

Landlord Services

Rutland County Council

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Local Authority Housing Inspections

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

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

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

- is proportionate to risk and the performance of the Council;
- 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.

Summary

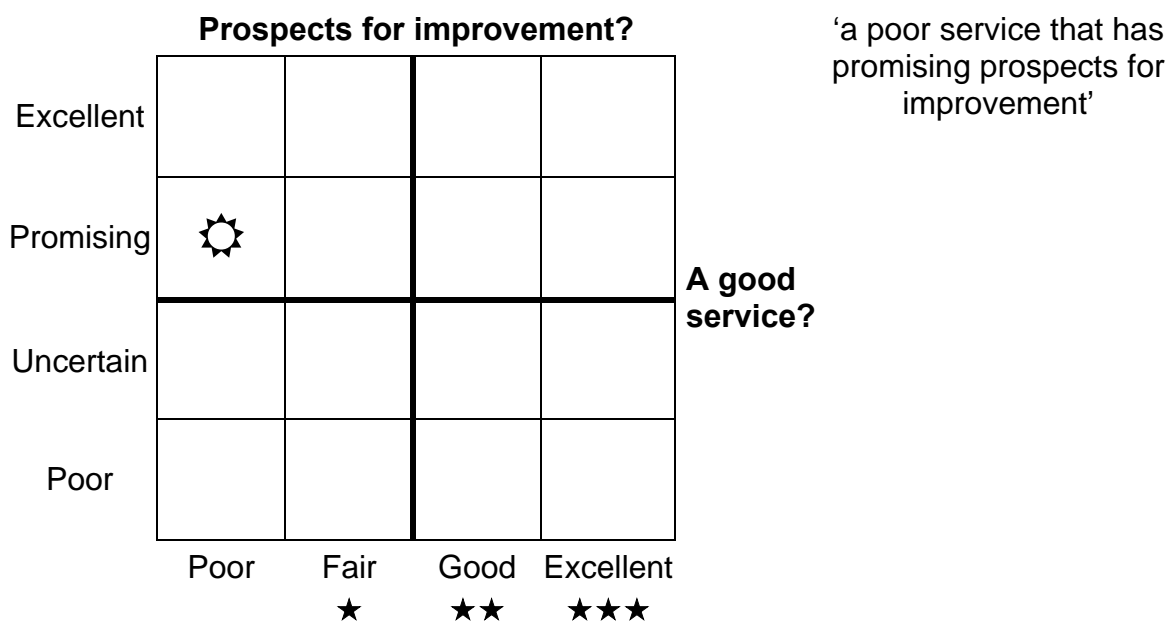
- 1 Rutland County Council's landlord services are assessed as being poor, no-star services with promising prospects for improvement.
- 2 A number of the services are of a standard below what we would expect in the sector; customer information is very limited and resident involvement underdeveloped. There are some serious weaknesses in the repairs and maintenance service; a high proportion of repairs are not completed in target time and vacant properties take too long to be repaired and relet. Clearer guidance for both staff and customers and improved monitoring is needed for tenancy and estate management to ensure that customers receive a consistent response and higher standard of service.
- 3 However, the Council has recognised that services need to improve and, following a stock options appraisal, has taken the positive step to engage a registered social landlord,¹ Spire Homes, to manage the stock. The Council has invested significant time and resources in developing a comprehensive service specification, in consultation with residents, and in tendering the contract to ensure the service is provided at a reasonable cost. The contract provides for savings of £500,000 over its five-year period and these savings will be used to improve services for tenants. Spire Homes has a track record of making service improvements in a similar context and can draw on the resources of other members of the Longhurst group, of which it is a member. Services are beginning to improve, such as cuts in the time taken to relet homes and increased opportunities for tenant involvement, and the Council is providing support for the changes. A Partnership Board, which includes tenants, oversees and contributes to the planning of service improvements. The capacity and leadership is present to drive further change.
- 4 The Council, in partnership with Spire Homes, needs to concentrate its efforts on improving core housing management services, particularly the repairs and maintenance service, and ensuring that these are provided efficiently. It needs to develop clear service standards and other customer information. It also needs to focus on making better use of customer feedback and performance information, including comparisons with others, to help to raise the standard of services in line with tenants' priorities.

¹ Registered Social Landlord - not for profit housing organisation registered with the Housing Corporation.

Scoring the service

- 5 We have assessed Rutland County Council as providing a ‘poor’, no-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 chart²



Source: Audit Commission

- 6 We found the service to be poor because of the following weaknesses.
- A significant proportion of repairs, including emergency repairs, are not completed within target time.
 - Vacant properties take too long to repair and relet.
 - There is a lack of clear customer information across the whole range of services and few clear service standards.
 - Tenancy and estate management services, including the response to anti-social behaviour are limited, reactive and staff lack adequate procedures to provide a consistent service to customers; estate services provided by others are not effectively monitored.
 - Consideration of the diverse needs of customers is not fully embedded in the service and good practice such as the Commission for Racial Equality’s Code of Practice for Rented Housing is not followed.

² The scoring chart displays performance in two dimensions. The horizontal axis shows how good the service or function is now, on a scale ranging from no stars for a service that is poor (at the left-hand end) to three stars for an excellent service (right-hand end). The vertical axis shows the improvement prospects of the service, also on a four-point scale.

- The stock investment programme is not set in the context of an overall asset management strategy and aspects of its implementation are weak.
 - Rent arrears are rising, former tenant arrears have not been effectively managed and convenient, cost effective methods of payment are not offered.
 - Resident involvement is underdeveloped.
 - There are some clearly inefficient ways of working which do not represent value for money, modern methods of procurement are not widely used and the Council does not have a clear understanding of the costs of some parts of the service or how these compare with others.
- 7 However, there are some service strengths. These include:
- a range of ways for residents to be involved in service development and their satisfaction with these opportunities and interest in them has increased;
 - there is a good range of information about domestic violence and evidence of sensitive and effective support being provided to those reporting it;
 - partnership with the CAB has been used effectively to enable tenants obtain independent advice about debts and other housing issues;
 - the housing stock is in generally good condition and choice for tenants in the improvement programme is reasonable; and
 - tenant satisfaction with overall services remains high.
- 8 The service has promising prospects for improvement because:
- the new service specification and service improvement plan has been developed in consultation with tenants;
 - Spire Homes has a track record in making service improvements in similar services and has already made some improvements at Rutland;
 - there are ambitious targets for service improvement;
 - there is a good awareness of the strengths and weaknesses of the service, clear plans as to how to address them and support from the Council for necessary changes;
 - there is clear, focused and effective leadership and management in place to drive improvements; and
 - there are the necessary skills and resources available to bring about significant service improvements including reinvestment of savings achieved through the new contract arrangements.
- 9 However, there are still some barriers to improvement. These include:
- IT is not used effectively to support service delivery and performance management;
 - some weaknesses in performance management; and
 - customer feedback is not yet used sufficiently to identify service weaknesses and inform change.

Recommendations

- 10 In order 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 costs³ 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 Council shares the findings of this report with tenants and councillors and addresses all weaknesses identified in the report. The inspection team makes the following recommendations.

Recommendation

R1 Significantly improve the range and quality of service information in consultation with customers by:

- *devising and publicising clear and challenging service standards;*
- *revising the tenants' handbook and producing a range of user friendly service leaflets, making them available in a variety of formats;*
- *updating both the Council's and Spire Homes' websites so that customers can easily access clear information about services; and*
- *developing clear, user friendly information about planned works.*

The expected benefits of this recommendation are:

- customers will be better informed about how to access the service and the standards of service they can expect.

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

Recommendation

R2 Improve the strategic and practical approach to diversity by:

- *completing the tenant profile and ensuring that this information is up to date and routinely used to inform services provision;*
- *ensuring that IT effectively supports staff to provide responsive and flexible services that take account of customers' diverse needs;*
- *improving the accessibility of the Pinewood Office and sheltered housing schemes and ensuring they meet Disability Discrimination Act requirements; and*
- *establishing clear and publicised response arrangements for race and other hate crime.*

³ 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.

The expected benefits of this recommendation are:

- staff will be better able to respond to the needs of individual vulnerable customers; and
- the Council and Spire Homes will be able to strategically plan services better and provide appropriate services to meet the needs of vulnerable customers and others with specific needs.

The implementation of this recommendation will have high impact with low costs. It should be implemented by June 2007 (with the exception of DDA compliance works, which should be completed by December 2007).

Recommendation

R3 Improve the repairs and maintenance service by:

- *reducing the time taken to complete repairs in all categories and ensuring repairs performance is accurately recorded;*
- *ensuring gas servicing is completed in a timely manner, that records are kept up to date and publicity for the service improved and by implementing a servicing programme for solid fuel heating systems;*
- *reducing the time taken to repair and relet homes, reviewing the lettable standard and ensuring that homes are repaired in line with the standard;*
- *developing a clear asset management strategy which incorporates plans to improve energy efficiency of the stock; and*
- *effectively involving tenants in planning and prioritising improvements.*

The expected benefits of this recommendation are:

- heating systems will be safely maintained;
- tenants will have repairs to their homes completed more quickly;
- investment will be better targeted to address tenants' priorities and issues of energy efficiency as well as meeting the Decent Homes Standard; and
- rental loss from vacant properties will be reduced.

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

Recommendation

R4 Improve tenancy and estate management services by:

- *developing a set of clear policies and procedures to ensure that customers receive a consistent and appropriate response and that cases are adequately recorded to support possible future actions;*
- *ensure provision of or access to advice and support for victims and witnesses of anti-social behaviour and publicise this support; and*
- *introducing effective monitoring of grounds maintenance and cleaning to help ensure common areas are maintained to a high standard.*

The expected benefits of this recommendation are:

- customers will feel more confident to report incidents of anti-social behaviour and will receive a more consistent and effective response; and
- the standard to which communal areas are maintained will be higher and customers will be more satisfied with it.

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

Recommendation

R5 Improve the 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 clear and regular reporting arrangements by which managers and the board can track progress against its value for money targets and objectives;*
- *introducing more cost effective rent payment methods and addressing inefficient practices within repairs service;*
- *developing partnering arrangements for major areas of expenditure, which clearly seek to deliver service improvements and efficiencies; and*
- *review housing and support services provided outside the current management contract, such as grounds maintenance, to ensure they represent value for money.*

The expected benefits of this recommendation are:

- resources will be used more effectively, enabling additional work to be carried out in homes and neighbourhoods and the development of improved and/or additional services; and
- progress with improving value for money will be easier to track.

The implementation of this recommendation will have high impact with low costs. It should be implemented by September 2007, with the last element (review of housing and support services) being completed by December 2007.

Recommendation

R6 Improving performance monitoring and management by:

- *ensuring effective monitoring of performance against service standards and reporting performance to tenants;*
- *setting clearer targets and objectives for diversity in housing services;*
- *improving the use of IT, for example, to produce user friendly management and exception reports across all housing services;*
- *setting clear targets and reporting on performance for key areas not already specified in the management contract; and*
- *making more effective use of benchmarking information to compare costs and performance with others and to identify good practice.*

The expected benefits of this recommendation are:

- performance will be managed more effectively, with problems identified and acted on promptly;
- tenants will have a clearer understanding of how the service is performing and how it compares with that provided by other landlords; and
- staff and managers' time will be spent on analysing and acting on information rather than collecting and collating it.

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

- 11 We would like to thank the staff of Rutland County Council who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 30 October to 3 November 2006

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Report

Context

The locality

- 12 Rutland County Council is a small, rural local authority in the East Midlands that covers two market towns and 52 other settlements. The population is 36,500,⁴ of which 1.9 per cent are from black and minority ethnic communities.⁵
- 13 In terms of deprivation, Rutland ranks 343 out of 354 areas of England, where 1 is the most deprived. Even though Rutland scores very low on the indices of deprivation there is a problem of rural poverty. The relatively high average income (£34,000) is influenced by a sizeable minority of very high earners.
- 14 Unemployment is 4.5 per cent which is lower than the regional and national average at 5 per cent of the working population.⁶ Most employment is within public administration, education and health.⁷
- 15 The main local housing issue is the lack of affordable homes to rent or buy. House prices have been driven up by wealthy in-migrants attracted by Rutland's attractive rural environment, whilst wages have stayed in line with the East Midlands as a whole. The average house price for January to March 2006 was £228,672 compared to the East Midlands average which was £150,502⁸.

The Council

- 16 The Council has 26 elected members: 14 Conservative, 6 Independent, 4 Liberal Democrat, 2 others. The Council is governed by a Leader and Cabinet.
- 17 The Audit Commission assessed Rutland County Council as performing adequately as part of the corporate assessment which took place in 2006.

The service

- 18 The Council owns 1221⁹ properties; 37 per cent of these are designated for older people (aged 55+). The homes are managed by Spire Homes, under a five-year contract from February 2006. Spire Homes was selected to manage its housing service following a stock options appraisal and a competitive selection process. It is a registered social landlord¹⁰ and part of the Longhurst Group.
- 19 Spire Homes provide housing management and homelessness services for the Council and manage the housing maintenance contracts. Maintenance work is carried out by one main contractor and a range of smaller, specialist contractors.

⁴ ONS Mid Year Population Estimates 2004 and ONS Region in Figures winter 2004/05.

⁵ National Statistics - Census 2001.

⁶ Annual population survey (January 2005 to December 2005).

⁷ Annual population survey (April 2004 to March 2005) and Annual Survey of Hours and Earnings 2005 – ONS.

⁸ HM Land Registry - Property Price Report July to September 2005.

⁹ Stock figures supplied by Rutland County Council - correct as at June 2006.

¹⁰ Registered Social Landlord - registered with the Housing Corporation as a not for profit company.

- 20** The operation of the Rutland housing contract is overseen by a Partnership Board, consisting of three tenants, three Council nominees and three independent members. Performance is also monitored by the Council's Overview and Scrutiny Committee and Spire Homes Board.
- 21** The Housing Revenue Account (HRA) capital programme for 2006/07 amounts to £997,000.¹¹

¹¹ Housing Business Plan 2006

How good is the service?

What has the service aimed to achieve?

- 22 Rutland County Council has six key themes and, in terms of housing, it has two key strategic objectives:
- *'to promote accessible & affordable housing in Rutland by completing an average of 30 affordable homes per year'; and*
 - *'to maximise the efficiency of the Council's stock'.*
- 23 Rutland County Council website states that it aims to ensure that every person in Rutland has:
- 'access to good quality, affordable housing, whether as a Council or housing association tenant, a private tenant, or as an owner occupier'.*

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

Access and customer care

- 24 There is a mix of strengths and weaknesses in this area, but some weaknesses are significant. There is clear commitment to access and customer care from both Rutland County Council (RCC) and Spire Homes, new initiatives to improve access are being piloted, tenant satisfaction with aspects of customer service is relatively high. However, there is no overall customer services strategy and RCC has an incomplete understanding of its tenants' needs. While offices are pleasant and in convenient locations, access is inadequate for customers with physical disabilities. Customer information about services is inadequate and collection and use of customer feedback is underdeveloped.
- 25 There is a clear, in principle commitment to access and customer care from both RCC and Spire Homes, although there are a number of weaknesses in the way this commitment is put into practice. Spire Homes' approach to customer service, which is evident in its East Northamptonshire service, is outlined in a draft policy which will be presented to the Partnership Board in November. Improvements to access and customer care feature prominently in the service improvement plan, agreed with RCC and currently being implemented by Spire Homes. Resources have been also committed to customer service training, additional frontline staff and improving both customer facilities and service information.
- 26 However, there is no overall customer service strategy for the housing service outlining how access and customer care is to be developed, for example, how services will be delivered in a largely rural area where much of the stock is dispersed or how modern methods of communication are to be used. Lack of a clear strategy may result in unplanned and unco-ordinated improvements and changes which do not take appropriate account of other relevant issues, such as the Council's wider plans for customer access. Spire Homes plans to develop a strategy by February 2007, following a full review of the STATUS¹² customer satisfaction survey results.
- 27 The Council does not have a full profile of its tenants and it does not know the proportion of tenants about whom it has incomplete information. This means that it cannot be sure that services are effectively tailored to meet customer needs. Spire Homes is taking steps to address the gaps through a survey, distributed with the tenants' magazine. It aims to complete the profile by February 2007, and will supplement the survey data with that from other sources, such as the recent tenant involvement survey, forthcoming sheltered housing survey and service user support plans.

¹² STATUS survey - the standardised tenant satisfaction survey developed by the National Housing Federation and endorsed by the Housing Corporation and the Office of the Deputy Prime Minister.

- 28 Access to the housing service is only partly geared around customer convenience, with some arrangements reflecting organisational rather than customer needs. There are two main service points, Spire Homes' office, at Pinewood, (where there is access to all services but rent cannot be paid) and the RCC offices (where rent can be paid and free phone calls made to Pinewood for all other enquiries). Both offices are in Oakham; they are well sign-posted and easy to find. Opening hours are clearly displayed and visible when the offices are shut. A regular surgery is held at a sheltered housing scheme in Uppingham, at which a range of housing enquiries can be dealt with; the rent collector service also enables some vulnerable tenants to access some services from their home.
- 29 However, both offices operate traditional opening hours and are not open in the evenings or at weekends, which limits access to services for those who have commitments which make it difficult to call during those hours. The recent STATUS survey included questions about office opening hours; results show that the offices are well used, but also that there is significant demand for Saturday opening or extended hours at the beginning or end of the day. RCC and Spire Homes are currently considering what action to take in response to this feedback.
- 30 Arrangements for those who visit the office are reasonable but inadequate for those who have physical disabilities or difficulty with mobility. Reception areas at both Pinewood and RCC are clean and comfortable and interview facilities are adequate. Provision of private interview facilities at Pinewood was a priority for tenants when the office was established as this had often proved a problem at RCC's offices. Better use could be made of the reception area at Pinewood, for example, there is ample space to display samples of the choices available to tenants for the improvement programme or publicise performance information.
- 31 There is level access to both RCC and Spire Homes offices and automatic doors at RCC's offices. However, while there is a ramp inside the office, access to Pinewood is made difficult by the fact that the front door is not automatic; the door (which has direct access to the pavement), has no window in it and it is only possible to attract staff attention and get assistance by using the unmarked bell.
- 32 Access to services out of office hours is largely limited to emergencies. Out of hours calls are handled by a neighbouring local authority. The emergency number is publicised but it is not displayed at the Pinewood office in a way that can be seen when the offices are shut, which is a weakness. It is also not prominently displayed on the Council's website. Call handling for the out-of-hours service is not monitored by RCC either in relation to the speed or quality of response, so it cannot be sure what standard of service customers receive. We found response to emergency calls to be polite, prompt and helpful, although the response does not confirm that the call has reached RCC's emergency number.

- 33 RCC has just extended access to some services through a 24 hour, single non-emergency number, which is a positive move. This is a pilot project and the result of a joint initiative between a small number of local authorities and the police, funded by the Home Office. It enables residents to report issues such as drug-related crime, vandalism and graffiti at any time. At the time of our inspection it was too soon to have had any significant impact on local residents or the quality and speed of response to their enquiries or for us to evaluate how well services provided by Spire Homes are integrated with the new call handling arrangements.
- 34 Customer services staff are polite and helpful, a view confirmed by our own mystery shopping and the results of the 2006 STATUS survey. The survey shows that 81 per cent of those contacting the organisation found staff helpful (compared with 86 per cent in the 2004 survey). Customer feedback surveys, which mirror the general questions in the STATUS survey, are available in the Pinewood Office; these have just been introduced to enable Spire Homes to keep track of customer views on the service they receive.
- 35 Customers experience some difficulty in contacting the appropriate person to answer their query. In the recent STATUS survey just under a fifth of tenants expressed some dissatisfaction with their ability to contact the right person and with their ability to deal with it. It is not clear what kind of queries customer service staff are meant to be able to deal with at first point of contact and there is currently no method of checking whether this is actually happening in practice. This means that customers do not know what service to expect and Spire Homes cannot adequately address the issues raised in the survey. Spire Homes has recognised this and plans to investigate this area of customer dissatisfaction further, to identify and introduce guidance and training required for staff to enable them to deal effectively with enquiries.
- 36 The standard of service that customers can expect is not clear. There are no published service standards except for handling of complaints. It is not clear to staff whether existing Council-wide standards, for example, for response to telephones and correspondence, are still applicable. In any case, these are not publicised to customers in the Pinewood Office and performance against them is not being recorded or monitored. A set of customer service standards has recently been devised and is currently subject to some customer and staff consultation. While these cover important aspects of customer care, these standards still lack some specific targets, for example for answering telephones or correspondence, which is a weakness.

- 37 Written information for customers is limited and is not generally user friendly. The repairs handbook is well laid out and comprehensive, however, the font size is small, making it difficult to read for those with any visual impairment. New sheltered housing leaflets also use relatively small print given the audience for which they are intended. The tenants' handbook is written in plain language but its content is basic, the tone stresses tenant responsibilities above services available and it needs updating. This fact is recognised by RCC and Spire Homes and there are plans in place to review and revise it later this year to reflect the new contract arrangements and to present it in a style and format similar to the existing Spire Homes handbook, which is much more attractive and user friendly.
- 38 The range of service leaflets is very limited; there is a reasonable selection of housing advice leaflets provided by other agencies available in reception areas. Only the small number of new Spire 'branded' leaflets offer large print or other formats. Customer information is not routinely supplied in large print, although the tenants' magazine is produced in large print for residents of the sheltered schemes. There is no obvious provision for any customers who do not read English. The service improvement plan includes action to improve the range, quality and appearance of service information and its availability in other formats.
- 39 The service is not making the best use of electronic means of communication. Housing information on the Council's website is not user friendly; it is not interactive or easy to navigate. The font size is small there is no obvious facility to enlarge the font size for users with sight impairments. There are currently no direct links to the Spire Homes site as this is specifically directed at its own tenants and there are no pages dedicated to RCC tenants.
- 40 Arrangements for gathering and using customer feedback are underdeveloped. Satisfaction surveys have only recently been introduced for many services and so no trend data is available to track improvement or otherwise. Although a STATUS survey was carried out in 2004, it is not clear what was done with this. There is also currently no central co-ordination of survey work, which can lead to duplication of work, failure to effectively capture common information and can adversely affect response rates. There are plans to address this and also to identify gaps in survey work when new customer services team leader is in post.
- 41 Satisfaction with services overall is relatively high. Results from the 2006 STATUS survey show that 80 per cent of respondents are satisfied with the overall service (compared with 83 per cent in 2004). No specific targets have yet been set for satisfaction overall or in specific services but there are plans to do so when the full results of the survey have been analysed.
- 42 There is a mix of strengths and weaknesses in the approach to complaints. New customer information about how to make complaints is clear. A leaflet has recently been produced, to publicise the new policy; it is written in plain language, offered in a variety of formats and signposts the complainant to the local government ombudsman should they not be satisfied with the response they receive. Staff ensure that new tenants are provided with this leaflet at sign-up, which replaces information in the tenants' handbook.

- 43 Customer-focused training on complaints handling has been provided for staff, which is positive. Housing officers and frontline customer services staff have received the training and it is being provided for other staff in February 2007. Customer feedback on complaints handling is now being sought, but at the time of our inspection, limited feedback had been received and no conclusions could be drawn from it.
- 44 The complaints process is too long, targets for response being 21 days for both the first and second stages. Performance in meeting those response targets is not monitored and so RCC and Spire Homes cannot demonstrate whether they are meeting them or responding more promptly. The distinction between formal and informal complaints is not helpful and it is not clear how, if at all, informal complaints are captured.
- 45 Complaints are not used in a systematic way to inform service improvement. While we found recent examples of complaints had been handled appropriately, responses are noted individually and themes are not noted in a way which will help the organisation to identify common issues and learn from them.

Diversity

- 46 There are more weaknesses than strengths in this area. Consideration of diversity is not fully embedded in the housing service, arrangements to enable the Partnership Board and Council to judge whether or not it is delivering on diversity are inadequate and the service is not complying with good practice such as the Commission for Racial Equality's Code of Practice for Rented Housing. The incomplete tenant profile and IT records limit its ability to respond effectively to diverse needs and arrangements for responding to race hate crimes and other harassment are not robust. Adequate resources are provided to support current work on diversity, staff demonstrate a good level of awareness of diversity issues and there are examples of service flexibility in response to diverse needs. There is also an effective approach to dealing with domestic violence.

- 47 RCC generally has made relatively slow progress in the area of equality and diversity and consideration of diversity is not fully embedded in its services, including housing. This is a reflection of an earlier lack of clear corporate leadership on the issue. There is now a clearer commitment at the Council; it is making progress with its Race Equality Scheme (RES) action plan, which has also been extended to cover gender and disability. It also has a multi-disciplinary equalities group, whose clear terms of reference include providing a strategic lead on the issue and ensuring that Council services actively comply with the RES and equal opportunities policy statement. However, RCC has only recently achieved level two¹³ of the equality standard for local authorities; this means that it has engaged in an impact and needs assessment, a consultation process and equality action planning process for employment and service delivery but that this process is not complete. The Council is still addressing relatively basic matters, for example, full Disability Discrimination Act assessments of its sheltered schemes were being carried out at the time of our inspection. RCC is not yet giving an effective lead to the community in supporting equality and diversity.
- 48 The Council has ensured that diversity issues are to be given appropriate priority within the housing contract, requiring prospective partners to outline their approach to providing services which would meet the needs of the local community, allowing for its diversity, as part of their bids to manage the service. Subsequently, the Partnership Board, which oversees the housing contract, has adopted Spire Homes' equality and diversity policy, which sets out clear principles and objectives for service provision and employment. Members of the Partnership Board have also joined the Spire Homes' working group, which steers the organisation's progress on equality and diversity.
- 49 There has been very limited work with other contractors to ensure that they are committed to diversity in service provision. While the Council's procurement strategy does refer to equality and the main repairs and maintenance contractors are required to have and to adhere to equal opportunities policies, there is little evidence to indicate active monitoring of their approach to the issue.
- 50 The current corporate commitment to diversity from both RCC and Spire Homes is demonstrated in resources being provided for staff and Partnership Board training and in the impact assessment work that is being carried out across the housing service. An overall impact assessment for the service has been carried out and more detailed assessments have been done for allocations and lettings; such assessments are to be extended to other service areas. Staff demonstrate a good level of awareness of diversity issues, have positive attitude and know where to access many of the services on behalf of customers. There are language and signing skills within staff teams and both RCC and Spire Homes have access to LanguageLine or similar interpretation and translation services.

¹³ Equality Standard - a framework to help local authorities introduce a comprehensive and systematic approach to dealing with equality issues.

- 51 There are inadequate arrangements in place to enable the Partnership Board and Council to judge whether or not it is delivering on diversity in the housing service. Although the Council has clear corporate targets, targets for the housing service are not clear and comprehensive and neither body receives sufficiently regular reports which outline progress against equality and diversity aims, objectives and targets. Performance monitoring is also not sufficiently robust to enable them to judge whether the housing service is meeting its targets.
- 52 The service is not complying with good practice such as the Commission for Racial Equality's Code of Practice for Rented Housing; there is currently only effective diversity monitoring of lettings, although there are plans in place to extend it to, for example, to arrears enforcement action. Without such monitoring, the Council cannot demonstrate that services are provided without discrimination.
- 53 Effective diversity monitoring is in place for recruitment to the service, current staffing at Spire Homes is broadly reflective of the community and women are well represented in the senior management team.
- 54 As mentioned earlier in the report, the Council has an incomplete profile of its customers and is not fully aware of their diverse needs. The gaps in information limit its ability to respond effectively to these needs, shape services around them and allocate resources appropriately. For example, RCC does not have a clear picture regarding demand and unmet need for aids and adaptations and so its allocation and prioritisation of resources may not adequately address needs in the county. Plans are in place for RCC, together with other partners, to survey older residents in the near future. This survey will help RCC and its partners to better understand the needs and aspirations of this significant part of the population and should assist in the future planning of services for older people.
- 55 Staff are not adequately equipped to respond appropriately to the diverse needs of customers. For example, the IT system does not show 'flags' or other alerts which note a customer's needs, such as disabilities or communication needs, and there is a lack of clear guidance regarding staff's scope for discretion when varying a service to take account of these needs.
- 56 Despite these gaps in information, there is some evidence of the needs of more vulnerable customers being taken into account and of support being made available. For example, services brought into the Council's sheltered schemes are shared with vulnerable residents in the wider community and the warden's role has been extended to cover services to other older residents in the neighbourhood. In addition, a floating support scheme is also available for younger, vulnerable tenants.
- 57 RCC and Spire Homes do not know who is not accessing services and do not have a clear understanding of what barriers to access may exist. Some work, carried out jointly between the housing service, Citizens' Advice Bureau and Social Services has been carried out regarding the homelessness and housing advice service, which is positive, but similar work has not been carried out for other aspects of the housing service. Spire Homes is currently considering the use of annual visits to tenants to ensure that there is some contact with every customer and to establish any reasons why services are not used.

- 58 RCC and Spire Homes have an effective approach to dealing with domestic violence; although, there is no specific policy which clearly sets out this approach, which is a weakness. There is good publicity regarding support and advice in both RCC and Spire Homes' office reception areas and we found evidence of appropriate and sensitive support being provided to those reporting domestic violence. There is also evidence of partnership working with others, for example, through the Melton Domestic Violence forum.
- 59 Arrangements for responding for other types of harassment, for example, race hate crimes are not robust. There is no clear guidance for staff responding to reports of race or other hate crime and, other than brief mention in the tenants' handbook, there is no publicity promoting advice and support available or outlining that the organisation will tolerate hate crimes or harassment.

Stock investment and asset management

- 60 Weaknesses significantly outweigh strengths in this area. There a number of major weaknesses in the responsive repairs service; a relatively high proportion of repairs are not carried out within the target time and a high and increasing proportion are carried out as emergencies. Gas servicing is not well managed and there are no programmes for servicing solid fuel appliances, electrical checks or painting of communal areas. There is no asset management strategy, energy efficiency of the stock is low and is not effectively being addressed. Customers are not adequately involved in prioritising improvement work and customer information about this is inadequate. Vacant properties take too long to repair and relet, although performance is improving. However, stock data is reasonable and being updated and most properties meet the Decent Homes Standard.

Asset management strategy and capital programme

- 61 Investment in the stock is not currently guided by a clear strategy. Although the Council has clearly stated that it intends to improve homes to the Decent Homes Standard (DHS)¹⁴ and has entered into new management arrangements, in part to help achieve this, there is no asset management strategy outlining clear investment priorities. There is also no clear strategy for investment in sheltered housing, which constitutes a significant proportion of the stock, but which also includes property types which are not in demand and may not be sustainable. Current investment is largely a continuation of existing programmes, most of which contribute to addressing non-decency or issues raised in the stock options appraisal process, but is not a prioritised programme to achieve the DHS.
- 62 Stock condition data is reasonable but needs updating. Spire Homes has commissioned a new survey of the Rutland stock, to be completed as part of a wider survey of its overall stock. This survey is being carried out at no extra cost to RCC and the updated information will inform an asset management strategy, due to be completed in December. This will ensure that investment priorities are accurately identified, that work is effectively planned and will assist in demonstrating how Decent Homes targets are to be met over time.

¹⁴ Decent Homes Standard - a minimum standard for housing set by the Government, covering basic legal definitions of fitness, reasonable state of repair, modern facilities and services and thermal comfort.

- 63 Records detailing the presence of asbestos in the housing stock are not up to date and contractors are not always informed about it. There is also no customer information about asbestos. Spire Homes has a specifically trained member of staff based at Rushden who is working with Rutland staff to improve asbestos management and to ensure appropriate arrangements are put in place.
- 64 A relatively low proportion of RCC properties are not 'decent' (15 per cent at the end of 2005/06). Taking account of the investment being carried out during 2006/07, which is mainly for replacement windows and doors and kitchen and bathroom upgrades, RCC and Spire Homes estimate that by the end of March 2007 non-decent stock will have been cut to 8 per cent of the total.
- 65 The Council has not made significant improvements to the energy efficiency of its stock and it has no clear approach to the issue. It has no affordable warmth strategy in place and, until recently, limited investment has been directed towards energy efficiency work. There is no publicity to tenants about energy efficiency and no energy advice provided to tenants who have relevant work completed in their homes. This is a weakness and is particularly relevant as the housing stock has a relatively low average SAP rating of 59.¹⁵
- 66 Although the Council can point to insulation improvements to approximately 600 homes in 2005/06, there are other examples which show that affordable warmth and energy efficiency has received limited consideration in work programmes. For example, central heating boiler specifications have only just been upgraded and are still not for the most energy efficient boilers; showers are not currently offered as part of bathroom improvements and we found an example where electric storage heaters were replaced with an alternative which tenants found too expensive to run and so the new installations had to be removed and replaced.
- 67 Customers are not yet adequately involved in prioritising work. For example, although the RTLP was involved in establishing choice ranges for tenants, it has not been involved in setting overall priorities for work. Tenants have not been consulted about the setting of an improvement standard that would exceed the requirements of the Decent Homes Standard. Failing to involve customers in investment plans may mean that tenants will value the work less, it may generate more queries as tenants ask why work which is more important to them is not being done and sends a message to tenants that their views are not important. RCC and Spire Homes intend to involve customers more extensively in planning future programmes, once the results from the current stock condition survey are known.
- 68 There is some customer focus in the implementation of improvement work. For example, there is a good choice range for the kitchen programme, with tenants given a choice of five worktops, units and handles and of four floor coverings. For bathrooms choice is much more limited, in addition tenants do not have the choice of a shower being fitted (unless directly linked to adaptations) there is only a choice of white or cream tiling and four floor covering colour choices. Choice on the doors programme is being extended to style and the possibility of choice on glazing is currently being explored. It is also positive that tenants' own choice of tiles and wall coverings will be fitted.

¹⁵ SAP rating - Standard Assessment Procedure, a method of assessing the relative energy efficiency of homes.

- 69 There are appropriate arrangements in place to check the quality of work carried out, although there are some weaknesses in its approach. Feedback surveys have been introduced recently and, at the time of our inspection insufficient replies had been received to enable any conclusions to be drawn about satisfaction with the programme. Incentives are offered for to encourage response, which is positive, and the surveys cover all major issues about the work itself. However, they do not include questions about information provided beforehand, choices offered or whether any special needs were well catered for. The RCC and Spire Homes is therefore missing a real opportunity to obtain useful feedback which could inform improvements. Post-inspections of improvement work are also carried out; however, we found some examples of poor finishing cast doubt over the quality and thoroughness of these inspections.
- 70 Customer information about property improvements is inadequate. Individual customers are provided with limited information about work due to be carried out in their home. Letters are sent by either Spire Homes and/or the contractor. The content of the letters varies tremendously, with some including detailed information about the work and the expected conduct of the contractor, such as hours of work and who to contact regarding problems; others provide much more limited information. RCC has no minimum requirements about the quality and extent of information to be provided and has not agreed the literature with customers. Tenants at large are not told about the investment programme as a whole. RCC has a code of conduct for contractors, which is in the repairs handbook, but none of the letters about improvements refer to this and it is not clear whether or not it applies to improvement work or just to responsive repairs. Lack of clear and timely information represents poor customer service and can contribute to unnecessary delays, flaws in planning and customer dissatisfaction. Spire Homes has already developed user friendly information about improvement work elsewhere and plans to develop similar literature for the Rutland service.
- 71 There is currently no support provided for vulnerable tenants whilst they have work carried out in their home; they are expected to cope unassisted during disruption in their home unless a member of staff becomes aware of particular difficulties; then help is inconsistent and unplanned. Within the Longhurst Group, of which Spire Homes is a member, this issue is addressed more effectively and support is provided through a charitable subsidiary. This good practice is being shared with staff providing the service at Rutland and it is intended that improved arrangements will be put in place here in future years.

Responsive repairs

- 72 Access to the repairs service is relatively easy, one of the few positive aspects of an otherwise weak service. Tenants able to order repairs by telephone, in person, via sheltered scheme managers or the rent collector. There is a free-phone link from the Council Offices to the Spire office which enables tenants to report repairs from there. However, ordering repairs on-line is not available. An emergency, out-of-hours service is provided, with calls handled by an external provider. The emergency number is clearly displayed at the RCC office but not at the Spire Homes Office or on either website. This is a weakness as it is when the offices are not open that the service is needed.
- 73 Information for customers is mixed. There is a clear and detailed repairs handbook, which includes diagrams to help tenants to identify and describe the fault when they report a repair. However, this diagnostic information is not linked to repairs reporting software and is not consistently used by staff; it is therefore of limited use. There are no published service standards other than for repair completion times. Service information on the website is poor, for example, the majority of the text is about a tenant's responsibilities for repairs and there is no information about repair priorities or response times.
- 74 The service is not geared around customer convenience. Although urgent and routine repairs are carried out by appointment, these are not made when a tenant reports the repair, the contractor calls later to make the appointment. During the first six months of 2006/07, only half appointments were made and kept (55 per cent in the first three months, 39 per cent in the second three months). The reliability of this performance information is also questionable as it is based largely on contractor feedback and returned customer satisfaction surveys. RCC and Spire Homes has recognised this weakness and Spire Homes has recently introduced more robust monitoring arrangements, which includes daily reports from the contractors. The service for non-emergency repairs is limited to normal office hours, which may be inconvenient for residents who work full-time or who have other commitments and who may appreciate greater flexibility.
- 75 There is some flexibility in the service to meet needs of more vulnerable customers, but this is not well supported. Staff can vary the priority of works orders in recognition particular needs of vulnerable customers, but there is no written guidance for staff for use in these circumstances, which could lead to an inconsistent approach being used. There are no alerts on the repairs system to indicate particular customer needs or vulnerability and the staff receiving repair calls rely on customers to raise the issue rather than routinely asking tenants relevant questions to ascertain any particular needs they may have.
- 76 Performance against target completion times is weak and residents have to wait too long for repairs to be completed (table 1). There have been problems with the accuracy of completion data which, in the past, has relied upon information supplied by the contractor, generally at the point that invoices were submitted; previous years' data therefore cannot be considered wholly reliable.

Table 1 Responsive Repairs Performance

Percentage of repairs completed in target time

Repair category	2004/05	2005/06	April to June 2006/07	July to September 2006/07
Emergency (24hr)	N/A	90.2%	72%	85%
Urgent (7 days)	N/A	89.1%	73%	77.8%
Routine (P3) (14 days)	N/A	81%	66.3%	74.3%
Routine (P4) (30 days)	N/A	86%	89%	76.1%

Source: RCC (Figures for 2004/05 not available)

- 77** There still remain question marks over data accuracy as, for example, the time taken for pre-inspections¹⁶ is not being counted in the overall time taken to complete a repair and so performance for non-emergency repairs are worse than stated. Pre-inspections are carried out by the contractor and performance against the target time for these is not rigorously monitored; records suggest that many are not done within target time.
- 78** Tenants highlight significant dissatisfaction with the repairs service. In the 2006 STATUS survey, 18 per cent of tenants said that they are dissatisfied with the service and 26 per cent said it is in need of significant improvement. Individual aspects of the service, such as conduct of the operatives, were rated more highly. Higher satisfaction levels are recorded through the satisfaction surveys issued to tenants when each job is ordered. Returned surveys show satisfaction levels above 90 per cent, but this can be explained largely by the fact that these surveys do not ask tenants about the most significant weakness in the service, waiting time. They also do not collect feedback on call handling or whether the job was completed right first time (which is not monitored in any other way). Response rates for these surveys are not routinely reviewed and, while individual issues are followed up, there is little evidence to suggest that customer feedback on the service is yet actively and systematically used to improve the service.
- 79** There are adequate arrangements in place to enable costs to be effectively controlled. Budgetary control and contractor monitoring have, until recently been areas of weakness, highlighted by internal audit reports. However, Spire Homes has introduced a range of measures to improve controls and the quality and usefulness of financial reports. Analysis of repair commitments is carried out monthly and further work is underway to improve coding arrangements which will enable a more detailed analysis of costs. Contractor monitoring is also now more robust; regular meetings are held with the main contractor and there is evidence of the contractor being held to account for performance.

¹⁶ Pre-inspections are inspections of faults or repairs which carried out before works are ordered.

- 80 The IT system is not being used to its full potential to assist staff to provide an efficient and responsive service. For example, there are no alerts on the repairs system to indicate a tenants' need or vulnerability, there is no information to show whether or not a component has been recently replaced and so may be under guarantee or where improvement work is scheduled. There are also no IT links with the contractor, meaning that ordering and invoicing is all paper based. There is also no use of handheld technology for example, for recording inspections. RCC and Spire Homes have recognised these weaknesses and has prioritised work to ensure that staff make best use of the existing system.
- 81 Arrangements for recharges are unclear. There is brief reference on the website and in the repairs handbook. However, there is no clear policy or procedure for raising and collecting recharges for repairs to tenanted or vacant properties and collection of recharges is not co-ordinated with rental debt collection. Production of a recharge policy is scheduled for early 2007. Failure to have a clear, well understand procedure means that tenants may not receive correct advice and income due may not be collected efficiently.
- 82 A number of aspects of the repairs service indicate that it is not being delivered efficiently. A high and increasing proportion of repairs are carried out as emergencies and urgent (34 per cent and 47 per cent respectively); these levels are well in excess of good practice and Audit Commission recommendations, suggest misdiagnosis of repairs, contribute to the current poor performance levels and are not cost effective. Post-inspections are also running at a higher level than target, in part as a result of the need to monitor the contractor more closely. There has also been no analysis of pre-inspections (currently carried out by the contractor) to evaluate the need for them.

Void repairs and management

- 83 Average repair and relet (turnaround) times are high. Current turnaround time averages around 50 days (51 in quarter 1 and 49 in quarter 2), a significant improvement on performance in 2005/06 (69 days), but still too long. This figure includes relets of some properties RCC considers 'difficult to let'; excluding these, the average turnaround time was 47 days in 2005/06 and 34 days in the first six months of 2006/07. The Council does not have readily available information about performance in 2004/05 or for previous years. Delays in repairing and reletting homes not only results in a loss of income to the Council but also hampers its ability to effectively meet housing needs in the area.
- 84 There are weaknesses in the management of vacant properties. Some review of the repair and relet process has taken place in recent months; this, together with tighter monitoring has helped performance improve. However, there are still flaws in the process. For example, there are no target times for the inspection of vacant properties and, to date, monitoring has not highlighted common reasons for the lengthy relet times. The spreadsheet, which, records dates at key stages, is not well developed. It does not yet calculate the time taken at each stage or highlight where dates are overdue. These simple changes would help management of the process, for example, by highlighting where delays are occurring.

- 85 The lettable standard is not customer-focused; it is an internal guide rather than a customer facing document and is not provided to prospective tenants. This means that they do not know what standard they can expect their new home to meet and are not equipped to challenge the organisation where a property does not come up to that standard.
- 86 The lettable standard is not being adhered to. Vacant properties we viewed were in a reasonable condition but the finishing was not to a high standard and cleaning was relatively basic. While gas and electric checks are meant to be carried out prior to letting, we found a case where the new tenant had encountered electrical problems, which suggests that these checks may not be as thorough as they should be. A further weakness is that the inspection checklist used by surveyors to order work on vacant properties is not explicitly linked to the lettable standard and there are no prompts to ensure that the surveyor orders work that will bring the property up to the agreed lettable standard.
- 87 Although it is positive that the current lettable standard¹⁷ has been devised in consultation with tenants, through the RTLP; it is not clear whether those involved were shown examples of good practice used elsewhere against which to judge the proposed standard. Comparing standards with those of other organisations would help to ensure that Rutland's standard reflects best practice. The fact that the standard is not provided to prospective tenants and is not being effectively applied, devalues the positive contribution originally made by the tenants.
- 88 It is a positive feature of the service that customer views are sought about the condition of the property after it is let. The surveys are relatively new and there is insufficient information available yet to draw any conclusions about customer satisfaction or other common themes.
- 89 The service is not provided in the context of an overall strategy. For example, RCC and Spire Homes are aware that, despite there being constant demand for housing, some property types are proving difficult to let. However, there is no clear trigger for option appraisals for those properties or schemes which are consistently difficult to let. The forthcoming older peoples' survey, includes questions about future aspirations, and should help inform such a strategy.

Gas servicing and other cyclical work

- 90 The gas servicing programme is not run efficiently although the current number of properties without valid safety certificates is relatively low, after some recent intensive action. Servicing over the last year has not been completed in a timely manner, records have not been regularly updated and there has been no regular management reporting on the proportion of properties without valid safety certificates or on long-standing access problems. This not only puts the Council at risk of not meeting its statutory obligations but of jeopardising tenants' safety. At the time of our inspection, records showed that 66 of the 718 properties which are part of the servicing programme did not have a valid safety certificate. The majority of these were a few months out-of-date. However, records were not up to date and we were subsequently advised that only ten are outstanding.

¹⁷ Lettable Standard - A standard of repair, decoration and cleanliness which homes should reach before being let.

- 91 While there are procedures which outline steps that should be taken to obtain access, there are some weaknesses in the process. For example, the IT system does not alert staff to outstanding services when the tenant contacts staff for another purpose. Housing officers and other visiting staff are not regularly given lists of outstanding services and are not involved in helping to get access until the later stages of the process. Early reminder letters do not stress the safety aspects of the servicing nor highlight the options for evening or weekend appointments. The later stages of the process, though not used to date, direct staff to use possession action rather than, other less punitive measures such as injunctions to obtain access and no innovative methods are used to maximise access. Action has been taken very recently to address these issues, which is positive. The programme is moving to an 11-month cycle to enable access problems to be resolved before the current certificate expires, recording and reporting is being moved to a dedicated administrator and steps have been taken to end the current servicing contract arrangements and to engage alternative contractors.
- 92 There are adequate arrangements in place to ensure quality of gas servicing. External quality auditors have been appointed and are currently carrying out sample checks on the quality of completed work and certificates issued.
- 93 A positive feature of the service is that appointments, which are made by the contractor, are flexible and can be made for the weekend or evening. However, RCC and Spire Homes cannot demonstrate how many of these appointments are made and kept. Performance data relies on information supplied by the contractor and is not separately identifiable from appointments made for general repairs.
- 94 Customer information on the service is inadequate, with the exception of the letters issued by Spire Homes when access proves difficult. Letters are clear and written in plain language; later letters explain both the legal requirements and safety aspects of regular servicing. Gas servicing is covered in the repairs handbook but current practice differs from the process outlined in it. There are no published service standards, no service leaflet, no information on RCC's website and no mention of gas servicing in recent issues of the tenants' magazine. Clear and regular information for customers helps to highlight the importance of gas servicing and can help to minimise access problems as well as providing them with a clear outline of the service they can expect. Customer literature is being reviewed; Spire Homes plans to introduce a service leaflet and satisfaction survey similar to those currently used effectively in East Northamptonshire.
- 95 Gas servicing records are not kept up to date and, at the time of our inspection, performance was not effectively reported, hampering RCC and Spire Homes' ability to effectively manage performance. Progress against the servicing programme is reported but the proportion of properties without a valid safety certificate and details of long standing access problems are not. Changes have since been made in recording arrangements and RCC and Spire Homes are reviewing the performance indicators they will use to monitor servicing performance in future.

- 96 There are inadequate arrangements for appropriate maintenance and safety checks on solid fuel appliances. Although a number of properties have these appliances and there is provision for this work in the maintenance contract, there is no servicing programme. There is also no programme for electrical inspections. Plans are being put in place to establish a cyclical inspection programme and for necessary electrical upgrading work to be included in the capital programme.

Aids and adaptations

- 97 Information for both staff and customers are inadequate. There are no policies and procedures to guide housing staff who may deal with initial enquiries about adaptations, the service is not well publicised and there are no service standards. Customers are informed how long they will have to wait at some but not all stages of the process. Lack of clear information about the service means that customers may receive incorrect or inconsistent advice and those who need adaptations may not be aware of what support and assistance is available.
- 98 RCC does not have a clear picture of demand and unmet need for adaptations. Staff state that waiting times are 'not long', but they are not recorded or robustly or routinely monitored and reported. Lack of clear information about demand means that the Council can not plan effectively to meet need. The budget for 2006/07 is £120,000, an increase on the 2005/06 budget of £75,000 (which was over-spent) in response to continued need; but the Council cannot be sure to what extent this increase will address existing need.
- 99 Adaptation work is not being effectively integrated with improvement work to homes. While there are examples of replacement kitchens and bathrooms being adapted to meet specific tenant needs, these needs are only identified as surveys are carried out and so this work cannot be planned well in advance; this may lead to unnecessary disruption to customers and to the improvement programme.
- 100 There is some, limited evidence of longer-term needs being taken into account in the improvement programme, for example, by fitting lever taps as standard as part of kitchen upgrades. This minimises the need for future work as tenants' needs change.

Housing income management

- 101 Weaknesses outweigh strengths in this service area. Customer information is inadequate, some of the more cost effective and convenient payment methods are not available and a significant proportion of tenants use the most expensive method, the rent collector. Arrears work is not prioritised or managed effectively and the IT system is not use well. Former tenant arrears have not been efficiently pursued for some time. There are clear arrangements for debt advice and good liaison with the housing benefit service. Arrears are rising; rent collection levels have improved slightly but over recent years are lower than average compared with other local authorities.

- 102** Options of rent payment methods are limited and some convenient and cost effective options are not offered. Payment cards, which can be used at a variety of retail outlets which are often open longer hours than housing offices are not used, rent cannot be paid on-line and payment by direct debit, generally the most cost effective method, is not currently available for rent although the Council does offer this option for Council Tax payments. Approximately 20 per cent of tenants use the rent collector service, a feature of the service which tenants were keen to see protected as part of the current management contract. It is the most expensive method per transaction (£3.15 per transaction, compared with 63 pence for the cash office and 6 pence for direct debit).
- 103** Information for tenants about the service and their accounts is inadequate. There is limited information about rent setting, payments or what to do if they fall into arrears in the tenants' handbook but there are no published service standards. Tenants are not sent regular rent statements; these are only issued when tenants are in arrears and on request. The statements do not clearly distinguish charges on the account and, when providing account information, staff cannot provide details of other tenancy related debts such as repair recharges. Providing regular and clear account information for tenants maintains the profile of rent payment and enables tenants to check or query their payment record or account.
- 104** Arrears letters are clear and written in plain language; they explain possible consequences of non-payment and signpost the tenant to independent advice, which is positive. Providing such information helps tenants to understand the importance of payments and directs them to sources of help before the debt gets out of hand.
- 105** RCC and Spire Homes have adequate arrangements to ensure tenants have access to appropriate advice. Housing staff are able to provide basic advice and they can refer tenants to independent advice. There is a three-year service level agreement in place with Rutland Citizen's Advice Bureau (CAB) to provide benefit advice and debt counselling to tenants which, given the limited resources within the housing service, is a good use of partnership working to benefit residents. As well signposting to the CAB in arrears letter, the CAB advice services is also publicised in the tenants' magazine.
- 106** It is a weakness that the success or otherwise of this advice arrangement is not periodically evaluated. While anecdotally the arrangements are viewed as beneficial to both tenants and the Council, there is no systematic monitoring of referrals, no feedback about additional welfare or housing benefit being secured or any assessment of the impact on rent arrears.
- 107** The Council has a corporate debt policy, which is positive, but it is not being implemented effectively through the housing income management service. The policy stresses the importance of rent or mortgage as a priority debt. However, from our review of arrears cases there is no evidence that housing officers review income and expenditure with tenants in order to make affordable repayment arrangements or have taken this into account.

- 108** There is only limited promotion of a payment culture and arrears prevention work. Only basic information is provided to tenants at the early stages of a tenancy promoting the benefits of payment and prompt payment and which highlights the consequences of failing to pay, although this is covered to some extent in the tenants' handbook. There is also an annual prize draw, which tenants who have a clear rent account at the end of the financial year can enter, and four 'rent free' weeks throughout the year to enable tenants to catch up with payments, if necessary. The prize draw is publicised in the tenants' magazine but there has been no other publicity about the importance of rent payment.
- 109** RCC is not effectively maximising rental income. Action is not being taken promptly or systematically on rent arrears and this is resulting to an increase in arrears. At the end of 2005/06 arrears stood at £91,735.69; at the end of September 2006/07 they totalled £135,617. The latter figure compares with a total of £161,852 at the end of September 2005.
- 110** Arrears action does not always received sufficient attention and recovery action is not always effectively prioritised. Arrears work is not protected; housing officers also work on competing duties such as homelessness, and the rent collector's time is partly spent dealing with administrative tasks. There is evidence which shows that there is scope to reduce arrears by more concentrated action. For example, an increase in service of Notices of Seeking Possession (NSP) directly related to period of time when additional member of staff was seconded to 'blitz' arrears cases for six months in 2005/06 and to a drop in arrears. In comparison, half the number of NSPs were served during a similar period in 2006/07 against a background of rising arrears. No debt profiling has been carried out. Profiling, which highlights households and circumstances where arrears have arisen, can be an effective way of prioritising action and targeting advice.
- 111** The rent collection target (97.5 per cent) is not challenging, in so far as it is only marginally higher than the collection rate for 2005/06. At the end of September 2006, rent collected stood at 96.4 per cent. There is a penalty in the contract for poor performance in this area, which is positive, but there are no percentage or cash targets for arrears and targets for the team are not currently split down into targets for individual housing officers or patches. A lack of clear and challenging targets for staff can contribute to a lack of focus on effective methods of prevention and recovery.
- 112** Information technology (IT) is not being used to its full potential to help to staff to work efficiently and to minimise arrears. Currently staff cannot print reports showing rent payment histories and the regular arrears report does not show status of the case. The IT system is not linked to arrears procedures and so does not prompt actions, for example, when payments are missed. In addition, there are no automated letters; housing officers use standard letters and have to fill in address and amounts owed and manually update diary notes to record action taken. This diverts resources from more active prevention and recovery work.

- 113 There are effective working relationships between Spire Homes and the Council's benefits and legal services which support work to minimise arrears. There is a service level agreement in place for legal services but current liaison arrangements are essentially informal, with meetings held as and when necessary and regular visits to the Spire Homes by the solicitor responsible for housing work.. While at present this works well, some formalisation of the arrangements may be beneficial to ensure that any change of personnel involved does not adversely affect the service.
- 114 The costs of services such as grounds maintenance are not disaggregated from the property rent and so some tenants are paying for services they do not receive. The costs of these services are not separately itemised on rent statements or tenancy agreements.
- 115 Former tenant arrears (FTAs) are not managed and recovered effectively. There is no FTA policy and no regular programme of write offs; no FTAs have been written off for six years. FTAs currently stand at approximately £100,000. Spire Homes has taken positive action to address this situation; the FTAs have been transferred to Spire Homes to pursue where possible and a programme of write offs is being established.
- 116 There is very little customer involvement in the service; this has been limited to discussions with the RTLP as part of the service specification discussions specifically regarding the retention of rent collector service. In these discussions, there was limited consideration of the costs of this service. No routine customer feedback on the service is sought. This is a missed opportunity to gain feedback on account and arrears information provided, on the impact of action taken and usefulness of advice, all of which could be used to inform service improvements.

Resident involvement

- 117 There is a balance of strengths and weaknesses in this area. Resident involvement is underdeveloped and a strategy will not be agreed until early 2007. Resident involvement in service monitoring is limited to tenant members of the partnership board, 'involved' tenants do not yet reflect the diversity of RCC's tenants and consultation and involvement is not integrated into service delivery. However, residents have been consulted and involved major service decisions in recent years, satisfaction with opportunities for involvement has increased and a greater range of options for participation has been introduced.
- 118 There is no overall strategy guiding resident involvement, setting out objectives of involvement, which methods will be used, how involvement will be supported and how its impact will be assessed. This is a weakness; it means that resident involvement in service issues may be unplanned, pitched at an inappropriate level or carried out in a way which does not support the organisation's aims regarding involvement.

- 119** Spire Homes has taken positive steps to gather information which will help it to devise an appropriate strategy, which is due to be completed in early 2007. The STATUS survey, shows reasonable levels of satisfaction with opportunities for involvement (68 per cent in 2006 compared with 64 per cent in 2004), Spire Homes has also recently surveyed tenants about whether and how they would like to be involved. The survey has received an encouraging response and results will be used to ensure that the strategy focuses on methods preferred by residents and enables involvement in issues that matter to them. The strategy is being developed in a thorough manner, including tests of proposed methods, further consultation with residents and an assessment of impact and outcomes. This should help to ensure that it is understood and supported by residents, is more likely to be implemented successfully and will engage the widest possible range of customers, including currently under-represented groups.
- 120** Although resident involvement is relatively underdeveloped, more options for involvement are now being actively promoted by RCC and Spire Homes and there are clear examples which illustrate that both involve and listen to customers. Residents were actively informed and involved in the stock options appraisal work that took place 2002-04, through a series of public meetings, 'roadshows' and the Rutland Tenants and Leaseholders Partnership (RTLTP). RTLTP members were involved in the development of the service specification for the current management contract and the selection of Spire Homes. Throughout the stock options process and subsequent work tenants were supported by an independent advisor. Parts of the service which are valued by customers, such as the rent collection service and the surgery at Uppingham were retained and issues such as interview facilities were addressed, in line with tenant views, as the office at Pinewood was established.
- 121** There is, however, limited evidence of resident involvement in current service delivery and monitoring; this is a reflection of the fact that resident involvement is not yet fully integrated in all teams' work and is still seen as the role of specialist officers. Residents have been involved in agreeing the current choice range for kitchen improvements and have some input into the tenants' magazine but they are not involved in prioritising planned maintenance work and there is no resident involvement in estate management issues such as grounds maintenance or in the repairs service. Resident involvement in service monitoring is limited to tenant members of the Partnership Board and even well established groups, such as the RTLTP, have never received reports on service performance.
- 122** Spire Homes has demonstrated a commitment to resident involvement by devoting more resources to it, for example, recruiting a team leader and providing additional support and direction from the Head of Customer services. External consultancy support is being provided to the team while the involvement strategy is being developed. This is ensuring that the Rutland service can learn from best practice in the sector as well as learning from the experience of the Rushden-based service, where significant resident involvement opportunities have been successfully developed. Team leaders and housing officers have undertaken training on resident involvement (September 2006); it is planned to extend this training to other frontline staff and new employees in spring 2007.

- 123** Even so, resources to support involvement need to be improved further. For example, resident 'resource centres' are not fully up and running and have very limited equipment available for residents to use. Tenants we spoke to are pleased with the support they receive from tenant participation staff, but are disappointed with the facilities currently available to them. Spire Homes has plans to improve the resource centres and to publicise their availability to the wider community to encourage greater use.
- 124** Reasonable information about involvement is provided to tenants, particularly featuring the RTLP but also covering other options. For example, there is a designated space for such information in the reception area at Pinewood. The tenants' handbook highlights a variety of ways in which residents can become involved and flyers outlining opportunities are included in sign-up packs for new tenants. The publicity is reflected in results from the STATUS survey which showed a very high level of awareness of the RTLP and more modest awareness of other, less well used or more recent options, such as the editorial panel.
- 125** However, there are weaknesses. There is a tenant compact,¹⁸ but this is dated and does not reflect current arrangements; it is due for review during 2006/07. There is also and limited information about what commitment is involved in each option for involvement, what support Spire Homes can provide and how involvement has had an impact on services. Providing clear service standards for consultation and involvement and giving residents a better idea of what is involved means that residents can make informed choices about their level of involvement and can select involvement in areas of interest.
- 126** Resident involvement does not yet reflect the diversity of RCC's tenants. RTLP membership is largely drawn from older residents, although it is open to all. Members of the RTLP who are on the Partnership Board are younger and Spire Homes is making active attempts to encourage wider involvement, for example, by promoting different methods of participation, such as postal and telephone surveys, branded as 'armchair consultation'. Involvement of residents in suggestions for environmental improvements, through the Tenant Initiative Scheme, is also being used as a catalyst to encourage involvement of younger residents. The survey, referred to earlier in this section, has led to the involvement of some residents in commenting on the proposed customer charter. Those taking part had not been involved in other ways before and were generally younger than other actively involved residents.
- 127** Spire Homes has taken initial steps to ensure that its resident involvement activities represent value for money, which is positive. It has piloted a value for money assessment on the service; however, there are no clear outcomes from this work yet. Joint training for tenants has been carried out with neighbouring authorities at Melton and Harborough and opportunities for external funding opportunities to support involvement initiatives are being sought. Spire Homes has successfully secured external funding for this purpose at Rushden in the recent past, which has supplemented its own resources and has helped establish foundations for further involvement.

¹⁸ Tenant Compact - an agreement between a landlord and its tenants about how they will be involved and consulted.

Tenancy and estate management

- 128** Weaknesses outweigh strengths in this part of the service. While estates are reasonably well maintained, estate management work is largely reactive and customer information is inadequate. Response to anti-social behaviour is inconsistent; there is no planned preventative work and no clear framework to guide staff action. Support for victims and witnesses of ASB is underdeveloped and not publicised. Neither tenancy nor estate management services are adequately monitored. Maintenance of estates and grassed areas is of a reasonable standard and RCC has taken some positive steps to improve access to services, by introducing the inter-agency, single non-emergency number.

Dealing with anti-social behaviour (ASB)

- 129** The ASB service is not customer-focused and service information is inadequate. RCC does not actively promote its approach to ASB. There are no published service standards or leaflets explaining the range of action that might be taken and no information in the tenants' magazine about anything other than low level ASB. The tenants' handbook does include some information but, in outlining the options, there is a strong emphasis on actions the tenant can take rather than what RCC or Spire Homes will do. The lack of information means that residents do not know what service to expect and have no standard against which they can judge the service they receive. They also have nothing on which to base confidence that the Council or Spire Homes takes the issue seriously; potential or actual perpetrators are not given a strong message that ASB will not be tolerated.
- 130** There is no clear framework to guide staff action; there is no ASB policy or procedures in place, no agreed response times, no register of cases and no effective case management. Staff are aware of a range of options to tackle anti-social behaviour, including mediation; but to date a limited range has been used. Even though ASB is not a major problem in the county, RCC and Spire Homes cannot ensure that all cases are dealt with appropriately and/or consistently. Tenants may experience different levels of service depending on whom they contact and when. Lack of effective monitoring also means that it is difficult to spot trends, develop appropriate solutions and manage the service strategically.
- 131** RCC and Spire Homes are not taking positive action to prevent or deter ASB. There is little or no diversionary work, such as activities for young people, to combat ASB and no evidence that they are working with other agencies to develop any. Current low levels of ASB have meant that this is not considered a priority for the service's limited resources. Encouraging or facilitating diversionary activities can effectively prevent ASB or stop it from escalating. It can also help to engender a wider interest in the community and environment, which can be harnessed to help maintain the appearance of residential areas.

- 132** Support to victims and witness is very limited and, with the exception of advice to those experiencing domestic violence, support that is available is not publicised. There is also no guidance for staff setting out what support can be offered, such as home visits, panic alarms and targeting hardening (such as fitting locks and extra lighting). If residents are unaware that support may be available they may fail to report ASB and if staff are not well prepared, victims and witnesses will not receive prompt and appropriate support at a time they most need it.
- 133** There is currently little attempt to gather service user views (other than through the STATUS survey, and this does not provide sufficiently specific feedback to inform service improvement). RCC and Spire Homes are therefore missing the opportunity to obtain useful feedback from residents who have experienced ASB and who have contacted them for help. Feedback would help to highlight any aspects of the service which are valued by customers and to identify weaknesses and potential service improvements.
- 134** To improve customer access to services, the Council (in partnership with the Police) has recently introduced a new single non-emergency number, available 24 hours a day and through which issues such as drug related ASB, threatening and abusive behaviour, abandoned vehicles, vandalism, graffiti and fly-tipping can be reported. At the time of our inspection, it was too early to judge its impact of this new initiative on the way that ASB is being responded to.

Estate management

- 135** The standard of grounds maintenance is reasonable and there is evidence that the Council has invested in measures to minimise problems such as litter, for example, by providing better bin stores and has responded to fly-tipping by arranging and publicising bulky refuse collections in areas where problems have been experienced. Cleaning and maintenance of communal areas in blocks of flats is not to a high standard and is not effectively monitored.
- 136** As with ASB, customer information on estate management is inadequate. There are no service standards or service leaflets; there is brief mention in the tenants' handbook about bulky refuse and a general explanation of responsibilities for grounds maintenance and cleaning of communal areas. The magazine has been used more constructively and has featured articles on issues such as rubbish clearance and fly tipping and who to contact about these services but again there is no reference to service standards or service monitoring, so again, residents do not know the level of service to expect or how the service is performing.
- 137** Estate management work is not effectively organised; it is essentially reactive with housing officers relying on customer reports about problems or service failure. This is not an efficient way to provide the service, especially given the dispersed nature of the stock. There are no regular estate or village inspections or walkabouts, which could be used effectively to address problems promptly and to prevent them from escalating. Walkabouts can also be used to involve residents in the monitoring of services such as grass cutting and cleaning of communal areas and in suggesting solutions to issues in their neighbourhood.

- 138** As mentioned above, the new 101 single non-emergency number initiative is likely to affect the service, including the way in which issues are responded to, but at the time of our inspection it was too soon for it to have had any significant impact. RCC has also joined forces with the local paper in an initiative to highlight and act on areas which are subject to litter, abandoned vehicles or are overgrown; this initiative is not limited to social housing areas. Residents can nominate a 'grot' spot, the Council will take action to address the problem and then 'before' and 'after' photos are published. This is a positive initiative, encouraging residents to take an active role in keeping the area clean and in reporting problems, however, housing staff we spoke to did not refer to this as part of their approach to estate management.
- 139** RCC lacks a proactive approach to grounds maintenance. The service is provided through the Council's leisure services team and, although there is a set of service standards, this was not developed in consultation with residents, it is not publicised and the service is not systematically monitored by staff or tenants. A similar situation exists regarding cleaning of communal areas. No regular customer feedback on either service is sought, which again represents a missed opportunity to gather suggestions for service improvements.

Allocations and lettings

- 140** There is a balance of strengths and weakness in this service. Access to the service is easy and information clear; the exception being the absence of a customer-focused lettable standard. The service is provided without discrimination and reviews of policies and procedures have ensured that they reflect current requirements. Choice is limited and there are some weaknesses in the lettings process, which mean customers may not receive a consistent level of service.
- 141** Access to the service is easy. Clear, information in plain language is sent to housing applicants sent out with all requests for housing application form; this can be done by e-mail, telephone or by calling in person at the office. Applications cannot currently be completed online.
- 142** Lettings are monitored to ensure that there is fair and equal access to the service and, from this monitoring, evidence indicates that the service is provided free from discrimination. A number of policies and procedures have been reviewed in recent years to ensure that they comply with relevant legislation (for example, the allocations policy was reviewed in December 2004) and do not discriminate against, for example, same sex couples.
- 143** Choice for potential applicants is limited. Applicants can select any number of areas for which they may receive an offer and may refuse offers without any penalty, which is positive. However, the information is currently limited and does not provide all the information which would help applicants to make informed choices. Further information, for example on the type and size of properties, their location and demand for them is being produced this year; this will help applicants to understand the consequences of their choices.

- 144 The Council does not currently operate a choice-based lettings (CBL) scheme and is not currently pursuing one, either on its own or in partnership with neighbouring authorities. It does not view this initiative as a priority and, given the relatively small number of lettings (approximately 120 per year) and dispersed nature of the stock, believes that there are significant limits on meaningful choice that can be offered. The service improvement plan for 2006/07 includes plans to review the implications and potential for a choice based scheme. This is a reasonable approach given the context and other current service priorities.
- 145 Lettings arrangements are mixed. There are a number of positive aspects, for example, prospective tenants are sent a copy of the tenancy conditions with the offer letter, which enables them to familiarise themselves with the respective rights and obligations beforehand. New tenants are also visited shortly after they move in to ensure that there are no problems and to give them the opportunity to ask any questions about the service; the visits are comprehensive and recorded.
- 146 However, there are weaknesses in the lettings process. For example, prospective tenants are not provided with a copy of the lettable standard at any stage. Also the sign up procedure does not include a checklist and thus relies on the memory and experience of staff to cover all necessary items. This could mean that tenants receive varying information. Managers cannot be confident that key messages such as the importance of allowing access for gas servicing, the availability of floating support and independent advice, planned improvements to homes or the organisation's approach to ASB are being delivered consistently. There is also no local area information issued to tenants at sign up; outgoing tenants are being asked to add details of local facilities to the back of termination forms, the information is then passed on to tenants.

Is the service delivering value for money?

- 147 There is a balance of strengths and weaknesses. Overall costs of the housing management service compare favourably with previous costs and have been tested through competitive tendering. The Council has a sound record of combining with others to purchase services and make savings in procurement process. Spire Homes has drawn on the purchasing power of the Longhurst Group to achieve savings in procurement. Both organisations have adequate budgetary processes in place to assist in cost control and identifying potential for savings. However, detailed information about the costs of some parts of the housing service are not available to enable comparison with others and costs of some housing related services such as grounds maintenance have not been tested or compared with others. Modern methods of procurement are not used widely and a rigorous approach to value for money is not yet fully embedded in the service. There are also practices within the housing service which are inefficient and do not represent value for money.

How do costs compare?

- 148** RCC can demonstrate that costs of the housing services compare favourably with previous costs. Housing services in Rutland, now provided under a management contract, are provided at a lower cost to the Council (and, indirectly, to its tenants) than would have been the case if the service was provided in-house. Projected savings total £100,000 per year - equivalent to a reduction of 15 per cent. The cost of managing the housing service is £821,500 including the management fee plus recharges for services still provided by the Council (such as IT systems and legal services). This includes approximately £30,000 (compared with a previous figure of approximately 90,000) for the homelessness function, also carried out by Spire Homes but charged to the General Fund. The savings made from this arrangement are being re-invested into maintenance of the stock. The management contract includes targets for improved performance over the period of the contract at no extra cost and so should provide improved value for money, although it is too early yet to see significant evidence of this.
- 149** RCC and Spire Homes' information about individual service costs is mixed. Housing associations bidding for the housing management contract were required to submit cost estimates for broad areas such as tenancy, estate and income management and repairs and maintenance, enabling comparisons to be made and to ensure that the overall service could be provided at a competitive cost, which is positive. However, these cost estimates covered very broad areas of work and RCC does not have clear information against which it can evaluate individual aspects of housing management and maintenance (such as average costs of dealing with ASB cases or arrears recovery) and it has not systematically reviewed the relationship between cost and quality. In these more specific areas it is also unable to identify how costs compare with those of other providers. Spire Homes is a member of HouseMark, an independent benchmarking organisation, but cost information from the Rutland service has yet to be collected and submitted and so no comparisons with others can yet be made. As part of the management contract, Spire Homes is required to produce comparative cost information at the end of the first year. This should assist both RCC and Spire Homes in establishing the value for money of housing services and in identifying areas where costs may be cut, where services need to be improved or where more efficient ways of working can be introduced.
- 150** RCC does not have current comparisons for management costs per unit compared with neighbouring and comparable authorities; figures available from 2004/05 suggest that RCC's costs were in middle of the range.
- 151** Spire Homes has started to look at some repairs and maintenance costs, reviewing the Rutland service costs with those of Spire Homes' other operations. This initial analysis has highlighted some areas for further attention. For example, component costs for kitchen and bathrooms are both significantly higher than those obtained by Spire Homes for their Rushden-based service. Average void costs are also higher. A new performance framework has been established within the repairs and maintenance service which enables regular reporting on some of these key costs. Development of this information should help Spire Homes and RCC to identify trends and manage the service and resources more strategically.

- 152 It is not clear whether costs of all services linked to the housing service, such as grounds maintenance are competitive or represent value for money. The costs of these are included in recharges to the Housing Revenue Account, but RCC has not yet tested all these costs against those of other possible service providers. The cost of legal advice has been tested, but for grounds maintenance, there are no clear published service standards in place against which the service and its costs could be compared.

How is value for money managed?

- 153 Neither RCC nor Spire Homes have a specific value for money strategy or explicitly stated value for money objectives, but both organisations have a clear commitment to achieving it and have some arrangements in place to focus staff attention on value for money. RCC has a procurement strategy and guide for staff which guides them to challenge the need for goods and services as well as to take quality into account as well as cost when procuring them. Spire Homes' objectives include the provision of 'efficient services' to be achieved through a range of activities from procurement through purchasing consortia, ensuring costs are compared and best practice is learned from and systematic service reviews.
- 154 The housing service is not making the best possible use of modern procurement methods. Most contracts which relate to the housing service had been procured and let by the Council, prior to the current management contract. Most have been procured by traditional competitive tendering and modern methods are not yet widely used. This means that RCC has not able to obtain some of the benefits of partnering, such as shared risks and reduced costs over the longer-term.
- 155 There are aspects of procurement in the last few years which show that RCC has not consistently considered value for money and has not had appropriate safeguards in place to ensure that procurement is carried out effectively. Although some savings were achieved through procuring the repairs and maintenance contract jointly with a neighbouring authority, the contract does not include any financial or other penalties or incentives for performance. This makes the contract difficult to manage and poor performance more difficult to address; it has also resulted in additional supervision of the contractor being required. The schedule of rates used for the contract is also not providing value for money. The contract expires in 2008; both RCC and Spire Homes are clearly aware of the need to have a more robust contract specification and procurement process that will secure better value for money.

- 156** It is clear that RCC has learnt from its experience with the repairs contract and has set up much more rigorous arrangements for the housing management contract. Substantial work was carried out, in consultation with residents, to establish the level of service desired. It then followed a competitive process to secure this service at the lowest possible cost. Prospective providers were shortlisted and selected on the basis of both cost and quality. The contract requires performance to be improved in stages over a five-year period and includes a range of incentives and penalties relating to operational performance regarding rent arrears and relet performance, with Spire Homes taking the burden of the cost of performance below target and where performance is better than the target the 'savings' are shared on an equal basis.
- 157** RCC has got a track record of combining with others to purchase services, to make savings in procurement process, which is positive, and is open minded about outsourcing services where appropriate. However, it has not reported or recorded predicted or actual savings from this and so is not always able to demonstrate the extent of those made. An example of joint procurement which resulted in some efficiency savings is the consultancy work for the stock options appraisal. Corporately services such as internal audit have also been jointly procured with neighbouring local authorities. Other examples others include private sector stock condition survey work, Home Improvement Agency services and domestic violence outreach services. Although some savings were made through this process, RCC cannot clearly identify these.
- 158** RCC's approach to value for money overall has improved and RCC has met its efficiency targets under the Gershon initiative¹⁹ for both cashable and non-cashable elements for 2005/06 and cashable ones for 2006/07. The recent Audit Commission Corporate Performance Assessment also noted that the Council provides good value for money overall in the context of limited financial resources, although there are still similar issues to those in the housing service such as a lack of service cost information or routine review of costs. RCC has recently had full internal and budget review, carried out by independent consultants, to establish whether there are any further key areas where obvious efficiencies can be made; this found little evidence of opportunities for further major savings. RCC has also revised its approach to budget setting with the aim of using the process to identify scope for both savings and the need for growth, making a closer link to achievement of its strategic objectives. This is influencing budget setting for 2007/08 and will be fully integrated into the 2008/09 process.

¹⁹ Gershon Initiative - Sir Peter Gershon's review of public sector efficiency.

- 159** Spire Homes is already identified that savings can be made within the housing service without compromising the service to customers. Organisational restructuring is securing approximate savings of £75,000 per year. Opportunities for savings in planned improvement work and repairs have been identified, to be achieved primarily through alternative methods of procurement and plans for this are being included in the 2007/08 budgeting process. Spire Homes has a record of doing this successfully in East Northamptonshire and, as part of the Longhurst Group, has also obtained some goods and services through joint procurement. The group's greater purchasing power can and has led to savings, for example, for stationery. However, there is currently no way of identifying how these savings specifically benefit the Rutland service.
- 160** There are a number of practices in the housing management and maintenance service which are inefficient and which do not represent value, for example, the high proportion of repairs carried out as emergencies. Current performance levels in some key areas also mean that income is not being maximised, for example, lengthy relet times. Failing to offer and promote the most cost effective methods of rent collection also hampers RCC's and Spire Homes' ability to maximise income and minimise costs. Action has been taken to address some of these weaknesses, for example, to reduce relet times and there are plans to make more effective use of the rent collector (for example, to promote other methods of payment and to provide a resource for tenancy and estate management services) although these have not yet been implemented. There are some cost effective initiatives within the service, such as the under-occupation incentive scheme, which has secured seven vacancies at a cost of only £7,000, but at present, these are relatively isolated examples.
- 161** The service does not effectively use benchmarking information to compare costs and performance and to use this information to drive service improvements. Housing staff have access to benchmarking services and networks and do use them to identify good practice elsewhere.

Summary

- 162** We assessed landlord services to be poor. There are a number of weaknesses in the responsive repairs service, including the time taken to complete repairs to both tenanted and vacant homes. There is no asset management strategy, residents are not involved in prioritising investment and the low energy efficiency of the stock is not being effectively addressed. Customer information about services is inadequate and the incomplete tenant profile limits the service's ability to respond effectively to customers' diverse needs. The service is not complying with good practice regarding diversity.

- 163** Arrangements for responding to anti-social behaviour, race hate crimes and other harassment are not robust and support available for victims and witnesses inadequate. Resident involvement is underdeveloped and is not integrated into service delivery; the use of customer feedback is also underdeveloped. Cost effective and convenient rent payment methods are not available to customers, arrears are rising and former tenant arrears have not been effectively addressed. Tenancy and estate management services are not monitored adequately and maintenance of communal areas is not of a high standard. A rigorous approach to value for money is not yet fully embedded in the service and there are practices within the housing service which are inefficient and do not represent value for money.
- 164** There are some service strengths, for example, there is an effective approach to dealing with domestic violence. There are clear arrangements for debt advice and good liaison with the housing benefit service. Tenant satisfaction with the overall service is also relatively high, satisfaction with opportunities for involvement has increased and there is an improved range of options for participation. A high proportion of properties meet the Decent Homes Standard.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 165** The Council has a weak track record of making improvements to its landlord services; the scale and impact of those made over the last three years is limited. Its record in terms of customer satisfaction is mixed as is its performance against key performance indicators. It has a better track record of working with partners to secure efficiencies but savings have not been routinely recorded and it cannot demonstrate the extent to which it has achieved better value for money.
- 166** Service improvements made over the last three years that customers would notice have been limited. Prior to the current contractual arrangements RCC gave priority to improving its homelessness and housing advice service, to the stock options appraisal work and management contract tendering, which were significant projects for a small organisation with limited resources. Service improvement priorities for the current contract (which started in February 2006) were agreed at the Partnership Board in June 2006 and much of Spire Homes' work over the last six months has been concentrated on establishing clear frameworks and sound foundations for service improvements which will be more easily recognised by tenants.
- 167** Some service improvements and performance improvements are evident:
- reduction in time taken to relet homes - cut from an average of 69 days in 2005/06 to 50 days in the first half of 2006/07;
 - establishment of a dedicated housing office, with private interview facilities;
 - extension of the sheltered warden role to become a community warden, taking services to other vulnerable RCC tenants;
 - introduction of a floating support scheme;
 - funding support for a domestic violence officer, working across all tenures; and
 - introduction of a specific magazine for sheltered housing scheme residents.
- 168** RCC's track record in terms of customer satisfaction is mixed. In some areas it has increased but there are also examples of falling satisfaction. STATUS surveys were carried out in 2004 and 2006 and results in many areas were very similar. The most noticeable changes are the increase in satisfaction with opportunities to participate (rising from 64 per cent to 68 per cent) and the fall in satisfaction with the repairs service (from 83 per cent to 73 per cent). Overall, customer satisfaction with the service has fallen slightly from 83 per cent to 80 per cent. As many service specific satisfaction surveys are relatively new, there is no trend data available to demonstrate a clear track record.

- 169** There has also been a mixed track record in terms of operational performance. Responsive repairs performance has deteriorated, rent collection levels have improved slightly and relet performance has improved. Comparisons with other local authorities are only available for the best value performance indicators (BVPIs);²⁰ RCC's performance in 2004/05 in service areas covered by this inspection was in the second or third quartiles.
- 170** Prior to the start of the current management contract, performance in areas not covered by the BVPIs was not reported, tracked or compared with others by the Council and so it cannot clearly demonstrate whether or not performance has improved. In addition, more recent audit reports show that there are question marks over the accuracy of some performance information, meaning that they and the track record they indicate must be treated with some caution.
- 171** RCC has a track record of working with partners to secure better value for money, for example, in jointly procuring internal audit services and the stock options appraisal work. However, while efficiency savings have been achieved, these have not been routinely recorded and so it cannot demonstrate the extent to which it has improved value for money.

How well does the service manage performance?

- 172** The service improvement plans is clear and achievable and based on tenant and staff views. There is a robust framework for performance management and quality assurance in the management contract plus ambitious targets for performance. Spire Homes has already used performance information effectively to address service weaknesses. There is evidence of leadership creating a climate for change and driving service improvement and a clear focus on improving services in line with residents' priorities. There is also evidence of learning from others. Weaknesses lie in some gaps in reported performance indicators, the fact that effective performance management is not yet fully embedded within the service and limited use of benchmarking data.
- 173** There is a clear, achievable, short-term service improvement plan in place for the service, which has been developed in consultation with tenants (via the RTLP, and indirectly with other tenants as part of the consultation about stock options and the management contract service specification). This is positive; as it means that the plan is rooted in tenant priorities and so is more likely to deliver improvements that tenants will recognise and value. Staff views of service strengths and weaknesses and the potential for service improvements have also been taken into account; this has helped to ensure that weaknesses in important internal processes are addressed as well as more obvious customer facing issues. The management contract provides for Spire Homes and the Council to draw up, in consultation with residents, a more detailed service development plan for 2007/08, which should assist Spire Homes to improve services further.

²⁰ Best value performance indicators (BVPIs) - service and other indicators against which councils are required to record and publish their performance each year.

- 174 There are some weaknesses in the service improvement plan. For example, while it clearly identifies responsibilities and timescale it does not clearly identify other resources required to achieve the plan or the relative priorities of the tasks. Having explicitly stated priorities helps ensure that all those implementing the plan have a common understanding of what is most important. It would also help RCC and Spire Homes to allocate appropriate resources to high priority tasks, should it become evident that the whole plan cannot be achieved in full.
- 175 Many of the tasks outlined relate to internal processes and, while work on these is clearly necessary and will contribute to improved services, they may not be immediately evident to users. It is also a weakness that there is not yet a clear thread in place that links overall service objectives, team plans and individual targets; this would ensure that the contribution teams and individuals make to the overall plan is clear and understood and would help to ensure that staff time and attention remains focused on the organisation's priorities.
- 176 There is a clear and robust framework for performance management and quality assurance, including reporting arrangements to the Council's Scrutiny and Overview committee(s), set out in the management contract. Many aspects of this framework are now in place and are being used effectively to address service and performance issues, others are still being developed. There are six-weekly meetings between senior managers at Spire Homes and the Council's Head of Housing and Contracts at which operational and performance issues are discussed and action agreed. Quarterly performance reports are made to the Partnership Board; quarterly progress reports on implementation of the service improvement plan are also presented to the Partnership Board.
- 177 There are ambitious targets for performance in the management agreement, which is positive. The agreement sets out an ambition for the service to reach top quartile performance in all key indicators by 2008 unless this proves to be unreasonably costly. It is a weakness that it does not currently specify clearly whether this refers to comparisons with all other local authorities or a specific group. Spire Homes engaged external auditors to review monitoring arrangements to ensure that performance reporting is based on robust data, which is positive. The audit established that there were a number of issues with accuracy and monitoring, which are now being addressed. Ensuring that robust data is available means that realistic targets can be set and attention can be concentrated on making improvements in performance.
- 178 There are some weaknesses in the performance management framework. For example, targets and performance currently reported are limited to those specified in the contract. This means that some key areas of performance such as gas servicing and anti-social behaviour are not adequately covered, either because they are not reported or the information reported is not a helpful indicator of performance. Both RCC and Spire Homes recognise that there is scope to develop performance reporting and are working together to ensure that sufficiently comprehensive data is provided to both managers and the relevant boards and committees to enable them to perform their roles effectively.

- 179** Effective performance management is not yet embedded within the service. The Council has not got a record of strong performance management; successive Comprehensive Performance Assessment²¹ reports and audit reports highlighting this. For example, the basis for target setting was unclear, there have been problems with accuracy of data and performance reports have not been comprehensive. These factors have contributed to poor performance in some areas not being effectively challenged in the past, the lack of reliable baseline information at the start of the current contract and the fact that performance management is not a concept or practice that is embedded in the culture.
- 180** Although some details of the performance management framework for Rutland's housing service have not yet been fully developed, there is sufficient evidence from Spire Homes' work at in East Northamptonshire (based at Rushden and led by essentially the same management team) that it is able to establish and operate effectively within a clear performance framework. For example, at Rushden there are regular reports to the board which include operational and financial performance; risk maps are also regularly updated and reported.
- 181** There is also evidence in the early months of the contract, that Spire Homes has used performance information to highlight problems and has acted to address them. Examples of this include voids management, where turnaround time has been cut as a result, and gas servicing, where the contractor's performance has led to action to transfer this element of work to another firm. Spire Homes is also introducing more robust monitoring within the Rutland repairs service, where a framework including cost, performance and satisfaction information has been introduced to assist in both operational and strategic management of the service.
- 182** In addition, weaknesses in performance management at the Council are also being addressed. The new chief executive is introducing a different approach, which includes regular meetings between herself and the leader together with relevant directors and portfolio holders to review performance against key indicators and strategic objectives which, together with regular reporting to the overview and scrutiny committee should ensure more a more rigorous approach, complementing the work of the Partnership Board and managers of the service.
- 183** There is clear evidence of leadership driving service improvement. While senior managers at Spire Homes believe that they are managing a service with more challenges than at first anticipated, they exhibit drive and sense of purpose; there is a clear focus on improving services in line with residents' priorities and with residents as fully involved as possible. As mentioned above, some difficult issues have been tackled in the early days of the contract but senior managers remain positive about the improvements that are being made and that can still be made, while remaining sensitive to the context in which they are working and the commitments which have been made to tenants. As such, they are providing strong, clear and supportive leadership to staff which is driving change.

²¹ Comprehensive Performance Assessment - Audit Commission assessments of councils' performance and the services that they provide for local people.

- 184 To an extent this 'can do' culture is reflected amongst staff although it is not yet fully embedded. Staff comment that they feel able to put forward suggestions for improvements, for example at team meetings, and that these will be received positively; most have embraced the changes positively. Having positive and motivated staff and managers who recognise the weaknesses of the current service and can see clear ways to improve it mean that service improvements are more likely to be implemented successfully and sustained.
- 185 RCC is supportive of the changes made since February and, insofar as it co-ordinated the options appraisal work, took the key decisions on the most appropriate arrangements for improving services and increasing investment and about who was best equipped to deliver these improvements, it has demonstrated clear leadership, creating a climate and framework in which the housing service can be improved.
- 186 There is evidence of learning from others, although there is still scope for improving this and better use could be made of the benchmarking information that is available. A number of examples illustrate that Rutland staff are learning from Spire Homes' operations in East Northamptonshire, for example, in developing options for resident involvement, improving contractor monitoring and in managing gas servicing. There are also examples of staff adapting customer literature from good examples in use elsewhere, such as ASB diary sheets based on those used by Manchester City Council and arrears letters used at Fenland District Council. The use of consultancy services in some areas means that good practice from elsewhere is considered when developing appropriate solutions for Rutland, for instance, in the development of the resident involvement strategy and in training for the Partnership Board. There are also examples of learning in aspects of the service which fall outside the scope of this inspection, for example, the rent deposit scheme drew from a similar scheme at South Kesteven and work on rough sleepers was based on guidance from Shelter.
- 187 Both RCC and Spire Homes can demonstrate openness to different ways of working and learning from others, which is positive. RCC has a clear record of working with neighbouring authorities in a range of services and has shown itself open to different approaches to service provision and is not overly protective about how services should be provided or who they should be provided by. Spire Homes has access to good practice examples from other group members and through National Housing Federation²² networks.

²² National Housing Federation - organisation representing independent, not for profit housing associations.

- 188** There is a more mixed record regarding listening and learning from feedback. In taking the significant decision regarding the current management arrangements, RCC clearly demonstrated that it listens to customer feedback, including views about valued parts of the existing service. However, previous evidence is less convincing; for example, there was no clear response to customer views expressed in the 2004 STATUS survey. There has already been a more immediate and positive response to the 2006 survey, with an outline action plan already having been agreed by the Partnership Board. However, tenants responding to the survey are not positive about the degree to which the Council takes account of their views, with 21 per cent saying that their views are not taken into account and 30 per cent saying that their views are taken account of a lot. This may, in part be a reflection of the limited extent to which the Council and Spire Homes currently publicises the impact of customer feedback on service changes. In addition, until recently, service user satisfaction was not regularly sought; methods to obtain this feedback are currently being developed and have been introduced in many areas. It is too early to judge how effectively this feedback is being used to learn from to improve services.

Does the service have the capacity to improve?

- 189** RCC has recognised its own limited capacity and has acted positively to secure a partnership to provide that capacity. There is good awareness of the strengths and weaknesses of the housing service. Effective organisational and human resource management is being applied to the service and positive steps have been taken to address staff performance and capability issues. There is a robust staff appraisal process and investment in staff training and development. There are adequate financial resources and the capacity to obtain additional resources through smarter ways of working and external funding. The main weaknesses lie in the relatively ineffective use of information and communications technology.
- 190** The service has access to appropriate skills and financial resources to deliver necessary improvements. In taking the decision to establish the current contract arrangements, RCC recognised that alone it has insufficient capacity to provide a service to the desired standard and to make the necessary investment in the stock. The rigorous selection process for the current contract has ensured that it has secured a partnership with an organisation that has both a track record of making service improvements in a similar context. This was a substantial piece of work for such a small organisation and followed an equally demanding stock options process. Spire Homes' track record at East Northamptonshire is one of consistent performance comparable with similar associations, with improvements in 2005/06 (compared with its own performance in 2004/05) in rent collection, relet times, repairs and tenant satisfaction.

- 191 Spire Homes can also draw on additional and specialist resources from both its nearby service at Rushden and from its wider group. The skills of specifically trained staff, currently working in Rushden, are being drafted in to help address issues at Rutland such as improving asbestos management. While there are no formal 'buddying' arrangements, staff at both locations are being actively encouraged to share good practice and to ensure that best use is made of the experience of providing services at Rushden. Spire Homes has also provided additional strategic and marketing support, at no extra cost to the Council.
- 192 There is evidence of effective organisational and human resource management being applied to the service. The staffing structure for the service has been reviewed and revised to meet organisational and contractual needs. This has included increasing staffing resources for frontline customer service and improving managerial support for tenant participation. In the early period of the contract and prior to vacancies being filled, 'hands on' support has been provided by senior managers within Spire Homes and supplemented by consultancy support. Appointments have now been made to the remaining key posts, with the new staff due to take up their posts within the next few months.
- 193 Spire Homes has also taken positive steps to address staff performance and capability issues. Although this has temporarily diverted some managers' time from service improvement, it is positive that these issues have been addressed and it sends a clear message to staff and managers about the expectations of performance, accountability and customer service.
- 194 There is a clear and robust staff appraisal and development process in place to support staff and there is evidence that the organisation is investing to improve the capacity of staff. Prior to implementation of the Spire Homes appraisal process staff had participated in a similar, although less robust process at the Council. RCC has recently achieved Investors in People (IIP) status and the Longhurst Group, of which Spire Homes is a part, also has IIP status and has retained the award on three successive occasions; recognition of a consistently strong approach to staff development and training. Allied to the staff appraisal framework, the Longhurst Group has a clear staff training framework in place, which includes management development. Staff who transferred from the Council comment positively about the increased availability of training. Recent training for Rutland-based staff has included complaints handling, customer care and equality and diversity; two members of staff have also taken up places on the group's in-house leadership and management development programme.

- 195** Adequate financial resources are available to deliver necessary service improvements, many of which can be achieved through changed ways of working rather than additional funding. In addition, a number of improvements to budgetary controls and financial reporting have been made to enable effective budget management and financial planning. The management fee for the service is fixed with the provision for increase should aspects such as homelessness caseloads increase. Additional resources are being brought in by Spire Homes at present to support the change process but this is seen a short-term measure. Potential efficiency gains have been identified already, particularly in terms of procurement, which will partly offset these costs. Spire Homes will continue to be able to access financial skills and resources from the Longhurst Group.
- 196** RCC and Spire Homes are not using information and communications technology (ICT) to its full potential; this is hampering progress in some aspects of service delivery and performance monitoring. For example, performance reports are not obtained directly from the management system, leading to duplication of effort and increased room for human error, standalone monitoring systems are not used to best effect and most sheltered schemes are not linked up to the management system or internet. There are few on-line services available to customers and no use of handheld technology. RCC and Spire Homes have recognised these weaknesses and that significantly better use can be made of existing systems. Spire Homes has arranged for staff with IT skills to work for two days a week for three months to improve use of existing systems by staff training and development of user manuals and to enhance the website.
- 197** Both RCC and Spire Homes have a positive approach to and record of using partnerships to supplement their own skills and resources. The Council has procured a number of services with others in the Welland Partnership,²³ a group of neighbouring authorities. There are also examples within the housing service, such as the relationship with the CAB to provide housing advice, which illustrate a willingness to accept that partners can add value and bring different skills to the service for the benefit of customers.
- 198** There is good awareness of the strengths and weaknesses of the housing service, particularly at a senior management level in both RCC and Spire Homes, this is reflected in the content of improvement plans, which include actions to address the vast majority of the weaknesses we found. The self-awareness includes recognition that significant improvements need to be made to the service but also that these cannot all happen overnight. This indicates that there will be a measured approach to change but also support where more significant and difficult change may be required, which is positive for the future of the service.
- 199** There have also been a number of improvements to the homelessness service. While our inspection did not cover homelessness, examples such as the establishment of a rent deposit scheme and a significant reduction in the time taken to assess homelessness applications illustrate that important improvements customers would notice have been made when priority has been given to that part of the housing service.

²³ Welland Partnership - a partnership of five local authorities working in the rural East Midlands.

Summary

- 200** The service's prospects for improvement are assessed as 'promising'. Improvement plans are clear and achievable and based on tenant priorities and the contract and service specification provide a solid framework and clear direction for future improvement. There is a robust performance management framework in the management contract plus ambitious targets for performance. Spire Homes has already used performance data to identify and effectively address some service weaknesses. There is good awareness of service strengths and weaknesses and evidence of clear leadership driving service improvement. There is also evidence of learning from others. Organisational and human resource management is being applied effectively to the service and there are adequate financial resources and the capacity to release additional resources through smarter ways of working.
- 201** The main weaknesses lie in some aspects of performance management and relatively ineffective use of information and communications technology. The Council's track record of improvements to landlord services and is relatively weak and its record in customer satisfaction and operational performance is mixed but it has recognised its own limited capacity and has acted positively to secure a partnership to provide the necessary capacity.

Appendix 1 – Performance indicators

Performance indicator	Districts top quartile 2004/05	Rutland 2003/04	Rutland 2004/05	Rutland 2005/06
BVPI 63 Average SAP rating	67	59	57	57
BVPI 66a Percentage of rent collected	98.74	97	97.07	97.49
BVPI 74a Percentage of tenants satisfied with overall service	85	83	83	83 ²⁴
BVPI 74b Percentage of BME tenants satisfied with overall service	86	50	N/A	N/A
BVPI 75A Percentage of tenants satisfied with participation	70	75	64	64 ²⁵
BVPI 184a LA Homes which were non-decent at start of year	17	5.8	13	15
BVPI 184b Change in proportion of non-decent homes	25.2	0	-78.9	-34
BVPI 185 Percentage of repairs appointments made and kept	88	97 ²⁶	83.4	N/A

²⁴ 2006 STATUS SURVEY - 80%

²⁵ 2006 STATUS SURVEY - 68%

²⁶ Doubts expressed about the reliability of the Council's arrangements for producing the data.

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:
 - focus groups with staff and residents;
 - interviews with staff and councillors;
 - viewing property improvements;
 - inspections of ready to let properties;
 - shadowing staff carrying out their activities;
 - visits to all local offices;
 - estate inspections;
 - talking to tenants who have used the services;
 - file checks;
 - review of Council's website and leaflets; and
 - mystery shopping.