

Housing Management Services

Twynham Housing Association Limited

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Housing Association Inspections

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

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

For housing associations our inspection role and remit is set out in sections 41(A) and 41(B) of the Audit Commission Act 1998 (as amended by section 109 of the Local Government Act 2003), and is in line with the Audit Commission's strategic regulation principles. In broad terms, these principles look to minimise the burden of regulation while maximising its impact. To meet these principles this inspection:

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

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

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

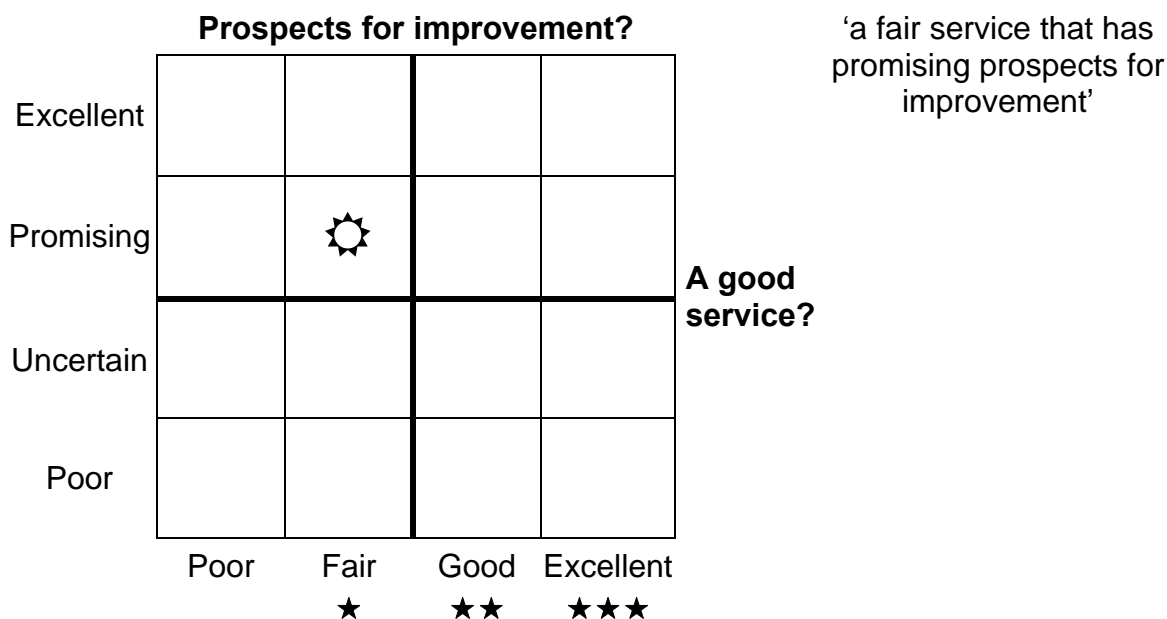
Summary

- 1 Twynham Housing Association (THA) provides a fair service. The strengths of the housing management service include the good condition of tenants' homes and estates, with investment decisions about the maintenance and improvement of the housing stock being made on robust information. Responsive repairs are being delivered effectively and performance is reasonable. There is a sound approach to tenancy and estate management, particularly in dealing with anti-social behaviour. Rent collection and performance in the time taken to re-letting empty homes is above average and the association is delivering minor aids and adaptations effectively.
- 2 However, the association does not yet have a clear understanding of the needs and requirements of all of its tenants and its approach to equality and diversity is underdeveloped with few examples of services being shaped around the needs of residents. Similarly, resident involvement is underdeveloped with tenants not actively engaged in developing policies or monitoring and managing performance. The standard of re-let homes and planned maintenance work is inconsistent. The association does not manage requests for larger aids and adaptation works effectively. While there is an increasing focus on reducing costs, the association cannot yet demonstrate that it is delivering value for money with costs that are high when compared to peers.
- 3 There are promising prospects for improvement. There has been improvement in performance in most areas of the service, although in some cases this is from a low base. There is evidence of tough decisions being taken to improve performance. The service is becoming increasingly financially sound and has strong corporate capacity with increasing cost awareness. Being a member of the Sovereign Housing Group has been beneficial to the association with support being provided to address some areas of weakness. Training and development of staff together with partnership working are being used to enhance capacity. There are sound procedures in place to manage budgets and risks.
- 4 However, the rate and scale of improvements for customers does not match the best performing providers in the sector and in a number of areas services remain weak. Contract management is weak, while the information provided to the Board and contained in service plans lacks appropriate detail in some cases.

Scoring the service

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

Figure 1 Scoring chart¹



Source: Audit Commission

- 6 We found the service to be fair because it has a range of strengths, including:
- staff are customer-focussed and the association produces a wide range of good quality information about its housing services to keep tenants informed;
 - responsive repairs to tenants' homes are carried out quickly;
 - there is robust stock condition data upon which to plan maintenance work and most homes meet the decent homes standard;
 - housing estates appear well cared for and in a reasonable condition;
 - performance on income collection is reasonable, with low levels of rent arrears;
 - empty homes are re-let quickly;

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

8 Housing Management Services | Scoring the service

- there is a reasonably effective approach to dealing with anti-social behaviour; and
- the association is increasingly cost aware and can identify some savings that have been delivered.

7 However, there are also a number of weaknesses and these include:

- aspects of the service lack customer focus. For example, in handling telephone enquiries, out-of-hours contacts and low levels of overall customer satisfaction;
- the quality of planned, cyclical and void works is variable, while the management of major aids and adaptations is weak;
- the association is not managing the collection of former tenants arrears or rechargeable arrears effectively;
- residents satisfaction with the administration of complaints about anti-social behaviour is low;
- the main office is not fully accessible for people with physical disabilities; and
- there is limited evidence of services being shaped to reflect the diversity of the residents the association serves.

8 The service has promising prospects for improvement because of the following drivers:

- the general direction of travel in performance improvement is positive;
- the Board of the association and Sovereign Housing Group have shown effective leadership and a willingness to take difficult but ambitious strategic decisions to deliver wider benefits for residents;
- there is a growing degree of self-awareness with future plans that generally address areas of weaknesses in the service;
- financial capacity is improving;
- there is evidence of improving value for money over time;
- capacity has been increased through partnership working, investments in training and development both for staff and board; and
- staff demonstrate a commitment to the organisation and are open to change.

9 However, there are a number of factors which do not support improvement. These barriers include:

- there is not a track record of delivering sustained improvements in all key areas of the service;
- there are gaps in some key performance information reports;
- there is a lack of operational management capacity; and
- the approach to procurement is underdeveloped which means that improvements in value for money fall short of what could have been achieved.

Recommendations

- 10 To rise to the challenge of continuous improvement, organisations need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the organisation. In addition, we identify the approximate costs² and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the Association shares the findings of this report with tenants and board members, and addresses all weaknesses identified in the report. Associations forming part of a group structure should share the lessons and findings of the report amongst the wider group. The inspection team makes the following recommendations.

Recommendation

R1 Strengthen the focus on health and safety care by:

- *reviewing the approach to gas safety to improve the frequency of servicing and ensure that all aspect of the service complies with best practice;*
- *reviewing the approach to the management of asbestos ensuring appropriate information is provided to customers and contractors; and*
- *introducing an ongoing programme to programme to check the safety of electrical installations.*

The expected benefits of this recommendation are:

- improved customer care, with better safety for the residents, contractors and staff; and
- improved risk management for the association.

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

² Low cost is defined as less than 1 per cent of the annual service cost, medium cost is between 1 and 5 per cent and high cost is over 5 per cent.

Recommendation

R2 Strengthen the focus on access and customer care by:

- *reviewing the range of and measurement of customer service standards;*
- *improving the organisation's approach to equality and diversity for example, by carrying out equality impact assessments on key policies and procedures;*
- *reviewing the management of the aids and adaptations service;*
- *reviewing the management of maintenance contracts to improve quality assurance;*
- *reviewing the standard of void property lettings including the decorative standard; and*
- *improving the handling of out of hours phone contact to address anti-social behaviour and harassment.*

The expected benefits of this recommendation are:

- improved customer care, with more consistent levels of service that are responsive to service users' needs;
- services that are developing from service user feedback; and
- improved satisfaction with services.

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

Recommendation

R3 Improve the organisation's approach to performance management and value for money by:

- *reviewing the structure of the organisation to ensure that it is the best fit to address the areas of service weakness identified in this report;*
- *reviewing partnering contracts to identify and address areas where work is duplicated;*
- *systematically review service cost alongside service performance to identify potential efficiency savings; and*
- *reviewing the usefulness and value of the performance information supplied to THA Board.*

The expected benefits of this recommendation are:

- higher levels of understanding and awareness of value for money issues across the organisation;
- better quality information to help decision-makers;
- improved operational management; and
- improved services for residents and improved value for money.

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

Recommendation

R4 Improve customer service and resident involvement by:

- *developing innovative ways to involve more residents;*
- *developing modern methods of involvement to engage a wider range of residents in the management of the association;*
- *ensuring that new and existing formal tenant groups are representative of the resident population; and*
- *ensuring that residents have opportunities to influence the strategic direction of the organisation.*

The expected benefits of this recommendation are:

- a service better shaped to meet customers needs; and
- more effective strategic management.

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

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

Dates of inspection: 25 to 29 February 2008

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Report

Context

The locality

- 12 The Borough of Christchurch covers 50 square kilometres on the south coast of England. It is a mainly urban area, but it also includes some 150 hectares of nature reserves, other areas of natural beauty and five beaches. It is popular as both a retirement and tourist destination. The population of the area was 45,100 in 2004, living in approximately 22,300 households. It is densely populated at 902 people per square kilometre (the average population density for England is 384.5 people per square kilometre). In terms of population, Christchurch is the ninth smallest district council in England.
- 13 Christchurch has the highest proportion of people of retirement age in England. The 2001 census showed that 18 per cent of households in Christchurch are 'all pensioner' households. Conversely, it has a low proportion of young people, with 15.7 per cent of the population being aged 15 and under. This is the ninth lowest in England. The proportion of people from black and minority ethnic groups is low, at 3.2 per cent, compared to 13.0 per cent for England as a whole and 4.6 per cent for the south west. Unemployment in the borough stood at 1.1 per cent in July 2007, which was below the average for England of 2.0 per cent. About 86 per cent of the population are economically active, with the majority working in service industries related to distribution and tourism. Christchurch has relatively low deprivation, ranking 247th out of 354 English councils in the government's index of multiple deprivation. There are 2,910 families on the housing waiting list in Christchurch and the list has increased in the last five years by a weighted average of 272 per cent.
- 14 House prices in Twynham's areas of operation are 46 per cent higher than the national average and Twynham's residents need to be able to borrow 11.9 times their current income to purchase a property, against a national average of 7.12.

The Association

- 15 Twynham Housing Association (THA) is a predominantly general needs housing association, formed in 1991 with the transfer of 1,636 homes from Christchurch Borough Council (CBC). THA now owns 2,208 homes which includes 186 sheltered and supported properties, and it manages another 1,500. Over 80 per cent of the stock is still in the Borough of Christchurch (1,820 properties) with the second highest concentration of homes in neighbouring Hampshire. One thousand of the properties are on the Somerford Estate, where THA is concentrating its redevelopment activity over the next eight years. A redevelopment programme for parts of the estate was launched in September 2007 and a three-year extension to meet the Decent Homes Standard has been given by the Housing Corporation in relation to 192 homes affected by the redevelopment.

- 16 Twynham HA was under Housing Corporation supervision for two years from 2002 following concerns over its financial position. A merger partner was sought and Sovereign Housing Group (SHG) was approached. Sovereign Housing Association (SHA) transferred the management of 1,039 properties in Dorset and South Hampshire to Twynham in April 2007 and these are now managed by Twynham under a service level agreement, but do not form part of the scope of this inspection.
- 17 Sixty five per cent of Twynham's households have no adult in full time employment and 38 per cent have at least one adult who is retired. Sixty seven per cent of residents are in receipt of housing benefit and 26 per cent have a household member with a disability.
- 18 Twynham's office is situated in Christchurch. There are no local offices, with most tenants contacting the association by phone via the SHG customer service centre. The management team is led by the managing director and includes the customer services director who, together with the finance and human resources managers, is responsible for the majority of housing management services. The association currently employs 73 staff including a small six person direct labour organisation, which undertakes small repairs and general estate duties. The annual budget for the association's activities was £8.7 million in 2006/07. There is currently a Board of 12, including three residents, two councillors nominated by CBC, one co-optee from SHG and six independent members.

How good is the service?

What has the service aimed to achieve?

- 19 Twynham Housing Association is part of the Sovereign Housing Group. The Group's mission statement is 'forming partnerships to provide homes and neighbourhoods where people want to live', and its vision is: "We will be a leading housing group across southern England providing a range of high quality homes and services to meet people's changing circumstances. We will use our size and expertise to respond to people's needs and aspirations. We will be known for our energy, ability and integrity." Within the context of the corporate strategy, THA's vision is: 'to be an excellent provider of housing services'.
- 20 Twynham's objectives reflect those set in Sovereign Housing Group's Corporate Strategic plan and are:
- to make sure our homes and services improve the quality of life in people's communities;
 - to optimise our financial strength as a group to build more homes and improve our neighbourhoods; and
 - to be a leading influential and sustainable social business.

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

Access and customer care

- 21 There is a balance of strengths and weaknesses in this area. The association provides high quality information for residents and has developed a wide range of ways of seeking their views. Staff are committed to customer care, a reasonable range of accessible literature is provided and the website provides a range of useful information and services to residents. Complaints from tenants are dealt with promptly and effectively. However, overall satisfaction with the service is low; service standards are not challenging and are not monitored or reported effectively. The out-of-hours phone service is not customer focussed, the office is not fully accessible for customers with physical disabilities and opening times are not convenient for those tenants who work during office hours. Resident involvement has not fully engaged residents in the management of the association.

- 22 THA produces a wide range of good quality information about its housing services. Each new tenant receives a comprehensive resident's handbook, which includes information about the range of services available. An accessible, informative newsletter is also published four times a year and is prepared with the input of an editorial panel of residents. There are a range of well written leaflets available in different formats and most have been approved by an editorial panel of residents for ease of reading, although they lack straplines in community languages. Good quality information enables residents to access services and be aware of their rights and responsibilities.
- 23 The association's website provides useful information and access to some services. It provides comprehensive information about the association and includes some positive features such as language strap-lines, the ability to report repairs online, access rent accounts and pay rent online. The website also gives the out of hours emergency phone number and provides some links to other useful websites such as the Citizens Advice Bureaux. However, the association is not yet using its website to fully engage with its tenants. The geographical spread of the association's homes means that the internet provides an effective method for tenants to access information and services.
- 24 Complaints are dealt with promptly and effectively. The complaints procedure is well publicised and clearly explains how complaints are handled. The senior management team and the Board receive a monthly report. This highlights areas of learning which have included providing additional staff training on customer care. All the complaints we examined received a response in the association's timescale of ten days and were dealt with in a professional manner. There is a compensation policy which is used to address tenants' losses and to apologise for poor performance. To date a total of £1,209 compensation has been paid to residents this year from a budget of £5,000. Details of complaints are reported to the Board together with lessons that have been learned. This encourages customers to highlight both poor services which the association can learn from and to offer appropriate recompense when service fails.
- 25 The association's approach to resident involvement is mixed. The association has clear and effective communications and consultation structures in place, which have been developed with input from residents. This ranges from email lists, residents groups, and community and service surveys. This allows tenants to choose their level of commitment according to their personal circumstances. However, overall meaningful customer involvement that has significant influence on the future direction of the organisation and the way it delivers services is underdeveloped. Residents we met said that they have been excluded from key strategic decisions, defining the priorities of the organisation and feel that they have been excluded from the 'difficult' decisions such as joining the group structure, budget setting and shaping the major repairs programme. The association invests considerable time and resources in resident involvement but the outcomes from this activity are limited. This limits the extent to which residents can influence the direction of the organisation.

- 26 Overall satisfaction with services is mixed. The latest STATUS survey conducted in 2006 showed that 75 per cent of tenants were satisfied with the overall service. This is in the worst twenty five per cent of comparative associations. Other results were more positive with 79 per cent of the opinion their rent/service charge represented good value for money which is in the best 25 per cent of organisations. Other indicators such as tenants' satisfaction with the area where they live were nearer average performance. Satisfaction surveys conducted by the association show a more positive pattern of improving satisfaction. However, this trend can not be confirmed until the association conducts another full survey in 2009. This shows a mixed picture of satisfaction with the services provided.
- 27 The access arrangements for the office are not fully customer focussed. Opening hours are limited to 'traditional' office hours of 9 am to 5 pm and the association does not advertise the out-of-hours phone number on the outside of its office. The office is not DDA³ compliant, although reasonable adjustments have been made. For example, accessibility features such as a lowered counter and a power assisted front entrance door have been included. Residents who visit the office receive a good customer service within an office that is clean and welcoming with private interview rooms. It has a convenient town centre location with public transport nearby. Staff are friendly and customer focussed and there is reasonable information available in the office.
- 28 THA has developed a range of service standards but these are not sufficiently challenging. They cover most key service areas and are available in reception and on the website. A number of measurable targets are included in the standards, allowing performance to be assessed. However, they are not always geared to meeting the needs of the customer promptly. For example:
- to respond to letters and e-mails in ten working days; and
 - to respond to phone calls within six rings (30 seconds).
- A lack of challenging targets is not driving customer performance and improvement.
- 29 THA's approach to monitoring its service standards is weak with no effective monitoring of performance against the key service standards. For example it does not record the time it takes to reply to letters and e-mails or on the time customers wait in reception. While the association produces reports on phone handling performance, this figure relates to the time it takes for the automated phone handling system to answer the call and not whether the call is answered by a member of staff. Some tenants told us that they frequently had to leave messages on answer phones and these were not always returned. This is of particular concern as the STATUS survey says that 73 per cent of tenants choose to contact the association in this way. Without effective monitoring of performance it is not possible for THA to be sure that it is delivering an effective service.

³ DDA - The Disability Discrimination Act

- 30 The arrangements for contacting the association out of hours are mixed. Tenants get a good service if they ring to report a repair outside of the normal office hours. However, there are no arrangements to support tenants who have language or communication difficulties or those wanting to report domestic violence or hate crimes, making it difficult for them to access services out-of-hours.
- 31 The association's strategic approach to access is underdeveloped. It has not developed an access strategy to guide the future development of access for its customers. This is of particular importance given the wide dispersal of the association's housing stock and the diversity of its residents. This means that it cannot be sure if it is approaching the improvement of access to services in a systematic manner taking into account its tenants' priorities.

Diversity

- 32 This is an area where weaknesses outweigh strengths. The association lacks a comprehensive understanding of its residents and has not shaped its services effectively around their needs. The strategic approach to diversity is underdeveloped in some areas. Office access arrangements and approach to written communication makes it difficult for some customers to access services. However, THA has some strategic approaches in place including comprehensive diversity policies and a commitment from Board members. Staff have received diversity training, diversity targets exist for staff, new lettings have been achieved and there is positive action to addressing harassment and domestic violence.
- 33 THA has a clear and developing corporate commitment to equality and diversity although to date outcomes have not yet been delivered. There are clear and comprehensive group equality and diversity policies in place and an equality and diversity action plan for THA which covers a range of diversity issues including disability and gender. However, some actions are not SMART. The diversity policy is a comprehensive document which reflects the current legal framework and explains how the service seeks to promote equality. A Board member leads on equality and diversity issues, ensuring that diversity is driven from the top of the organisation. To date the outcomes are limited with little evidence of addressing the needs of older and disabled people who are living in significant numbers in the association's homes.
- 34 Few services have been tailored to meet the diverse needs of the tenant population. The generally held perception is that tenants are relatively older and will experience higher levels of disability than average, but services have not been tailored to reflect this. For reasons explained later on in the report, we have found parts of the adaptations service to be poorly managed and better use could be made of the planned maintenance programme to shape improvements around the needs of tenants. This means that the association is not effectively addressing the needs of all its tenants.

- 35 The association does not have a comprehensive database detailing the profile of its tenants, setting out information such as their ethnicity and age. THA has collated detailed information on 25 per cent of its tenants. The association is planning to update this information during its programme of tenancy audits and at the time of sign up. However, this will take up to five years to develop a comprehensive database. The IT system will prompt staff about the communication needs of residents but it is limited by the lack of a comprehensive database and does not currently have useful features such as automatically producing letters in large print in place. This lack of information prevents the association from ensuring that housing services are being strategically planned to reflect the diverse needs of its tenants.
- 36 THA is has a mixed approach to ensuring equality of access for residents. Comprehensive access audits have been undertaken at the offices and it is not compliant with the requirements of the Disability Discrimination Act 1995, although it has made some adjustments such as installing a lowered counter at reception. THA has not yet undertaken audits of any of its other properties for example common areas in sheltered housing schemes using a risk based approach instead. The association does not plan to address this issue until the office lease is due for renewal in 2010 when it will consider a move to new offices. Key documents such as the tenants' handbook are available in Braille and audio. The website can be viewed in a larger format if required although it does not offer some accessibility features such as audio descriptions of information, but hearing loops are made available at tenants' meetings. This approach is not fully promoting access to services and information to residents with different communication needs.
- 37 The association has not carried out equality impact assessments of its key policies or procedures. Although reports to the Board contain a statement on the diversity impact of each proposal, the lack of a comprehensive formal analysis of the reports is a missed opportunity to put equality and diversity at the centre of key activities.
- 38 THA is not ensuring that those involved in resident involvement reflect the wider community. The association does not set or monitor any diversity targets for the tenant groups that it works with other than ethnicity where a target of two percent of people should come from BME⁴ communities. However, this information has not been used to shape services. This limits the organisation's ability to demonstrate commitment to equality and diversity and demonstrate a fair and equitable service.
- 39 The association does not fully monitor the performance of its contractors on diversity issues. Contractors are required to sign up to the group diversity policy. However, contract monitoring meetings do not always discuss diversity issues and there is little evidence of diversity information being used to actively shape or change the way services are delivered. This means that the association is not able to ensure that its own diversity policies are being fully met and is delivering an equitable service to all its residents.

⁴ Black and Minority Ethnic

- 40 The arrangements to support people with different language needs are mixed. The website includes information about the availability of translations. There is a subscription to a translation service and a number of staff can offer translations into commonly used community languages such as Punjabi, Polish and Bengali. However, not all leaflets contain translation panels, and where strap lines are used about translation services these are only in English. There are few examples of information being translated into community languages. Also, important letters such as those threatening legal action for rent arrears do not contain a strap line in community languages to advise residents that the letter is about potentially losing their home. This means some residents may not have full access to important information about their homes and tenancy, or where they can obtain help.
- 41 THA has a positive approach to diversity among its workforce and the lettings of new homes. The association sets and monitors diversity targets for its staff and the lettings of new homes based on census data. In 2006/07 3.3 per cent of lettings went to BME tenants exceeding THA's target of 2.5 per cent and 28 per cent of lettings went to disabled households exceeding the target of 22 per cent. Currently 8.3 per cent of staff are from BME communities which compares favourably to the percentage found in the population which THA serves, although 11.1 per cent of staff have a disability which is below the association target of 18 per cent. This is a practical commitment to meeting the association's diversity objectives.
- 42 The association has been positive about raising awareness of diversity issues among its own staff. All staff and Board members have received diversity training and have attended regular updates. However, to date there has been no specific disability awareness training although it is planned for 2008/09. Training ensures that staff have a common understanding of the requirements of the association in dealing with diversity and promotes both consistency of approach and culturally sensitive services.
- 43 THA is introducing schemes to help vulnerable tenants with decorating, minor repairs and gardening. While it has been necessary to withdraw a directly funded service for decorating from April 2008, THA has arrangements in place to provide assistance through a handyman scheme to replace this. This will provide low cost help for older tenants to take over as the decorating scheme is withdrawn and provide additional assistance with minor repairs. A gardening scheme is available for tenants in sheltered housing, but not other tenants until April 2009. THA is therefore providing additional services to help vulnerable tenants maintain their homes.

- 44 There is an appropriate approach to dealing with victims of domestic violence and hate crime. There are detailed, robust and recently reviewed policies and procedures for domestic violence and hate crime. Information for victims is comprehensive and widely available and a checklist guides staff on the steps to follow. Victims reporting to the association are referred to specialist agencies and free mediation services. The association has also supported victims with practical assistance working with CBC and other partners to provide community alarms and enhanced security measures within their homes. Support helps victims live safely in their homes, reducing personal risk and potential homelessness.

Stock investment and asset management

Capital improvement, planned and cyclical maintenance, major repair works

- 45 There is a balance of strengths and weaknesses in the association's approach to capital, planned and cyclical work. Homes are generally in a good condition with most homes meeting the decent homes standard (DHS). There is a reasonable asset management plan and a robust stock condition survey. Expertise from the group is helping with procurement decisions. Stock investment programmes have been delivered with high levels of satisfaction. There are robust arrangements for servicing and plans for non traditional homes. However, the quality of cyclical repairs and planned work is variable and sometimes poorly completed. There is limited involvement of residents in planning major work programmes and some works are not being shaped around tenants' specific needs. The management of asbestos and electrical safety is underdeveloped.
- 46 THA are providing reasonable quality homes for tenants. The association has made reasonable progress towards achieving the DHS with non compliance at 12.6 per cent and plans in progress to achieve full compliance with the exception of 192 homes by 2010. Ninety nine per cent of properties have full or partial central heating while the remaining properties are the subject of major renovation. THA is providing tenants with homes that currently have average energy efficiency with a SAP rating of 67.3. This shows the association working to provide good quality accommodation for its tenants.
- 47 THA has a reasonable approach to asset management. The asset management strategy is an effective tool to assess stock viability and plan investment. For example there is a robust approach to the assessment of stock viability. But more could be done to analyse repair costs to help understand stock performance. This is happening in some areas on an unstructured basis. For example, the understanding of heating repair costs raised by the contractor has resulted in a more comprehensive planned maintenance programme. A more systematic approach may help to further reduce costs and reduce inconvenience for tenants from day to day repairs. This provides a firm basis on which to plan the future management and maintenance of the stock and maximise improvements for tenants.

- 48 THA has good quality information on which to base stock investment decisions. It has a full external survey and information about the internal condition of 85 per cent of its stock from surveys in 2003 and 2005. This is being updated from a rolling full survey of 20 per cent of the stock each year and this programme is being accelerated to complete surveys on 50 per cent of the stock this year. Data is also routinely updated from planned and responsive repairs and it has also completed a stock condition survey of its non traditional housing stock. This information has been used effectively to plan the future of the sheltered housing service. This places the association in a good position to continue to direct investment to the priorities to maintain tenants' homes in good condition.
- 49 THA is benefiting from its membership of the Sovereign Housing Group in the procurement of technical services and repairs and maintenance in some areas. THA is using the Group's procurement strategy and expertise within the Group to procure new contracts and explore the benefits of more modern methods of procurement. For example the Group has purchased kitchen components, windows and grounds maintenance on a Group basis and with other social landlords. It has also negotiated with one of the Group's development partners to undertake regeneration work for the Somerford estate. Group membership is helping THA make better use of its resources for the benefit of tenants.
- 50 THA is delivering its programme of improvements to tenants' homes. It has delivered the full programme of planned maintenance this year achieving a saving of about £80,000 on a programme of £2.6 million. This shows that THA is delivering the range of major works and planned maintenance it set out and improving tenants' homes.
- 51 THA has plans in place to address the condition of its non traditional housing stock. Previous improvements have brought this stock up to mortgageable standards and further work is planned for properties that fail the DHS by 2010. The 112 properties on the Somerford Estate are contained in the programme for regeneration of that area which will be completed by 2012. This is ensuring that homes of non traditional construction will provide good quality accommodation.
- 52 THA is achieving reasonable satisfaction with planned works. It carries out a telephone satisfaction survey of all tenants who have work carried out. Satisfaction rates are running at 97 per cent for windows and doors, 94 per cent for kitchens and 88 per cent for bathrooms. Where tenants are dissatisfied THA takes the matter up with the respective contractor to resolve the problem and any trends are discussed at contract management meetings as a way of improving the service in the future.
- 53 Equipment is in good order and is serviced on a regular basis. There are good quality arrangements in place to service lifts including those installed for people with disabilities, fire alarm equipment, communal lighting and portable appliances. THA is therefore ensuring the safety of those who use this equipment and services.

- 54 The quality of planned maintenance is variable and in some cases not customer focussed. We saw examples of mini trunking being used for new wiring and pipe work not boxed in. In another property the decorations of the new bathroom were poor and incomplete and in one home a combi-boiler had been fitted in a single bedroom which could possibly cause disturbance to sleep if hot water was turned on after the occupant of the bedroom had gone to bed. It is not good practice to fit boilers in bedrooms. Other aspects of planned maintenance are well executed. The kitchens we saw were of a good quality with kitchen units being installed quickly, thereby reducing the inconvenience to tenants. Tenants have a range of choices of finishes with new kitchens and bathrooms and are involved in agreeing the design and layout. Tenants we spoke to were happy with the quality of the work and the opportunity is taken to update electrics, install hard wired smoke detectors and redecorate. The quality of planned maintenance has a strong impact on the comfort of tenants.
- 55 The standards for the DHS are relatively minimal. On the whole THA is updating its properties to the basic DHS and has not agreed an enhanced standard with tenants. There are some elements beyond the DHS such as upgraded insulation in but aside from this enhancements are limited. This means that tenants have not had an opportunity to discuss with THA their aspirations and to discuss whether higher standards may be a priority compared to other services they receive. This restricts tenants' choice about their homes.
- 56 THA has not involved tenants in setting programmes of planned maintenance. Tenants are informed where their property fits into the programme for the immediate year but there is no discussion about longer term plans or choices given to tenants to help THA prioritise programmes of major work. In addition tenants do not have information about a medium term plan to enable them to judge when works are due to their homes. This means that tenants have little certainty or involvement in key decisions about the future maintenance of their homes. They lack information with which to judge the delivery of major repairs.
- 57 The approach to asbestos management is weak. Many tenants are not informed where they may find asbestos in their home and limited information is provided to contractors. A sample survey has been carried out and data is held on 45 per cent of the stock and this is to be supplemented by further surveys. In two of the four void properties viewed there was asbestos present in outbuildings but there were no plans to give advice to new tenants about how to manage the health and safety aspects of this issue. However, THA has published general safety advice to tenants identifying where asbestos may be found and what to do if they suspect the presence of asbestos and contractors are adding to the information held during the course of the repairs. Effectively managing the risks of asbestos helps to maintain the safety of tenants and contractors.

- 58 THA is not ensuring the safety of its tenants with a regular programme of electrical testing. It started to record electrical tests carried out from 2006 and carries out a test in all voids and where major works involve alterations to the electrical circuit. But it is not clear what proportion of the stock does not have a valid ten-year safety test in accordance with good practice. This means that potentially some tenants may be occupying homes where there is no valid safety check and THA will not know if the installations in these homes are safe.
- 59 External decorations are to a variable standard. We visited a number of properties and found examples where external decorations had been carried out to a high standard on a five-year cyclical programme. In other cases we found examples of peeling paint and another an example where rotted timber had been decorated and the necessary repairs not carried out. With the same property external walls of an outhouse had been decorated over areas of peeling paint with no apparent attempt to prepare the surface prior to painting. This leaves an impression of a lack of care in carrying out the work and no attention to detail. In discussions with THA it became clear that there was no effective supervision of works on site. THA cannot, therefore, be confident of the quality of work carried out on its behalf. This means that tenants' homes in some cases are not well maintained and the association is failing to achieve value for money from these contracts.
- 60 THA is not taking enough care to shape planned works around tenants' specific needs. In many cases it relies on its contractors to check on individual needs and there are examples of new kitchens being installed to disability standards and the designs being varied to accommodate both people with and without disabilities. But this is inconsistent and a tenant we visited clearly had a disability and was unable to use the bath that had recently been installed. In this particular case the simple addition of an over bath shower would have accommodated the tenants' needs. In another void property which had a wheelchair accessible wet floor shower, a new kitchen had been installed without lever taps. THA does not have the resources to visit tenants before this work is ordered and has limited information about the needs of its tenants. Therefore it cannot be sure that work its contractors are carrying out are meeting tenants needs and are delivering value for money.

Responsive repairs

- 61 The responsive repairs service is an area with a balance of strengths and weaknesses. Performance in completing repairs within target times is reasonable as is the quality of work completed by the contractor. Repairs are easy to report with an effective appointments system in place and customer satisfaction levels are high. Performance on recovering rechargeable repairs is an area for improvement. However, contract management is underdeveloped, costs are above budget and THA can not be sure it is achieving value for money due to its underdeveloped quality assurance procedures.

- 62 Performance at completing responsive repairs within agreed target dates is mixed but improving. In the last complete quarter of 2007/08, 99 per cent of emergency jobs were completed within the target time, 96.8 per cent of urgent jobs were completed within the target time and 97 per cent of routine jobs were completed within the target time. The overall performance target for emergency jobs has been exceeded although the target of 97.2 per cent for urgent and 97.5 per cent for routine had not been achieved at the time of inspection. Performance has improved with the new contractual arrangements and there is a steady improvement in performance throughout this financial year. In addition to this, where tenants are unable to keep appointments, THA is varying appointments for the convenience of tenants and thus helping to gain access to carry out repairs. The improvement in this service is directly impacting on the quality of services for tenants and contractor efficiency.
- 63 The quality of responsive repairs is reasonable. Feedback from tenants and our own observations of responsive repairs showed that work is carried out well. Tenants report the contractor taking care in their homes and a general satisfaction with the quality of the work carried out. THA telephones 12 per cent of tenants who had work completed to check quality and satisfaction, although this is below their target of 20 per cent. The results shows a trend of increasing satisfaction with 91 per cent at the beginning of the year, 96 per cent in the second quarter of the year and 98 per cent in the last quarter. In respect of appointments, completion within target and attitude of workforce, all of those surveyed were satisfied with the service. Tenants we talked to said that this service had improved significantly over the last 12 months. This shows that THA is now providing tenants with a high quality responsive repairs service.
- 64 THA is achieving a low level of pre-inspections which is an indicator that jobs are ordered correctly first time. Pre-inspections are currently running at less than one per cent of the total jobs ordered against a target of 7 per cent. This is an indicator that inconvenience for tenants is being minimised as jobs are ordered correctly.
- 65 The appointments system is fairly flexible and this helps to make the repairs service more convenient for tenants but performance is not adequately monitored. Appointments are based on a two hour slot basis and other times are also offered to avoid the school run, for late afternoon or early evening appointments and some appointments on weekends. A sample telephone survey shows 100 per cent compliance with the appointment made. But THA is not requiring the contractor to report this performance or taking the opportunity to sample test this. It cannot be sure therefore that the information about performance is robust and accurate. Therefore while appointments are made for tenants' convenience, THA is not adequately checking on service quality.

- 66 Many tenants do not have adequate confirmation of repair requests and this may negate the right to repair. Only tenants reporting routine repairs receive a confirmation to confirm the work that has been ordered and when it is due to be completed by. Therefore all urgent five day jobs have no confirmation and should THA fail to respond adequately, this could present problems for tenants exercising their right to repair as they will be unable to provide evidence of when the work was reported. This could potentially take away a tenant's right to compensation.
- 67 The partnering contract for responsive maintenance is underdeveloped. THA has agreed a revised set of performance indicators with the contractor for the next financial year and this links profit to performance. But the measurement of performance excludes some important elements. For example there is no performance target for the proportion of appointments made and kept or in respect of variation orders and additional costs. The target to complete jobs correctly at first visit is challenging at 95 per cent but this is not linked to any requirement within the contract for the contractor to provide a multi-skilled workforce. There is duplication of administration, for example, with both THA and the contractor carrying out separate activities to check performance and quality of work rather than THA carrying out quality assurance of the contractors' information. THA is not realising full benefits from its partnering contract for responsive repairs.
- 68 The approach to quality assurance of responsive repairs is under developed. THA has a target to achieve 10 per cent post inspection but is currently working to 12 per cent, the failure rate is low at 0.4 per cent of all jobs ordered and any failures are discussed with the contractor and problems addressed. However, the selection of jobs to check is not sophisticated and staff simply choose those which are the most expensive. There is no systematic risk assessment taking into account the impact of work upon tenants as a method of identifying jobs to check. As a result THA is not able to ensure that variations are appropriately applied. The contractor is able to proceed where the total job with any increase does not exceed a total of £500 and is obliged to inform THA where the total cost is £250 or above. But THA is not aware of the proportion of jobs that are varied and does not have the information with which to carry out an audit to ensure this is being correctly applied by its contractor and can not be sure it is achieving value for money.
- 69 Analysis of repairs data is not sophisticated. There is limited analysis of repairs data with which to assess the repairs service. For example there is no analysis by job type, cost and satisfaction to establish any performance or cost trends. This means that THA is not in control of this aspect of its contractual relationship or able to guarantee customer service.

Empty (void) property repairs

- 70 Empty property repairs are an area where weaknesses outweigh strengths. Properties are re-let in a variable condition with a basic void standard in place. Work does not always meet the void standard, the approach to redecoration is not customer focussed and THA is not demonstrating value for money with its repairs to empty homes. However, homes are re-let quickly using effective partnerships with local authorities and some aspects of the process do reflect good customer service.
- 71 The quality of re-let properties is variable. Empty homes are sometimes let in a condition where little attention has been paid to the quality of fit and finish. For example, in one home visited during the inspection a kitchen in poor condition was to be left for the incoming tenant. The cabinets had missing or damaged laminate finishes to some doors and there was a hole in one corner of the worktop. Broken tiles are routinely replaced with mismatched tiles of different colours or filled in with coloured plaster rather than being replaced with a matching tile. Broken thermoplastic floor tiles are either just taken up from the floor leaving unsightly adhesive in place or removed singly and the gap filled in with latex leaving a poor finish. If open fires are removed then the fireplace is left and the opening is boarded. New tenants are therefore not always provided with good quality homes and may not be able to afford to rectify these problems.
- 72 THA is not effectively delivering its void standard. Although yet to be post inspected, three of the four homes we visited did not meet the association's own void re-let standards with work omitted from the contractors work schedules. Items not addressed included missing electrical sockets in bedrooms, graffiti in out-buildings and poorly fitted electrical sockets in a new kitchen with gaps present to the adjacent tiling. This means that the quality of new homes can be variable and the association may not always be achieving value for money from its maintenance contract.
- 73 The approach to the decorative standard of void homes is not customer focussed. The current void re-let standard says that the association does not carry out any decorative works to empty properties including sheltered housing. However, discussions with staff show that decoration vouchers are sometimes issued, but this is an informal system, open to subjectivity and lacking transparency. Tenants have no 'right' to this assistance and the availability of the vouchers is not promoted, so few tenants know that it exists. This means tenants on low incomes can be left struggling to decorate their new homes to an acceptable standard.
- 74 The association is not achieving value for money with its void repairs service. The cost of void repairs is high at £1,767 per void on average in 2007/08. Given the variable quality of new homes, this does not offer good value for money to the association or its tenants.
- 75 The association is re-letting its empty homes quickly. In 2007/08 to date it took an average of 25.3 days to re-let empty homes placing THA in the best 25 per cent of comparable associations. Re-letting homes quickly provides tenants in housing need with new homes and maximises the income available to the association.

- 76 There are effective measures to address difficult to let homes. The association has a relatively small number of difficult to let sheltered homes (six in 2007/08) these are monitored at regular void performance meetings where issues are discussed by a range of officers and contractors and staff hold open days to encourage tenants to move into vacant housing. As a result sheltered housing takes on average no longer to let on average than general needs housing which has a positive impact on overall performance.
- 77 Some aspects of the void process are customer focussed. All void properties are cleaned by a contract cleaning firm to ensure a high standard of cleanliness and a comprehensive welcome pack is provided by the contractor which includes a range of useful products such as cleaning materials and energy saving light bulbs. A laminated sheet giving information on the location of services and utility readings is also provided together with gas safety certificates. There are accompanied viewings for all offers of new accommodation. Members of the tenancy team conduct the interview when tenants sign for their new homes. All tenants receive a settling in visit five weeks after they move into their new homes although performance in 2007/08 has only reached 87 per cent performance with this target. This helps tenants to settle into their new homes.
- 78 Effective partnership working is helping to re-let empty homes quickly. The working relationships with CBC and other councils are reasonably effective in letting properties. Staff meet regularly to discuss performance and regular contact between operational staff ensure to improve performance on void turn round. There are robust procedures in place to ensure early notification of vacancies, early inspection to identify repairs, mechanisms to ensure that local knowledge of neighbourhoods and requests for sensitive lettings are captured. Records are made of reasons for refusal; applicant information is updated to ensure a better matching in the future.

Gas servicing

- 79 This in an area where strengths and weaknesses are in balance. Gas maintenance records are satisfactory and customer satisfaction is high. There are arrangements to independently check the quality of the work carried out by contractors and the association is using opportunities to promote gas safety. There are also effective arrangements to service other types of heating and safety equipment. However, performance at ensuring all properties have an annual gas safety check is weak and the association is not actively managing its performance with the gas servicing contractor. The service is not offered to leaseholders and appointment arrangements are not customer focussed.

- 80 THA has effective quality assurance arrangements. It employs a specialist contractor to check 10 per cent of gas services carried out by its main contractor and the specialist also checks all gas safety certificates. These have shown a low failure rate by the contractor and where these failures have occurred they have generally been minor. It has also enabled THA to discuss with its contractor where failures have occurred to improve the service for tenants. Our own inspection of gas safety certificates did not highlight any problems and SHA, who manage this contractor for THA also carry out a further check of some jobs. This means that tenants can be sure of the quality of the gas servicing service they receive.
- 81 THA is ensuring the safety of new tenants and tenants occupying rooms with fixed gas appliances. It carries out both a gas safety test and electrical safety test of all new lettings including transfers and exchanges. It also has adopted the Group policy on occupied rooms with fixed gas installations and carried out six monthly tests in these cases and normally installs a safety monitoring devices. New tenants can therefore be sure their homes are safe and disabled tenants awaiting adaptations and living in rooms with fixed gas appliances have their safety maintained.
- 82 THA has a regular servicing regime of other forms of heating. It has nine properties with solid fuel systems and one with propane gas. These are included in the main gas servicing contract and have an annual service. Therefore tenants in these properties can be assured that heating systems are maintained in a safe condition.
- 83 THA is ensuring the safety of tenants with the installation and testing of smoke detectors. Smoke detectors are tested and replace where defective as part of the servicing regime for heating covering all gas and solid fuel installations. The contract also includes other properties with electrical heating that are not included in the main servicing regime. This means that tenants can be reassured that THA is helping to ensure their safety in the event of fire.
- 84 THA publishes information to stress the importance of gas servicing. There have been articles in three recent copies of the tenants' newsletter that set out the importance of gas servicing and the safety implications where tenants do not provide access. This helps to encourage tenants to provide access to the contractor to maintain their safety.
- 85 Performance with servicing gas installations is mixed. At the time of inspection 97.5 per cent of properties had a current gas safety certificate with an inspection carried out within the last 12 months. Thirty two had not had a service within the last 13 months and four had not had a service for more than 18 months. THA is reluctant to introduce a shortened servicing cycle to reduce the backlog because of cost implications. Properties left without valid gas safety inspections place the tenants concerned at risk.

- 86 It is not clear if THA can demonstrate that it is actively managing performance with the gas servicing contractor. For example, the minutes of the contract management meeting dated 9 January 2008 between SHG and the contractor refer to overall performance within the Group and does not identify performance issues for THA, neither did a THA representative attend the meeting. While headline performance data is noted, there are no notes to show any discussion about action to address underperformance on the THA contract. Without robust contract management with action to address outstanding gas services tenants occupying those properties are at risk.
- 87 Arrangements to gain access are not robust in some cases. There is an escalation system to gain access with the contractor seeking to make appointments. If this fails then THA attempts to gain access and finally takes injunctive proceedings. However, legal proceedings are not carried out in a timely manner. For example, there are four cases where servicing went over 18 months without effective action to obtain an injunction to gain access. This places both the tenants and the association at risk should safety be compromised in these properties.
- 88 The appointments system has limited flexibility and could be further developed to help gain access. The contractor makes appointments 10 days before a service is due by letter. This provides either a morning or afternoon appointment. It is only if this is inconvenient for tenants and they contact the contractor that alternative arrangements are offered, for example, to avoid the school run or for a weekend appointment. This reduces the convenience of the service for tenants and does not help to encourage access.
- 89 THA could do more to ensure the safety of tenants and leaseholders living in blocks of flats. The gas servicing regime is not available for leaseholders who live in blocks of flats, many of these blocks are also occupied by tenants. THA can obtain servicing at better rates than leaseholders could obtain privately, but has not yet offered this service to them. Furthermore, this would help to maintain both the safety of leaseholders and tenants who live in the same blocks from the dangers of gas installations that have not been correctly maintained.

Aids and adaptations

- 90 This is an area where weaknesses outweigh strengths for the association. Limited assistance is given to tenants to access local authority disabled facility grants for major works and the performance management arrangements are weak. The information provided to tenants about major aids and adaptations is limited and the association cannot be sure budgets meet need. Partnership arrangements with local authorities are underdeveloped and there is no recycling of aids and adaptations. However, minor works are completed reasonably quickly and satisfaction levels with completed works are high. There is some linkage with the decent homes programme and the association is introducing schemes to help vulnerable tenants with decorating, minor repairs and gardening.

- 91 THA does not have a comprehensive approach to aids and adaptations. It provides a service for minor works and adaptations up to a value of £2,500. But it does not provide a service to help tenants requiring major adaptations who have to apply to the Council for assistance with Disabled Facilities Grants. This contradicts its own publicity, which clearly says that it will help tenants requiring assistance. Furthermore, there is no active partnership with either Dorset County Council which provides the occupational therapist service or CBC who provide Disabled Facilities Grants. THA is therefore only assisting a limited number of its most vulnerable tenants to obtain suitable alterations to their homes.
- 92 The service for tenants who need aids and adaptations is weak. The timescales to complete work is not measured from the first point that a tenant asks for help but from the time THA is notified of the necessary works. The time to carry out work following this is six months for minor works and ten months for major works but the overall waiting time for tenants may be much longer. THA also has no agreement about the prioritisation of more major cases according to need. As a result some of the association's most vulnerable tenants may be waiting for long periods before work is carried out.
- 93 Performance management arrangements are inadequate. The service is not comprehensively monitored nor does it have challenging performance standards. THA provides a service for minor adaptations up to a value of £500 and other adaptations to a value of £2,500 for tenants who are in receipt of benefits. It has newly published service standards to complete minor works within 20 working days and six months for work valued up to £2,500. This is not challenging as actual performance is at 22 days for minor adaptations, and two and a half months for those of a higher value. The longest wait has been six months, but this excludes the period during which an occupational therapist assesses tenants' needs. The association has no information about the whole period that its tenants are waiting for assistance and has not reported performance to the Board. THA is not effectively managing and monitoring a service which is designed to help some of its most vulnerable tenants.
- 94 THA is not working effectively with its partners to deliver this part of the service. THA has not reached agreement with the County Council about the service to be provided by occupational therapists to ensure that tenants receive a timely service. Similarly it does not have any agreed service standards with CBC in respect of the DFG process. On the contrary, CBC insists that in many cases only particular contractors may carry out DFG work. A lack of partnership working is disadvantaging THA tenants.
- 95 The service for aids and adaptations is not tailored according to need and is not customer focused. There is no assessment with Occupational Therapists to establish the priority of need for tenants awaiting adaptations. This may, for example, prevent a hospitalised tenant from easily returning home. Unless THA is able to work effectively with its partners, many of its customers may be waiting more than the maximum period of time as recommended by the Department of Communities and Local Government, despite high priority for assistance.

- 96 THA cannot be sure there are adequate resources for aids and adaptations. It has a budget of £65,000 this year which is an increase on the budget last year but this reduces to £60,000 next year. While this appears adequate to meet current demand for assistance, this is not determined by an assessment of need by THA or in conjunction with its partners. There has been no assessment of the adequacy of occupational therapist resources, which are often in short supply. This has prevented THA from assessing whether financial support to increase occupational therapist resources may be a priority for it and its tenants. This may mean that vulnerable tenants lack vital assistance.
- 97 The service is not recycling aids and adaptations. For example recycling adaptations to use in other properties or for use by its partners would help to reduce costs and improve the service for vulnerable tenants. This is a missed opportunity.
- 98 THA publicises its limited aids and adaptations service. Information on the service is published in the annual report, by way of a leaflet that tenants have helped to design and on the website. There has been an article in the tenants' newsletter. This helps to promote awareness of the service. However, this information has not been effectively targeted at those most likely to benefit from the service.
- 99 Tenants are satisfied with the quality of adaptations. THA carries out a telephone survey and satisfaction is at 100 per cent with the service. It has moved to a telephone survey to increase responses from an earlier postal survey. This shows the quality of the work to be good and meeting need where it is provided.
- 100 THA works with its contractors to identify and provide adaptations as part of the DHS programme but outcomes are mixed as set out above. Major works are tailored for the needs of tenants with physical and sensory disabilities. This is working well in respect of kitchen alterations but not so well in respect of new bathrooms. However, there are no formal links between the DHS programme and disabled adaptations in order that arrangements can be made to link a DFG application with proposed work within the planned programme. This could result in a disruptive service to residents and does not represent good value for money to THA.

Income management

- 101 There is a balance of strengths and weaknesses in this area. Performance on rent arrears is strong, and there are appropriate partnerships in place with local councils and there has been some work with advice agencies. There are effective procedures in place, service charges are well managed and THA has been promoting the most cost effective methods of rent collection. However, the association cannot demonstrate that it is balancing enforcement with the support needs of its residents and there is a lack of support provided for vulnerable residents. Welfare benefit advice is not used well and financial inclusion is in its infancy. Customer feedback is not consistently used to drive improvement and there are no published service standards. Former tenancy arrears and the collection of rechargeable arrears are not being effectively managed.

- 102** THA is taking prompt and appropriate action to minimise and recover debt. At the end of 2006/07, total arrears stood at 1.9 per cent of the total rent debit and the total amount of rent collected was 101.7 per cent per cent which is in the best 25 per cent of housing organisations in the benchmark group.
- 103** There is a broad range of payment methods and THA is effectively promoting the more cost-effective methods of rent collection. Tenants can pay rent in cash, cheque or electronically by debit card at area offices, shops and at post offices. Other methods of payment include automated payments over the phone or via the website. The cheapest methods of payment namely internet and automated payments are promoted in a variety of ways. For example, at sign up, when arrears letters are sent and in newsletters. These actions have resulted in an additional £101,000 of rent collected using automated payments over the phone or via the website since this September 2007. This increases the cost effectiveness and customer focus of the rent collection process.
- 104** There are reasonable relationships with housing benefit departments. THA has service level agreements with all the housing benefit departments where it holds significant stock. The association meets regularly with housing benefit departments to discuss performance and issues of mutual concern. The undertaking of benefit verification has been explored in Christchurch but has not been progressed due to the reluctance of CBC. However, housing benefit claims are processed quickly and there are fast tracking arrangements with CBC. This helps residents to access benefits and reduces the debts to the association.
- 105** There are clear procedures for income management. The rent arrears policy for current tenants is supported by effective working procedures which are clear and accessible to staff. The IT system supports the rent arrears processes automatically prompting staff to take action, although it requires some development to work fully effectively and, in particular, on former tenancies. This ensures consistent arrears recovery action.
- 106** Tenants have reasonable information about their rent and service charges. Quarterly rent statements are issued and have been reviewed to make them easier to understand with clearer information on rent payment methods. The importance of rent payment is promoted. There is a useful and informative leaflet about the rent service available to tenants. These were developed in conjunction with tenants and are easy to understand. They are widely available and given to tenants at sign up. This is helping residents to understand their rent payments and sources of welfare advice.
- 107** The association's approach to financial inclusion is in its infancy, although a framework has been developed. While there has been some limited promotion of a credit union there has been no coordinated process across the association as a whole to promote financial inclusion. This means tenants may be poorly informed and borrow money from expensive sources, ultimately leaving them with less money to manage their household bills including the rent.

- 108** The income collection service is fully not customer focussed. There are no clear service standards for rent and service charge collection. The leaflets on rent and website information are helpful in other respects, for example, advising tenants on how to pay rent and how to get financial advice, but do not spell out what customers can expect. Additionally, feedback from customers is not being used to drive improvements, with no record of customer satisfaction with the income collection service. These gaps mean that tenants are not well-placed to judge the performance of the service and that the association cannot shape its services around the needs and aspirations of its residents.
- 109** There is a mixed approach to service charge collection. THA does not separate service charges from rent income and does not record separate performance for its collection. However, service charge income reflects the cost of providing services. The association has reviewed service charge administration in 2006 and is now billing residents annually in line with expenditure. This makes it difficult for tenants to be sure that they are receiving value for money from the services they receive.
- 110** Income collection services are not being fully shaped around the needs of vulnerable residents. The association does not refer tenants other than families with children to social services prior to eviction, visits are not identified as the appropriate action to replace letters where sight or literacy is a problem and letters and leaflets do not contain straplines in community languages. However, there are some instances of tenants being referred to floating support agencies to help them if they appear to have support needs. Effective and equitable income collection services need to ensure that they respond to the needs of all residents.
- 111** THA does not use information proactively to minimise arrears. THA is not using tenant profile information at key stages such as at notice seeking possession and eviction stage to identify patterns of arrears and take preventative action. However, THA has funded and entered into a service level agreement with the Citizens Advice Bureaux in Christchurch which has delivered some positive financial outcomes both for the association and its residents. Nevertheless, this does not effectively target arrears collection activity and means that the association is not acting proactively to prevent arrears developing.
- 112** The collection of debt other than rent is underdeveloped. The association is not effectively collecting former tenancy arrears. Due to difficulties with the new IT system it is not possible to identify or monitor the collection of former tenancy arrears. Cases are referred to a debt collection agency which has recovered £18,000 during 2007/08. The collection of rechargeable repairs is in its infancy. While a rechargeable repairs policy has recently been set up, no money has been recovered to date. This limits the ability of the association to maximise the income available to it.

Tenancy and estate management

Tenancy management

- 113** Strengths outweigh weaknesses in this area of the service. Clear procedures are in place for dealing with anti-social behaviour (ASB). A broad range of remedies are used to tackle problems and partnership working is reasonably effective. There is an increasing role for residents in the shaping of the service and there has been a reasonable response by THA to the Respect Standard for Housing. However, customer satisfaction with ASB management is low and there has been no work to understand why this is the case.
- 114** There are detailed and comprehensive policies and procedures for dealing with ASB. There is a clear and up-to-date policy around anti-social behaviour, setting out how cases will be handled and links to other policies, such as those on domestic violence and abuse. The policy reflects the needs of the association's more vulnerable residents and underlines the need to identify support for vulnerable individuals responsible for ASB. The policy follows a victim-centred approach to dealing with incidents and allows staff access to a wide range of remedies. Procedures include good guidance for staff in dealing with ASB to ensure a consistent response to tenants.
- 115** There is good information for residents about ASB although access arrangements are less developed. A well produced leaflet, which forms part of the residents' handbook given at the time of sign up, provides information about the subject including how to report it and the processes that will be followed. Information is available on the web site and the policies and procedures are available from reception. Tenancy agreements are explicit about conditions relating to nuisance and ASB. They include examples of unacceptable behaviours and contain specific sections on racial and other kinds of harassment. Effective information ensures that there is clarity for tenants about both anti-social behaviour and the sanctions available.
- 116** Tenants have an increasing role in the development of the association's approach to ASB. An ASB panel has been set up with seven residents recruited via an advertisement in the tenants' newsletter. Outcomes from this group include the introduction of an ASB hotline (but this only works during normal office hours), and amendments made to the satisfaction survey to improve its readability. However, while the association attempts to collect satisfaction data on ASB cases the percentage of returns is low at 15 per cent in the first six months of 2007/08. There is no SMART plan to improve collection rates and this information has not been used to strategically evaluate services and outcomes. Tenants can be effective in shaping services that responsive to concerns over ASB.

- 117** The association invests appropriately in a range of diversionary activities. THA sponsors Twynham Rangers, a local football club. In the summer holidays it helps fund a series of football and multi-sports coaching sessions in conjunction with East Dorset Crime and Disorder Reduction Partnership, Christchurch Borough Council, the Police and the Youth Inclusion and Support Panel based on the Somerford estate. The association also runs its own community events in conjunction with Twynham Residents' Association, which include a number of community fun days. Diversionary activities are a useful way of giving young people an alternative to becoming involved in ASB.
- 118** THA has been reasonably effective with its partnership working on ASB. THA is a signatory to the safer communities' agreement between the police and CBC, which has an associated information sharing protocol. Staff have also held meetings with local authorities and ASB forums and during 2007/08. The association is also part of the SHAARP partnership with other housing organisations which provides support and advice in dealing with more complex and challenging ASB cases. However, staff report that information sharing with the police is still underdeveloped and the arrangements for partnership working in areas away from Christchurch are not as comprehensive. ASB is most effectively addressed when it is tackled using a multidisciplinary approach.
- 119** THA uses a reasonable range of preventative and non possession approaches to combat ASB and it is prepared to enforce tenancy conditions where appropriate. Enforcement against perpetrators of ASB is used as a last resort but there is a track record of doing this and there have been two evictions and four injunctions obtained in the last two years. The association uses injunctions, acceptable behaviour contracts, starter tenancies, mediation provided by an externally funded agency and offers tenancy support. Anti-social behaviour orders are available but they have not been needed to be used so far. Examples of outcomes include an emergency injunction followed by a 12-month injunction, with power of arrest against a tenant returning to the property. This was as part of a police drugs operation. The association can also demonstrate that these approaches have been effective and part of a balanced approach to dealing with ASB.
- 120** There has been positive work to ensure that action against ASB receives publicity. This has involved the residents' newsletter and feedback to residents. This ensures that the wider community knows the sanctions that are used.
- 121** ASB files are maintained effectively, in accordance with procedures and in a customer focussed fashion. The five recent closed files that we reviewed all were dealt with efficiently in appropriate timescales and closed after thorough attempts to resolve the complaints. The association has reasonable performance achieving its targets for responding to letters 88 per cent of the time during 2007/08. The effective administration of files improves customer satisfaction and underpins enforcement action should it be necessary.

- 122** THA is developing its response to the Respect Standard for housing management. It has signed up to the standard and completed a comprehensive self-assessment against it, the association intends to complete all work by 2008/09. However, progress has been slow and some targets such as the implementation of resident led estate inspections and improving satisfaction with the outcomes of ASB action have slipped and as a result it is not clear whether the target for implementation will be fully met. The Respect Standard is a useful way for organisations to consider their approach to dealing with ASB help them to assess whether they are providing a reasonable service.
- 123** Monitoring and recording of incidents of ASB is underdeveloped. There has not been effective use of 'hotspot' mapping to improve the targeting of ASB actions. While officers work out action plans to support victims, they do not jointly agree when the case is closed. However, the comprehensive performance management information is supplied to the Board is enabling them to have a reasonable overview of performance in this area. Information is important to understand and address ASB in a proactive way.
- 124** Tenants' satisfaction with the handling of ASB complaints is weak. In the first nine months of 2007/08, 46 per cent of tenants who replied to satisfaction survey said they were happy with the way their case had been addressed and 62 per cent were happy with the outcome of the complaint. There has been little work to understand and address this weak performance. Tenant satisfaction is a key outcome from ASB actions undertaken by the association.

Estate management

- 125** There is a balance of strengths and weaknesses in estate management. The condition of estates and green areas is generally reasonable and tenancy agreements have been recently reviewed. However, residents are not engaged meaningfully in the management of their estates, the approach to estate inspections is underdeveloped and residents have limited access to estate improvement funds. The standard of communal areas is variable and the approach to trees in resident's gardens is not customer focussed.
- 126** Estates are generally well maintained but there is a lack of information with which to judge standards. We found that the quality of maintenance of green spaces is reasonable. There are effective checks of play areas carried out as part of the environmental services officers' duties and the standards for the removal of graffiti is being achieved. There is a dedicated team within the estate services team, who remove fly tipped items and conduct general repair tasks around estates. However, tenants do not have clear information on the specific services they can expect to receive on their estate or in the block of flats they live in, which makes it difficult for them to challenge poor performance. Although the overall environment in which tenants live is pleasant, they have no standards against which to judge the quality of the service.

- 127** There has been a comprehensive review of tenancy agreements to ensure that they are consistent with good practice and the law. Tenancy agreements have been checked to ensure they do not contain unfair contract terms and are consistent with the Respect Agenda, although the new agreements have not yet been issued to all residents.
- 128** The quality of grounds maintenance is reasonable. The communal green spaces are well maintained and grass is regularly cut with shrub beds in satisfactory condition. Staff and tenants report that grounds maintenance contractors' performance is reasonable. The condition of green spaces is an important element of the quality of life experienced on estates.
- 129** THA has not been proactive in getting residents involved in deciding priorities on estates. There are no budgets available to be allocated according to resident priorities. This limits the association's ability to respond to residents priorities and undermines residents 'ownership' of their homes.
- 130** Estate inspections are underdeveloped. There is no programme to involve residents in estate inspections or mystery shopping of estates. There is a programme of monthly estate visits conducted by the Managing Director and Board members, however, while this programme is positive, it is also slow and at current frequency will take a number of years to visit all of the association's stock. This restricts the ability of tenants to shape services on the estates where they live.
- 131** The condition of communal areas is variable. While most common areas of flats were clean and free of litter and graffiti. We found some examples of deeply engrained dirt in the finishes of flooring. In another common area of a block of flats we found ripped carpet and uneven paving stones in a drying area both of which presented trip hazards. Poor communal areas can impact on the quality of life of tenants living on estates.
- 132** The association's approach to the management of trees in tenants' gardens is underdeveloped. The tenancy agreement makes all trees the responsibility of tenants even when these may place a considerable financial burden on tenants. It is not clear whether this responsibility is clearly spelled out at the time of sign up. Currently an informal arrangement means that some arboriculture work is undertaken by THA but this is at the discretion of managers and is not part of a formal policy. The £5,000 budget is already stretched meeting needs across the whole stock. This may leave tenants on low incomes struggling to cover the cost of expensive work to trees in their gardens.

Is the service delivering value for money?

- 133 This is an area where weaknesses and strengths are in balance. The costs of the association are high when compared to peers and the quality of services does not always match these costs. As a result the organisation is not offering good value for money. The strategic approach to value for money is improving but is not fully developed. There is a high level of cost awareness with effective budgetary planning and control and the association is able to demonstrate significant efficiency savings. However, in the procurement and management of contracts there are a number of areas where the organisation is either not achieving or cannot be certain it is achieving value from money.

How do costs compare?

- 134 In terms of how costs compare we found weaknesses outweigh strengths. There is not a robust understanding of the cost and quality of services. While there is reasonable performance, information and a growing awareness of the comparative cost of services, this knowledge has not been used in a systematic way to understand whether the organisation is achieving value for money. The information on comparative costs shows that costs and overheads are high when compared to peers. In a number of the services we looked at, we could not find correspondingly high levels of service to explain this expenditure.
- 135 Benchmarking has identified that costs appear to be high in a number of areas when compared to peers. For example, using 2006/07 information, performance is in the worst 25 per cent of benchmarked organisations in the following areas:
- overall housing management overheads including borrowing;
 - back office costs as a percentage of frontline staff costs;
 - overhead costs per property; and
 - tenancy related activities housing management pay cost per property.

And in the worst 50 per cent of benchmarked organisations for the following:

- responsive and void repairs spend per property; and
- major and cyclical repairs spend per property median.

However, this picture may not be entirely accurate as 1,039 properties were transferred to Twynham during 2006/07, and the impact of the overall efficiencies of group membership had not been quantified. Nevertheless, THA cannot fully demonstrate that services are offering value for money.

- 136 There is a developing culture of value for money but it is not yet embedded. THA's understanding of why some costs are high is limited. While there is an increasing awareness of areas of comparative high cost using benchmarking clubs, this has not yet been developed into a robust understanding of the factors that underpin these issues. This presents a barrier to improving value for money.

How is value for money managed?

- 137** There is a balance of strengths and weaknesses in this area. THA has focused on making savings to achieve viability as an organisation. This has led to an increased emphasis on benchmarking, budget setting and monitoring. The Group has introduced an efficiency strategy but this is still in development at Twynham, which has yet to achieve a full understanding of the link between cost/quality of service and set targets for value for money improvements. Tenants are not routinely involved in value for money decisions.
- 138** THA is developing its approach to value for money and this is becoming more embedded in the organisation. The focus on cost savings has concentrated managers at all levels in the organisation on achieving efficiencies. There are regular budget and performance meetings between managers. While this is still in development, with more detailed costs to be identified, there are examples such as leasing and repair costs, where there is a good understanding of the need to drive down cost and drive up service quality. For example, as part of its work with its partnering repairs contractor, there is an understanding of where costs are higher with routine repairs. On the other hand, there is more work to do to understand legal costs and how investment is affecting service quality in this respect. THA also has more to do to develop some staff at all levels in the organisation to help them address value for money.
- 139** Scrutiny of value for money is developing. THA has been a member of a benchmarking club for two years. It is now starting to use this information to judge the efficiency of each service. Targets for improvement have been identified as have annual operational plans. However, there is no overarching value for money strategy the service lacks a full range of value for money performance indicators to judge performance. For example, the service does not monitor the percentage of repairs completed 'right first time', the accuracy of diagnosis, the collection of service charges and some aspects of the approach to anti-social behaviour are not recorded effectively. Without this information it is hard to manage performance and ensure that value for money is being achieved.
- 140** THA has achieved significant efficiency savings. The priorities for those savings were apparent largely from the period it was in supervision. Staff are clear about the drive to contain costs and this process is actively managed with savings achieved this year of £111,000 against a target of £104,000. This is managed through the monthly budget management meetings. This has enabled THA to contain costs within the business plan and free resources to help with the improvement of services such as the responsive repairs service and the employment of additional staff to improve the ASB service and income management.

- 141 The budget setting and management process is robust and is being developed as a value for money tool. Managers have received training on budget management and budget setting. In developing the budget, managers are subject to challenge to justify spend and are expected to produce sufficient evidence to show the necessity for services and other costs. While there is more to do to help managers prepare, fully thought through business cases as part of budget setting the approach has helped to drive out efficiencies. For example, in setting legal costs this year it was possible to make a saving of £3,000 per annum and in fees for debt collection a saving of £6,000 per annum has been made. This is reducing costs and freeing resources for other services.
- 142 THA is not obtaining good value for money from its partnering contract for responsive repairs. The contract has been running for a year and was procured on a competitive partnering basis. THA's budget was set based on an expected cost from the price tendered but actual costs have been more than 20 per cent higher than envisaged. THA had to increase its budget for responsive repairs to cope with this which has meant it does not have the resources to develop other services. It knows the unit cost of responsive repairs is too high at about £160 per job compared to similar work it is carrying out with another contractor elsewhere. However, while costs have risen the quality of the service has improved and it has entered into negotiations with the contractor to reduce costs based on a redistribution of overheads and an extension to the pilot contract by a further six months. Nevertheless, at this time it is paying too much for day to day repairs.
- 143 There are a number of examples where the service is failing to achieve or demonstrate value for money These include:
- at the time of inspection it is not clear if the Direct Labour Organisation is offering value for money or a customer focussed service in its completion of responsive repairs. Although a best value review is due to report in 2008/09;
 - the value for money of the human resources (HR) service has not been comprehensively reviewed. While there has been some work within SHG this process has not been carried out within THA to date, although this work is planned;
 - the cost of voids at £1,767 is expensive with examples of poor quality and a lack of attention to the void specification; and
 - the cost of responsive repairs partnering contract is higher than budget.
- However, here are some examples where THA is achieving value for money.
- THA is able to demonstrate some financial benefits from the SLA with the Citizens Advice Bureau. Since June 2007 the association is able to show direct financial benefits of £15,400 from its grant of £10,000 and residents have also received another £33,000 of additional income.

But overall this is not achieving the best use of resources and releasing money to improve services further.

- 144 Tenants are not routinely involved in value for money decisions. Involvement of tenants in value for money decisions is underdeveloped. Tenants have been involved in the development of services subject to service charges with choices on the extent of services provided and they have been involved in best value review panels. But outside of this, tenants have little say in the value for money decisions that THA is making. The service is not engaging tenants in wider decisions to balance cost and quality across the service and this means resources may not always be spent on issues that are important to tenants.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 145** Strengths outweigh weaknesses in this area with improvements being made to many but not all services. Key performance indicators show a pattern of improvement in some areas although from a low base. The track record of delivering improvements in value for money over time is positive. THA has demonstrated improved value for money by identifying services where efficiencies can be made, cutting loss making services and improving its approach to procurement. THA has moved from an organisation with a question mark over its long term financial viability to one that can deliver the DHS and can embark on a regeneration project for some of its homes on the Somerton Estate. THA has shown that it has the ability to deliver complex projects in challenging circumstances. Resources have been reallocated to improve services for residents. There is an increased awareness of value for money although there are examples of missed opportunities. However, a number of areas key services remain underdeveloped and changes have not always resulted in customer focussed outcomes.
- 146** Trends in performance indicators are generally positive. For example: the percentage of homes failing the Decent Home Standard has fallen from 30.9 per cent in 2004/05 to 14.2 per cent in 2006/07. The percentage of routine repairs completed within target has increased from 65.2 per cent in 2004/05 to 93.7 per cent in 2006/07. However, in some cases the improvement has been from a low base, for example, in routine repairs. Meanwhile, overall satisfaction remains in the worst performing categories.
- 147** THA can show that it has a track record of delivering some complex projects successfully but improvement to other services has been slow. These include: closing its own call centre to integrate with SHG's call centre; returning the housing needs contracts to CBC and West Dorset District Council; and redeploying or making staff redundant without having a negative effect on overall staff morale. These examples show that THA can manage major change effectively.
- 148** There are some examples of where resources have been shifted to address areas of weakness. For example, long term weaknesses with responsive repairs and gas servicing have led to moving to a new contract and procurement framework. This means that resources are being better targeted some of the front line services for residents.
- 149** However, alongside the successful delivery of these projects and initiatives, the organisation has been unable to deliver improved outcomes for customers. There has been a lack of progress in some key service areas for example in aids and adaptations and diversity. The pace and scope of change has been focussed on addressing organisational weaknesses, which has meant that customer facing services have received less attention.

How well does the service manage performance?

- 150** In this area, strengths and weaknesses are currently in balance but the management of performance is improving and should soon become a strength. There is a comprehensive service planning framework, with strong strategic leadership from an experienced Board and housing group. Financial and risk management is robust and there is evidence that the organisation can take tough decisions. However, while there is a reasonably clear framework for managing performance, there are some gaps in the information reported to Board. There is a lack of effective scrutiny. Service outcomes remain mixed, with some weaker performance evident for long periods and not all service plans are SMART.
- 151** There is developing strategic leadership within the association and Group. The Board is made up of suitably qualified and experienced professionals, local politicians and tenants with the range of skills necessary to provide effective leadership and support. They are supported by a larger housing group who bring a range of additional skills and experience to supplement those already present in THA. The relationship with the Group continues to develop and it is offering increasing levels of support to THA for example by offering technical direction in the management of gas servicing. The working relationship between the Board and officers is positive and there is a clear commitment to work together for a common purpose. The 2007 staff survey reported that 85 per cent of staff agreed that relations between managers and staff are good, with 93 per cent saying they feel their manager is competent. Strong leadership makes the association well-placed to manage the challenges ahead.
- 152** The Group is providing a better strategic direction for THA. The Group's chief executive demonstrates awareness of the strengths and weaknesses of THA and ensures that SHG provides practical assistance. For example, strengthening IT and improving the approach to procurement.
- 153** There is an effective planning process in place. The association has a clear vision with realistic ambitions which are set out in the Twynham Strategic Plan 2006-2010. The aims and objectives of THA are clearly linked to the Group strategy. The THA strategy is based on the Group strategy which has been drafted after consultation with staff and managers although tenants were not included in this process. The Group has been supporting THA in identifying and prioritising its key objectives. The over riding objectives of the organisation are clear - to become more efficient to enable resources to be directed to key services. An action plan sets out key business activities, the expected outcome and target dates. Although some of these plans are not fully SMART in all cases, they do illustrate that the organisation has a reasonable level of self-awareness as they address areas some of the areas of improvement identified during the inspection. For example, improving the approach to aids and adaptations and a focus on improving value for money in repairs and maintenance. This means that THA is clear about its future direction and is receiving support from the Group to achieve these goals.

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- 154 There are effective risk management arrangements in place. Key housing risks, such as rental income, the continuity of the repairs and maintenance services, fraud and contract management have been identified and a detailed list of contingency actions put in place and monitored. A report on their implementation shows good progress. This is helping the association understand and have some control over the risks that face the business and its customers.
- 155 THA has a systematic approach to reviewing service areas. A best value review programme has been in place since 2000/01. The association has completed two reviews each year and a number of positive outcomes have been delivered by this process. These include the reviewing of service charges and the decision to transfer the loss making housing needs contract back to CBC. There are appropriate arrangements in place to ensure that high level recommendations are monitored by the Board. However, in some reviews there has been a lack of robust challenge to existing services. For example, in the review of environmental services. The final report works from the assumption that the current team will be the cheapest way of providing services without having clear evidence that this in fact the case. Robust processes will ensure that there is a focus on improvement and the delivery of clear outcomes.
- 156 THA is able to show it is learning both from membership of the Group and from others although it is defensive in some cases about challenge. For example it has worked with another association outside of the Group to review and compare the provision of environmental services and across the range of best value reviews. It has worked with other social landlords on developing the associations approach to ASB and resident involvement. TWA is a learning organisation and will be able to improve services for tenants as a result.
- 157 The effectiveness of the performance management structure is mixed. While it provides reasonable quality information with which to judge performance some useful details are missing. The THA Board receives a comprehensive suite of performance information on a quarterly basis. This enables it to judge most of the important aspects of performance such as gas servicing. There are areas where information needs further development to enable members to fully understand the position. In some cases detail is omitted and reports do not contain benchmarking information. In respect of responsive repairs, the number of jobs completed right first time is not well recorded or reported. This is an important measure of how effective the service is to tenants and how well the contractor performs. Furthermore, the performance information and targets on some areas such as aids, adaptations and phone answering is not fully reflective of good practice. This means that the Board and senior managers do not always have the comprehensive information they need to manage and improve the business.

- 158 THA has developed an overarching Service Improvement Plan (SIP) that has been broken down into departmental, team and individual plans. However, some individual service plans are not fully SMART. For example, the service plans do not identify the resources required to enable actions to be achieved and some outcomes are not always clear. The customer services plan has a target to 'Measure, test and monitor published service standards by using mystery shoppers and performance information' - the outcomes of this action are not quantified and the plan indicates this action was completed in July 2007, which is in conflict with the findings of this inspection. This makes it difficult to monitor progress and a failure to identify resources will limit potential service improvement.
- 159 There is little evidence that tenants have been involved to date in identifying key performance issues. Tenants have not been involved in discussions about performance nor been actively involved in discussions about the key performance information to be reported to them. For example, a monthly flyer is produced which shows six performance measures and this is posted up in public areas. Tenants have not been asked if this is the most important information or whether more information should be provided. This means that THA may not be keeping tenants informed of the outcomes of the services of most concern to them.

Does the service have the capacity to improve?

- 160 This is an area where the association is improving but currently strengths and weaknesses are in balance. Financial resources are improving and are coupled with effective budgetary management. The association is investing in staff and their training which is backed by effective human resources systems. Partnerships add strength to the association and have the scope to help THA improve further. However, a lack of operational management capacity is a barrier to improvement, the new IT system is yet to fully deliver its promised benefits and the association has not been successful in attracting additional resources.
- 161 Financial resources available to the organisation are improving. The capacity of the organisation to meet the needs of its residents was previously limited by a lack of resources. Since leaving supervision THA has been unable to balance its budgets without selling property. The increasing focus on cost reduction has seen the budget reaching surplus for the first time in 2007/08 with a projected surplus of £500,000 by the year end without the need to sell property. This positive trend is projected to continue with increasing budgetary surpluses together with increased investment in homes. By 2011/12 a surplus of £1.7 million is projected together with increased spending on repairs and maintenance of £5.6 million. This equates to an increase of £1 million in repairs spending and an additional £500,000 surplus compared to 2008/09. New arrangements in respect of shared ownership have the potential to improve the financial capacity of THA in the future. This increasingly strong financial position should enable the association to continue to develop its services around resident needs.

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- 162** Budget management is effective. Monthly management accounts are generated alongside key performance data and are made available to budget holders. There is an appropriate level of budget delegation and budget holders are able to access data to a detailed level to assist budget management and are given appropriate training and support. Outturns in the last financial year generated a surplus in excess of the forecast. There was less need to move money between accounts during the year. Effective management of its financial affairs enables THA to use its resources for the benefit of tenants.
- 163** The association is effectively using training and development to improve skills. THA has undertaken a training needs analysis and arranged training to address skill gaps. In 2006/07 a budget of £50,600 was spent on staff training and the 2007 staff survey found 86 per cent of staff said they felt 'Twynham offers good opportunities for learning and development'. An internal management programme has been developed for the association's managers, offering training specifically tailored to address the association's needs in key areas. An appropriate training programme provides staff with the skills to deliver their jobs effectively.
- 164** There is a positive approach to developing the skills of Board members. There is an annual skills audit and appraisal of Board members and appropriate training is delivered in response to needs that are identified. The association has decided to introduce Board members pay which is designed to improve performance and provide an incentive to improve the overall effectiveness of the Board. These initiatives help the Board to develop its skills and provide better leadership to the association.
- 165** Human resources planning and management is relatively strong although there are some gaps in the strategic approach. Currently there is no Human Resources Strategy in place as the association is waiting for a group approach, although this has not acted as a barrier at the association. THA is an accredited investor in people (IIP) with an award given in 2007. THA is performing reasonably compared to the sector average. Turnover is lower at 16.4 per cent compared to a sector average of 18.2 per cent. Sickness is also below sector average at 3.8 per cent in 2006/07 as compared to a sector average of 4 per cent.
- 166** THA is benefiting from partnerships but some are not well developed. For example the partnership within the Group has enabled THA to significantly improve its efficiency. This partnership helped THA procure gas servicing at reduced costs at the same time as improving performance. Similarly the Group has assisted THA to procure the responsive repairs contract on a developing partnering basis which has led to much better performance in terms of service quality and satisfaction of tenants. THA is also working with CBC in respect of the regeneration of the Somerford Estate. CBC has adjusted its allocations policy and approach to decanting in order to facilitate the improvement of tenants' homes and to replace some out of date and expensive to maintain properties.

- 167** However, THA could be doing more to take a meaningful role in the locality it works in. It currently is not involved in developing the approach to housing within the Local Strategic Partnership. In addition to this, the partnership with the County Council and CBC is not effective in respect of aids and adaptations. While THA is able to show positive outcomes from its partnerships some of which are directly benefiting tenants, stronger partnerships in other areas would help to improve services further.
- 168** The new IT system was initially a barrier to improving services but has the potential to drive improvement when fully operational and once staff have received appropriate training. The introduction of the IT system has impacted on key service areas such as the production of quarterly rent accounts and the measurement of former tenancy arrears. However, the Group has devoted resources to overcome these problems. The integration of housing data with the rest of the Group will enable the association to monitor performance and share information more effectively. It will also enable effective support to be delivered by the group IT services team.
- 169** It is not clear if the structure of the organisation is fully effective. The range and scope of change coupled with a reduction of a number of managers and a number of staff leaving the organisation has had an impact on the ability of the association to delivery its objectives at the pace of change required. We found a lack of understanding among managers about the quality of services and current positive practice. Some parts of the association appear well staffed such as income collection and tenancy management where the benchmarking data showing central administrative costs are high compared to peers. In others such as planned maintenance a lack of staff is preventing the effective management of performance. This is significant as this is an area without a partnering contract in place to balance the lack of supervision. This apparent imbalance is impacting on the organisations ability to deliver effective services.
- 170** THA has not been successful in attracting outside funding to increase its capacity. The need to focus on improving key services has been a barrier to seeking out additional funding sources. The organisation has been unable to supplement its own funds with income from other sources.

Appendix 1 – Key performance indicators

Performance Indicator	2004/05	2005/06	2006/07	2006/07 Comparison Group Mean	2006/07 Comparison Group Median	2006/07 Quartile Position in Comparison Group
Stock Failing Decent Home Standard	30.9%	28.1%	14.2%	14.6%	11.1%	3
Average GN SAP rating	58	58	60	68	67	4
Routine repairs completed in target	65.2%	87.2%	93.7%	92.3%	94.0%	3
Vacant Dwellings	-	-	0.8%	1.7%	1.1%	1
Vacant General Needs Dwellings	-	-	0.7%	1.4%	0.7%	1
Re-let time (all managed stock)	-	-	38.5 days	34.6 days	31.9 days	3
GN Re-let time (for managed stock)	-	36 days	38.5 days	28.4 days	27.8 days	4
Current tenant arrears at FYE	-	-	2.2%	3.4%	3.7%	1
Tenant satisfaction overall	72%	75%	75%	82%	84%	4
Tenant satisfaction with participation	64%	45%	45%	61%	63%	4
Tenants satisfied with repairs and maintenance	-	-	72%	80%	82%	3
Shared owner satisfaction overall	-	100.0%	100%	66%	-	-

It is Housing Corporation convention to number those in the top quartile as being in quartile 1, and in the bottom quartile as 4.

Appendix 2 – Documents reviewed

- 1 Before going on site, and during our visit, we reviewed various documents that were provided for us. These included:
 - the organisations self-assessment of its services;
 - Corporate Plan;
 - equality and diversity statement and policy;
 - further strategies, policies, procedures and guidance related to services inspected;
 - the website at www.twynham-housing.co.uk;
 - operational and service-related improvement plans;
 - performance management reports and data, including Housing Corporation performance indicators;
 - board of management and committee reports and minutes of meetings;
 - Human resources policies and staff survey data;
 - customer involvement meeting minutes and feedback documents;
 - information for customers, including the tenants' handbook, repairs; and
 - handbook, customer service standards, leaflets, surveys and newsletters

Appendix 3 – Reality checks undertaken

- 1 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:
 - interviews with a range of people involved with the service, including front line staff and service managers, team leaders, heads of service, departmental directors, the chief executive and members of the board of management;
 - tenant focus groups and telephone surveys, including those actively involved in tenant involvement activity;
 - visits to a number of the association's properties, including empty (void) properties, sheltered housing and schemes where property and environmental improvements had been undertaken or were planned;
 - observation of the customer services centre, reception service and scheduled interviews with customers and scheme inspections;
 - mystery shopping of the service;
 - visiting the association's website www.twynham-housing.co.uk; and
 - inspection of a random sample of recent case files, relating to anti-social behaviour cases and customer complaints.