

Housing Association Inspection Report

November 2006



Housing Association Inspection

Ashiana Housing Association

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Housing Association Inspections

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively and delivers high quality local 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, arms length management organisations and housing associations. Our key lines of enquiry (KLOEs) set out the main issues which we consider when forming our judgements on the quality of services. The KLOEs can be found on the Audit Commission's website at www.audit-commission.gov.uk/housing.

For housing associations our inspection role and remit is set out in sections 41(A) and 41(B) of the Audit Commission Act 1998 (as amended by section 109 of the Local Government Act 2003) 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 association;
- 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.

We are committed to working in partnership with other regulators, and the Audit Commission and the Housing Corporation are working together to improve the performance and efficiency of housing associations. Our shared objectives are to ensure that associations provide services for the diverse range of customers in their areas of operation, high standards of customer services and access, and value for money for both customers and the taxpayer.

The Housing Corporation is the statutory body which regulates housing associations to ensure that they are well governed, well managed and financially viable, as set out in its Regulatory Code. Its Lead Regulation staff work with Housing Inspectors to ensure that there is adequate information provided for the inspection and that the inspected body implements recommendations in the inspection report. The overall findings of the inspection are also used to inform the Housing Corporation Assessment (HCA) which determines eligibility for further public investment and may influence the housing association's future business prospects.

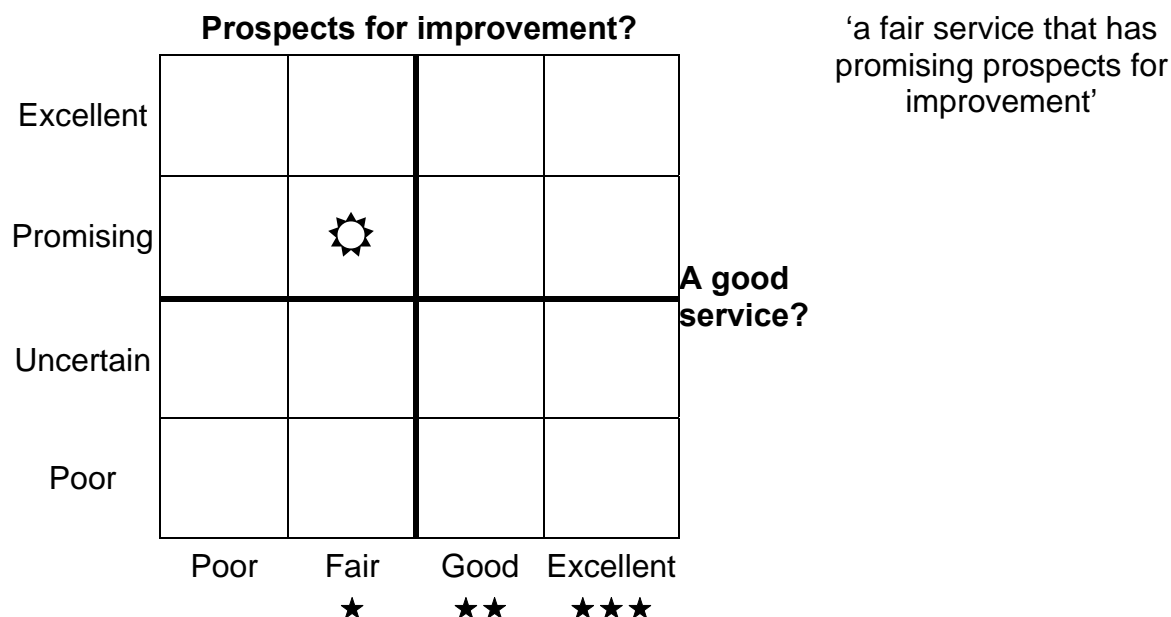
Summary

- 1 Ashiana Housing Association is a small black and minority ethnic led housing association which recently joined Manchester Methodist Housing Association to form the Great Places Housing Group.
- 2 The association operates in Lancashire and Greater Manchester. It owns and manages around 600 homes and leases or has management arrangements for a further 900 through partnerships with 17 mainstream associations. The stock is spread over 11 local authority areas. The communities in which it works vary in their composition but most are ethnically mixed and many suffer from serious social and economic deprivation.
- 3 Ashiana Housing Association employs 29 staff. Repairs and maintenance work, including major works and gas servicing, is carried out by external contractors. Call handling for out of hours repairs is also carried out by an external provider.

Scoring the service

- 4 We have assessed Ashiana Housing Association as providing a ‘fair’, one-star service that has promising prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Figure 1 Scoring chart¹



Source: Audit Commission

- 5 We assessed the service as fair because:
- there is a good range of clearly written, published service information, including service standards, provided for customers;
 - the association caters well for customers who do not speak or read English and for a variety of cultural needs and it has developed and implemented projects, in partnership with others, to improve community cohesion;
 - service provision and service changes are made to improve customer convenience, for example, the revised repair reporting arrangements and use of appointments;
 - gas servicing arrangements are effective and performance good, helping to ensure the safety of tenants in their homes;

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

8 Housing Association Inspection | Scoring the service

- a high proportion of repairs are carried out promptly, within target time; and
- stock investment is based on sound data, there is choice for tenants and tenants are satisfied with improvement work.

However, there are a number of areas where improvements are needed:

- service standards are not effectively monitored and some are not sufficiently challenging;
- complaints are not handled effectively;
- anti-social behaviour is not handled consistently and support arrangements for victims and witnesses and preventative work is not well developed;
- the association's information about customer needs and diversity is not complete and provision of services for those with physical or sensory disabilities and other vulnerable customers are under-developed;
- rent arrears are higher than average and vacant properties take too long to repair and relet; and
- the association does not have a robust strategy in place to deliver improved value for money.

6 We assessed Ashiana as having promising prospects for improvement because:

- the association has a recent track record in making service improvements;
- it has a track record of implementing improvement plans both from inspections and its own service reviews;
- the association has a positive and open approach to identifying weaknesses and addressing them, for example, in arrears management;
- there is an appropriate range of skills at board and senior management level to effectively drive improvements plus a strong commitment to improve;
- financial and organisational capacity has been significantly improved through joining a group structure; and
- the association makes effective use of local and regional partnerships to help it to achieve its aims and objectives.

However, there are still some features which hamper further improvement:

- the links between organisational objectives and operational plans are not clear and the board arrangements for tracking progress against objectives and plans are not adequate;
- there are a number of weaknesses in the association's arrangements for performance monitoring;
- effective mechanisms to ensure that the association learns from customer feedback need to be established; and
- the arrangements for monitoring progress in improving value for money are not robust and the association is not making the most of modern methods of procurement to secure efficiency savings.

Recommendations

- 7 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 costs² and 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 association shares the findings of this report with tenants and board members, and addresses all weaknesses identified in the report. Associations forming part of a group structure should share the lessons and findings of the report amongst the wider group. The inspection team makes the following recommendations.

Recommendation

R1 Improve information about customers and arrangements for responding to their needs by:

- *completing a profile of tenants and applicants and setting in place arrangements to keep this information up to date; and*
- *developing referral arrangements with agencies which can provide assistance to vulnerable customers, such as floating support providers, and providing clear information for staff and customers about these.*

The expected benefits of this recommendation are:

- staff will be better able to respond to the needs of individual customers;
- vulnerable customers will get better access to support services to help them to maintain their tenancies; and
- the association will be able to plan services better to provide appropriate services tailored to meet the needs of its customers.

The implementation of this recommendation will have high impact with low costs and should be implemented by June 2007.

² 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 cost is over 5 per cent.

Recommendation

R2 Strengthen the association's strategic and practical approach to diversity by:

- *revising its diversity strategy, in consultation with residents and other stakeholders, making specific reference to the various customer groups covered by the strategy, their needs and action required to meet these;*
- *establishing clear arrangements for regular board review of progress against diversity objectives and targets;*
- *reviewing performance indicators and satisfaction surveys to ensure that the association can demonstrate that services are provided fairly;*
- *publicising services relating to domestic violence; and*
- *carrying out necessary action to ensure customer facilities give fair access and information to those with physical and sensory disabilities.*

The expected benefits of this recommendation are:

- clarity about the association's approach to diversity and its priorities for action, especially in relation to issues other than race and ethnicity;
- arrangements which enable the board, residents and stakeholder to see what progress the association is making;
- improved access to services for customers; and
- collection and use of relevant information to inform service provision.

The implementation of this recommendation will have high impact with low costs and should be implemented by June 2007.

Recommendation

R3 Strengthen its handling of anti-social behaviour (ASB) by:

- *involving service users in identifying the strengths and weaknesses of the association's current approach and ways to improve the service;*
- *clarifying and publicising support available for victims and witnesses;*
- *establishing case recording standards and quality checks;*
- *improving guidance for staff to assist them in evaluating possible options for action and for evaluating their effectiveness; and*
- *developing the range of preventative work carried out, in partnership with residents and other agencies.*

The expected benefits of this recommendation are:

- improved case handling, more effective enforcement action and better support for service users and those who experience ASB;
- greater confidence from residents in Ashiana's ability to address ASB effectively; and
- reduced incidence of ASB.

The implementation of this recommendation will have high impact with low costs and should be implemented by June 2007.

Recommendation

R4 Strengthen its strategic and practical approach to value for money by:

- *agreeing a robust value for money strategy and action plan, in consultation with tenants and other stakeholders, which sets out a clear direction, priorities for action and targets;*
- *establishing frontline and support service costs, using this information to compare costs with others and identifying more efficient ways of working;*
- *establishing clear and regular reporting arrangements by which managers and the board can track progress;*
- *introducing more cost effective rent payment methods (as planned);*
- *developing partnering arrangements which clearly seek to deliver service improvements and efficiency savings; and*
- *addressing inefficient practices within the repairs service.*

The expected benefits of this recommendation are:

- a clear and agreed focus on value for money which is widely understood by staff, customers and the board; and
- better value for money for the association and its tenants and the release of resources resulting from efficiency savings to invest in service improvements.

The implementation of this recommendation will have high impact with low costs and should be implemented by September 2007.

Recommendation

R5 Strengthen performance management arrangements by:

- establishing clear arrangements for review of progress against objectives and operational plans by management team and the board;*
- introducing robust monitoring arrangements for service standards;*
- ensuring that realistic but stretching targets are set for performance against key indicators which clearly take account of the performance of well performing organisations, the association's current performance and which set a path for continuous period over the next three years;*
- implementing robust project planning and appraisal processes;*
- ensuring that customer satisfaction feedback is obtained for all services and that arrangements are put in place to identify and share learning points from this feedback; and*
- improving monitoring arrangements for the out of hours service and call handling at the 'contact centre'.*

The expected benefits of this recommendation are:

- more effective monitoring and management of performance, which enables prompt action to address any problems;
- projects are more likely to achieve their intended objectives and lessons from their implementation will be more clearly identified; and
- customer feedback will be used more effectively to inform and prioritise service improvement.

The implementation of this recommendation will have high impact with low costs and should be implemented by April 2007.

- 8 We would like to thank the staff of Ashiana Housing Association who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 21 to 25 August 2006

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Report

Context

The locality

- 9 Ashiana Housing Association operates in Lancashire and Greater Manchester. It owns and manages around 600 homes and leases or has management arrangements for a further 900 through partnerships with 17 mainstream associations. The stock is spread over 11 local authority areas.
- 10 The communities in which Ashiana works vary but much of Ashiana's stock is located in deprived areas, including the East Lancashire Housing Market Renewal area.
- 11 The ethnic composition of the areas in which Ashiana operates varies. The majority of its stock is concentrated within Rochdale and Blackburn, both of which have significant black and minority ethnic (BME) populations (13.8 per cent and 25.6 per cent respectively).

The association

- 12 Ashiana Housing Association is a small black and minority ethnic led housing association which was formed in 1986 and registered with the Housing Corporation in 1991. It has recently joined Manchester Methodist Housing Association to form the Great Places Housing Group following a process in which Ashiana sought a partner organisation to join.

The service

- 13 Ashiana provides a range of mainstream housing services plus a range of community initiatives. It also provides research and consultancy work for other organisations on BME issues.
- 14 Repairs and maintenance work is carried out by a range of contractors. Emergency call handling after 10pm and at weekends is also carried out by an external provider. Since the formation of the Great Places Housing Group, Ashiana obtains support services such as human resources, information and communications technology and financial services from the parent group.
- 15 Our assessment of the service covered the cross cutting issues of access and customer care, diversity and value for money, together with stock investment, income management and the association's services relating to anti-social behaviour. It also covered the association's prospects for improvement.

How good is the service?

What has the service aimed to achieve?

16 Ashiana's vision is outlined in its business plan:

'Our vision is to provide a high quality housing service that is affordable, offers choice and value to the B&ME communities. We will achieve this vision in partnership with a range of stakeholders in a way that promotes racial harmony and community cohesion'.

17 Its strategic objectives are to:

- provide good quality, affordable homes that seek to meet the needs of both new and existing residents;
- ensure resources are efficiently managed and available to sustain the long term financial viability of the Association;
- increase the number of units in management and becoming more robust improving our housing services to our customers in the Northwest;
- deliver a tenant focused efficient and responsive housing management and estate service with special regard to customer care and welfare obligations;
- provide an effective repair service that reflects the importance of planned maintenance and improvement programmes and energy conservation;
- commit to providing access to clear, accurate and concise information in all our business dealings including tenant participation;
- promote the Association through effective working relationships with partners and client associations;
- constantly review the staffing structure and ensure all new and existing employees are valued and have the appropriate level of skills and competencies to efficiently perform their duties; and
- actively promote and monitor equal opportunities in every aspect of the Association's business.

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

Access and customer care

- 18 There is a balance of strengths and weaknesses in Ashiana's approach to access and customer care. Strengths lie in the clarity of customer literature and communication arrangements for customers who do not speak or read English. There is also evidence that Ashiana responds to customer concerns and that these inform its action planning. Weaknesses lie in the monitoring arrangements for service standards and call handling, office facilities for those with physical or sensory disabilities and complaints handling.
- 19 In our previous inspection, we recommended that Ashiana develop and monitor service standards, develop comprehensive information for tenants and make this available in a range of formats and languages. It was also recommended that relevant information on customers be collected to ensure that services could be delivered in a way that is sensitive to customer needs. Significant progress has been made against these recommendations although some further action is still needed, particularly regarding the customer profile information.
- 20 There is a clear commitment from the top of the organisation to access and customer focus and the association's strategic objectives make specific reference to responsive services, customer care, clear information and access. This commitment has been transmitted to staff, who have all received recent training and who demonstrate a clear concern for customers, try to accommodate their needs and are polite and helpful.
- 21 Service access is geared around tenants' preferred method of contact, which is positive; the 2004 STATUS survey showed that a high proportion of Ashiana's customers prefer telephone contact to other methods. In response to this and following a customer services review which highlighted concerns about call handling performance, Ashiana invested in improved telephony and IT links. A single customer services team has been established and trained to enable a variety of service enquiries to be dealt with immediately and to assist in providing a more consistent and prompt response, in particular, to repairs calls. Repairs, gas servicing and many housing management visits are carried out by appointment and so are geared around customer convenience.
- 22 However, the telephone answering target of 60 seconds is not challenging and monitoring arrangements for call handling are inadequate and do not enable Ashiana to manage the service effectively. The answering target was set after some consultation with customers, but it does not reflect good customer service. At present, performance against this target is not monitored, nor are abandoned calls; there are also no arrangements in place to track response times to direct line numbers or to check the quality of call handling generally, including the out of hours service. We found call response to be mixed and sometimes slow, which is not providing a good service to customers. Ashiana is exploring ways to improve its call monitoring arrangements, including the purchase of additional software.

- 23** Arrangements for those who wish to contact the association in person are reasonable. Ashiana provides services from two offices, one in Rochdale and one in Blackburn; Ashiana moved premises in Blackburn recently partly to improve the environment for customers. The offices are well signposted and easy to find; waiting areas are clean, comfortable and welcoming. They are adequately equipped, with toys and puzzles for children and drinking water is available. The full range of Ashiana service leaflets is also displayed, however, the space available limits what else can be provided.
- 24** Accessibility for those with physical or sensory disabilities is mixed. There are hearing loop facilities at both offices and counters are low, which is positive. However, neither office has level or ramped access nor automatic doors and so are not easy to access for wheelchair users or those with prams or pushchairs; there is also limited room to manoeuvre these in the reception areas. The chairs are also low, which may present problems for customers with limited mobility. There are disabled toilet facilities at both offices but they are not well signposted. The main interviewing rooms are not accessible by wheelchair, and whilst the association makes alternative arrangements by interviewing in other rooms, the same range of customer information is not available in these other rooms.
- 25** Office hours are basic (9am-5pm Monday to Friday, with closure for an hour a week at each office for staff training). The hours have not been established in consultation with customers, which is a weakness. However, the offices stagger the training, so customers can still contact the association while it takes place; an answer-phone message explains the reason for the closure and when that office will re-open, making arrangements clear to callers. The hours are clearly publicised on the association's website; signs displaying the opening hours are also visible at the offices when they are closed. However, Ashiana has missed the opportunity to publicise them in the tenants' magazine and service factsheets.
- 26** Some services, in addition to emergency repairs, can be accessed outside office hours, for example, rents can be paid at outlets which open at weekends. Others can be accessed through the internet, offering a convenient alternative to customers at any time of the day. Improvements have recently been made to the website; customers can report repairs on-line, fill in housing applications and can participate in on-line polls. Rent can also be paid via the internet using the customer's bank's site. Further developments are still needed and some are planned. For instance, while there is a facility to enlarge the font size for users with sight impairments, this is not easy to locate and instructions are in small print. The website is promoted on factsheets and in the magazine, but because of the recent changes, not all services available are referred to in these documents.

- 27 Good provision is made for customers who do not speak or read English. All the 'factsheets' include straplines in 13 languages; these state what the leaflet is about and offer it in that language or in another format, such as large print or Braille. This is an improvement made since our last inspection. A significant number of staff speak one or more community languages; information about this is held on the association's intranet, enabling staff to seek help quickly. Staff also have access to other translation and interpretation facilities and immediate access to some translated documents on the intranet. However, this same range of interpretation facilities is not available 24 hours a day and so callers to the out of hours service after 10pm, when the external provider takes calls, may experience difficulties accessing the service if they do not speak English.
- 28 Written information provided by association is generally good, although there are some weaknesses. The STATUS survey carried out in 2004 showed that 75 per cent of tenants felt well informed about the association and the range and quality of information available has improved since then, addressing issues raised in our last inspection. Service factsheets are clear, contain useful information and are written in plain language; all include service standards. Overall customer service standards, such as for response to letters, are set out in the Customer Charter. The tenants' magazine, 'Harmony' is interesting and attractive; recent issues have covered a number of key issues such as dealing with debt, gas servicing and anti-social behaviour as well as reporting on the activities of resident groups and providing feedback on some service changes. Ashiana has also compiled local area directories which include contact information for a variety of agencies for each local area. These are included in sign-up packs for new tenants and are available in the reception areas for customers. There is also has a flyer which promotes a signposting service to officers or agencies who can help with a range of issues; this is supported by a designated 'signposting officer' who will ensure the customer is able to make contact and can also attend meetings with the customer if they need additional support.
- 29 There are some gaps in the information provided, which are referred under each service heading in this report, and there is space on the factsheets that could have been used to, for example to invite feedback, or contact details for other relevant agencies. In addition, whilst the association has agreed a Contractor Charter, a positive document which sets out standard which customers can expect from contractors, it has not yet shared this with customers, other than by displaying it in the office reception areas, which will only be seen by a small proportion of tenants. The association now intends to send a copy to all tenants with the December edition of the residents' newsletter.
- 30 It is a significant weakness that performance against the various service standards is not effectively monitored. Some are monitored, but these are the exception. Failing to monitor performance against the service standards means that the association cannot easily identify when the service is failing to reach agreed standards and so take action to address this nor can it demonstrate where the service is improving. The association is aware that monitoring of service standards is not currently effective and has clear plans in place to improve this, for example, by introducing a programme of mystery shopping.

- 31 Arrangements for gathering and using customer feedback are also mixed. Since the last inspection, the association has made some progress in this area. For example, it has established a Tenant Consultative Network, which currently consists of 85 tenants who have volunteered to comment on a variety of issues and information. Their views have been sought on a range of documents prior to publication, for example, customer service standards. Whilst this is positive, there are weaknesses in this approach and members of the network are not provided with adequate information to enable them to give informed views. A limited range of service specific surveys are in place, for example, for major works and anti-social behaviour. Although it is clear that Ashiana responds to both individual issues and, in some cases, to broader themes, gathering of feedback is not effectively co-ordinated and there are no mechanisms in place to ensure feedback is collated, analysed and systematically used to drive service improvement.
- 32 Information provided to customers about complaints is generally clear, the 'factsheet' outlines how customers can complain and how the complaint will be dealt with, including clear stages for review by the Managing Director and Board Chair. Customers are also given information about the Independent Housing Ombudsman and independent advice agencies. Acknowledgement letters notify the complainant of who will be responding to the complaint and replies signpost the complainant to the next stage of the process should they remain dissatisfied.
- 33 However, the initial target response time, if the complaint cannot be resolved immediately, is too long at 28 days. Also, information about what is not covered by the complaints process, whilst intending to be helpful, could be confusing or off-putting and suggests that the association will not deal with some issues of anti-social behaviour such as noise nuisance.
- 34 Complaints are not consistently handled appropriately or efficiently, perhaps partly a reflection of the fact that staff have not been trained in this. Ashiana does not have adequate arrangements in place to ensure that it learns effectively from complaints. There is inconsistency in what is recorded as a complaint (for example, some service requests relating to ASB are recorded as complaints), and we found several examples of complaints not responded to within target time - some of these appear to be long standing. At the time of our inspection, closure of complaints was not clearly communicated to the complainant, although this has now been addressed and closure letters are sent to customers. Customer feedback on how complaints have been handled is also not sought, for example, through follow up surveys; this is missed opportunity to obtain useful information to improve the service.
- 35 Complaints are recorded and monitored centrally, which is positive and should assist in a more consistent approach. However, tracking does not appear thorough and there is no clear and systematic way of using and learning from complaints to inform service improvement. Complaints are reported to the performance management team but the report focuses more on numbers than performance or to the wider implications of the complaints to service provision.

Diversity

- 36 Strengths outweigh weaknesses in the association's approach to diversity but strengths lie almost exclusively in its approach to racial and ethnic diversity. Ashiana has particular strengths in communicating with those who do not speak or read English and in actively promoting community cohesion. However, there is a lack of clarity about its approach to other aspects of diversity and gaps in its practical response and service provision for other groups. There are also weaknesses in performance monitoring arrangements.
- 37 In our previous inspection we recommended that Ashiana develop a diversity strategy that includes targets and monitoring arrangements for ethnicity, satisfaction across all services, racial harassment and the quality of services. Staff training on the wider diversity agenda was also recommended. Whilst progress has been made against these recommendations, additional work is still needed, particularly regarding work on the wider diversity agenda.
- 38 There is a clear corporate commitment to promote equality, diversity and community cohesion. Ashiana aims to *'actively promote and monitor equal opportunities in every aspect'* of its business and sets out to achieve its vision *'in partnership with a range of stakeholders in a way that promotes racial harmony and community cohesion'*. This commitment is supported by the provision of resources, for example, in the form of the New Initiatives Officer post and for training for staff, board members and contractors.
- 39 Ashiana's approach to equality and diversity is outlined in its strategy, which, in part, addresses weaknesses outlined in our previous inspection report. However, the strategy is relatively basic and there are some clear gaps. It outlines general principles that the association will follow but does not explain in any detail its approach to particular diverse groups or clearly identify gaps and priorities for action. The strategy is supported by an action plan; the current plan was agreed in May 2006, and is a revision of a previous one which was considered to have been over-ambitious. The action plan (for 2006/07 only) concentrates on actions required to establish clear baseline information and systems to keep this updated, which is realistic, given the association's current position. However, a more wide-ranging, longer term plan is required to develop work in this area further. A group-wide equality and diversity strategy has just been developed; it will be reported to the board in November 2006.
- 40 There is no evidence of customer or stakeholder input into Ashiana's approach to diversity. For example, there was no formal consultation with others about the strategy and action plan. Ashiana has missed the opportunity to obtain input of others who may have better knowledge of some issues and groups and of how to best address their needs. Independent views may also be able to highlight gaps in Ashiana's approach and knowledge which need to be addressed and could be included in the action plan.

- 41 Ashiana does not have adequate arrangements in place to enable its board to judge whether or not it is delivering on diversity. The Board does not receive regular reports which outline progress against the association's aims and objectives in so far as they relate to diversity and the performance reporting framework is not sufficiently robust to enable it to judge whether the association is meeting its targets. Targets which address the recommendations of the Housing Corporation's Good Practice Notes 4 and 8 are not set out clearly in either the strategy or action plan and performance against them is not regularly reported, either to the performance management team or board. These weaknesses have been recognised and, in future, appropriate reports will be made to the Board every six months.
- 42 The association has an incomplete profile of its tenants, which means that it is not fully aware of the vulnerability its customers. Whilst 'flags' on the IT system do highlight these needs where they are known and recoded, the gaps limit its ability to respond appropriately to customer needs. Staff do not have clear guidance about organisations which can provide support for vulnerable tenants or clear referral arrangements which they can use to access such support.
- 43 Ashiana has acknowledged these weaknesses and is taking positive action to address them. It is in the process of gathering information from existing tenants using a combination of postal surveys and face to face interviews. Although it has been relatively slow to address the related recommendation from the previous inspection, it is approaching the project thoughtfully. It is particularly positive that, in seeking this information the association clearly explains what the survey as a whole is for and the reasons for asking each question. Collection of the information is taking longer than anticipated, but it is now planned to complete the work by the end of March 2007. In addition, and in partnership with three other associations, it has commissioned some work from Salford University to identify vulnerable tenants and applicants on waiting list with a view to developing a toolkit for referrals and dealing with vulnerable clients. This is a positive response to a weakness which will help Ashiana over the longer term.
- 44 Staff demonstrate a high level of awareness of issues relating to race, religion and ethnicity and can show how this affects the way they respond to customers. Staff and board members have received appropriate training to assist them in their approach and the association as a whole can demonstrate that it provides services in a flexible way that takes account of these aspects of diversity. Examples include:
- providing information in languages in addition to English and employing staff who have a wide range of language skills;
 - avoiding times of particular religious celebrations for events;
 - varying design for kitchen replacements and new build to take account of cultural requirements; and
 - development and support of specialist housings scheme, for example, the Surma co-operative and the planned Asian Elders scheme in Preston.

- 45 Ashiana has addressed issues raised in the previous inspection regarding racial harassment. The association's stance on the issue is now clearly publicised in its offices and the offices are now hate crime reporting centres; staff have been appropriately trained and have a comprehensive resource pack to help them respond effectively to incidents.
- 46 In the wider community, Ashiana works effectively with partners to make sure services meet local needs. For example, through the Community Induction Project - an important and widely acclaimed initiative to introduce black and minority ethnic (BME) customers into non-traditional areas and then to offer them on-going support to maintain their tenancies, initially developed with Oldham and Rochdale Councils local ALMOs³ and the Guinness Trust. The project is continuing to exceed its lettings targets, providing opportunities for BME families to access appropriate housing for their needs while also working with the 'host' community to help develop relationships and build community cohesion.
- 47 Ashiana is using its knowledge, skills and understanding of BME housing issues to make a positive and effective contribution to wider housing strategies. It is an active partner in the implementation of Rochdale Council's BME housing strategy, and has on-going responsibilities for its monitoring through membership of the strategic steering group. It has also contributed to BME strategies in Tameside, Bolton and East Lancashire and has been involved in Bolton in completing a study into its choice based lettings service on the BME community. It has also recently been engaged to work with a consultant on a project to identify reasons for BME households not accessing home improvement grants from the local authority; the work identifying barriers to access, has the potential for wider application in Ashiana and its partners' work.
- 48 Ashiana offers positive support to BME contractors, including smaller contractors. Currently around 58 per cent of repair jobs are handled by BME contractors. The association takes active steps to ensure that all its contractors understand its customers' cultural requirements, for example, through providing training. Customer feedback questionnaires for major works also include questions about the extent to which the work and contractors took account of the tenants cultural needs; this is positive as it demonstrates to both customers and contractors that this issue is important and is a way of monitoring practical commitment to the association's values. Ashiana in the process of completing an equality and diversity review of contractors, however, at present this is limited to a review of workforce composition rather than the wider application of appropriate policies.
- 49 The association does not demonstrate the same level of awareness regarding other diversity issues, its approach is underdeveloped and action on such issues has been limited. There are a number of examples which illustrate this:
- it does not know current levels of disability amongst its tenants and does not know the extent of unmet need in respect of aids and adaptations;
 - it has been slow in addressing physical access issues and provision for those with sensory disabilities at its offices;

³ Arms Length Management Organisations

- it has not considered use of fixtures such as lever taps in kitchen and bathroom replacements as standard rather than just on request;
- it has no specific domestic violence policy and no clear customer information about the association's services relating to domestic violence; and
- it has not developed either floating support services or referral arrangements to those provided by other agencies for vulnerable customers.

50 The association does, however, have arrangements in place to enable it to respond to domestic violence and harassment. For example, it can make referrals to a refuge in Preston, which provides particularly for customers from BME backgrounds. The association has also made three properties available to Humraaz, to enable it to provide shelter and services for people escaping domestic violence. It has also attempted to secure Home Office funding for work with Blackburn council to develop these services and, although unsuccessful this time, has obtained positive feedback on the bid and intends to apply again.

Stock investment and asset management

51 There is a balance of strengths and weaknesses in this area. Rational decisions and appropriate action is being taken to manage the association's assets despite the lack of a clear written strategy. Ashiana has sound stock condition data and clear arrangements for managing asbestos. Gas servicing performance is good. There is high customer satisfaction with improvements and reasonable customer choice. The repairs service is easy to access, repairs are carried out by appointment and a good proportion of responsive repairs are carried out within target time. However, performance in repairing and reletting properties is poor, the lettable standard is very basic. A number of practices in the repairs service, such as the high level of pre-inspections and emergency repairs, do not maximise value for money and modern methods of procurement are not being widely used.

Asset management and capital improvements

- 52 In our previous inspection we recommended that Ashiana report progress on the asset management plan to the board and should ensure that it dealt properly with asbestos. Both of these issues have been addressed and there are many positive aspects of the service but also weaknesses which need to be tackled.
- 53 Ashiana's asset management strategy does not set a clear direction for its investment and asset management and this is a weakness. Whilst it sets out important elements of an effective strategy, these are not clearly applied to Ashiana's situation. The need for neighbourhood and property appraisals is outlined but the strategy does not explain how these will be prioritised, and limited work has been done to date to develop any. The strategy does not include a SMART⁴ action plan or outline links with the association's plans to achieve the Decent Homes Standard (DHS). The lack of a robust strategy can lead to action being unco-ordinated, objectives being unclear and resources directed to areas which are not in line with key priorities.

⁴ SMART - Specific, measurable, achievable, resourced and timed

- 54 Despite the weaknesses in Ashiana's written strategy, in practice it is taking a rational and reasonably robust approach to asset management. Its projected £13 million investment programme for the next 30 years is informed by recent stock condition data; a 23 per cent sample survey was carried out in 2003. The stock condition database is robust; it is updated with details of works carried out to vacant properties and annually, following completion of the year's major works programme. The association plans to update the data through a group-wide survey of the whole stock, which is due to be carried out in 2006/07, and is developing the database in preparation for this now. This new survey will take into account the requirements of the new Housing Health and Safety Rating System and assist in defining its future DHS plus proposals.
- 55 The stock is in reasonable condition. At the end of 2005/06 only 6 per cent of the stock did not currently meet the DHS, this figure had fallen to 2 per cent by the time of our inspection. The association has costed plans in place to ensure that it meets the standard across the stock by 2008. Currently work is being carried out to bring properties up to the DHS, however, the repairs and maintenance best value review action plan includes proposals to develop a Decent Homes 'plus' standard, in consultation with tenants.
- 56 It is a weakness that the association does not have clear arrangements to identify properties which may fall beneath the decency standard before 2010; this will obviously have financial implications for future years' maintenance. Ashiana is aware of this and plans to identify these properties in the forthcoming survey.
- 57 Ashiana is addressing issues that have a detrimental impact on its ability to maintain its stock effectively, which is positive. It has shared maintenance responsibilities with some of its managed properties, with Ashiana being responsible for only day to day maintenance and the owners responsible for major works. In some cases, lack of capital investment on these properties has led to high cost or repeat maintenance. Ashiana is addressing this, primarily through outright purchase of the homes. This will have a positive long term financial benefit to Ashiana and will enable a more co-ordinated maintenance service to be provided to tenants.
- 58 Where Ashiana has responsibility for both planned and responsive maintenance, there is an appropriate balance of expenditure on each, with around 58 per cent spent on planned work and 42 per cent on responsive work. Carrying out work in planned programmes enables the association to secure better value for money, because of the greater volumes and predictability of the work.

- 59 Ashiana has got clear arrangements in place for asbestos management. It has carried out an asbestos survey on 54 per cent of the stock (to ensure reasonable assessment in different locations and property types) and has identified no asbestos in communal areas and only low risk issues in the housing stock. Some properties have been identified as containing asbestos and, where this is the case, the cost is evaluated and decisions made about future action; a number of properties have subsequently been identified for disposal. An allocation of £40,000 has been identified in the budget to enable the association to deal with any asbestos related work that does arise. Relevant information is held on a standalone spreadsheet and information about the known location of asbestos has been supplied to contractors to enable them to take appropriate precautions when carrying out work in properties.
- 60 However, it is a weakness that no general advice about asbestos is provided to tenants. Provision of information has to be balanced against causing unnecessary alarm, but it is still important that customers are provided with basic information about asbestos and action that the association is taking to address the problem where it is found.
- 61 The service is not widely using modern methods of procurement to help it to achieve greater efficiency and service improvement. The main elements of the major works programme have been procured through traditional tendering to ensure competitive costs. The association is developing closer relationships with existing contractors and there is an intention to move towards longer term arrangements, subject to continued good performance in customer satisfaction and delivery. However, at this stage, the association has not set out the additional benefits to be derived from these arrangements, such as cost savings or shared incentives for innovation and efficiency.
- 62 There has been very limited customer involvement in development of the asset management strategy and in setting priorities for the major works programme to date and there is no customer involvement in contractor selection. These are weaknesses which the association acknowledges and has started to address, for example, through consultation with the Tenant Consultation Network on key priorities for component replacement. Investment programmes based on customer priorities are likely to be valued more by the customers. If properly supported, customers can make a valuable contribution to contractor selection, in particular, regarding contractors' approaches to customer service and quality.
- 63 There is high satisfaction from customers with improvements to their homes. In 2005/06, 98 per cent of tenants who had had work completed were satisfied. Their views are sought through face to face interviews at joint visits carried out by Ashiana staff and a tenants' representative. The use of visits and incentives (£10 per survey) encourages tenants to respond and last year led to a 100 per cent response.

- 64 However, there are some flaws in this method; for example, some tenants may not feel comfortable expressing dissatisfaction to staff face to face. There are also some gaps in the surveys, for example, there are no questions about the information provided by the association or contractor or the adequacy of the choices offered. In addition, the way in which satisfaction levels are reported masks the level of faults noted at handover which, in a sample of forms we reviewed, occurred in a high proportion of improved properties. The quality of improvements in properties we visited was mixed and some of the tenants concerns (for example, about the quality of fittings and workmanship) did not appear to have been picked up through the satisfaction survey process. These omissions will hamper Ashiana's ability to maintain high customer satisfaction and to identify possible service improvements.
- 65 Major works are carried out with a clear customer focus. For example, a wide range of choice is offered for kitchen units, cupboard handles and floor coverings; a more limited but reasonable choice of work surface is offered. Choice is more limited for bathroom improvements and we did find instances where tenants said that white tiles were fitted whatever had been chosen. Kitchen units are offered in larger than standard sizes to accommodate large cooking pots which shows that Ashiana takes account of the diverse cultural needs of customers. Adjustments, such as fitting lever taps, are also made on request.
- 66 Written customer information about major works is mixed. Tenants are given plenty of notice of planned work to their home and the letters include information about the contractor, likely disruption and who to contact if they need further details. However, the letter does not confirm the colour and style choices made by the customer which can avoid later confusion, and the association misses the opportunity here to send customers the contractors' charter, which sets out the standards of conduct that customers can expect from contractors. The charter is displayed in the reception areas but has not been circulated to all tenants. It is also a weakness that tenants generally are not informed about the programme.
- 67 The contractors' charter is a positive development. Ashiana works closely with contractors to ensure effective delivery of the programme. It has involved them in diversity and customer care training, which helps to ensure that their work is carried out in a manner which is line with Ashiana's values and approach.
- 68 There is effective monitoring of the programme to ensure that it is being delivered on time, on budget and to appropriate standards. Quarterly reports are made to the performance management team and the board. An annual report is also made to the board. Project files are comprehensive and there is good informal liaison with contractors. Overall contractor performance is reviewed annually, with scored reports being provided to the Board. However, there are some weaknesses, for example there are no regular meetings with contractors to review performance and tenants are not involved directly in contractor monitoring.

- 69 There is an environmental budget, with £10,000 set aside for 2006/07. Spend against this budget is also monitored. The allocation of the budget is a positive step and gives Ashiana scope to address various issues such as prevention of anti-social behaviour. It is a positive feature of the programme that housing officers have to explicitly outline what benefits the work is intended to achieve when bidding for a share of the budget. This means spending should be more effectively targeted to work which has clear and positive outcomes. There are some weaknesses in its operation, for example, the budget is not widely promoted to tenants and there are no clear criteria through which staff or tenants can influence the prioritisation of the work.
- 70 Energy efficiency work is also included in the association's investment programme. Insulation and other work has benefited over 40 per cent of the association's stock; Ashiana's energy efficiency work has been supported by external funding from Scottish Power amounting to £490,800 to date, with a further £43,800 planned. This is positive as it stretches the association's own resources, enabling it to carry out more improvement work in more homes.
- 71 Although the energy efficiency work will undoubtedly have improved the average SAP⁵ rating of the stock and made the homes easier and cheaper to heat, the association has not re-calculated the SAP ratings or carried out any follow up work on heating costs and so cannot yet measure the total impact this work has had. This work is also not set in context of an overall affordable warmth strategy and the association has not specifically tracked fuel cost savings or energy consumption reductions which have resulted from the work.

Responsive repairs

- 72 In our last inspection we recommended that Ashiana ensure that it was recording performance information accurately, that it use the information to improve the service and enhance the information gathered through post inspections. We also recommended that Ashiana introduce an appointments system and adopt and implement a plan to achieve value for money in repairs and procurement through partnering and by achieving its performance targets. All of these issues have been addressed, although there is still further work to do, particularly in the development of partnering and use of information gleaned from inspections.

⁵ Standard Assessment Procedure - a method of rating the energy efficiency of the housing stock

- 73 Access to the service is relatively easy; tenants can report repairs in person at offices, over the telephone and via the internet. There is a dedicated low cost repairs hotline but out of hours calls have to be made to a mobile number. Since April 2006, in response to dissatisfaction expressed by customers, all daytime repairs calls have been dealt with by a single customer services team; this is to provide a more prompt, informed and consistent response to initial calls. The team has received specific training on repairs and call handling and have clear information about repair categories and the type of repairs in each. Those calls we observed were handled appropriately and staff were polite, informed, helpful and patient and records show that they are now receiving fewer calls to chase up repairs issues. However, there were some gaps in the information provided to callers such as the name of contractor (this is given at a later stage with the repair receipt). It is also a weakness that staff do not have access to 'on screen' repairs diagnostics to help to correctly identify the repair; this increases the likelihood of misdiagnosis and the need for pre-inspections.
- 74 Written information to customers about the service is mixed. The factsheet is clearly written; it includes basic service standards, examples of work which fall into each priority and information about repair responsibilities and recharges. Some improvements could be made, for example, by providing more specific details about appointments and the out of hours service and by referring to the contractors charter. Tenants are also provided with a 'handy hints' booklet, which outlines how to carry out some of the jobs for which tenants are responsible. When repairs are reported, acknowledgments, in the form of duplicate works orders, are provided for tenants; these include useful information such as the contractor's name, due completion date, appointment date and brief description of repair, but could be more customer-focussed in terms of style and wording.
- 75 The service is largely geared around customer convenience and improvements have been made in this area over recent months. Repairs are carried out by appointment (introduced in April 2006). Appointments for both repairs and inspections are made when the tenant contacts the association. Ashiana's records show that between May and July 2006 all appointments made have been kept. This is monitored in a number of ways including through post inspection visits. However, appointments are limited to morning or afternoon, Monday to Friday. There is flexibility around these times and evidence of more specific appointments being made to suit customers but this is not publicised to all customers, which means that they are not all receiving the same level of service.
- 76 There is also flexibility in the way that service is provided to enable appropriate response to vulnerable customers and those different cultural needs and staff are given authority to vary priorities given to jobs accordingly. However, they have no written guidance to support this and do not routinely enquire of callers whether they have specific needs affected by the fault, relying on the customer raising the issue. As Ashiana does not have a complete customer profile to highlight specific needs and callers may not mention them, this may result in inconsistent service and some vulnerable customers not receiving the service they need.
- 77 Performance in completing repairs within target time is generally good and compares well with similar organisations.

Table 1 Responsive repairs performance

Repairs completed in target time

Repair category	2004/05	2005/06	2006/07 End July 2006
Emergency repairs	98%	97%	96%
Urgent repairs	97%	96%	97%
Routine repairs	97%	96%	96%

Source: Housing Corporation Performance Indicators and Ashiana Housing Association

- 78** Ashiana has resolved earlier issues with performance monitoring and contractors update the association on completions via e-mail prior to sending invoices so that performance information is up to date and accurate; contractors' performance in providing prompt information is also monitored.
- 79** An unreasonable proportion of repairs orders are pre-inspected⁶. Ashiana's records show that over 30 per cent of jobs are inspected (against a relatively high target of 15 per cent). Whilst some pre-inspections are necessary and they are carried out promptly, they are resource intensive and such a high level does not represent value for money. No analysis of the type of work pre-inspected has been carried to establish if there are any specific issues to address or whether so many pre-inspections are really necessary.
- 80** There are clear arrangements in place to check the quality of work carried out. Post inspections are also carried out for all jobs costing over £150. Between 8 and 15 per cent of jobs are post inspected per month, against a target of 10 per cent. The post inspections are used to check the quality of work, whether the job has been completed right first time and to check customer satisfaction.
- 81** Customer satisfaction with the service is mixed and different sources of information indicate a very varied picture; this suggests that Ashiana needs to explore this in more detail in order to identify and address areas of customer dissatisfaction. Results from Ashiana's own face to face surveys show that 94.5 per cent of tenants are satisfied with repairs completed this year. However, these results only relate to a proportion of jobs (those costing over £150); the results also have to be treated with some caution because of face to face nature of the survey. These surveys do not include questions about the handling of the initial repair request, initial information provide or service sensitivity to cultural needs and so give an incomplete picture of the service. In our reality check of 14 calls, 42 per cent of tenants were dissatisfied with one or more aspects of the service, 21 per cent were partially satisfied and 37 per cent totally satisfied. Ashiana has just started to carry out telephone surveys for the jobs that are not post inspected, but there is no useful data available about these yet.

⁶ Pre-inspections - Inspections of faults following a request to carry out a repair but before the work is ordered

- 82 Arrangements for cost control are reasonable. Post inspections are used to check out materials used as well as the quality of work and customer satisfaction. Repairs invoices are checked prior to being signed off for payment, which enables the association to check any unauthorised variations from work ordered, but variations are not systematically monitored and recorded. The association works from jobbing rates rather than a schedule of rates. Some benchmarking of these rates was carried out in September 2005 against those of selected similar organisations; this showed that Ashiana's costs are competitive.
- 83 Monitoring of the out of hours service is weak. The speed and quality of response to calls is not monitored, nor is customer satisfaction. There are no review meetings with the provider of the overnight service and no regular analysis and review of repair reports received to inform the service. Between April and June 2006, out of hours calls increased each month; 77 per cent of calls were not emergency repairs, which suggests that there may be some misunderstanding from customers about what the service is for. The service has not been recently market tested and so Ashiana cannot be sure that it is getting value for money.
- 84 The level of repairs carried out as emergencies or urgent repairs is high. In 2005/06 22 per cent were emergencies, 53 per cent urgent and 25 per cent routine. The association has not carried out an analysis to understand why these repairs constitute such a high proportion of calls. It has also does not routinely analyse repeat repairs which may highlight particular issues and the potential for work to be carried out in a more efficient way; for example, heating appliance repairs, which in 2005/06 cost Ashiana £260,000, and could indicate that major work is required. Such work could be procured as a single contract and, as such, costs may be reduced.
- 85 There are clear procedures in place to guide staff pursuing debts relating to repair recharges, but these include no reference to vulnerable customers and how the approach to recovery might vary in these cases. There is also no link with collection of other debts owed, which is a weakness as it could lead to duplication of effort and missed opportunities to recover these debts.

Gas servicing and other cyclical maintenance

- 86 In our last inspection, we recommended that Ashiana set timescales for annual gas safety checks, audit the servicing work and report progress to board. We also recommended that it monitor reconnections of gas supply on new lets. All of these issues have been addressed by the association.
- 87 Performance in gas servicing is good. At the end of July 2006, only three tenanted properties were without a valid CP12 certificate; only one of these had its last service over a year ago. Servicing performance is monitored on a regular basis and reported to the performance management team and the Board. The reports include progress against the programme, with commentary on those without current certificates. The reports would be improved with reference to the last date of servicing where access for this year's service has not yet been achieved given that lengthy gaps present most risk to the occupant and the association.

- 88 The servicing programme takes account of customer convenience; Ashiana writes to tenants notifying them that their servicing is due and asks them to make an appointment with the contractor. There is some flexibility with appointments, which take account of customer circumstances; this is positive but as it is not widely publicised, it means that an inconsistent level of service is being provided.
- 89 There is a clear policy and procedures for servicing and obtaining access to properties, however, contractor arrangements for trying to get access are not included in this document. In practice, the contractor is required to make three attempts to obtain access, leaving a card at every failed attempt. It is positive that the calling cards specifically refer to gas servicing and duplicates of the access cards left by contractors are passed to Ashiana to enable the association to track progress. Ashiana then sends follow-up letters and/or visits. However, if tenants do not act on the various reminders, the process for securing access can potentially be quite long, which is a weakness. At present there are no major delays but acting sooner when access is not achieved at the first or second attempt would help to minimise the risk of delay.
- 90 Ashiana has other arrangements in place to maximise access. For example a 'flag' appears on the repairs system to alert staff to the fact that property is awaiting a service, prompting them to make an appointment and to advise the tenant of the importance of this work. Although lists of outstanding services are not exchanged, there is liaison between association staff who may be able to assist in obtaining access where this is proving difficult, which is positive.
- 91 Ashiana has not widely publicised gas servicing, although information to tenants has increased recently. There is no service leaflet for customers, which is a weakness, but there have been recent items in the magazine, including the most recent issue which covered a new incentive (prize draw) to encourage tenants to provide early access; it is too soon to judge the impact of this initiative. Ashiana has not adopted innovative methods which have been successfully used by other social landlords to attract tenants' attention and which may be useful where many may not read English. Clear, eye-catching publicity helps tenants to understand the importance of gas safety and to ensure easy access for contractors; it also help to avoid abortive visits and minimises the risk to tenants and the association.
- 92 The servicing programme is arranged sensibly. It runs for ten months, with scheduled servicing slightly weighted towards the summer months to leave winter months lighter for pursuing those where access has been delayed and for responding to repairs which are more likely to occur in then. There are adequate arrangements for capping and re-commissioning systems in vacant properties.
- 93 There are clear and adequate arrangements in place for checking the quality of work, with an independent auditor carrying out checks on 10 per cent of all servicing carried out.

- 94 Ashiana has not routinely collected customer satisfaction data on the service until recently, but as part of the new gas auditing arrangements the independent auditors check customer satisfaction as well as the quality of the work. However, the information they collect is basic and may not pick up issues such as customer satisfaction with information provided to the tenant before and about the servicing. This is a weakness and means that Ashiana is missing the opportunity to identify how it can improve the service further.
- 95 It is a weakness that there are no clear regular servicing arrangements in place for other serviceable items, although the items covered would be limited. These are currently repaired as and when necessary.
- 96 Ashiana has appropriate arrangements in place to ensure external decoration of homes is maintained to a good standard. There are clear arrangements for the four yearly painting cycle; revised contractual arrangements have resulted in projected annual savings compared with the previous contract. Adequate monitoring arrangements are in place and the programme is on target for the current year; these arrangements address a recommendation made in the last inspection report regarding effective delivery and monitoring of the programme.
- 97 Choice is offered for painting programme and satisfaction is tested through basic surveys and clear information is provided to tenants about the work. The satisfaction levels are high (93 per cent in 2005/06). Ashiana has recognised that response rates to these survey is low (8 per cent) and are now carrying out face to face surveys to obtain better feedback. However, the range of questions needs to be extended (from the basic 'are you satisfied with the work?') to enable Ashiana to use the feedback to improve the service.

Void repairs and management

- 98 In our previous inspection we recommended that Ashiana set a minimum void standard. A standard has been agreed and there has been some consultation with customers about it. However, it is very basic standard and it does not include reference to gas safety checks (although these do take place), the external appearance of the property or the decorative standard. Those residents whose views were sought were not given sufficient information to help them to give an informed opinion. For instance, they were not shown examples from other organisations with which to compare the proposed standard nor did they visit any properties to help them visualise what the standard might look like.
- 99 The small sample of ready to let properties we saw were of mixed quality, whilst required repairs had been carried out, some were not finished to an acceptable standard and others were not acceptably clean.
- 100 Our previous inspection report also recommended that Ashiana should consider widening the availability of decoration allowances. Whilst this was done and allowances increased, they are still not widely used and are primarily used as a tool to persuade prospective tenants to accept properties rather than to ensure that a reasonable decorative standard is achieved. The guidance provided for staff about the use of decoration allowances is also not clear, which means that inconsistency can occur and prospective tenants receive differing support.

- 101 Performance in repairing and reletting properties is poor and compares unfavourably with other similar organisations; slight improvements have been made in the early months of 2006/07, but performance is not close to the association's target of two weeks.

Table 2 Letting performance

Average repair and relet time (owned and managed stock)

	2004/05	2005/06	2006/07 (April-July)
Average days taken to repair and relet	57.5 ⁷	57.5	55.1 days
Rent loss	1.15%	1.46%	1.52%

Source: *Housing Corporation Performance Indicators and Ashiana Housing Association*

- 102 Ashiana does not have a clear understanding as to why performance is poor, although it is partly influenced by the reletting of some properties which have been vacant for some time. There are clear procedures in place which include time targets for each stage of the process, but targets are over ambitious when current performance is taken into account. The target for repairing and reletting properties in two weeks; the repair stage should take an average of seven days.
- 103 There are weaknesses in progress monitoring and it is not yet proving effective. The tracking spreadsheet is reasonably comprehensive but does not summarise performance or trends and is not being consistently completed. Because of this it is not effectively highlighting the 'pinch points' where delays are occurring. This would assist Ashiana to identify action to address the causes of delays.
- 104 Ashiana has a reasonable approach to dealing with difficult to let properties; this has not been the case until relatively recently. It is now taking decisions and action on properties which it had previously allowed to remain empty for some time. Its written strategy is not up to date (2002) and is not consistently informing local strategies and current action.
- 105 However, the association has local strategies which recognise the variety of areas in which it operates and it has a clear mechanism in place for assessing action on potentially costly properties. Following such assessments, decisions have been taken to dispose of some properties, where it is not economic or strategically important to retain them. There are also some examples, including wider community initiatives, which demonstrate that the association can address issues which contribute to letting problems. However, Ashiana has not actively considered the use of local lettings policies to help to address issues in schemes which are more difficult to let.

⁷ Figures for average relet time in Appendix 1 (taken from the Housing Corporation's Performance Indicators website) are different from the figures quoted in this table. This is because the HC website figures are drawn directly from CORE returns, which do not take account of managed stock. The figures quoted in the table on this page provide a more accurate reflection of the association's performance in reletting properties.

- 106** Limited use is made of customer feedback in the service. There is little evidence of information such as refusals or feedback on the condition of properties let being used to improve the service as a whole. At the time of our inspection, the post tenancy questionnaire was also limited; Ashiana has therefore not made the most of a real opportunity to identify ways in which they can improve the reletting process from the customers' point of view. The association has since revised the post-tenancy questionnaire and is acting on feedback obtained from the surveys.

Aids and adaptations

- 107** In our last inspection we recommended that Ashiana establish a budget for aids and adaptations and promote the service to tenants; both of these issues have been addressed, but there are still some weaknesses in Ashiana's approach.
- 108** Ashiana has a dedicated budget for 2006/07 of £5,000 for the fitting of minor aids and adaptations. Previously minor aids, such as grab rails, were fitted but this work was not separately identifiable; having a specific budget helps Ashiana to identify the level of need and to budget accordingly for future years. Ongoing work to identify customer needs, referred to earlier in the report together with expenditure this year will help Ashiana to clarify the appropriate resources needed in future years.
- 109** It is not clear how spending from the budget is prioritised; in practice it appears to be on a 'first come, first served' basis. But this approach is not clear in either the procedure or the written information provided for customers. Performance in completing these jobs is not separately monitored and it is not clear what will happen to requests if the budget is spent before the end of the financial year. This may mean that vulnerable customers who need assistance will have to wait for work, which may have a detrimental effect on their quality of life.
- 110** Publicity for the service is mixed. There is a factsheet, which includes some useful information. However, it does not indicate whether there are any eligibility criteria for jobs that Ashiana will fund or fit or how long the tenant may have to wait for this. It is positive that the factsheet provides some details about how customers can get more substantial adaptations, but Ashiana misses the opportunity to provide specific contact information for other agencies. Ashiana's service has not been publicised in the tenants' magazine and there has been no liaison with local authorities, user groups or tenants about the service.
- 111** There are no specific monitoring arrangements for the work, which makes it difficult to judge performance. Quality is checked through normal post inspection arrangements, that is, for jobs costing over £150 only and no specific feedback is obtained about whether or not the work meets the customer's needs and whether advice given about how other agencies can help has been useful. This limits Ashiana's ability to identify ways to improve the service.
- 112** Ashiana has clear information about adapted stock in its ownership; this can be helpful when matching applicants to new homes. However, it has limited information about unmet needs of its tenants, how many are awaiting adaptations requested via the local authority or how long they have to wait for these. Such information would help Ashiana planning use of its resources in the future.

Income management

- 113 There is a balance of strengths and weaknesses in this service. Information to customers is clear, cases are handled appropriately, rent collection performance is good and effective arrangements are in place for recovery of former tenant arrears. However, current arrears are higher than average, debt and welfare advice arrangements need to be improved, more cost effective payment methods introduced and debt profiling explored so action can be targeted more effectively.
- 114 In our previous inspection we recommended that Ashiana review and strengthen procedures for recovery of current and former tenant arrears (FTAs) including timescales for action, service standards, patch targets and case audits. We also recommended it adopt a strategy for income management in consultation with residents and other stakeholders and develop arrangements for welfare rights and debt counselling. There has been a full review of the service since then and these issues have been addressed, although not all resolved; the review action plan includes plans to address the weaknesses we have identified.
- 115 Payment options for tenants are reasonable; however, payment by direct debit, a convenient and cost effective method of collection, is not currently available. Tenants can pay by cash at the offices, standing order, debit and credit cards, giro payment cards and can pay on-line (although currently only through their own bank's website). Ashiana plans to introduce direct debit, with incentives, in October 2006, along with a more cost effective payment card. Together these will provide greater choice, enable payment at a wider range of locations and minimise the costs of collection.
- 116 Clear information is given to tenants about rent setting, payments and what to do if they fall into arrears. Two factsheets have been developed since our last inspection; they include useful and clearly explained information about payment methods and rent accounts, housing benefit, dealing with debt and action the association may take to recover arrears plus standards for the service; more general standards, such as for response to letters and telephone enquiries are covered in the overall customer charter. Arrears letters are clear, written in plain language and include useful information about the account; they also explain the consequences of non-payment and signpost the tenant to other advice agencies. Providing clear information to tenants helps them to understand the importance of rent payments and where they can get help before the debt gets out of hand.
- 117 Tenants are provided with account statements quarterly and on request. The statements are clearly presented, showing all transactions and the balance. The association, however, is missing the opportunity to include a summary of any other debts owed to the association when they dispatch the statements.

- 118** Ashiana has adequate arrangements to ensure tenants have access to appropriate advice, although these needs to be strengthened further. The factsheet on rent arrears includes '10 Golden Rules for Dealing with Debt' - useful principles for tenants to follow for both rent arrears and other debts - and encourages tenants to seek help and seek it early. Debt Recovery Unit (DRU) staff are trained and knowledgeable and able to offer a range of advice to customers; however, DRU staff are not sufficiently knowledgeable about debt and benefits to provide detailed advice and so refer tenants onto other agencies. There are no formal referral arrangements in place with independent advice agencies such as the Citizens' Advice Bureau (partly because of the number of agencies involved in the various local authority areas in which Ashiana works). Ashiana does not track cases where tenants have been advised to seek further advice. Clear referral arrangements can help to ensure tenants get prompt advice and appropriate support to tackle other debts which often accompany rent arrears, which helps to make repayment agreements for arrears sustainable.
- 119** Appropriate steps are taken to prevent rent arrears arising and to promote a culture of prompt and regular payment. Clear information is provided at sign up; the first rent payment is required at the start of the tenancy and, where the tenant is claiming housing benefit, a part payment agreement is made and signed. The tenants' magazine has been used effectively to encourage payment and to provide advice; articles focus on different issues each time to maintain interest, examples include paying rent around holidays and avoiding arrears at Christmas.
- 120** Where tenants do fall into arrears, there is clear guidance for staff; individual arrears cases are managed and recorded appropriately and an appropriate mix of personal contact and is letters used. The procedures, which were highlighted as a weakness in the last inspection, now include clear stages for action and periodic audits of case handling. Internal procedures and publicity for tenants both emphasise tenant responsibilities for the debt and for seeking help should they fall into debt; they also make it clear that Ashiana will do what it can to help should this occur. Staff are applying procedures appropriately, supported by the new IT system, which assists staff to prioritise work and provides relatively user friendly management reports plus clear audit trails of action taken.
- 121** There is evidence of reasonable flexibility being used when staff are dealing with vulnerable tenants, for example, with additional help being provided to resolve housing benefit queries. It is a weakness that this flexibility is not clearly explained in the arrears procedures, which could lead to inconsistency. Also, staff do not have ready access to other agencies, who may be able to offer tenants short term or ongoing support. The absence of this support means vulnerable tenants may not receive the support they need to sustain their tenancies, where rent arrears may be only one of many issues with which they are unable to cope.

- 122** The association has a mixed record of minimising rent loss. Following relatively poor performance in this area, Ashiana established a specialist recovery unit in 2000 and improvement in performance since then is evident. Income collection rates are good and improving; for the year 2005/06 it had collected 101.2 per cent of rent due compared with 100.2 per cent in 2004/05⁸ (NB HC state shows 100.2 per cent). This performance compares well with other similar⁹ associations. Rent loss through vacant properties for 2005/06 was 1.46 per cent compared with 2.23 per cent in 2004/05. At the end of July 2006 it was 1.52 per cent¹⁰.
- 123** However, rent arrears are still relatively high and compare unfavourably with peers, partly a reflection of previous failures to effectively address the issue. Over the last few years, arrear have been reduced. Arrears for the general needs stock stood at 6.32 per cent at the end of 2005/06 compared with 8.14 per cent at the end of 2004/05. At the end of July 2006 performance was at 6.9 per cent¹¹.
- 124** This recent dip in performance may be partly attributable to a freeze on housing benefit payments during an IT upgrade at Rochdale, where Ashiana has a significant part of its stock. It is a weakness that Ashiana is unable to readily identify those arrears which are directly attributable to housing benefit due. However, the way that cases are managed ensures that appropriate attention is paid to those where intervention is necessary, whether to resolve benefit problems or other issues. There is evidence of effective liaison with the various benefit departments, although there is only one formal service level agreement in place, and of Ashiana taking positive steps to anticipate and minimise problems.
- 125** Ashiana does not currently use an incentive scheme to encourage and reward payment, but this has been considered as part of the recent service review and its partner within the group has positive experience of such a scheme. Ashiana plans to introduce incentives, subject to consultation, by the end of 2006/07.
- 126** There are adequate monitoring arrangements in place to track performance and drive improvements and performance is reported monthly to the management team. There are clear targets for individual staff (which relate to arrears reduction based on the patch size) and the team as a whole. The target for current arrears has just been lowered to 5.5 per cent (from 5.9 per cent), following finalisation of the previous year's performance figures, to ensure that the target continues to be sufficiently stretching. Having clear targets for team members helps ensure they understand how their work contributes to association's overall performance.
- 127** Targeting of action is not as effective as it could be as no debt profiling is carried out. Profiling can provide useful insights into patterns of debt such as the characteristics and location of those who are in debt. Resources can then be targeted at early action and advice to more effectively minimise arrears. Ashiana's intention to address this is noted in the service review action plan.

⁸ 2004/05 figure taken from Housing Corporation Performance Indicators Website, 2005/06 figure taken from Ashiana Performance Management Report March 2006

⁹ Associations with a similar stock size

¹⁰ All figures taken from Ashiana Performance Management Reports

¹¹ All figures taken from Ashiana Performance Management Reports - These figures differ from those in Appendix 1 (which are taken from the Housing Corporation's Performance Indicators Report, are derived directly from the association's statutory accounts and which understate the association's rental income)

- 128** Ashiana has appropriate accounting arrangements for rent and accounts are set up promptly. Housing benefit payments and other credits and debits are shown clearly on rent statements; court costs and other debts owed to the association are accounted for separately, ensuring that action is taken on the correct debt.
- 129** It is a weakness that other debts owed to the association, including court costs, are not shown on the rents system. This means that DRU staff may be unaware of other debts owed and there is a risk that different departments may be chasing the same tenant for payment, duplicating effort and taking only a limited account of the tenants ability to service the debt. Equally, it may be missing opportunities to discuss repayment arrangements. There is no corporate debt policy which states clearly which debts should be pursued first. However, publicity to tenants is clear that rent is a priority debt and recovery staff follow the same approach.
- 130** Ashiana has effective arrangements in place to pursue former tenant arrears (FTAs) and has had some success in collecting them. In 2005/06, FTAs were 2.83 per cent and totalled £166,875; this compares with 3.19 per cent at the end of 2004/05 (£188,757). In July 2006 FTAs stood at £162,864. There are clear recovery procedures in place and pursuit is the specific responsibility of a single member of staff, although other officers also play a role, for example, by securing repayment agreements, where possible, with tenants who provide notice that they are leaving. Ashiana uses a tracing agency when necessary; this has proved productive, with a high level of successful traces. Records suggest that until recently, there has not been a rigorous and regular write off process, however, clear procedures for write-offs are now in place.
- 131** There is limited customer involvement in the service, although some attempts have been made, for example, there were two tenants involved in the service review and the views of the Tenant Consultation Network (TCN) were sought on some of the issues covered. However, the TCN consultation suffers from the shortcomings referred to earlier in the report, for example, lack of comparative information and explanation to enable them to provide informed opinions.

Dealing with anti-social behaviour

- 132** This is an area of weakness for the association, although improvements have clearly been made since our last inspection. There are weaknesses in case management, limited work on prevention, support for victims is underdeveloped and not well publicised and performance management is inadequate. Strengths lie in clear customer information, involvement of complainants in agreeing action and partnership work on wider community safety issues.

- 133** Our previous inspection report recommended that Ashiana review its ASB service and actively promote it to counteract under reporting. We recommended introduction of effective case recording and strengthened performance reporting, including testing satisfaction with the service. We also recommended a review of attendance at multi-agency forums and training for staff in aspects of gathering evidence. Ashiana has not carried out a full scale review but has revised its policy and procedures, publicised the service and made improvements to performance monitoring. Satisfaction surveys have only recently been introduced and so useful data from this is not yet available. A more thorough review of the service, learning from the recent MMHA review, has now commenced as part of steps to align policies and procedures within the Great Places Group.
- 134** The service is easy to access and recent improvements have been made, with customer service staff now able to take initial reports and customers able to report incidents on the website in addition to direct reports to housing officers. Out of hours access is limited to reporting complaints on the internet, and no advice is provided about who else to contact out of hours. This means customers may not be able to get appropriate advice and action when they need it.
- 135** Ashiana has considerably improved information about the service since our last inspection. The new factsheet explaining the service is easy to read and includes a range of useful information; this has recently been sent to all tenants, a positive step to promote the service. Articles on anti-social behaviour (ASB) have also been publicised in the magazine. Diary sheets for customers to record incidents are easy to use, well laid out and provide examples for users to follow.
- 136** There are still some weaknesses in customer information; for example, the factsheet is weak on support for victims, self-help and other agency support. It also asks customers to put complaints of ASB in writing, which may deter some from reporting problems; this is misleading as in fact Ashiana will respond to verbal complaints. It does not clearly set out a summary of Ashiana's policy and procedure nor state that these are available and so fails to fully comply with Housing Corporation guidance on ASB statements. Finally, whilst the diary sheets are good in most respects, they are not obviously available in other languages and formats.
- 137** Support arrangements for victims, witnesses or perpetrators are not clearly set out in procedures or customer leaflets. While there are examples of support being provided, this relies too much on individual initiative rather than a clear, agreed and resourced approach. This may deter some victims and witnesses from reporting ASB and/or providing evidence which would support action to end the ASB; good support can help the association to address ASB more effectively.
- 138** The framework within which staff work is a mix of strengths and weaknesses. The policy sets out clearly that Ashiana will not tolerate ASB and harassment and procedures include a comprehensive explanation of the legal framework and of initial actions open to staff. However, the policy does not emphasise prevention and procedures do not provide adequate guidance for staff about appropriate remedies for particular circumstances, beyond the initial stages. Staff are well trained on ASB issues and possible remedies, although their experience of practical application of a range of these is limited.

- 139** There are important weaknesses in case management. Cases are not being managed consistently, for example, procedures are not always followed; this means that customers may receive differing levels of service. Many case files are incomplete, with interviews, visits and telephone calls not always appropriately recorded, action taken is not always confirmed in writing; there are also no case summaries on file. Poor case records could hamper Ashiana's ability to take effective legal action against perpetrators and mean that residents continue to suffer from the ASB unnecessarily. There are some positive features of case management which demonstrate a customer focus, for example, there is a clear emphasis on agreeing action to be taken with complainant and cases are not closed until this has been discussed with them.
- 140** There has been limited work to prevent ASB. The sign-up procedure includes information and advice about ASB, tenancy agreements clearly outline what is expected of new tenants and starter tenancies have been used in limited areas. There have been some community activity events, which are aimed at generating community involvement and pride in the local area which can indirectly deter ASB and Ashiana has worked with partners both on specific cases and on wider community safety issues, which is positive. However, we found limited evidence of the use of diversionary or preventative work specifically aimed at deterring ASB. Ashiana recognises that it needs to increase its preventative work and, for example, has set up an environmental budget, which can be used for work linked to ASB prevention, such as landscaping and fencing.
- 141** Performance monitoring of ASB is inadequate. Arrangements have been improved; the ASB log provides a useful monthly summary of case progress and case numbers are reported, these demonstrate an increase in cases and suggest that the promotion of the service has, at least in part, been effective. However, it does not provide clear summary information which can be used to identify trends and 'hotspots'. Ashiana has set challenging standards for the service, for example, initial contact with victims within a maximum of 48 hours. This is positive, but at present it has no way in which it can measure how it performs against these standards. Relatively minor amendments to the log could substantially improve it and provide clearer management information more quickly. This would also enable Ashiana to assess how realistic its service standards are and whether or not sufficient resources are in place to provide the service to the agreed standard.
- 142** Customers have not actively been involved in shaping the service; this is a weakness which Ashiana has started to address, for example, through the Tenants Consultative Network. The views of customers who have actually used the service and experienced ASB had not specifically been sought until the very recent satisfaction surveys were introduced; their views can be particularly useful when identifying strengths and weaknesses in the association's response. At the time of our inspection, there was little data available from these and it was too early to identify any trends. There are also some important gaps in the questions and use of closed questions which may limit the usefulness of responses.

Is the service delivering value for money?

- 143 Weaknesses outweigh strengths in Ashiana's approach to value for money. It does not have a clear strategic approach to achieving value for money, knowledge of service costs is limited and is not actively used to compare and improve service efficiency. However, Ashiana has achieved efficiency savings, both as a result of joining the Great Places Housing Group and through procurement. It is also addressing key issues which have are affecting its efficiency, notably regarding management and maintenance of leased properties. It has been successful in attracting additional funding to support its work and staff are clearly cost conscious.

How do costs compare?

- 144 Ashiana does not have clear information against which it can evaluate its costs compared with the quality and performance of services. In most service areas it is not able to identify how its costs compare with other providers it has not systematically reviewed these costs alongside agreed service standards and current performance.
- 145 In many areas, customer views on the quality of the service are not known and so the association cannot fully evaluate whether services represent value for money. However, it is positive that in some of its customer satisfaction surveys, Ashiana explicitly asks whether or not customers think the service is value for money. If this approach was adopted across all service questionnaires this could help to provide some useful indication of customer views on the issue and inform future decisions about resource allocation and service standards.
- 146 Ashiana's management costs compare favourably with those of its peers¹², which is positive. However, whilst it has access to a range of service cost information; this is not in a form or level of detail that enables the association to make meaningful comparisons at a service level. Also this information is not routinely provided for or used by service managers to evaluate their service.
- 147 Limited cost or performance benchmarking has been carried out by Ashiana. Where cost comparisons have been made, for example, regarding gas servicing costs and repairs 'jobbing' rates, this has shown Ashiana's cost to be competitive. While managers are broadly aware of the comparative operational performance of similar organisations and some more detailed work has been carried out as part of best value reviews, the lack of systematic benchmarking hampers Ashiana's ability to identify organisations which provide services more efficiently with whom it can compare and learn from.

How is value for money managed?

- 148 Ashiana does not have a robust value for money strategy to guide its actions. There is a group value for money strategy and a group procurement strategy, but both are more position statements than strategies. They set out the major considerations, and in the case of the procurement strategy, outline the main options; but neither set a clear direction for the association or group.

¹² Associations with a similar stock size - referred to in 2005 Housing Corporation Assessment

- 149** There are some positive aspects to the documents, for example, there is a clear acknowledgement that customers need to be involved in all aspects of value for money. Also, the fact that the identification of relevant issues is comprehensive makes the document a good foundation for future development. Having a single document which outlines an agreed direction and priorities would help to ensure a common understanding of the association's aims regarding value for money, where it sees most scope for achieving improved efficiency and its priorities for the use of resources released by achieving greater efficiency.
- 150** Ashiana does not have adequate arrangements in place to ensure that value for money is effectively managed, monitored and reviewed. The overall Group objective as regards value for money, to 'provide quality services which are cost effective and compare well to others taking into account local context, performance and policy choices', is clear enough, but no more specific objectives are stated and, other than the overall targets set out in the annual efficiency statement, there are no short term targets set and no regular monitoring and reporting to the management team or board against the overall objective. In addition, reports on some key issues, such as those related to partnering, do not refer to value for money. The only explicit targets for 2006/07 relating to value for money are the headline targets set out in the annual efficiency statement. The majority of projected savings are related to support costs. Ashiana states that the modest target for management and maintenance is evidence of a necessary emphasis on improving quality rather than cutting cost, although this is not clearly articulated in any of the associated documents.
- 151** Limited use has been made through modern methods of procurement. The Great Places Housing Group is a member of 'Procurement for Housing' however, Ashiana has not yet benefited from any joint procurement and there is no evidence that comparative information which can be obtained from the group has been actively used to compare costs.
- 152** Ashiana's major procurement to date (excluding development) has been primarily through traditional methods such as competitive tendering and it has not developed innovative contract packaging or true partnering arrangements. Recent procurement, which involved the option to extend contracts, will lead to annual savings of £5,653 on cyclical maintenance and £23,282 for gas servicing Ashiana intends to extend these contracts, subject to contractor performance, but there is little evidence to indicate that it has a clear understanding of what additional benefits it wishes to achieve by this and how they will be achieved.
- 153** There are examples which show that Ashiana is taking action to achieve better value for money. Value for money was a significant factor in its move into a group structure. The business case for merger outlined some major efficiency savings which the association could make, freeing up resources for service improvement, organisational development and growth. Ashiana, on its own, was forecasting a loss after interest of £11 million; projections now show a surplus after interest of £8 million by year 30 of its business plan.

- 154 Projected savings on support services such as human resources, payroll and public relations (previously obtained through consultants) total £656,000 over 30 years. Projected savings for 2006/07 total just over £58,000. Savings on office premises for the group, from which Ashiana will benefit, are projected to be £888,000 over 30 years. Staffing changes three years after merger are estimated to cut the salary bill by £73,000 per year.
- 155 The association has identified the major issues it faces in terms of costs and efficiency and is addressing these as a priority, which is positive. For example, it has identified loss making lease arrangements and has ended or renegotiated many, leading to annual savings of £111,389 since April 2004. Not only does this make financial sense for Ashiana but it also results in a clearer service for customers and enables the association to address maintenance issues in these properties. Further efficiencies are being sought through rationalising stock management in areas where other members of the group also own properties. For an association of Ashiana's size, these savings are significant.
- 156 Value for money is considered as part of Ashiana's service reviews but the assessments are not robust. Staff guidance on the reviews includes prompts and questions to help establish the current position and future opportunities regarding value for money. This is positive and we found some examples where value for money has been considered, for instance, the income management review looked at the introduction of more cost effective rent payment methods. However, the consideration of costs and value for money could be much more thorough, for example, the repairs and maintenance review did not fully consider the costs and benefits of the out of hours service. In addition, the service cost information available limits meaningful comparisons with other organisations.
- 157 There has been very limited customer or other stakeholder involvement in value for money considerations, which is a weakness. There are some examples, for example, in the service reviews, however this is not well developed and customers (other than Board members) are not involved in key decisions about procurement options. It is positive that the value for money strategy recognises need for customer involvement and that some of its customer surveys ask customers whether or not they think the service is value for money. Ashiana recognises that this is an area in which it needs to improve and has plans to involve customers in its VFM excellence group, one of a number of cross organisational groups looking to drive improvements across all services.
- 158 There is a solid framework in place for budget management and staff are clearly conscious of the need to use resources prudently, which is positive. Budgets are delegated to managers and staff who have access to live financial IT system which assists them in tracking spending. Performance against budgets is monitored and managers have to report on significant variances. Robust budget management helps the organisation to identify any potential over or under spends early and to take appropriate action.

- 159** The association has a reasonable record in securing external funding to support initiatives and improve services. Examples since 2004 include continued funding support for the Community Induction Project (referred to earlier in this report) from Rochdale Boroughwide Homes, the Arms Length Management Organisation operating in Rochdale, the Oldham and Rochdale Housing Market Renewal Pathfinder (Elevate) and Neighbourhood Renewal fund, for a BME tenant empowerment project from Rochdale Housing Initiative¹³ and funding from Scottish Power for insulation and energy efficiency work.
- 160** Although a systematic approach to value for money is not embedded, staff are clearly conscious of costs. The association has made reasonable attempts to raise awareness of staff about the issue, for example, through articles in the staff magazine highlighting the importance of achieving greater efficiency and through discussions at the staff conference where efficiency was identified as a key theme. This is positive and should be built on; a clear understanding amongst staff will assist the association in delivering efficiency savings and achieving the association's objectives when its strategy is more clearly articulated.

Summary

- 161** Ashiana provides clear customer information and communication arrangements for those who do not speak or read English are good. It responds to customer concerns and these inform its action planning. Ashiana's approach to racial and cultural diversity is good and it is active in projects that promote community cohesion. Appropriate action is being taken to manage Ashiana's assets, it has sound stock condition data and arrangements for managing asbestos. Gas servicing performance is good. There is high customer satisfaction with improvements and reasonable customer choice. Repairs are carried out by appointment and a good proportion of repairs are carried out within target time. Rent collection performance is good and effective arrangements are in place for recovery of former tenant arrears. Some improvements in value for money have been achieved and there has been some success in attracting external funding.
- 162** However, current arrears are still relatively high and debt and welfare advice needs to be improved. Service standards are not monitored effectively, there are some gaps in office facilities and services for those with physical or sensory disabilities and complaints are not handled well. Performance in reletting properties is poor and a number of practices in the repairs service do not maximise value for money; modern methods of procurement are not being widely used. The association does not have a clear or robust approach to value for money, knowledge of service costs is limited and is not actively used improve service efficiency. Handling of ASB cases is not good and victim support and prevention is underdeveloped.

¹³ Rochdale Housing Initiative - A partnership of housing associations, private developers, contractors, Rochdale Council, funding institutions and the voluntary sector working to improve housing conditions in Rochdale as part of the wider regeneration of the area.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 163** Ashiana has a track record of service improvements which directly benefit its tenants; improvements have been made at a time of significant organisational change for a small association. Performance against key indicators is mixed, with performance in some areas improving and others remaining stable. Weaknesses lie in the lack of a sustained record of improved value for money and the degree to which service improvements or changes are not yet fully embedded.
- 164** Ashiana has a good record of implementing change and has made a number of customer-focussed service improvements, some arising from recommendations in our last inspection report, others in response to customer concerns and its own identification of service weaknesses. Improvements include:
- introduction of an appointments system for repairs and gas servicing;
 - new and improved customer information including service factsheets and service standards and an improved magazine and website;
 - improved customer reception facilities at both Blackburn and Rochdale including improved facilities for customers with particular needs, for example, low counters at the office and installation of hearing loops;
 - provision of clear language straplines on documents and easy access to translated documents and interpretation facilities;
 - establishing the offices as hate crime reporting centres, ensuring staff are trained in handling reports and equipping them with resource packs;
 - opportunities increased for customer involvement including estate level residents groups and the establishment of wider tenant consultation network;
 - new call handling arrangements, in particular for repairs; and
 - extension of the successful community induction programme.
- 165** There have also been 'behind the scenes' changes which indirectly improve services, for example, the change of IT systems has assisted in the management and monitoring of arrears and in budget management. Additional training on a range of issues enables staff to provide better advice to customers.
- 166** These service changes have been made in a relatively limited period of time and coincided with the association carrying through major organisational change, with limited resources, in the exploration and then implementation of merger plans. Some changes are not yet fully embedded within the association, which has limited their impact to date.

- 167** The association's performance over the last three years against key indicators is mixed. Rent collection and rent arrears performance has improved, repairs performance has broadly remained the same, as has performance in repairing and reletting empty homes. In comparison with other similar¹⁴ organisations Ashiana's performance is mixed, ranging from performance comparable with the top 25 per cent (such as for urgent repairs) to amongst the worst performing (such as for the turnaround time for vacant properties).
- 168** Ashiana has demonstrated an ability to deliver action and improvement plans, for example, the majority of recommendations arising from the last inspection have been addressed and the action plan from the repairs and maintenance service review has been largely implemented. Other action plans from service reviews are being implemented and are on track. However, further work is needed to fully address some of our earlier recommendations and some other weaknesses highlighted in previous inspection report have not yet been addressed.
- 169** The association has taken a positive approach addressing issues which have arisen prior to and during our inspection and have taken action quickly where this was practical, for example, improving signage at the offices following mystery shopping exercises, creating noticeboard space for performance and tenant group information and amending some standard letters for greater clarity.
- 170** There is no track record of improved value for money. Although there are some examples of efficiency savings and improved value for money and a number of projected future improvements have been identified, the lack of a robust approach to value for money means that Ashiana cannot demonstrate a sustained track record.

How well does the service manage performance?

- 171** Weaknesses outweigh strengths in performance management, although the majority of weaknesses are relatively straightforward to address. The main weaknesses lie in some of the content of performance reports and in the lack of robust arrangements for monitoring progress with plans. Relative strengths lie in regular review of operational performance, leadership and openness to and use of learning from other organisations.
- 172** In our previous inspection the need was identified to put in place 'a robust service planning framework, ensuring that overarching aims and objectives are supported by robust outcome-focussed plans' and to 'strengthen performance management frameworks through setting clear targets and ensuring that performance against service standards are reported and monitored' and use lessons learned from successful projects to inform and strengthen resident involvement. While there have been some improvements in these areas, there are still significant weaknesses.

¹⁴ Similar organisations for the purpose of these comparisons are those associations with a similar sized stock

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- 173** Ashiana's broad aims and objectives are clear. They are outlined in the association's Business Plan 2004-2009, which also sets out the association's overall vision. However, there has been limited consultation with customers and stakeholders in the development of these aims and in establishing priorities. What consultation there has been has been indirect, for example through issues raised in best value reviews and through the various networks in which senior managers and board members participate.
- 174** The operational plan which supports the business plan is not SMART¹⁵. Although the Housing Management Action Plan for 2006/07 includes clear actions and responsibilities, it does not make explicit links between the actions and the corporate objectives, many items have 'ongoing' timescales, there is limited reference to the resources required and no indication of the relative priority of the actions. As the title suggests, the 2006/07 plan is essentially short term and it is not clear what actions are planned, even in outline, beyond 2007, to achieve the broader aims in the business plan. This makes it difficult for Ashiana to plan action and allocate resources effectively. The association has recognised these weaknesses and for the forthcoming planning cycle, a new template which addresses the gaps in information and the need to be clear about links with organisational objectives is to be used.
- 175** It is also unclear how the board tracks progress against the plan as whole. Whilst the board receives regular operational performance reports and reports about specific issues, it does not receive periodic updates on the operational plan which it can use to judge progress in delivering its overall objectives. This is a significant weakness; without regular review, it is difficult for the board to identify whether progress is satisfactory, whether priorities are getting appropriate attention and whether resources need to be reallocated, equally it is not in a position to identify spare capacity and set more challenges or propose a greater pace of change.
- 176** There is evidence of the board and executive team providing leadership to drive service improvement. The most significant of these being the decision to seek an organisation with whom to form a group, which is seen as a way to strengthen the association and provide the necessary capacity for service improvements as well as for growth. A further example is decisions to address customer service issues with changes in call handling arrangements.
- 177** Performance monitoring and management arrangements are mixed. There are some important strengths, for example:
- performance against key indicators is regularly considered by senior managers who agree action where necessary to address poor performance;
 - regular reports on performance are made to board;
 - there are examples of targets being revised to ensure they are sufficiently stretching;

¹⁵ SMART - Specific, Measurable, Achievable, Resourced and Timed

- there is a framework of 1:1s and staff appraisals to review and monitor individual performance; and
 - contractor performance is reviewed annually with scored reports made to board.
- 178** However, there are still a number of weaknesses and a performance culture is not yet embedded across the organisation. Weaknesses include:
- board reports do not include information that enables it to compare the Ashiana's performance with others and do not always include performance for the year to date; some explanations of performance are unclear;
 - performance against the service standards, including customer satisfaction, is not effectively monitored;
 - monitoring in some areas concentrates on activity rather than performance and performance against procedural targets, such as response to ASB reports, is not always monitored;
 - target setting is not always realistic, the method for setting them is not transparent and does not involve customers;
 - targets are relatively short-term and so it is not clear what pace of change or improvement planned over the coming years; and
 - IT systems are not being used to full effect, for example, to provide summary information to assist managers.

These weaknesses hamper the association's ability to monitor progress, identify where and why performance is changing, to drive improvements and review the impact of changes.

- 179** There is also no clear framework in place for ensuring the development of value for money or for reviewing progress, other than through the yearly review of the annual efficiency statement. There are no service-focussed or longer term efficiency targets to drive continued improvement.
- 180** Ashiana does not have effective mechanisms in place to ensure that it always learns from itself and from others. For example, complaints monitoring does not routinely pick up key themes and learning from individual cases is not shared across the organisation. There is also no mechanism, other than through management team meetings, for common issues arising from satisfaction surveys in the various service areas to be highlighted and acted on.
- 181** There is however evidence that the association learns from its own experience, for example, after initially establishing the contact centre at Rochdale, the association acknowledged that there were problems with these arrangements relating to the telephony system and so moved it to Blackburn. This is generally done in response to individual issues as and when they arise, rather than as part of a systematic review of service changes, but is nevertheless a positive feature.

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- 182** There are also clear examples which show that the association actively looks to identify good practice and seeks to learn from others. For example, the income management review involved visits to four other organisations, including both local comparisons and a good performer in that service. The association also has also used mystery shoppers from Bolton at Home, an ALMO which has received three stars in a recent Audit Commission inspection. The association's service reviews have included members from outside the service and from outside the organisation to provide an independent challenge to the service. Whilst there is clearly scope to take this approach much further, there is sufficient evidence to suggest that Ashiana has become more outward looking and is keen to apply best practice where it can.
- 183** Ashiana does not have sufficiently robust project planning processes which help to identify what a given project or pilot is intended to achieve, how this will be evaluated and when. For example, the move to set up a single customer services team to respond to calls and provide a more consistent service was well intentioned and a positive response to customer concerns. However, the proposal to set up the team was not sufficiently clear in setting out how the success of the pilot period was to be evaluated. This means that the team may not be collecting information that could inform the review or, alternatively may be wasting time recording other information which is not needed. Appropriate baseline information, for example, regarding costs and customer satisfaction needs to be established to ensure that improvements and/or savings can be properly evaluated.

Does the service have the capacity to improve?

- 184** Now that Ashiana is part of a larger group, its capacity to improve is strong. It is able to build on its own strengths and draw on the skills and resources available from the group to help it to achieve its objectives. Strengths lie in its specialism in services for BME communities, its involvement of staff in improving services, board commitment to continued improvement and increased financial capacity. Weaknesses lie in under-developed customer involvement and the fact that a robust approach to value for money is not yet embedded in the association. It is also not making the most of modern methods of procurement to secure efficiency savings.
- 185** There is an appropriate range of skills at board and senior management level to effectively drive improvements. Board members receive annual appraisals, have regular away days and training and are involved in the mentoring of new members; together these help to ensure that the Board is competent to carry out its role and that it gives appropriate attention to key priorities and strategic issues. Board members take on individual 'champion' roles for various topics, supporting and challenging managers in these areas. The use of co-optees helps to maintain the broad range of skills ensures that there is a pool of experienced members to take on key roles over time.

- 186** There is evidence of effective human resource management. The association has recruited and re-structured to fill skills gaps and address service weaknesses, for example, by setting up the specialist debt recovery unit to help to address poor performance in rent arrears and appointing a tenant participation officer to develop resident involvement. It also employs a member of staff whose role includes development of new initiatives and seeking funding to support these initiatives. Not only are these valuable projects in themselves but, in some cases, can help to attract income for the association and important contacts to assist with future service improvements. Sickness and absence is monitored and reported regularly to board; current levels are low and do not adversely affect the association's capacity more than would be the case in any small organisation.
- 187** Ashiana has recognised the limitations of its size and financial scope and has actively sought to become part of a group structure to provide complementary skills and experience and extra resources. Joining the Great Places Housing Group has provided the association with strengthened capacity, assisting it and its partner association(s), to secure important roles in new projects such as in the neighbourhood management initiative at Burnley and in the development of an Asian Elders Scheme in Preston.
- 188** Group membership has particularly enhanced Ashiana's capacity in some key areas and has cut the cost to the association of obtaining advice and support services. For example, it now has access to the Group's IT, human resources and finance expertise, supplementing its own skills in these areas and reducing the need for relatively expensive consultancy support. It can also obtain assistance with work on equality and diversity issues from the group equality and diversity officer and from staff involved in supported housing projects.
- 189** The board has been keen to embrace the changes and supports the drive for service improvement. It is prepared to take necessary action to address weaknesses and is keen to build on existing strengths. It has already taken difficult decisions regarding the move into the Great Places group and will need to take further difficult decisions in the period of transition.
- 190** Ashiana is still in a period of transition, but the change is being managed well. The recent staff survey shows that a high proportion of staff identify with the vision of values of the organisation; we found staff positive about the changes, able to identify clear opportunities for further improvements and confident that they could play a role in future changes. A good range of training is available to staff in a clear framework which recognises the need for basic skills and knowledge training as well as personal development. Resources for training having improved considerably since Ashiana joined the group; staff are clear about how to access the training and are positive about the opportunities offered to them. Enthusiastic and motivated staff are necessary to sustain service improvements and to generate further ideas for improvements.

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- 191** Ashiana actively involves staff in its plans to improve, for example, in its best value service reviews. A range of staff have also been involved in Excellence Groups, which the association has used to evaluate where its services stand in comparison with the descriptions of excellent organisations outlined in the Audit Commission's 'Key Lines of Enquiry'. The groups have been used to identify service improvements that the association can and should make. Many of the actions arising from these reviews have been implemented, though it is too early to judge the impact of a number. In some cases the association needs to be more challenging of its own current performance. Nevertheless, the approach is a positive one which has helped to instil an ethos of continuous improvement.
- 192** It is a weakness that residents are not yet effectively involved in prioritising and planning service improvements, other than through those involved at a board level. The association has made improvements in this area, for example, in establishing the tenants' consultative network and also holds annual tenants conference where ideas and views can be shared, but tenants need to be provided with more effective support and information to enable them to make a more informed contribution to the association's future plans.
- 193** There is a clear framework in place for individual staff appraisal and performance management. Staff are appraised against key competencies and for training and development needs to be identified. Ashiana is now adapting its own process to fit with the wider group's framework. It is a weakness that the system does not explicitly link staff targets and training needs to organisational and team objectives. This would ensure that staff are clear about exactly how their role and performance relates to the organisation's overall performance and achievement of its objectives.
- 194** Ashiana makes effective use of local and regional partnerships to help it to achieve its aims and objectives, in particular those relating to choice and housing for BME communities and community cohesion. Examples include work with Rochdale Council regarding access to home improvement services and with Bolton ALMO regarding choice based lettings, both referred to earlier in this report. In addition, contractors report positive working relationship with the association commenting that they believe their views are listened to and valued. This is important as they are key partners in the association's increased investment in the stock and in its work to address customer concerns about the service and achieve better value for money.
- 195** Ashiana has both the skills and connections to facilitate successful work in the region's BME communities. These specialisms can assist the association in attracting partners for work and new business which, in turn, can assist the development and improvement of core services and projects that benefit the wider community. A recent example of this is the Great Places Group's successful bid for a lead role in neighbourhood management in Burnley.

- 196** The association's financial capacity has undoubtedly been enhanced by joining the group. The projected turnaround from substantial deficit to surplus over 30 years, referred to earlier, significantly changes Ashiana's ability to improve. It is now able to 'invest' to improve. A clear example of this is IT; the association has been able to adopt systems used by its partner association(s), which in turn will help to improve services. It is still in a period of transition, but now has access to group IT skills. Migration of a number of systems has been achieved and, although there are still issues to resolve and staff are not yet familiar with the new systems, all recognise advantages brought by the changes.
- 197** There is not a robust modern procurement strategy yet in place to assist the association in achieving value for money and a value for money culture is not yet embedded throughout the organisation. The group as a whole has recognised that this is an area which it needs to develop and, as part of its action, is recruiting a specialist procurement officer whose skills and expertise Ashiana will be able to draw on. Being part of the group will also give Ashiana greater purchasing power, through which it should be able to obtain savings. However, it is keen to balance this against current approaches which, for example, support smaller and BME contractors.

Summary

- 198** Ashiana has a track record of service improvements which directly benefit its tenants; improvements have been made at a time of significant organisational change for a small association. Performance against key indicators is mixed, with performance in some areas improving and others remaining stable. Joining a group has significantly strengthened Ashiana's capacity. It is now able to build on its own strengths and specialisms and the commitment to improvement which is apparent from the board, managers and staff and to draw on the skills, resources and financial capacity of the wider group to help it to achieve its objectives.
- 199** There are a number of weaknesses in performance management that need to be eliminated, but these should be relatively straightforward to address. Customer involvement needs to be strengthened to ensure that improvements are in line with customer priorities. A robust approach to value for money is not yet embedded in the association, it does not have a sustained track record in this area and it is not making the most of modern methods of procurement to secure efficiency savings.

Appendix 1 – Performance indicators

General Needs Performance Indicators for the year to 31 March 2005

Performance Indicator	2002/03	2003/04	2004/05	2004/05 Comparison group mean	2004/05 Comparison group median*	2004/05 Quartile position in comparison group*
General needs rent						
Average GN weekly gross rent	£70.54	£71.76	£74.17	£68.75	£66.46	3
Vacant dwellings and lettings						
GN relet time ¹⁶	66 days	62 days	83 days	39 days	32 days	4
Vacant and available GN (self-cont'd) stock	-	-	0.7%	1.1%	0.5%	3
Vacant and not available GN (self-cont'd) stock	-	-	0.2%	1.0%	0.3%	1
GN lettings to BME tenants	-	-	78.3%	25.6%	-	-
Stock condition						
Average SAP rating	64	64	64	68	70	3
Failing decent homes standard	-	8.5%	5.3%	13.3%	2.7%	3
Repairs performance						
Emergency repairs completed in target	96.0%	96.0%	98.0%	96.3%	97.8%	2
Urgent repairs completed in target	93.0%	95.0%	97.0%	93.7%	95.0%	1
Routine repairs completed in target	95.0%	97.0%	97.0%	94.0%	95.8%	2
Appointments made that were kept	-	-	-	85.7%	96.5%	-
Service to tenants						

¹⁶ Actual average relet time for owned AND managed stock was 57.5 weeks for 2004/05. Figures for average relet time in this appendix (which are taken from the Housing Corporation's Performance Indicators website) are different from the figures quoted in the body of the report. This is because the HC website figures are drawn directly from CORE returns, which do not take account of managed stock. The figures quoted in the body of the report (paragraph 101) provide a more accurate reflection of the association's overall performance in reletting properties.

Performance Indicator	2002/03	2003/04	2004/05	2004/05 Comparison group mean	2004/05 Comparison group median*	2004/05 Quartile position in comparison group*
Tenant satisfaction overall	-	-	78%	79%	81%	3
Tenant satisfaction with participation	-	-	62%	63%	62%	2
General needs financial performance						
Weekly operating cost per GN unit	£30.40	£33.76	£40.45	£48.58	£45.79	1
GN operating cost as a percentage of turnover	77.6%	77.0%	91.5%	72.8%	72.5%	4
Weekly investment per GN unit	£9.97	£11.25	£16.39	£26.96	-	-
Rent collected for GN	100.4%	100.4%	100.2%	99.4%	99.3%	2
Rent arrears at year end for GN	11.4%	10.8%	-	-	-	-
Rent lost due to GN voids	2.3%	1.5%	2.3%	2.0%	1.2%	4
Current tenant rent arrears at year end for GN ¹⁷	-	-	12.3%	6.0%	5.7%	4

¹⁷ Rent arrears figures in this table (taken directly from the Housing Corporation's Performance Indicators website) are derived from the association's statutory accounts, which understate the association's actual rental income. Actual rent arrears as a proportion of gross rent receivable for 2004/05 was 8.14 per cent, as referred to in paragraph 123 of the report.

Appendix 2 – Reality checks undertaken

- 1 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. Our reality checks included:
 - observation of repairs call handling and office receptions;
 - visits to customer service points;
 - review of the website;
 - visits to completed improvement works;
 - visits to ready to let properties;
 - file checks for complaints, anti-social behaviour and rent arrears cases; and
 - observation of board meeting.

Appendix 3 – 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)*

Community induction project

- 1 Ashiana's Community Induction Project introduces black and minority ethnic (BME) customers into non-traditional areas and then offers them on-going support to maintain their tenancies. Support provided includes searching for properties that applicants could bid for through the choice based letting scheme, liaising with housing associations for an offer of properties to clients, escorted viewing and familiarisation with the location and local services and support and encouragement for their decision to move into the area. Staff providing the support are employed by Ashiana Housing Association and then seconded to Rochdale Boroughwide Housing. The project was initially developed with Oldham and Rochdale Councils, local ALMOs, St. Vincent Housing Association, Surma Housing Co-operative and the Guinness Trust in 2003 with funding from Housing Market Renewal Fund as well as from Rochdale Boroughwide Housing. The latest phase of the project has helped over 35 families to access appropriate housing for their needs while also working with the 'host' community to help develop relationships and build community cohesion. This involved introducing new neighbours to existing residents and building people's capacity to be involved at local residents associations and community activities. Ashiana is hoping to extend the project to the Kirkholt and Sparth areas of Rochdale.

Area resource directories

- 2 Ashiana has compiled local area directories which include contact information for a variety of agencies for each neighbourhood in which it manages stock. The seven directories, which are available in community languages on request, were developed to enable staff to easily signpost customers to relevant help, support and amenities. They are provided for new tenants in sign up packs and are available in the association's office reception areas; staff can also access the information on the association's intranet and there are plans to place them on the new customer website.