contractor was averaging performance of 12.12 days, while construction services improved from 21.11 to 17.98 days by the second quarter of 2005. In September 2005, a more sophisticated system of locally agreed targets for individual voids was introduced, with the repairs element being set at either 7, 14 or 21 days within an overall 38 day target for the void period¹⁵.
- 96 Berneslai Homes is minimising void rent loss through the use of dedicated void repair teams, improved communication and flexibility based on demand for different property types in different areas. Weekly performance meetings have allowed the introduction of 'fast tracking' procedures to maximise the number of voids where a speedier turnaround time is possible. In the two months from September, the process of contractors carrying out pre-termination inspections on 335 voids allowed the company to do pre-termination void repairs on 8 properties and to turn around 27 voids in less than 10 working days. This means that customers waiting for properties requiring fewer repairs can move in more quickly while properties without customers waiting are being repaired more slowly. This approach was also intended to increase rigour in recharging, but it has not yet led to any recharges being raised.

Gas servicing

- 97 At the time of the previous inspection, Berneslai Homes had a serious problem with gas servicing. It had responded quickly and effectively to this by bringing the contract within the partnering arrangement, clearing the backlog of outstanding servicing and developing a short-term improvement plan. It did not know, however, how many properties it had not serviced for more than one year and not all planned improvements had been implemented. The servicing of solid fuel appliances was working well.

¹⁵ Which reduces to 26 days for 2006/07.

- 98** In this inspection we found that performance had improved and procedural changes put in place to maximise the likelihood of further improvement over time. There are now more strengths than weaknesses in this area.
- 99** Performance figures illustrate the fact that the company is working hard to gain access to service appliances, but has been slow to take formal action on the small number of cases where repeated attempts have been unsuccessful; 98.1 per cent of properties had a current gas safety certificate by November 2005, which is an improvement on the last inspection. This leaves 319 un-serviced properties however, 45 of which have not been serviced for over two years. Of these, the ALMO has only begun legal action on eleven, which represents a significant risk in terms of health and safety.
- 100** Berneslai Homes optimises opportunities to gain access and service appliances by widely publicising programmes and sending personalised appointment letters a month before servicing is due. A dedicated post has been newly established to manage revised 'no access' procedures, which rely on intensive attempts to make contact via home visits, including in the evenings. The ALMO has also employed an environmental health consultant to help it obtain warrants in court under the Environmental Protection Act 1990, but the impact of this initiative had been limited to obtaining only two warrants by the time of the inspection.
- 101** There is a pragmatic approach to ensuring value for money is obtained in gas servicing on voids. Gas safety checks are carried out and a certificate issued only where servicing is due within the next three months, which ensures unnecessary visits are minimised.
- 102** There are appropriate systems in place to store and archive gas safety certificates for the statutorily required period of three years and these are easily accessible when required. A copy is issued to customers by the engineer at the time of servicing and by Impact Officers at sign up where the safety check has been done during a void period.
- 103** Appropriate audit arrangements are in place for quality assurance on gas servicing, with a random 1 per cent of all jobs jointly inspected by the client and contractor, based on a CORGI recommended model. Berneslai Homes is able to demonstrate that faults identified through this process have been followed up by training and further random checks. A new satisfaction survey is also in place, with early results indicating more than 90 per cent satisfaction.
- 104** Berneslai Homes is addressing the needs of vulnerable customers who are forced to sleep temporarily in sitting rooms with fixed gas appliances. It is unlawful for a bedroom to contain such a heater, but where circumstances mean a customer is sleeping in a sitting room, the company is addressing the problem by fitting a carbon monoxide detector.

- 105** There is some risk that vulnerable customers are being disadvantaged by the use of gas limiting devices. The ALMO is minimising the likelihood of repeated failure to gain access to properties by using devices which disrupt supply when the next service is due. Procedures are not explicit about how vulnerable customers should be treated. This means there is some risk that those for whom English is not their first language or who have learning disabilities, for example, will be left without a power supply if they do not respond to letters and cards left on visits.
- 106** The ALMO recognises that its current IT database for gas servicing has a number of weaknesses. The new system due for implementation shortly after this inspection has improved functionality and will automate a number of manual processes, such as updating warranties and highlighting sold properties, as well as being accessible by contractors and Barnsley Connects staff. It will still not, however, interface with the housing management system so 'pop ups' will not improve the likelihood of non-repairs staff being able to make appointments for overdue servicing when a customer makes contact on another matter and housing and repairs staff will not be able to take advantage of this on their handheld or tablet computers when in the field.

Aids and adaptations

- 107** At the time of the previous inspection there were long waiting times for assessment for non-urgent applicants and no monitoring of the average time customers wait from enquiry through to completion of works. In this inspection we found that the company had addressed a number of procedural issues and there are now marginally more strengths than weaknesses, with improving waiting times and some recycling of equipment.
- 108** The equipment and adaptations service has recently been reviewed and is in the process of being modernised. Although projections of future demand were not built into the review, it led to procedural changes to improve value for money and streamline processes. These included:
- IT enhancements;
 - routine screening of requests to ensure improvement works dovetail with adaptation requests and partners help identify need at the beginning of improvement programmes; and
 - direct reporting of minor works to contractors without pre-inspection.
- 109** There are effective partnerships with other agencies. Social services receive a regular update of the decent homes programme, which triggers occupational therapist involvement to ensure adaptation work is effectively scheduled. Where re-housing is a more viable option because of cost or practicability, discussions take place with social services and the customer and a visiting officer provides options advice and support. Re-housing happens in a minimum of cases¹⁶ because the ALMOs customer-focused priority is to enable people to stay in their current homes as long as possible.

¹⁶ Nine since March 2004, with 11 currently awaiting an offer.

- 110 The ALMO has been innovative in piloting the use of two prefabricated 'pod extensions' where re-housing was not a viable alternative. These are proving popular with customers because of their high-quality and the speed with which they can be installed.
- 111 Although a database of adapted properties is in place, this does not interface with the housing management system. This means that adapted properties cannot be pre-allocated to those most in need and staff rely on a manual check by impact officers at the point of void inspection. This can contribute to slower void turnaround times.
- 112 This area of the service has some weaknesses in terms of performance management. Although challenging targets have recently been set for improving waiting times, customer satisfaction surveys were only introduced in July 2005 and substantial analysed data was not available at the time of the inspection, which means the ALMO cannot yet demonstrate that it is providing a service which is efficient and effective.
- 113 Optimum value for money and customer service is not being obtained in the way adaptations work is carried out. Clear procedures are in place for processing adaptations, with 'fast tracking' of urgent cases, but average waiting times are 206 days for minor works and 158 days for major works. This is despite the fact that the part of the process controlled by the ALMO takes only 19 and 79 days respectively. Delays are caused because time consuming assessments are carried out on minor as well as major adaptations. Further improvements in overall performance are anticipated before the year-end following a recent budget increase from £1.2 million to £1.6 million to meet increased demand, but the recent employment of a dedicated occupational therapist to help speed assessments on improvement schemes might have been avoided if efficiencies had been made in the extent of assessment work being done on minor adaptations.

Housing income management

- 114 At the time of the previous inspection, some progress had been made in widening payment methods but all tenants did not have access to all options and quarterly rent statements were not being issued. Increasing emphasis was being placed on preventative work and recovery.
- 115 In this inspection we found that the weaknesses identified last time had been addressed and there are now marginally more strengths than weaknesses in this service. The company offers a range of payment options and gives adequate information about rent accounts, performs in the top 25 per cent of comparable organisations on current arrears recovery, using a 'firm but fair' approach and has improving relationships with partner agencies. It is missing opportunities, however, to make better use of partnerships through joint take up and other initiatives, has been slow to address some rent accounting weaknesses and is performing poorly in collecting former tenant arrears.

- 116 There are now a wide-range of payment options available and the company has a marketing plan which has been successful in promoting direct debit as a cost effective and efficient means of collecting rent income, increasing take up by over 10 per cent in the past year. Other options include Allpay, telephone and counter payments. This means the company is offering choice for customers and optimising opportunities for early payment by the most efficient and cost effective method available.
- 117 Correspondence about the annual rent increase and service charge setting is presented in clear and plain language and gives an appropriate breakdown of the charges for each service received. Quarterly rent statements are sent out and, although plans for on-line statements will not come to fruition for some months, arrears staff routinely print instant statements for customers when dealing with their accounts. These documents help ensure customers fully understand balances on their accounts and how the amount they pay is calculated.
- 118 Rent accounting systems are sound in many respects but there are problems that need to be addressed. Supporting People block subsidy payments are efficiently processed. Sub accounts are appropriately used in cases of bankruptcy and, although cooker and heating charges are managed through the main rent account, this is acceptable because the tenancy agreement allows for it. Housing benefit overpayments are recovered independently by the council, so any debits to accounts due to overpayments only arise as a result of recovery from future benefit, which is lawful because it represents rent due and not paid. Treatment of debt on assignment is appropriate. This means that the majority of customers can be confident that their accounts are accurate and being well-managed.
- 119 Despite these positive aspects of rent accounting, there remain significant problems. Berneslai Homes' plans to use sub-accounts for insurance are behind schedule, with these debts still included in rent arrears on statements and notices seeking possession (NSPs). Membership of the insurance scheme makes clear that this will happen and that any payments made are deemed firstly to be towards rent arrears and in most cases, insurance has been cancelled back to the date of last payment before cases reach court. This is still poor practice, however, because some customers may not understand how much of their debt is due to arrears and how much to insurance in the early stages of recovery. The company is also putting itself at risk of having NSPs ruled invalid in court.
- 120 Performance in recovering current rent arrears is in the top 25 per cent of comparable organisations, at 99.71 per cent collection and with arrears currently standing at 1.87 per cent of the total rent debit. This is improving year-on-year and has been consistently good for several years.

- 121** There is a new corporate debt policy in place and reality checks indicate a streamlined, IT based escalation procedure, with an ethos of early action and effective signposting of debt and benefits advice. NSPs are typically served at a stage where the debt is manageable and appropriate parallel arrangements are in place on introductory tenancies. Agreements to clear debts by instalments are generally made at affordable rates and staff understand the need to make agreements which are sustainable. These processes help ensure that debt is recovered effectively and unreasonable hardship is not caused by either allowing debt to mount to unmanageable levels or making unaffordable agreements for clearing arrears.
- 122** Appropriate quality assurance systems are in place. IT workflow highlight the next action due on cases and are designed to allow sufficient flexibility to deal sensitively with exceptional circumstances, while ensuring general consistency. Although there are no formal systems in place for regular case reviews with staff, managers use exception reports to satisfy themselves that staff are taking appropriate action. Audit and authorisation arrangements ensure a 10 per cent sample check is carried out on all rent account adjustments made, with NSPs and court action signed off by seniors and evictions approved by area managers. These systems help ensure staff follow procedure and treat customers fairly.
- 123** Performance management systems in this area are strong. Arrears staff have a sophisticated understanding of their targets and use performance data effectively to focus activity. Targets are kept to a minimum and, although more junior staff have no input into target setting, they consider them to be achievable.
- 124** Cases of vulnerable tenants in arrears are managed sensitively. Revisions to the procedure for vulnerable tenants are currently being consulted on with partner agencies and, although not yet formally introduced, inspectors found that such cases are already being managed in a more sensitive manner. The new procedure allows for action to be held for up to four weeks and support systems put in place where customers are deemed to be 'at risk'. This applies where, for example, a customer's first language may not be English, she has reading or learning disabilities or mental health problems, is under 18 or over 65 or is undergoing major medical treatment.
- 125** Berneslai Homes has been able to reduce the court costs it passes on to tenants in debt, without reducing efficiency, by bringing court representation in-house. It previously used the Council's solicitors but housing officers now manage the process, saving £69.50 per case. This represents good practice in minimising the customer's debt to the organisation.

- 126** Despite these strengths in recovering current tenant arrears, there remain a number of weaknesses. Insufficient assistance is given at the beginning of a tenancy about how much a customer should pay until benefit has been processed and remote sign ups mean staff have also recently stopped acting as verification officers for housing benefit, which can delay processing. Although plans are in place for Impact Officers to remotely access the Council's benefit calculation software by the year-end and arrangements are in place for referral of vulnerable customers to the Council's visiting officers in the meantime, customers are not currently receiving sufficient support to know how much rent to pay until their entitlement is calculated, which can result in either hardship or debt build up.
- 127** There is inconsistent and inappropriate use of budget sheets by rent staff, who have had little training or guidance in their use. Staff are not sufficiently aware of the creditor/advisor conflict of interest which could arise if they begin a process of debt counselling and no consideration is given in current procedures to the fact that customers might be uncomfortable discussing multiple debt with a creditor agency. These factors compromise how effective the use of the sheets can be, even if staff are appropriately trained and receive clear guidance on their roles.
- 128** Inspectors found inappropriate referrals being made to the council's homelessness section at a very early stage in the arrears recovery process. An automatic notification was sent whenever an NSP is served and the council then writes to the customer to inform him/her that refusal to pay is likely to be deemed to be intentional homelessness, if eviction results. Although liaison with this section at a later date is good practice, Berneslai Homes routinely serves NSPs at £250 or five weeks arrears and also re-serves them on cases with slowly reducing debts. The company responded to on-site feedback that this was likely to result in unnecessary distress and immediately stopped making these referrals.
- 129** The ALMO does not use any alternatives to possession in recovering debt, other than direct payments from benefit. The use of attachment of earnings, for example, which is effective where customers have regular paid work has not been explored. This could reduce not only the workload of staff in regularly pursuing payments, but also act as a deterrent to customers who do not want their employers to know about debts. It could also help reduce build up of irrecoverable former tenant arrears, over 30 per cent of which has arisen following eviction.
- 130** Berneslai Homes' performance on recovering FTAs is weaker than that on current arrears. These debts stand at £787,251, which is a significant reduction on last year's figure, but this is the result of writing off £400,000 of unmanageable debt, rather than of improved recovery. Approximately 15 per cent of the cash value of the former tenant debt is over five years old, almost half of accounts have received no payment for over 12 months and the average debt has increased from £353 to £383 in the last year. This means that performance is not markedly improving.

- 131** The company has recently put in place a range of measures to more effectively manage new cases by earlier action. These include challenging targets for reducing the number of tenancies with a debt still in place four weeks after tenancy termination. It has also designated a specialist in each of its two rent teams to deal exclusively with FTAs and performance is tracked centrally. A more robust procedure is now in place for quarterly write-offs of FTAs and the ALMO has also set up a pilot project whereby cases are routed, on a commission only basis, via Sheffield Homes to its external recovery agents, taking advantage of preferential rates. These various initiatives are so new, that the company is unable to demonstrate their impact to date.
- 132** Relationships between the ALMO and the Council's housing benefits section are healthy at both a strategic and operational level. Historical problems resulting from housing benefit processing delays are now resolved, with new claims being processed in an average of 26 days and changes in circumstances within seven. An example of close working relationships is the plan developed by staff and managers from both organisations to prevent potential problems following the temporary shutdown of housing benefits during this inspection to implement a new IT system. This effectively minimised disruption and uncertainty for customers and reduced the potential impact on rent arrears figures by ensuring payments continued to be made on accounts.
- 133** Relationships with partner agencies delivering debt advice are improving and the company attends court user groups and the district wide debt working group. Partners describe relationships as constructive, with open dialogue, frequent referrals from rent staff and Citizens' Advice Bureau (CAB) literature being sent out with all arrears correspondence. This is particularly significant because relationships with the council, prior to the ALMO being set up, were sometimes adversarial at an operational level and Berneslai Homes has invested a significant amount of time in improving them.
- 134** Although referrals by staff to the local credit union remain limited, Berneslai Homes has recently begun to proactively publicise it by offering a series of article spaces in newsletters and enclosing a publicity leaflet with rent statements. This complements the company's own insurance scheme, which assists customers living in areas where cover is either not routinely provided or is very expensive. These initiatives not only provide practical assistance to the most disadvantaged customers but should help the credit union to raise financial literacy and reduce the reliance on extortionate credit in some areas.

135 Despite these improving relationships, Berneslai Homes is not yet making the most of them to maximise customer income from benefits, reduce reliance on extortionate credit or reduce arrears. For example, it has access to significant amounts of profile data about income, age and disability on estates but has not taken the initiative of running cost effective joint benefit take up campaigns. These would make better use of the limited resources of all partners and help cement relationships. It has also not taken forward suggestions by the credit union about working together on a debt redemption scheme, which is a missed opportunity to recycle relatively modest funding repeatedly over time, reducing evictions in the most serious of cases and helping prevent build up of former tenant arrears (FTAs). Managers took on board inspector feedback on both of these issues and immediately approached partner organisations with a view to exploring both options.

Resident involvement

136 The last inspection indicated that Berneslai Homes had a genuine commitment to involving residents. It had a track record of work with traditional TARAs and was beginning to develop steering groups on estates. There were, however, a relatively small number of active representatives and these were predominantly older people.

137 In this inspection we found that the ALMO has not succeeded in addressing all the weaknesses from last time and there remain more weaknesses than strengths in this service area. Active decision makers are still drawn predominantly from traditional structures and there are limited resources dedicated to this work. Although the company has a range of well-publicised opportunities for involvement and training, with steering groups to determine local priorities and some work with hard-to-reach groups, the lack of an effective compact means priorities for resident involvement and a plan to deliver them is not clear.

138 The tenants compact is a long and inaccessible document. A process is underway to develop nine area based compacts by the year-end and seven had been completed by the time of this inspection, with extensive involvement of residents at a local level. These are still wordy documents, however, and in the absence of an accessible guide to getting involved, customers cannot easily understand how their input will influence decision-making.

139 The approach to strategic evaluation and performance management of resident involvement work is not sophisticated or well co-ordinated. The Federation has considered this issue and the specialist team produces a regular report on the impact of expenditure, which feeds into global performance management, but there are no local performance indicators in use. Most resident involvement work is responsive and done locally by non-specialists. The specialist team has a large operational workload which has prevented it developing an effective co-ordinating role. This means the company only has a partial picture of how resident involvement is impacting on service improvement, cannot demonstrate that residents have been involved in all service reviews and its systems for sharing learning between the various teams involved are weak.

- 140 There are limited resources being dedicated to resident involvement. Under £7 per property per year is spent, which mostly funds the salaries of the specialist team. There is some mainstream funding of involvement but the company does not quantify this and has not evaluated whether they are being used effectively. The specialist team is insufficiently well resourced to do more operational work. Limited resources have meant that plans for more creative use of drop in sessions, for example, have been shelved and specialist staff cannot afford the time to explore their strategic role in managing resident involvement across the company, although this could lead to 'smarter working' initiatives in the medium-term.
- 141 There has been only limited success in encouraging wider representation in resident involvement activity. In some areas, the TARA membership largely overlaps with that of local steering groups, resulting in inevitable duplication of some discussions and activities. Although the company has introduced a range of alternative structures which are outlined later, the principal access route to these is still via TARA membership, which is predominantly drawn from traditional groups and dominated by older people. TARAs and the Federation also remain the principal means for consultation on new policies and procedures. This means a relatively small group of skilled and experienced but not necessarily representative residents continues to be almost exclusively involved in decision-making.
- 142 The approach to resident involvement in sheltered accommodation is unstructured and opportunities are neither tailored to meet the needs of this group or well promoted. Although the service review process has involved them via a survey and through representation on the Older Peoples Board, the company has not provided them with dedicated forums or scheme meetings to discuss how their homes are managed. This means residents rely on being able to attend TARA meetings, which is not possible for some, or on raising issues on a 'surgery' basis with Impact Officers. This approach does not ensure that the views of older residents are systematically canvassed.
- 143 Opportunities for involvement are adequate and the STATUS survey indicates that 69 per cent of residents are satisfied with them. Seventy-two per cent of the district is covered by TARAs, which is relatively high in view of the dispersed nature of the stock in over half of the district. The Federation also includes a number of independent representatives from areas where resident involvement is under developed. It has set up a publicity group which advertises on buses, has regular articles in 'Open House' and produces its own newsletter 'Community News'. This widespread advertising is supplemented by impact officers' issuing the 'Getting Involved' booklet at tenancy sign up stage and ensures that anyone who chooses this type of committed and formal involvement can access it easily.

- 144 There is sufficient training and support offered to residents to help them set up residents' groups and to develop them as community activists. Annual self-assessment questionnaires are completed and a training register and programme is in place to ensure key members receive basic training to help them develop committee skills. Active residents are also encouraged to attend the Northern College Tenant Participation certificate course and five have obtained this qualification in the past two years. This helps ensure that those residents who want to take on positions in formal structures have the capacity to do so.
- 145 The company consults residents on significant issues. For example, TARAs and the Federation have helped establish programming principles for improvement works, priorities for repairs and some service standards. The new leaseholder forum is also beginning to take an active role in determining priorities for service improvement in that area. There has been some small scale use of less traditional methods, such as a working group of residents to review the insurance scheme. Larger scale consultation has taken place through 'planning for real' and master planning exercises, linked to decent homes and regeneration work. These examples indicate that residents do have opportunities to influence policy decisions.
- 146 Steering group meetings in each impact area allow residents to help determine housing management and other priorities, locally. Each also controls its own £14,300 budget for environmental improvements. Steering groups work more effectively in some areas than others but there is some evidence that their introduction has impacted positively on how services are delivered. Examples of improvements tend to be local and reflect their ability to identify areas for better multi agency working or for environmental improvements but they do indicate a positive move towards resident direction of staffing and other resources locally.
- 147 Residents are involved in performance management through mystery shopping, some SLA monitoring panels and as key members at each level of the management structure on improvement works. The ALMO is currently exploring how this type of intensive involvement can be extended and is in the process of recruiting volunteers to check the quality of grounds maintenance work and report to that SLA panel. This is a promising start and the company sees further involvement in performance management structures, over time, as a priority in helping ensure services are managed in accordance with residents' priorities.
- 148 There have been some limited successes from the work which Berneslai homes has done to involve excluded groups. Its consultation strategy includes joint staff and resident training on diversity issues and the provision of a range of targeted support such as crèche facilities, portable hearing loops and interpretation facilities. Work has also involved raising the company's profile with young people and in minority communities. Outcomes have included the development of a culturally focused TARA specifically to meet the needs of Russian speaking communities¹⁷, which has particularly influenced the literature available for residents, and the involvement of a small number of younger residents in TARA committees.

¹⁷ Barnsley Eastern European Community Association.

- 149** Resident participation and community development dovetail effectively and for the benefit of most residents. There has been success in involving owner-occupiers and tenants equally in TARAs. The ALMOs specialist central team has assisted community centre committees and other community organisations to bid for external funding, of approximately £367,000 over its lifetime, for estate work. This has positively impacted on the quality of life for residents on estates.

Tenancy and estate management

Tenancy management

- 150** In our previous inspection we found that the service was based on customer priorities identified at the time of the best value review and provided a more visible and estate-based approach to dealing with tenancy matters. There was good joined up working with other agencies on tenancy enforcement and a clear vision for the service. There was no proactive approach, however, to mediation and in the absence of customer satisfaction data, there was no firm evidence that the wider body of tenants had noticed an improved service.
- 151** In this inspection we found that this is now an area of strength for the ALMO, with clear and well-developed policies and procedures for setting up and managing tenancies, robust partnership working on ASB, appropriate support mechanisms for victims and alternative solutions to legal action in use. Strong case management and performance management systems ensure a good-quality and consistent service is delivered and customer satisfaction is high.
- 152** The ALMO carries out 100 per cent accompanied viewings to maximise customer focus and acceptance rates. It also has a flexible approach to sign ups, in terms of location and timing, in order to meet customer needs. At this point, customer satisfaction forms are completed to feed into monitoring systems on void quality. A comprehensive welcome pack is also issued and, if appropriate, an asbestos information leaflet. A good-quality sign up checklist is completed by staff to ensure consistency. These help ensure that tenancies begin on an informed basis and that a relationship with the Impact officer is formed early.
- 153** Berneslai Homes has robust procedures in place to manage introductory tenancies. These include a minimum of three visits during the first year to deal with problems and identify any support needs. This helps ensure that new tenancies are more sustainable. Annual visits by impact officers have also recently been introduced to continue to maintain a relationship with customers who would not otherwise come into contact with local staff. As these are not yet fully embedded, their impact cannot yet be demonstrated.
- 154** The ASB procedure for staff is comprehensive, clear, detailed and contains explicit timescales for actions. Responsibilities are also clearly defined to assist staff in dealing consistently with ASB issues. This is supported by a tenancy agreement which contains clear conditions about nuisance and ASB and indicates the sanctions that are available to tackle these. This means both staff and tenants are clear about what types of behaviour are unacceptable and about how breaches in tenancy conditions should be handled.

- 155 Tenants who report ASB are generally seeing an improvement in case handling. In the first two quarters of 2005/06, over 80 per cent of those reporting ASB felt that the enforcement team's intervention had improved their quality of life and none reported that things had worsened. This indicates that, although problems may not always have been fully resolved, the organisation is generally satisfying its customers.
- 156 ASB case management is of a good-quality and systems are in place for Impact staff to monitor and review live cases on a weekly basis with the NSU. Inspectors found case files to be well maintained and action taken on the cases reviewed had been appropriate.
- 157 A wide number of methods are being used to tackle issues of ASB in addition to possession, injunction and tenancy demotion. These include mediation and diversionary activity schemes to prevent minor problems escalating to a level where legal intervention proves necessary. Specialist mediation services are provided by Leeds based REMEDY, supplementing the mediation training which Impact Officers have also had and the ALMO receives reports on these cases which feed into performance and case management systems.
- 158 The ALMO has a proactive, partnership approach to addressing ASB. Impact officers work alongside police and community support officers in 'safer neighbourhood teams'. They hold regular steering group meetings with councillors, residents and other agencies to discuss issues of concern at grass roots level. They also participate in multi-agency groups (MAGs) and have information sharing protocols in place to facilitate relationships with other agencies. These structures allow for ASB and crime related issues to be picked up at all levels in communities and for the development of local multi agency solutions. The Council's Neighbourhood Safety Unit (NSU) takes higher profile action, such as obtaining anti social behaviour orders (ASBOs) and contracts (ABCs) and provides support for Berneslai Homes' area-based staff.
- 159 There are clear examples of where partnership working on ASB has resulted in early action to prevent problems escalating and effective action to turn around ASB 'hotspots'. In the Bank End area, a range of measures was used, including the issuing of ten ABCs and a 'Class A' drug closure action to help increase the sustainability of the area in advance of wider regeneration work. In Darfield, low level juvenile nuisance and littering was addressed by joint visits to local schools, minor environmental improvements and work with young people to develop a multi use games areas and a youth shelter. In Kendray, ASB work, alongside regeneration activity to involve the community and lever in external funding, has turned around a failing neighbourhood. In the past three years on this estate voids have fallen from 14 per cent to 1.54 per cent, claimant rates for job seekers allowance from 13 per cent to 7.4 per cent and domestic burglary from 9 per cent to 3.5 per cent. Local school performance is also improving year-on-year. The impact of this work has been to significantly improve the quality of life for residents of these estates.

- 160** Victims of hate crime, including racial harassment and domestic violence are supported by the NSU, with 24-hour contact available with staff or the police. Fast track response measures are also in place where there is serious risk of harm to customers, including seeking emergency injunctions and temporary accommodation. These help ensure that the most vulnerable residents are protected from the most serious types of ASB.

Estate management

- 161** In our previous inspection we were impressed by the condition of cleaning, grounds maintenance and the environment on estates. Arrangements for monitoring the service were robust. The travellers' site was well-managed and maintained, although there was some accumulation of rubbish there.
- 162** In this inspection we found that standards remain high and appropriate arrangements are in place to deliver, develop and monitor the standard of estate management services, which involve customers. We were particularly impressed by the pilot 'Junior Impact Team' work to involve local children in environmental improvements.
- 163** Arrangements for managing grounds maintenance are robust, with a service level agreement now in place and monthly monitoring by a panel which includes customers. Impact officers carry out monthly 10 per cent checks on work and grounds maintenance is a standing agenda item at Impact team monthly meetings. In addition to this senior managers also undertake regular random estate checks. Impact teams also discuss performance. These arrangements mean the emerging issues which matter most to customers are prioritised for action, problems are identified at an early stage and action taken to address them.
- 164** Cleaning and caretaking issues are well-managed. Inspectors found the standard of cleaning to be high, with regular Impact officer inspections and random checking by managers in place to help ensure quality is maintained.
- 165** Estate inspections are carried out regularly, with frequencies being determined locally by steering groups and participation varying by area, but most including local councillor and customer representatives. These are publicised in a variety of ways and activity against outcomes reported back to steering groups.
- 166** There is a strong emphasis on proactive estate management. There are clear procedures in place to deal with abandoned cars and graffiti on estates, with racist graffiti usually removed within 24 hours. Impact wardens undertake regular graffiti audits and, from this, specific prolific offenders can be identified. This has resulted in a recent ASBO application against one young person where all other resolution options had failed. These systems support Berneslai Homes' aim to improve the environment on its estates.
- 167** Impact teams are proactive in utilising additional sources of funding for environmental improvements. Inspectors found a number of examples of match funding being attracted through area forum and joint community fund monies for this work, including the example of paving improvements to shops in Worsborough Common.

- 168 Berneslai Homes has been proactive in involving children in community projects on estates. A pilot Junior Impact Team on one estate encourages children to be actively involved in environmental improvement work such as hanging basket and flower bed planting and has been used to link into aspects of the school curriculum. As a result, there is a sense of ownership in the outcomes of the children's work by both them and their families and none of it has been vandalised. The success of this scheme will be evaluated to consider rolling out to further areas and we have identified it as an example of positive practice.

Allocations and lettings

- 169 In our previous inspection we found that new arrangements for choice-based lettings and a property shop showed promising prospects of improving the service. Inspectors had concerns, however, about the involvement of councillors in processes and about the fact that the company was not collecting or analysing void data to establish whether performance improvements were due to shortening repair times or to more effective lettings.
- 170 In this inspection we found that councillors now retain an appropriate independence of the lettings process with the lettings policy review delegated to the ALMO. More effective use is also being made of refusal and performance data to drive service improvements. There remain marginally more weaknesses than strengths in this area, however, because although applications are processed and need identified effectively, the review of the lettings policy has been slow to take place. Systems are over complex, with insufficient published information to demonstrate transparency.
- 171 The Council's lettings policy is complex, with a number of different streams and routes for allocation. High demand properties are not advertised but are allocated on the basis of need to high priority customers, with medium and low demand properties offered through choice-based lettings. The system is further complicated by a quota system for offering properties to customers who register in general, community and economic categories and by the fact that the general stream has four priority bands within it. These complexities make the system difficult for customers to understand, even though they are advised of turnover on their chosen estates at application and review stages, and encourages them to compete for high-priority status, which can put less competitive applicants at a disadvantage.
- 172 Current processes are cumbersome, take up considerable staff time and prevent effective monitoring and management of need and demand. There is a large and static group of customers, not in severe need and prepared to wait for very specific property types or locations. Although demand can be profiled, these cases clog the system and the ALMO has the circular problem of only being able to review most of them annually¹⁸ because of their volume, which means the volume continues to increase and the problem worsens.

¹⁸ Homeless cases are reviewed more frequently.

- 173** The lettings policy is not sensitive to local problems and sustainability issues. There are no local lettings policies in place. The company is considering opportunities to develop these in the Kendray area to assist it in ensuring ongoing sustainability of tenancies there. The matter has not yet, however, gone out to consultation with local residents. This means that opportunities for residents and local managers to influence lettings are currently restricted.
- 174** Customers do not receive sufficient information on the outcomes of lettings made to either assist them in making informed choices or to demonstrate transparency in the process. The system does not advertise how properties have been let. Managers responded to Inspector feedback on this issue and plans were immediately put in place to introduce a feedback mechanism in the New Year.
- 175** The company is not making good use of the data available to it to drive service improvement in this area. Although reasons for refusal are recorded, the categories used are broad and lack the detail required for meaningful analysis. This is a missed opportunity to explore why customers are not accepting properties, which could inform not only the review of the lettings policy and improvements to lettings procedures, but also decisions about the standard of empty properties being offered, and result in increased customer satisfaction with the offers being made.
- 176** Despite its cumbersome and resource intensive nature, performance in managing the waiting list puts the company's performance in the best 25 per cent of comparable organisations. Applications are logged within 24 hours. Appropriate quality assurance and monitoring processes and a well advertised formal appeals process help ensure consistency and fairness. Applications are screened to identify support requirements and a dedicated medical assessment officer visits and prioritises customers with a medical need for re-housing. A wide-range of options is available for customers to bid for properties under choice-based lettings and assistance is given via surgeries in outlying areas to customers who cannot access the property shop. These processes results in a customer-focused service for applicants, which is fair and helps ensure best use of the housing stock to meet needs.
- 177** Effective and proactive partnership working is in place on lettings. Nomination agreements ensure there is a clear and time limited process in place for nominations of applicants to registered social landlords. This is based on a quota system and quarterly monitoring arrangements are in place. This means there is clarity about responsibilities and processes operate effectively.
- 178** Berneslai Homes use 'moveUK' to provide opportunities for applicants to move in and out of the area by mutual exchange. Its property shop manages all 'moveUK' transactions within the district, using a dedicated officer. This allows applicants greater flexibility and choice by improving their access to properties in other areas if they want to move for work or other reasons, and it also optimises the opportunities of attracting new applicants into the area.

- 179 The ALMO works effectively with the Council to help it discharge its duties on homelessness prevention and to homeless people. Potential homelessness is identified at application stage and information signposting housing advice sent out. There are close operational and information sharing relationships between the two organisations to assist in prevention work and, at a strategic level, the housing stock is being used to provide interim accommodation. This helps ensure that applicants who are potentially homeless get the best possible advice at an early stage, reduces the council's reliance on bed and breakfast accommodation and helps ensure homeless customers can continue to live in settled communities while waiting for long-term re-housing.

Leasehold management and Right-to-Buy

- 180 In the previous inspection this was an area of weakness for Berneslai Homes. It had no dedicated arrangements for consultation and did not offer assistance in paying for major repairs or improvements.
- 181 In this inspection, we found that the ALMO has addressed the recommendations made last time on engagement with leaseholders and it complies with legislation. Other procedures have improved but they are not yet embedded to the extent that most leaseholders have benefited from them. Although those affected represent less than 2 per cent of customers, failure to address these issues sooner means the wider tenant body is subsidising this service and leaseholders are receiving a poorer service than most. There remain more weaknesses than strengths in this area.
- 182 Berneslai Homes cannot demonstrate that leaseholder satisfaction with services is high. It carried out a survey in May 2004 which, on a low return rate, indicated that only 20 per cent were satisfied with the information they received, only 55 per cent knew how to make contact about repairs and only 15 per cent about antisocial behaviour. This survey was carried out before recent improvements in the service were made but, although a follow up survey was done shortly after this inspection, comprehensive and up-to-date satisfaction information was not available during the on site period.
- 183 There are significant weaknesses in how service charges are set and managed. No management fee is charged because the lease signed by all leaseholders before August 2005 does not provide for it and although the new lease does, the company has not yet approached the council for permission to consult on and vary existing leases to bring them into line. Service charges are also based on historical figures, rather than actual costs and have not been reviewed for some years. This means tenants are currently subsidising the service and staff do not feel confident in justifying service charges, if challenged. Billing and collection are carried out by the council under an SLA but the ALMO cannot demonstrate that it is effectively managing this relationship. It does not have an understanding either of how much is being billed or how successfully the council is collecting monies owed. Plans are in place to bring this function in-house from April 2006, alongside transparently calculated, cost based charges but the current situation means it is not delivering an acceptable service.

- 184** Leaseholders do not benefit from an insurance scheme, the wide-range of payment options offered to tenants or targeted benefit or debt advice. A draft procedure for offering low interest loans on expensive improvement works has very recently been trialled on one scheme, but has yet to be formally approved by the Board and is not offered to all leaseholders. Although plans are in place to address these anomalies, they had not been put in place by the time of the inspection so customers were not able to access them.
- 185** Leaseholders are appropriately consulted on the costs of major repairs, reactive repairs and planned works. Systems are in place to ensure section 20 notices are being appropriately issued and the company has begun to issue section 125 notices to leaseholders buying and selling their homes. The company has also developed a procedure for calculating and advising customers on projected planned repairs over five years at the Right-to-Buy stage. This means it now complies with the Commonhold and Leasehold Reform Act 2002.

Supported housing

- 186** In the previous inspection, we found that support services for vulnerable groups were underdeveloped, impacting on the sustainability of tenancies. The links between the council's supporting people strategy and Berneslai Homes were positive, however, and the stock reduction programme was allowing it to begin to fill gaps in provision. The company had taken a proactive approach to addressing the weaknesses in its sheltered housing service and made a number of short-term improvements but there was further work to do in this area.
- 187** In this inspection we found that this was a poor service. Sheltered housing has a culture of care rather than housing related support, with no emphasis on flexibility of provision to meet individual needs, some poor quality accommodation, generally weak management systems and significant uncertainty about future funding. A robust plan was in place, in partnership with the council, to address these weaknesses but this has yet to impact in terms of improved service delivery. The company delivers higher quality but small scale support services to other groups, but there remain significantly more weaknesses than strengths across supported housing, as a whole.
- 188** There is little evidence of an innovation or a modern approach to service delivery in sheltered accommodation. Although tenant satisfaction remains high, there has been little work done to respond to the changing agenda and satisfaction may be linked to limited expectations and the culture of care, rather than independent living, which has developed in schemes.
- 189** The support needs of tenants within the sheltered schemes are not being adequately assessed or addressed. Although support is clearly being provided by wardens, this is not backed by support plans, which should be developed and reviewed with service users, and wardens hold very limited information about residents' needs. This means the ALMO cannot demonstrate that it has effectively assessed, or can monitor, whether it is meeting the individual support needs of its sheltered customers. It is also unable to identify levels and patterns of need in its schemes, from a strategic perspective.

- 190** The delivery of the sheltered housing service is not determined by need and there is no flexibility offered to tailor services and costs to suit individuals. Data from a recent customer survey indicates that 46 per cent would be unwilling to pay for the service if they had to meet its costs¹⁹, so cost is also clearly a factor. As age restrictions in schemes are removed to facilitate easier letting, younger people with lower support needs are more frequently requesting a scaled down service from wardens, but this does not result in a lower service charge. This means some customers are paying for services they do not require.
- 191** The sheltered housing service is failing to comply with both the Freedom of Information Act and data protection issues in collecting and storing records. Wardens do not advise customers what information they hold about them or request authorisation for doing so. The inconsistency of information retained from scheme to scheme may also be a data protection issue. This means customers have no way of checking whether the information held about them is relevant or accurate and no control over how it is used.
- 192** There is a lack of appropriate technology in some sheltered schemes. The alarm systems used are variable in age and type. Some are old and cannot be used remotely. As a result, when wardens are on visits and identify problems, they may have to leave the customer in order to telephone for assistance. This may cause delays and distress or put the customer in danger.
- 193** Training for wardens is underdeveloped and does not address the needs of a modern service. There remains a need to change the culture of the service from one of 'doing to' to one of 'supporting independence' which will require extensive training and support. Wardens should be equipped to work more strategically as managers of support packages, rather than as deliverers of care and will require intensive training in carrying out needs assessments and giving advice on fairer charging and benefits if customers are to receive the service for which they are paying.
- 194** The overall standard and type of sheltered housing is mixed. All sheltered schemes visited by Inspectors were clean but decorative standards varied with some appearing 'tired'. A number of schemes still provide accommodation with shared bathing facilities for tenants and these fall well below expectations of a modern service. Communal areas are not well maintained in some schemes and Wardens have no 'scheme manager' role in monitoring service standards. These indicators of neglect make some schemes uninviting.
- 195** Performance management in this area of service is weak, although procedures are in place for recording day-to-day visits, responses to emergencies and health and safety checks. Berneslai Homes has not completed ODPM workbooks for any of its supported housing services and, although the council has allowed it to submit a performance snapshot for each scheme, it has yet to develop a clear monitoring framework. This means it does not have a comprehensive baseline of performance which highlights weaknesses and allows it to monitor progress over time.

¹⁹ Seventy per cent are currently in receipt of housing benefit and, therefore, do not meet support charges directly from their own incomes.

- 196** The Council's Supporting People team, which funds all housing related support in the district, has recently reviewed Berneslai Homes' sheltered service and classified it as 'poor'. It was found to have significant failings in terms of needs and risk assessment, support planning and access. There has also been criticism of its lack of a strategic approach to managing the service because it has attempted to keep schemes occupied by letting properties to younger people not in need of support, rather than rationalising the service on the basis of future likely demand and retaining only the more popular schemes.
- 197** This puts the service at risk of not receiving revenue funding in future and also jeopardises provision for older people elsewhere in the district. The Council will not be able to expand provision for new services, such as an extra care scheme currently under development and due to open in the spring, unless Berneslai Homes makes efficiencies in its current service.
- 198** This situation has driven a robust partnership review of older persons' services within the context of their strategic relevance, stock condition and wider regeneration issues. An 18-month action plan has been agreed between the Council and ALMO which dovetails with other plans and involves remodelling and re-designation of schemes to address sustainability. It also includes a complete redesign of the service to comply with supporting people conditions and provide a menu of services from which customers can choose. A number of actions are achievable within a relatively short timeframe and delivery on these will lead to Berneslai Homes receiving a short-term contract to continue running the service from March 2006, with a steady state contract to follow once longer-term objectives are achieved and a more adequate service is being delivered.
- 199** Although it meets the needs of some customers in terms of tenancy sustainability, the 56 unit furnished tenancy scheme is not affordable for all. This service is small scale and basic, excluding a decorating package. Although furniture charges are met through housing benefit, charges can be high²⁰, which means there is a danger that this vulnerable group could fall into the poverty trap by not being able to afford to take a job which will bring them out of benefit entitlement. Appropriate arrangements are not in place for staff to advise customers on the implications of this situation or to remove furniture if they request it at this point. This means that a service designed to help sustain tenancies could be resulting in the opposite effect because of insensitivity to this important issue.
- 200** The ALMO has a more sensitive and targeted approach to supporting older people who may not have access to adequate cooking facilities. For a small charge, it either provides or maintains an existing cooker for any customers who are over 60. This gives customers without capital or who do not want to make their own maintenance arrangements the choice of a flexible option.

²⁰ Ranging from £12 per week for a flat, to £30 per week for a house.

- 201 There are strong relationships in place with the asylum seeker service around managing the 120 properties let to the National Asylum Seeker Service (NASS). Bi-monthly multi-agency meetings ensure problems are addressed and void levels remain relatively low, at under 10 per cent. The ALMO has addressed the need for flexibility in providing alternative properties to meet specific needs and appropriate arrangements are in place for advocacy and support during decent homes improvements. This helps ensure that customers from this vulnerable group are not disadvantaged by their housing circumstances.
- 202 There is strong and effective management of the 28 plot, long-stay Gypsy and Traveller site. Facilities are good, with each plot having its own water and electricity supply, brick built kitchen and bathroom facilities. The site is clean and there is a relationship of mutual trust between residents and the site manager, with issues being dealt with swiftly and effectively. This has resulted in the site having a settled community with a low move-on rate and a waiting list for plots.
- 203 Impact staff are visible on estates and are able to provide focused support to customers on their patches. This support typically takes the form of dealing with general nuisance issues and signposting to other agencies, such as floating support. Although the company does not have its own floating support team, it has strong working relationships with others in tailoring appropriate support packages to meet individual needs. This ensures that the support is customer-focused but also that Impact staff maintain involvement to help ensure consistency.

Is the service delivering value for money?

- 204 The last inspection indicated that the ALMO had a commitment to achieving value for money in services to customers. Modern Egan based partnering was in place around improvement works and, although Berneslai Homes could not then demonstrate value for money from its support services, a plan was in place to achieve this. It was also exploring use of handheld technology and supply chain management. Recommendations were made to improve the ratio of planned to responsive works and to reduce the level of emergency and urgent repairs.
- 205 In this inspection we found that this was an area of strength, with policy priorities and performance commensurate with costs in most areas and routine benchmarking, service review systems and SLA management in place. The Board provides robust leadership on VFM and there is a developing culture of identifying efficiency savings and redirecting them into service improvement. The company has partnering and innovate procurement arrangements in place and is improving some aspects of efficiency in delivering repairs but it is failing to make good use of planned repairs to reduce more expensive responsive repair costs.

How do costs compare?

- 206** The company's costs are in the lowest 25 per cent of ALMOs nationally, with relatively few staff²¹ and an average cost per property of £293²². These Housemark benchmarking figures exclude supported housing, which local benchmarking indicates is relatively high cost for Category 1²³ and relatively low cost for Category 2²⁴ schemes. Chartered Institute of Public Finance and Accounting (CIPFA) benchmarking, however, which includes supported housing, indicate that the company has low costs overall, which is largely due to the fact that sheltered housing expenditure represents only around 10 per cent of the company's total costs.
- 207** Berneslai Homes has a good understanding of its costs on a service by service basis and they are commensurate with policy priorities and with outcomes in most areas. It does annual, and in some cases monthly, benchmarking through Housemark to compare its costs with peer organisations to help managers make informed decisions about expenditure and service quality. The ALMO knows, for example, that its tenancy management service is higher cost than its peers but has chosen to resource it in this way in response to tenant demand for access outside office hours and for higher visibility on ASB. Lettings is also a higher cost service but, again, this is acceptable to the company because the property shop has improved access and reduced difficulties in letting sufficiently to justify costs.
- 208** The company has used support service and other SLA reviews to challenge costs and quality expectations to identify efficiency gains over the past 18 months. This has resulted in annual savings of £167,000. The ALMO acknowledges that benchmarking on SLA costs is less sophisticated than its other benchmarking activities because it has struggled to compare 'like-with-like'. For this reason, the review programme was prioritised principally on the basis of actual cost and each was carried out in line with the 'four C's'. In a number of service areas, including marketing, asbestos control, gas servicing and risk management, the company has taken services in-house to improve its control over how they are delivered. It also now represents itself in court on rent arrears, reducing the court costs passed on to customers.
- 209** The company has taken a pragmatic approach to market testing. It was reluctant to put services through expensive competitive tendering processes and potentially high risk periods of acclimatisation to new providers if it could negotiate a lower price and/or improved quality from existing suppliers. For this reason, most reviews have involved 'soft' market testing, based on requesting competitor organisations to share likely tender prices on existing specifications. Some of these exercises, such as that for grounds maintenance, indicated that the council was delivering effectively on VFM. Others have indicated the need for full market testing, as is currently being done in the case of drainage, where a more flexible service is being offered at similar rates by the Council's competitors.

²¹ 139 properties per employee.

²² 2004/05.

²³ Sheltered, with on site warden.

²⁴ Mobile warden service.

- 210 Where the Council has continued as provider, the length of the new SLA reflects the ALMO's view about the quality of the service being delivered and the need for either early improvement or termination. One example of this is the human resources SLA, which has only been renewed for one year and significant improvements are expected if this is to be extended. In areas where cost savings have not been made, a VFM approach has been built into day-to-day thinking about priorities and efficiencies in terms of service quality have generally been implemented. For example, it has been agreed that pest control operatives will be empowered to carry out small repairs on site to avoid the need for a second visit. These reviews indicate that Berneslai Homes is working towards ensuring that it obtains maximum VFM from its SLAs.
- 211 Berneslai Homes responds effectively to changes in its context in terms of SLAs. For example, it has taken advantage of the Council's investment in call centre technology and office refurbishment through Barnsley Connects to improve its frontline services by setting up a new SLA. It also recognises the need to review other aspects of the service on a frequent basis. For example, it will shortly consider again the price it pays for cash collection and receipting because its drive to increase the use of direct debit and other cost effective payment methods will have an ongoing impact on the volume of work being done for it by the council. All of Berneslai Homes' work on reviewing SLAs means customers can be confident that value for money is being obtained in the way support and other externally procured services are being delivered.

How is value for money managed?

- 212 The Board receives high-quality information on VFM issues, allowing it to make informed decisions about priorities and resourcing, and it exercises strong leadership in this area. All Board reports carry an appendix, signed off by the Director of Finance, which considers both the capital and three-year revenue implications of proposals. Board members display a clear understanding of VFM issues and have refused, on a number of occasions, to make key investment decisions until they were satisfied that VFM considerations had been thoroughly explored. Board members also take a robust stance on the need for any efficiency savings made to be redirected into improving frontline services, for example, through the investment currently being made in handheld technology which will, itself, result in savings in administration costs in the medium-term.

- 213** There is a developing VFM culture, demonstrated through the identification of savings and redirecting resources to some priority areas as part of plans and reviews. Team briefings contain sections on VFM issues, workshops were held at the recent staff conference to encourage them to identify where better VFM might be obtained and Inspectors found that staff from across the organisation constantly seek ways to improve quality and reduce cost in service delivery. Each division has challenging efficiency targets in place as part of the annual budget setting process. This process also ensures priorities highlighted throughout the year are discussed by the senior management team and any savings made are used to fund them. For example, next year's budget²⁵ assumes £80,000 savings through SLA efficiencies which have been made available for redirecting into other priority areas.
- 214** A VFM strategy is in place which sets challenging targets for the next three years. This is supported by an efficiency register which helps monitor and evaluate efficiencies being made across the organisation and quarterly performance reports are submitted to the Board's Audit Subcommittee. The register includes £2 million worth of efficiency savings submitted for the Council's 2005/06 annual efficiency statement²⁶ and a number of relatively small scale additional efficiencies identified since then. It is likely to be supplemented by significantly larger items next year as the older persons' review is implemented and a large scale best value review (BVR) of housing services is undertaken.
- 215** SLA monitoring and management arrangements effectively focus on the issues which matter most to customers and are underpinned by robust mechanisms to drive improvement. A specialist officer manages SLAs and produces regular reports which feed into the company's performance management system. Each SLA has a lead officer and monthly or quarterly meetings of key staff to discuss performance and learn from good practice, keeping cost effectiveness constantly under review. These monitoring groups include customers if they relate to frontline services and consider outcomes, rather than activity monitoring. The specialist officer also monitors poor performance through exception reporting and holds lead officers to account where it is not being addressed. An example of escalation of monitoring arrangements in response to performance concerns is that of the Barnsley Connects service, where weaknesses identified during an Audit Commission inspection of the service triggered mystery shopping and regular meetings with senior council staff until the service was performing at an acceptable level.
- 216** The ALMO has Byatt/Egan-based partnering arrangements in place for both its responsive maintenance and decent homes improvement work, the operational benefits of which are outlined elsewhere in this report. Risks are being shared by partners and performance is incentivised by sharing savings made against target costs and by rewards for achieving targets. The efficiency saving made from the decent homes partnering arrangements in 2004/05 was £1 million and is forecast to be in excess of £1.9 million in 2005/06.

²⁵ Being set at the time of the inspection.

²⁶ Made up almost equally of staffing and decent homes partnering efficiencies.

- 217 A strategy was put in place after the last inspection to reduce the level of emergency and urgent repairs. This has brought the company to within good practice levels of 10 per cent emergency and 19 per cent urgent by the end of the first quarter of 2005/06. This represents a significant improvement in VFM because it is far more cost effective to do the work on a non-urgent basis.
- 218 The organisation is taking opportunities to 'batch' non-urgent works, such as fencing or the replacement of fittings not due under decent homes improvement, to make efficiency savings. Ten per cent of responsive repairs are now carried out under 'batched' programmes, which are more cost effective than carrying out one-off repairs because they allow economies of scale. For example, the cost of fitting a single bathroom averages £1,257, whereas the equivalent work costs £970 when done under batching arrangements.
- 219 Modernisation within construction services is resulting in improved productivity and performance on the costs of responsive repairs and voids. The in-house partner has historically performed less well than the external one against target prices and continues to do so, but this gap is narrowing, bringing average costs down across the board. These now stand at £83.02, against a target price of £93.89 for responsive repairs and £625 against a target price of £750 for voids, which means there will be substantial efficiencies made by the year-end. The new productivity scheme in construction services had also increased productivity by 17 per cent by the end of the second quarter of 2005/06.
- 220 Berneslai Homes is making some progress in recycling equipment for disabled customers in order to reduce expenditure. For example, it has recycled 10 hoists and 61 stair-lifts in the past three years and recently changed the model of ramp in use to facilitate easier recycling in future.
- 221 The ALMO participates effectively in procurement consortia to enhance VFM in the purchasing of supplies and services but has not quantified what efficiency gains have been identified as a result. Its current arrangements include use of the Yorkshire Purchasing Consortium for office supplies, Procurement for Housing for mobile technology and the Northern Consortium for alarms and uniforms. It is constantly reviewing its procurement arrangements to ensure VFM is sustained, has changed suppliers a number of times and is participating in several consortium pilot projects. Most significant of these is a South Yorkshire-wide £2.6 billion project for decent homes supplies procurement, the business case for which has been drawn up using Efficiency Challenge funding. Berneslai Homes is also currently involved in an 'e-auction', with other South Yorkshire public sector landlords, for £30 million worth of boilers.

- 222** There remains a significant weakness in how responsive repairs are managed to ensure VFM. Recommendations were made at the time of the last inspection to move towards the 60:40 per cent good practice ratio for planned to responsive revenue funded repairs. This was because planned repairs can be delivered more cost effectively. Although the company reports its current ratio as being 82:18 under the ODPM BVPI 211a definition, this allows it to include capital works. There has not been a significant improvement when revenue is considered alone and the ratio remains poor at 27:73. Although it would not be possible for the company to achieve 60:40 within existing revenue funding constraints and with the amount of improvement work still required to the stock, the low level of planned works indicates that better use could be made of revenue resources.

Summary

- 223** There are more strengths than weaknesses in how Barneslai Homes is delivering its services. It has continued to develop access arrangements, enhance its approach to diversity issues and it has robust arrangements in place to ensure value for money is obtained in service delivery. The ALMO's lettings, tenancy, estate and asset management services are of high-quality and it is also improving the way it delivers repairs and rents.
- 224** Plans are in place to improve the leasehold management service, although these are newly implemented and not yet fully embedded and the company's attempts to develop resident involvement work have not resulted in significant uptake by non-traditional groups.
- 225** Supported Housing, which represents a quarter of Barneslai Homes' stock, is a poor service area. This service does not conform to modern standards and is awaiting a large scale remodelling, which is planned over the next 18 months.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 226** In our previous inspection, we found that Berneslai Homes had radically transformed the housing management service and, through partnering, the way in which stock maintenance was procured and delivered. These had been significant achievements, but the impact on customers had not yet been fully demonstrated. Inspectors were disappointed at the lack of progress against previous stock maintenance recommendations.
- 227** In this inspection, we found clear evidence of improvement across the areas which matter most to customers, in addition to managing the large scale decent homes improvement programme. There are more drivers of improvement in Berneslai Homes' track record than there are barriers to improvement.
- 228** The ALMO has addressed external recommendations for service improvement. Of the 46 from the last inspection, 36 have been fully implemented, 7 partially completed and 3 are planned. As has been covered earlier in this report, most of these are now embedded, although changes in leasehold management arrangements are too new, yet, to have impacted, in terms of outcome.
- 229** Berneslai Homes is largely achieving what it was set up to achieve. There have been steady improvements in most best value performance indicators (BVPIs) and in customer satisfaction over the past two years. There have also been improvements in access to services and an increased emphasis on both diversity and VFM issues. A process of modernisation has begun in the newly transferred construction services division and this is beginning to impact on performance improvements. The decent homes improvement programme has produced 3,712 modernised properties in its first 18 months. These represent significant, customer-focused achievements.
- 230** The company has not allowed service quality to deteriorate in other areas as it delivered the decent homes improvement programme. The ALMO's sound management of the housing stock has also allowed the Council to concentrate on taking a strategic view of wider housing need issues in the borough. Decision-making in both areas has been made more effective by the split and the ALMO's track record demonstrates that the service is improving as a result of having a customer-focused and business, rather than politically driven, ethos.

- 231** Barneslai Homes can demonstrate a growing emphasis on VFM over time. Investment has generally been prioritised in areas where the maximum impact could be made on improved service delivery. SLAs have been reviewed thoroughly and efficiencies made which have been reinvested in frontline services and the company is working with partners to deliver continuous service improvement. The assimilation of construction services into Barneslai Homes has also proved that the company has the ability to turn around poorly performing services under high risk circumstances, where doubling the ALMO workforce and challenging an entrenched culture were necessary to give it the potential for essential income generation in the medium and longer-term.
- 232** There remain some weaknesses in the ALMOs track record of delivering VFM. For example, it has not always maximised investment in the areas which have the most impact on customers, such as resident involvement and the quality of voids. The lateness of decision-making about the future of estate offices indicates that the company did not prioritise a VFM review, despite low usage and the opportunity which some of the buildings represent to generate income through alternative use. The company has also failed to bring pressure to bear on the council to divert resources sooner into the customer-focused, national priority of achieving DDA compliance. This has meant that customers with disabilities in some areas will have endured an 18-month period of access difficulties between the legislation taking effect and all offices being DDA compliant.
- 233** Barneslai Homes has not made optimum use of the data it holds to analyse whether it is ensuring VFM or driving service improvement in some areas. For example, it has not analysed or modelled the impact of the void standard on turnaround times, satisfaction levels or refusal rates. This is despite the fact that it now has a year's worth of data which would assist it in analysing whether the lower specification is delivering VFM. This is a missed opportunity to think more creatively about service improvement, with an emphasis on VFM.
- 234** The most significant barrier to improvement in the ALMO's track record is the slow pace of change in addressing weaknesses in the lettings policy and the sheltered housing service. Barneslai Homes has taken a proactive role in partnership working with the council on both issues, but this has only begun to bear fruit in recent months and plans have yet to result in concrete service improvements or VFM efficiencies in either area. The company displayed a lack of foresight in not addressing the requirements of the Supporting People Quality Assessment Framework sooner. Because issues are being addressed at such a late stage, there remain significant risks of the company not delivering against its short-term milestones within the sheltered plan. This will impact on wider older persons' services within the district as well as on the quality of service being delivered to its own customers.
- 235** The pace of change has been slow in other areas including, the speed with which Barneslai Homes has addressed the need for legal action on gas servicing and the introduction of a tenant reward scheme, systems for which are only now beginning to be developed. These are areas where services could have been improved far sooner, with the minimum of resources.

How well does the service manage performance?

- 236** In the previous inspection, BVRs and SMART²⁷ improvement plans had driven service improvement in most areas other than repairs, but some targets were overambitious and there had been slippage against them. Improvements had also been made to the performance management system but these were not embedded, with targets not cascaded down to frontline staff.
- 237** In this inspection, we found that systems are now mature and embedded, with effective planning mechanisms producing generally SMART plans which aim to address weaknesses and drive improvement. There is appropriate arm's length monitoring by the Council, strong leadership from managers and the Board and a robust performance management framework which helps foster a culture of continuous improvement, learning and empowerment. There are significantly more drivers than barriers to improvement in this service area, but planning remains relatively short-term in the absence of a clear vision for the future of the ALMO, when the Council can no longer fund decency.
- 238** Plans and objectives are co-ordinated, robust and deliverable. Corporate, financial and service plans are integrated and the budget and delivery plan are developed in tandem. There is a clear connection running from the business plan, through other plans and strategies to individual team plans, with the performance management system feeding a cycle of planning, review and implementation throughout the organisation.
- 239** Plans are generally SMART and based on robust service reviews. The plan to remodel the sheltered housing service, for example, evolved out of a root and branch review conducted with partners and should deliver a radically different service over an 18-month period. Even where plans are less SMART, such as in the case of the leasehold management action plan, which does not clearly identify resources required or identify how outcomes will be measured, outputs are generally on target because performance management is strong.
- 240** The company can demonstrate that it is aiming to improve the things which matter most to customers and to address service weaknesses. Strategic objectives for the first three years were decided with customer involvement when Berneslai Homes was established and will be reviewed as part of an imminent 'visioning' exercise. Delivery planning is inclusive of customers, takes account of SWOT²⁸ analysis, benchmarking data, KLOE gap analysis and the outcomes of formal and informal customer feedback collected throughout the year. There is no evidence of 'silo' working in setting priorities and the management team has a collective approach to taking responsibility for service improvement across the company.

²⁷ Specific, measurable, achievable, resourced, timebound.

²⁸ Strengths, weaknesses, opportunities and threats.

- 241** The Board takes a proactive approach to ensuring service plans will deliver improvements and address weaknesses before they are approved. For example, a 'handyperson' pilot is about to begin in one area of the district and will be evaluated before being rolled out. Board members took several months to approve this and have made clear that they want regular reports on the scheme and expect to see tangible benefits and VFM demonstrated if they are to support its continuance.
- 242** Berneslai Homes has a clear short-term vision, which sets out what it wants to achieve over the life of its three-year business plan. This is translated, in the annual delivery plan, into tangible and achievable objectives for service improvement. Objectives are based on a sound understanding of the challenges and opportunities the ALMO faces.
- 243** A significant weakness in planning is the lack of a long-term vision for the ALMO once the delivery of decent homes improvement works is complete. The Council cannot fund the maintenance of decency post 2013 and wants to develop a solution which prevents slippage into non-decency. With a dwindling stock size and reducing management fee, Berneslai Homes must develop its business and generate a viable revenue stream if it is to survive in the longer-term. A joint, resourced, 'visioning' exercise will begin in the New Year and extend for up to 18 months, involving extensive resident consultation about potential management vehicles. Early discussions indicate that, although no options have been ruled out, the Council does not have plans in place to take the landlord function back in-house because this could compromise improvements in service delivery since separation.
- 244** Despite the lack of a clear vision, the ALMO has begun to explore income generation options. The six-year business plan currently being developed for construction services assumes that investments in technology and modernisation of working practices will create an efficient organisation able to market its expertise in gas servicing and property maintenance to other landlords, insurance companies and home owners. Diversification is beginning in other areas and the business development team has recently been appointed to provide a management service around the demolition of private sector stock under the HMRP. A number of other ideas are under consideration, such as marketing the skills of the decent homes and regeneration teams, use of the property shop for estate agency and extending the private sector enforcement project to deliver other management services for landlords in future.
- 245** Appropriate and robust arm's length monitoring arrangements are in place between the ALMO and the Council. There are no performance rewards or sanctions, but the ALMO is incentivised by being able to reinvest any efficiencies it makes in services and by being able to spend income collected through improved void and arrears performance. Monthly and quarterly meetings take place at appropriate levels and the council has challenged performance on a number of issues, including on void turnaround, where it asked for an action plan with monthly targets and weekly updates. Other significant challenges have taken place, including on backlogs in application processing, all of which have resulted in performance improvements.

- 246 The Council's scrutiny arrangements are effective. Detailed quarterly performance reports are submitted to its performance review panel, chaired by the Leader, and key councillors demonstrate an awareness of the ALMOs performance. The Housing Scrutiny Commission also has an uninhibited agenda to scrutinise any housing issues in the district and has challenged the ALMO in the past about its performance, inviting strategic partner organisations, for example, to discuss decent homes customer liaison arrangements when they were dissatisfied with them. Scrutiny is currently reviewing how well cost and performance improvements are being made in construction services and it is clear that councillors appreciate a new freedom to act as advocates for their constituents, rather than taking a defensive role on landlord issues.
- 247 Within Berneslai Homes, there are appropriate systems and a culture in place to support continuous improvement. Senior managers are visible, effective and open and have effectively communicated the vision and objectives to staff and partner organisations.
- 248 The Board demonstrates strong strategic leadership and has proved itself sufficiently mature to take difficult, risk-based decisions, such as that to take over the management of construction services in 2005. Board members have had training in performance management, demonstrate an understanding of complex performance information and service weaknesses and are unequivocal in their expectations about performance improvement. For example, the strategic Board has set clear milestones for construction services' performance to come into line with that of the external partner on responsive repairs and void turnaround times.
- 249 There are mutually respectful and appropriate relationships in place between officers and members, with both clear about their roles and a strategic focus on delivery against plans and targets. Observation of Board meetings indicates that they are robustly chaired, that subcommittee chairs take responsibility for activity in their areas and that most members have scrutinised reports in advance in order to raise questions and issues. Senior managers effectively present well written reports, junior staff feel comfortable to speak and members provide appropriate challenge to officers on issues of policy and performance and the demonstration of tangible outcomes in relation to proposals.
- 250 Berneslai Homes' performance management framework is effective. It cascades business and delivery plan objectives to service areas, with systems based on breaking down processes into modular elements and setting targets for each team for each element of the process. This is particularly evident in void management, where it allows more effectively ownership and diagnosis of emerging problems. Bi-monthly management team meetings consider performance reports from across the organisation, which feed into quarterly reports to the Board and council. There is robust performance reporting against benchmarking data, objectives and targets, with details of corrective action provided in cases of exception. Each of the two area Boards has varied the version of the report it receives to reflect local priorities and risks. The Council meets privately with the tenants and residents federation to discuss these reports, in addition to the other arm's length monitoring arrangements outlined earlier.

- 251** Performance reports are accessible to all staff via the intranet, although staff also receive more detailed and targeted performance information to assist them at an operational level. Performance information is made available to customers through the newsletter and displays in all offices. The ALMO also allows members of the public to observe Board meetings and ask questions, which helps ensure they have an avenue for pursuing issues directly with decision makers.
- 252** Performance management is well embedded across the organisation, with a handbook explaining the system for new employees. Business plan priorities determine overall targets but there is some negotiation at team level about how these should be implemented, to ensure staff 'buy in'. For example, on rent arrears one team has a higher target than the other in recognition of its starting position and the customer base in that area, but the global target across both teams meets the business plan priority. Frontline staff are given targets in advance of their implementation date because they are determined during the delivery planning and budget setting process. This has helped foster a culture where staff begin thinking about how they will need to resource and review their approach in order to meet targets. An example of this, again observed in the rent sections, is of junior staff considering how they will minimise the number of NSPs served, in order to reach their targets, without diluting their impact, and feeling empowered to introduce their own initiatives to achieve this end.
- 253** There are effective performance management arrangements in place to drive and deliver improved VFM. These are particularly sophisticated in the area of repairs and decent homes improvement works, where a large percentage of expenditure takes place. A well-managed and SMART improvement plan is in place, for example, to modernise and improve service delivery in construction services and the two responsive repairs partners are currently planning to begin post inspection of one another's work to further enhance performance management arrangements in this area. The KPI framework in place on decent home partnering helps ensure active management of cost and quality issues, by addressing satisfaction, speed, cost, health and safety, impact on the local economy, predictability of cash flow forecasts, training and defects. All targets are currently being met.
- 254** The ALMO has a robust understanding of its strengths and weaknesses and is self-critical, as it demonstrated by the quality of the self-assessment it submitted prior to this inspection and in the speed with which it responded to feedback from Inspectors where minor weaknesses were highlighted. The company has a track record of learning from good practice and also of disseminating its own good practice to others, as it has done through workshops on partnering.

- 255** Inspectors found a number of examples of learning between teams within the organisation. For example, there have been differences in performance between the north and south teams in a number of housing management service areas. Sessions were held between staff to review why this had arisen and the weaker team adopted a number of practices in operation in the stronger team. There are also systematic methods for ensuring learning is shared between specialist teams, such as those dealing with rents, which are co-ordinated from the centre by a monitoring specialist who meets operational managers regularly to discuss performance and learning.
- 256** Customer feedback drives improvement in frontline service delivery. For example, feedback from mystery shopping has helped in scripting responses and planning training for Barnsley Connects. Learning from complaints has led to various changes in practices, including amendments in the lettings code of guidance, guidance on succession and assignment and pest control procedures. There is also substantial evidence that the results of satisfaction and other surveys have changed the way the company does things. For example, the 2003/04 survey, which revealed that only 27 per cent of customers knew how to report ASB and 86 per cent wanted more flexibility in reporting repairs, led directly to an Impact team marketing strategy and extension of opening hours.

Does the service have the capacity to improve?

- 257** In our last inspection we found that the Board was effective in undertaking its role and governance was robust and working well. We were, however, critical of the lack of effort to encourage applications which might make the Board more representative of the community it served. A risk management framework was not in place, but the draft register and action plan were robust, supported by training for board members. IT systems were weak but this had not undermined the company's ability to produce accurate and timely financial information.
- 258** In this inspection we found that capacity remains an area of strength, with more drivers of improvement than barriers to it. Although the company has not effectively addressed the issue of Board representativeness and has no formal HR or training strategy in place, it has strong governance, sound financial and risk management, good ICT systems, an effective procurement strategy and is attracting substantial inward investment.
- 259** Governance within Berneslai Homes remains strong. There are clear terms of reference for Boards and it is taking an open approach to the current review of governance arrangements. Board members are well motivated, independent members bring a good balance of skills and there are lively debates ongoing about whether area boards should be retained in their current form and about whether members should be paid. A governance review group has been set up to oversee this process and the company's solicitors are providing specialist support.

- 260** There is an understanding by key figures within both the ALMO and Council that the leadership qualities required to set up and develop the ALMO over the past three years are not necessarily the ones it will need to take the business forward in future. There is a consensus that the Board's strategic capacity requires some development and there is an acceptance that diversity issues need to be addressed. Interesting plans are in place to develop a 'youth board' to raise interest in governance issues among local young people and their families for succession planning. The Chair, Chief Executive and the Council's Leader are all also considering more immediate succession planning issues and an effectiveness review will take place in January 2006, after the governance review.
- 261** Senior managers, council representatives and key Board members acknowledge the weaknesses identified by Inspectors in the Board's approach to diversity and gave an undertaking during the inspection to develop plans to address them. Targets, capacity building and a more inclusive recruitment strategy will be put in place to increase the pace of change. The Council will consider more carefully who is nominated to the Board, as members retire. Further tailored training for Board members on diversity issues will also take place in the New Year.
- 262** Effective work has been done in the past to build capacity among potential tenant Board members using a Chartered Institute of Housing Innovation into Action Grant. This work was, unfortunately, time limited and less successful in recruiting from hard-to-reach groups than anticipated, but its personal development programme approach has produced a group of extremely high calibre tenant Board members. They have an excellent understanding of their roles as company directors and their contribution to successful governance is significant.
- 263** There are appropriate systems in place for Board member training, with a number of tailored sessions held on financial and other matters. Managers have also provided one to one mentoring for new members on key issues and managers are very supportive in developing Board member skills in specialist areas.
- 264** There is good mix of skills at senior management team level and sufficient capacity to drive improvement. A number of senior and middle managers have been recruited from outside the organisation in the past three years to plug skills gaps and the company has created appropriate specialist posts in the structure to meet new business challenges. There is a recognition that further specialist appointments may be required in the medium-term to take forward the company's work on HR, ICT and procurement, depending on how SLAs with the Council develop in future.

- 265** The company has made significant progress in ensuring ICT meets its needs. An ICT strategy is in place, which links to the objectives in the delivery plan. Investment has been made in improved systems to support staff in most areas of the business in the past two years. This has included implementation of a new housing management system and handheld technology, with instant system and internet access for housing staff. This was recently supplemented by the use of tablet computers²⁹ for wider systems access in the field which ensure frontline housing staff are more productive and responsive to customer needs. Handheld technology is currently being rolled out to staff in construction services, which will eliminate traditional job ticketing, improve stock control, operational efficiency and workforce planning and allow vehicle tracking. Appointments will also be made at the first point of contact to enhance customer focus. This initiative is supported by the implementation of a new repairs management ICT system, which is bringing together a number of stand alone databases, and by the installation of a web-based diagnostic tool which will allow customers to more easily report repairs.
- 266** The company has a track record of sound financial management, with its accounts being approved, unqualified and without recommendations, by its external auditors. In its first two years, Berneslai Homes was able to balance its books and a small surplus of £230,000 was made in 2004/05. Construction services is forecast to make a profit of £250,000 on its trading account this year, which will be reinvested in offsetting the costs of implementing handheld technology, until the savings from that are released. Further savings through reduced overheads are expected next year as a result of an option appraisal process underway on its stores, which will feed into the division's draft independent six-year business plan.
- 267** Berneslai Homes' approach to HRA budget planning is inclusive, with ALMO and council officers all understanding the need to move resources to fund frontline priorities, without protectionism. For example, £1.8 million was redirected into the handheld technology project this year.
- 268** The in-house budget setting process is robust. In 2002/03 the budget was zero-based and managers have since been required to review actual costs and identify efficiencies for redirecting into growth areas each year. In July 2005, a ten-year HRA forecast and five-year budget projections identified resource gaps for future years and a package of efficiencies has been developed to bridge them.

²⁹ Portable computers, which have most of the functions of desk top machines but are portable and allow users to make written notes, in addition to using a keyboard.

- 269** Devolved budgetary management works effectively. Budgets are devolved to a range of levels to ensure operational staff are appropriately empowered in key areas, with co-ordination and support from specialist finance staff. Four-weekly budget monitoring statements are issued to all budget managers and fortnightly statements are produced for repairs. Monthly monitoring reports are submitted to the Audit subcommittee and the council and these also feed into performance reports. This ensures that problems are identified early and resources redirected, where necessary. A balanced position is forecast for the year-end on revenue expenditure and, as covered earlier in this report, the capital programme is being delivered on time, to cost and with high customer satisfaction.
- 270** Berneslai Homes has an effective risk management strategy in place. It is based on a series of risk management groups across all service areas and eight operational risk registers, with control measures and regular reporting to the Board in place for all highly scored risks. Effective staff and Board training has taken place and messages about risk are regularly embedded via team briefings. The risk plan is submitted annually to the Council alongside the delivery plan and budget and the Council is satisfied that risks are being appropriately managed.
- 271** The company has a modern, three-year procurement strategy in place. This is based on Egan and Gershon principles and aims to improve value for money in priority areas, with a particular focus on partnership working. It contains a number of targets, which are generally being met, and the company receive professional procurement advice from the council's specialist team at a competitive rate, which has been benchmarked against external providers. This helps ensure that best practice in procurement is followed and improving VFM will be achieved over time.
- 272** The ALMO has attracted substantial sums of inward investment. In 2005/06 and 2007/08 £12 million worth of external funding has been secured from ten sources. This includes £6 million of energy efficiency grant funding and funding from both the HMRP and the Green Corridor initiatives for environmental improvements and boundary treatments to complement the work of the decent homes improvement programme. Specialist funding has also been attracted for training projects.
- 273** Berneslai Homes works effectively in partnerships to enhance its ability to produce cost effective services through pooling of resources. For example, the HRA only contributes 10 per cent towards the innovative partnership to deal with ASB, which brings in 28 community support officers, 16 impact wardens and 4 tasking officers. Berneslai Homes is also leading an innovative private sector enforcement pilot project, which we have identified as positive practice, with the council's housing and planning divisions, which is fully funded through the HMRP. This allows staff to use the powers of the Local Planning Act 1990 (Part VII, section 215) to enforce rubbish removal and repairs in privately owned properties on one estate where dilapidated properties are having a detrimental effect on the neighbourhood.

- 274 Berneslai Homes has a relatively low funding base but negotiations over the assimilation of construction services have ensured that any surpluses made in this area of the business will be retained within the ALMO and cannot be used to support general fund services. This will help support the delivery of housing services and secure future investment in the stock if profitability continues to improve and external business opportunities are secured.
- 275 The company effectively controls all HRA expenditure, both in terms of budget setting and at an operational level, with the exception of a tiny proportion retained by the Council to cover salary costs in the small strategic landlord service. Its delegations have been increased over the past two years, with the Board now having authority to approve demolitions up to a value of £100,000 to give it operational flexibility and allow the council to focus on its strategic role. These arrangements generally mean that the ALMO has authority to access the finance it requires to operate effectively.
- 276 There has not been a review carried out in the past three years which would allow Berneslai Homes to demonstrate that it is securing all possible General Fund contributions towards the services it manages on the council's behalf. The HRA is, for example, the principal funding stream for the £992,000 grounds maintenance service on estates, with General Fund contributions revised annually to take account of changes in stock levels. The one major weakness in SLA reviews has been the fact that this one did not introduce an ongoing review of this contribution. This is required as properties with common frontages are fenced and as amenity spaces resulting from demolitions on estates alter the balance of what should be funded through rent payers' council tax and what should be funded through their rents. Other anomalies include the fact that TARAs are 100 per cent HRA funded, although they also serve non-tenants and funding for community centres is based on a 50/50 split, without any analysis of usage.
- 277 There is no formal HR strategy or training strategy in place and no competence framework in use to ensure staff have appropriate skills for their roles and to establish baseline abilities before and after training and development. This means that the company cannot demonstrate how it intends to ensure it has the appropriate workforce in place to ensure continuing service improvement.
- 278 There are, however, a number of indicators of effective HR management in place. The company has a track record of modernising its structure to deliver improvements, including using redeployment and redundancy. Its new work/life balance policies, outlined earlier in this report, indicate that it is a staff focused organisation. There is a well developed sickness procedure in operation, which has resulted in relatively low numbers of days lost to staff sickness, at 3.45 per cent. The company carries out annual performance and development reviews with staff and reality checks indicate that managers are effectively using these to identify team member strengths and weaknesses, training needs and to agree business and personal development goals.

- 279** Berneslai Homes is taking a proactive approach to integrating the staff of construction services and to retaining the support of its sheltered housing wardens during a time of uncertainty and fear about their future roles. The recent staff conference used a professional external facilitator to design and deliver a quiz and a series of 'fun' exercises to convey positive messages about these processes and senior managers encouraged staff to ask challenging questions about future plans and to make contributions about their fears and worries.
- 280** Although expenditure per employee on training is below the public sector average, at £320 per year, it has been a priority for the company over the past 18 months. The ALMO is the process of centralising the management of training to improve efficiency and has recently begun to evaluate training outcomes. A training plan linked to business needs ensures all staff attend key courses such as customer care, diversity and health and safety training and a number of training courses have been run for staff by voluntary sector partner organisations at no cost, including on benefits and disability awareness. A management and leadership course has been delivered to all managers in housing, which they report as having increased their confidence in managing staff and services. The construction division has a track record in providing apprenticeships and the housing division was awarded Investors in People status in August 2005.
- 281** The company facilitates progressiveness in its strategic partners in terms of workforce management. For example, over 40 apprenticeships have been created across responsive repairs and the decent homes programme, including 11 within construction services, in the last two years. Partners are also creatively seconding staff between them to help deal with peaks and troughs in workload.
- 282** There are effective relationships in place with the Unions. A range of regular meetings takes place at several levels. Constructive dialogue is ongoing about proposed changes in terms and conditions and about future policy initiatives which might impact on staffing. This has helped ensure significant industrial relations risks were mitigated during periods of change and is a sound basis for moving forward on HR issues.
- 283** The company has no clear plan in place to ensure staff feel valued. Its last staff perception survey was carried out twelve months before this inspection and indicated that only 66 per cent felt their contribution at work was recognised. This was disappointing, although it was a marked improvement on the 48 per cent recorded two years earlier. Because the survey has not been repeated in the intervening period, the company cannot demonstrate that the figure has improved further and it has no baseline data on perception in construction services, which was integrated after the last survey was done.

- 284** A number of initiatives have taken place in the past year to address negative staff perception issues, including two staff conferences and various 'back to the floor' sessions by senior managers and Board members. Inspectors also noted that there is a proactive approach to ensuring communication, with team briefings cascaded at regular meetings and working groups in key service areas to discuss policy and procedural issues. Staff expressed positive views about there being a 'no blame' culture in which they feel supported and are confident to raise ideas. The company was also able to demonstrate a number of policy initiatives which have been instigated and developed by staff and the company achieved Investors in People status in August 2005. The absence of a clear strategy, however, means it is unclear what the company intends to achieve in terms of staff perception and morale or how it plans to go about doing it, particularly in relation to construction services. The absence of a recent survey also means it cannot demonstrate progress.

Summary

- 285** Berneslai Homes has a strong track record in improving the things which matter most to customers, in addressing the recommendations of the previous inspection and particularly in delivering its large scale decent homes improvement programme. It can demonstrate that strong leadership, robust planning and effective performance management systems have allowed it to focus on developing VFM in service delivery.
- 286** There are appropriate arm's length relationships with the council and a culture of continuous improvement is embedded, although this would be strengthened if a clearer long-term vision and formalised HR strategy were in place.
- 287** There remain, however, barriers to improvement in the slow pace of change which the ALMO has shown in addressing poor service delivery in its sheltered housing service.

Appendix 1 – Performance indicators

Table 2 Barnsley 2001/02 to 2004/05

Performance indicator	Barnsley 2001/02	Barnsley 2002/03	Barnsley 2003/04	Mets top quartile 2003/04	Barnsley 2004/05 (unaudited)
BVPI 63 average SAP rating	36.1	37	38	60.5	47
BVPI 66a percentage rent collected	97.59	98.3	98.64	97.23	99.52
BVPI 74 percentage tenants satisfied with overall service	65.6				70.6
BVPI 75 percentage tenants satisfied with TP	55.8				54.9
BV184a LA homes which were non-decent at start of year	n/a	35.7	32	40	34
BV184b change in proportion of non-decent homes	n/a	10.8	10.3	15.45	5.9
BV185 percentage repairs appointments made and kept	n/a	32.8*	24.2*	67.7	32.09

Appendix 2 – Recommendations from the previous inspection

Table 3 Recommendations from previous inspection

Audit Commission recommendation	Progress
Access and customer care	
Completes the revision, updating and rebranding of all leaflets on display in local offices and contained within the tenancy information pack by March 2004.	Complete
Considers the introduction of a freephone facility in local offices and for the repairs hotline.	Complete
Works independently, or with Barnsley Council, to make progress on the modernisation or replacement of local offices.	Partially complete
Displays, on posters or leaflets in local offices and at headquarters, the service standards in place and up-to-date achievements on performance by March 2004.	Complete
Stock maintenance and repairs	
Ensures that by April 2004, there is a clear strategy for the development of the repairs 'hotline' to include regular performance information.	Complete
Ensures that appointments are available for all responsive repairs, except emergencies).	Partially complete
Ensures that by December 2003, all tenants who report a repair get a receipt.	Complete
Develops a short-term action plan, by March 2004, to address the ratio of planned to responsive revenue repairs.	Complete
Develops a short-term action plan, by March 2004, to reduce the level of emergency repairs.	Complete
Resolves the 'stacking' of non-statutory repairs and informs tenants when their repairs will be undertaken by December 2003.	Complete
Validates the information available on performance from the stock maintenance partners and revise the reporting framework to provide performance against targets and top quartile performance by December 2003.	Complete

Audit Commission recommendation	Progress
Introduces a repairs diagnostic tool by March 2004.	Partially complete
Rent accounting and recovery	
Introduces Allpay, telephone and internet payments for all tenants by March 2004.	Complete
Promotes the use of alternative payment options and increases the number of direct debit payment dates by March 2004.	Complete
Ensures that all tenants receive quarterly rent statements by March 2004.	Complete
Amends rent arrears letters to specifically mention money and debt advice offered by the arrears team and the Citizens Advice Bureau by December 2003.	Complete
Updates rent arrears and write off procedures to reflect the new working relationship between Berneslai Homes and the Council by March 2004.	Complete
Considers reintroducing alternative arrears chasing techniques.	Complete
Empty property management	
Ensures that councillors no longer receive details of new lettings by March 2004.	Complete
Ensures consistent application of the void quality standard, including cleaning and clearing of void properties by March 2004.	Partially complete
Ensures that a copy of the void quality standard is given to all new tenants as part of the tenancy sign up pack by March 2004.	Complete
Estate management and enforcement	
Increases the use made of external mediation services for appropriate cases by March 2004.	Complete
Extends the range of incentives available to re-let properties, for example, decoration allowances or vouchers.	Complete
Leasehold management	
Considers assisting leaseholders to access low interest loans or provide staged payments for capital improvement work.	Partially complete
Communicates with leaseholders as a group, for example by holding a meeting or writing to them to explain the implications of the capital works on their home.	Complete

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Audit Commission recommendation	Progress
Caretaking and estate services	
Develops and implements a service level agreement for neighbourhood pride by March 2004.	Complete
Sheltered housing service	
Ensures that a master key or individual flat keys are retained in locked key cabinets within wardens' offices for emergency use by December 2003.	Complete
Ensures that scheme service standards are developed for tenants of sheltered schemes and communicated to them. Clear information on the service provided linked to achievable timescales should also be provided.	Incomplete
Implements the action plan for improvements to the warden service.	Incomplete
Tenant participation	
Works with tenants to reinvigorate the federation and encourage the involvement of hard-to-reach groups including young people.	Partially complete
Reviews and updates the tenant compact by March 2004.	Complete
Actively encourages tenants to attend strategic and area board meetings as observers.	Complete
Diversity	
Develops a clear strategy and timeframe for completing the Disability Discrimination Act and black and minority ethnic strategies.	Complete
Completes the profiling of tenants to ensure their ethnic composition is known and any housing needs are identified.	Partially complete
Introduces regular monitoring of contractors and partners equal opportunity policies.	Complete
Monitor the use of Language Line and use the information to tailor services by March 2003.	Complete
Ensures that the Board has a clear and visible role in promoting diversity.	Incomplete
Performance management and value for money	
Fully implements the new performance management framework by December 2003.	Complete

Audit Commission recommendation	Progress
Develops personal development plans for all staff linked to individual target setting by September 2004.	Complete
Implements the review of support services.	Complete
Revises, updates and make sure that the service improvement plan for stock maintenance is comprehensive and addresses all the stock maintenance weaknesses identified in this report by March 2004.	Complete
Reviews, by December 2003, the action plan to ensure that it is comprehensive and that target times are realistic and achievable.	Complete
Finalises and introduces the risk register by December 2003.	Complete
Improves, either independently or through working with the council, the financial IT systems.	Complete
<p>We recommended that the Council:</p> <ul style="list-style-type: none"> • works with Berneslai Homes and other partners to make progress on implementing a corporate debt recovery policy; and • works with Berneslai Homes to ensure that councillors no longer receive information on new lettings. 	<p>Complete</p> <p>Complete</p>

Source: Berneslai Homes report December 2003

Appendix 3 - Documents reviewed and reality checks undertaken

- 1 Before going on-site, and during our visit, we reviewed documents as requested on our standard document request list and a number of additional documents which Berneslai Homes and the council felt would be helpful in reaching our judgements.
- 2 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. These included customer focus groups, file checks, meeting observations and shadowing of staff.
- 3 We met a range of people involved with the service, including frontline staff and junior managers. We interviewed the Chief Executive, every member of the executive management team, other service managers and 13 Board members. We interviewed the Council's Leader, housing spokesperson, Monitoring Officer and the corporate director responsible for the strategic landlord function. We also held focus groups of staff and partner agencies and observed two Board meetings.

Appendix 4 – 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)*

Junior impact teams

- 4 Berneslai Homes aims to work with the community as a whole to increase sustainability on estates. Junior impact teams are one method used and link with the geography/community citizenship scheme in the school curriculum. The pilot project, about to be rolled out across all estates, involved children from a local school forming a team to shadow the ALMOs local impact officers (housing management staff). The young people carried out planting projects, litter picking and secured external funding for environmental works around the school. They also shadowed impact officers to observe graffiti removal, etc. This has enhanced their understanding of the effects vandalism and graffiti has on their environment and given them and their families a stake in creating and maintaining a better environment.

Private sector enforcement project

- 5 Berneslai Homes has formed a partnership with the local planning authority to enforce legislation contained within Section 215 of the Town and Country Planning Act 1990. This pilot project began in September 2005, in Thurnscoe, to compliment work being carried out there under the Housing Market Renewal Pathfinder.
- 6 The pilot project traces and works with property owners to improve the appearance of privately owned areas and homes by the removal of rubbish, clearing of gardens and repairs, where the work needed is detrimentally affecting the neighbourhood.
- 7 Where possible, the work is carried out with the co-operation of property and landowners to avoid the need for legal action, but this is taken where necessary.
- 8 For further information, contact Lee Dickinson or Susie Gandy on 07976-532251

Biomass project

- 9 Berneslai Homes has successfully converted a district heating scheme serving three medium-rise tower blocks (166 flats) from coal to woodchip biomass fuel. At the same time, heat meters were introduced to each flat to encourage responsible energy use. Berneslai Homes assesses all replacement non-domestic boiler plant for renewable fuel versus fossil fuel on a whole life basis, using renewable energy sources where viable. This positive practice contributes to the national policy of reducing CO₂ emissions.