

Wolverhampton Homes – ALMO Inspection

Wolverhampton City Council

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Arms Length Management Organisation (ALMO) Inspections

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

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

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

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

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

The Housing Inspectorate has published additional guidance for ALMO inspections.

- *'ALMO Inspections and the Delivery of Excellent Housing Management Services'* (March 2003).
- *'Learning from the First Housing ALMOs'* (May 2003).

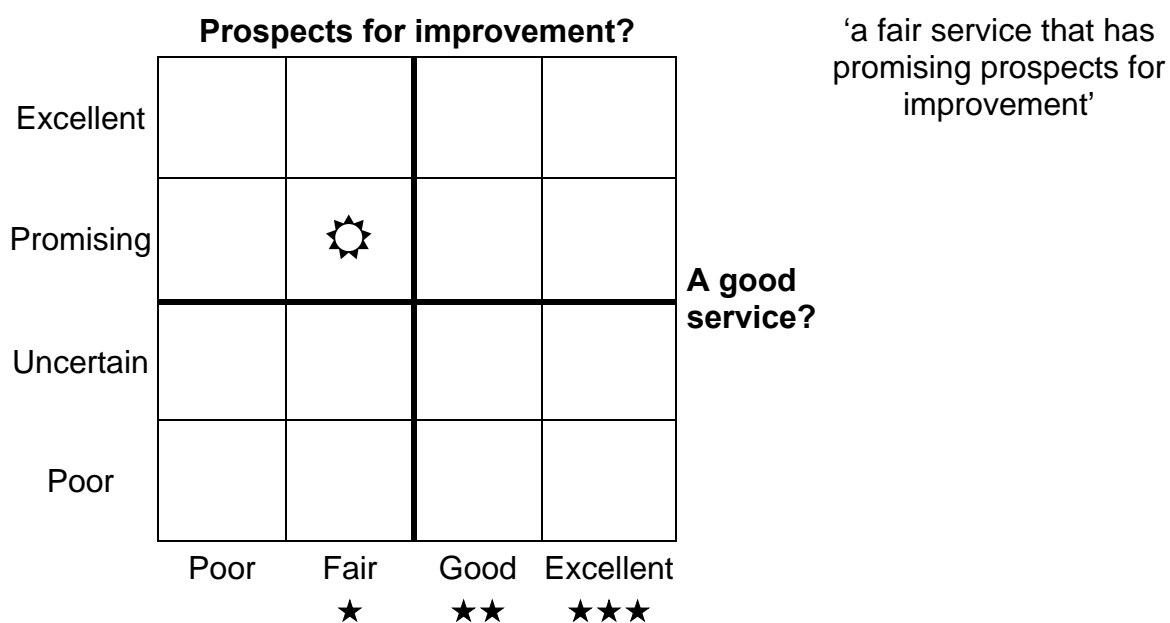
Summary

- 1 Wolverhampton City Council is a metropolitan Council in the West Midlands. The population of the area is 239,400 living in 103,000 households. Twenty-two per cent of the population are from minority ethnic communities and over 60 languages are spoken. Unemployment is above the national and regional average and life expectancy is in the lowest 15 per cent in the country. The Council comprises 60 councillors in 20 wards with Labour in overall control, and employs just over 10,000 staff.
- 2 The Council established an Arms Length Management Organisation (ALMO) called Wolverhampton Homes (WHL) with effect from the 1 October 2005. The ALMO has delegated responsibility for providing housing management and maintenance services, receiving a management fee for this service of £33.835 million for 2006/07. It manages the Council's capital budget for stock investment which is £11 million budget for 2006/07. It employs approximately 800 staff to deliver the service.
- 3 In October 2005 Wolverhampton Homes took responsibility for 24,355 Council properties, including 1,623 leaseholders. The ALMO board consists of five councillors, five Independents and five tenants.

Scoring the service

- 4 We have assessed Wolverhampton Homes 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

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.

- 5 We have assessed Wolverhampton Homes as a 'fair 'one-star' service because:
- there is an emphasis on customer care, providing easy access to services, with arrangements to meet particular needs, and comprehensive and attractive information is readily available to customers;
 - there is a strong focus on equality and diversity as an organisational priority, and an effective strategic approach, supported by partnerships, to work towards meeting the diverse needs of the community;
 - programmes of work to improve tenants homes are generally well managed and the budget is consistently spent;
 - there are effective systems for tenants to report repairs, and improved working arrangements are resulting in high levels of tenant satisfaction;
 - there is strong performance in carrying out annual gas servicing with a 100 per cent completion rate in 2005/06;
 - customers are offered a range of ways to pay their rent, there are effective procedures for recovering arrears which are based on a preventative approach. Performance in collecting the rent is strong and compares favourably to other social housing providers;
 - there is a strong structure for resident involvement with residents clearly able to influence services;
 - there is a comprehensive approach to addressing anti-social behaviour using both preventative and enforcement activities, supported by effective partnership working;
 - there is effective support for vulnerable tenants to maintain their tenancies;
 - there is a proactive approach to estate management with effective use of inspections, and a responsive service offered by caretakers and concierges, resulting in many estates being well kept;
 - empty properties are let in accordance with the agreed standard and there are initiatives to let properties more quickly and ensure they are returned from the out going tenant in good order;
 - leaseholders are provided with clear information, receive an efficient service in relation to their service charges and are involved in determining and improving the services they receive; and
 - achieving value for money is a clear organisational priority and some key service areas have been tackled resulting in significant efficiency gains.

6 However, there are a number of weaknesses that need to be addressed including:

- the ability to deal satisfactorily with customer enquiries at the first point of contact is limited, and the monitoring of service standards and customer feedback is not yet sufficiently developed to effectively assess satisfaction levels and drive service improvements;
- two offices do not comply with the disability discrimination act (DDA);
- the information on the customer profile, and the monitoring of services by diversity, is not sufficiently comprehensive to demonstrate that services are provided equitably, or to allow services to be tailored in a systematic way to meet the needs of vulnerable customers;
- stock investment is not delivered within a strategic framework that ensures resources are effectively co-ordinated and targeted, and programmes are not focused on reaching the decent homes target;
- performance in completing jobs in priority times is weak in comparison to others and there is a lack of comprehensive analysis of the factors affecting performance to identify where improvements can be made;
- empty properties take a long time to repair and let;
- joint work arrangements between Wolverhampton Homes and the Council are not providing an effective aids and adaptations service to vulnerable customers;
- referral arrangements for money and debt advice are not robust and Wolverhampton Homes cannot assess how effective these are in contributing towards arrears recovery;
- inconsistencies in dealing with anti-social behaviour cases is resulting in customers receiving variable levels of service;
- initiatives and development work to widen representation and increase engagement with the wider tenant base are not yet resulting in tangible outcomes;
- estates are not consistently maintained with some areas having unsatisfactory standards of grounds maintenance, with litter and disrepair offering a poor environment for local residents;
- the allocation of homes is confusing for customers, with a complex points system operating alongside a choice based lettings scheme, and the current arrangements hinder the effective delivery of the service; and
- Wolverhampton Homes cannot demonstrate that it delivers value for money across all its services and procurement has not been effectively used, particularly in the repairs and maintenance service, to achieve services that reflect best value for customers.

- 7 We have assessed Wolverhampton Homes as having promising prospects for improvement because:
- Wolverhampton Homes can demonstrate a track record in improving services and performance;
 - there is effective improvement planning which can demonstrate continuous improvement;
 - there is a clear vision for the organisation supported by a sound performance management framework to deliver this;
 - there is robust financial planning which ensures that the resources available are effectively used to achieve priorities; and
 - the capacity of the organisation to deliver improvement is well supported through human resource planning and developing staff through training.
- 8 However, we identified the following barriers to improvement:
- improvement actions have not been consistently delivered;
 - some key performance information is not captured to enable progress to be effectively monitored and performance managed;
 - IT systems are not effectively supporting the delivery of improved services;
 - the capacity to deliver change is limited in some areas; and
 - there is uncertainty around the level of resources available from the Council to enable Wolverhampton Homes to effectively deliver improved services.

Recommendations

- 9 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 organisation shares the findings of this report with the ALMO Board, the local authority and customers; and takes action to address all weaknesses identified in the report. The inspection team makes the following recommendations.

Recommendations for Wolverhampton Homes

Recommendation

R1 Strengthen the focus on customers by:

- *ensuring that at the first point of contact customers receive consistent advice and information in response to their enquiries;*
- *implementing comprehensive monitoring of service standards, reporting the outcomes to customers and appropriate management teams, and using the information to identify service improvements;*
- *increasing the systematic collection of customer feedback and using the information to improve services;*
- *increasing the information about the customer profile so that it is sufficiently comprehensive to allow services to be tailored in a systematic way to meet the needs of vulnerable customers;*
- *monitoring services comprehensively by diversity to demonstrate that all services are provided equitably;*
- *developing the joint arrangements with the Council to deliver a timely and appropriate aids and adaptations service to vulnerable customers;*
- *increasing access to money and debt advice for customers experiencing financial difficulties and monitoring the outcomes of any arrangements to assess the impact for the customer and for Wolverhampton Homes;*
- *ensuring that tenancy management policies and procedures are consistently implemented; and*
- *developing initiatives and projects, that can demonstrate tangible outcomes, to increase wider customer involvement in delivering and improving services.*

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.

The expected benefits of this recommendation are:

- improved customer care with consistent levels of service which are responsive to customer needs;
- services that are continually developing as a result of customer feedback; and
- maximisation of income for customers and Wolverhampton Homes as a result of improved money advice.

The implementation of this recommendation will have high impact with low costs. This should be implemented by December 2006.

Recommendation

R2 Strengthen the strategic approach in key areas by:

- *developing an asset management strategy that ensures resources for stock investment are effectively co-ordinated and targeted, and sets out how the decent homes target will be achieved;*
- *developing a value for money strategy that maximises the opportunities for delivering value for money through a comprehensive and co-ordinated approach; and*
- *developing a procurement strategy that determines how Wolverhampton Homes procures goods and services, delivering value for money and increasing the capacity of the organisation through effective procurement decisions.*

The expected benefits of this recommendation are:

- services will be more effectively delivered through a sound strategic framework, enabling clear decisions to be taken in a co-ordinated manner.

The implementation of this recommendation will have high impact with low costs. This should be implemented by December 2006.

Recommendation

R3 Strengthen and sustain performance in key service areas aiming to achieve top quartile by:

- *improving the performance in the responsive repairs service, including the level of appointments offered and the number of repairs completed within priority times;*
- *reducing the length of time it takes to repair and re-let empty properties, including major repair voids; and*
- *comprehensively analysing the factors that underlie performance and identifying actions to address these.*

The expected benefits of this recommendation are:

- tenants will receive a reliable repairs service with repairs completed quickly; and
- income will be increased by minimising the loss of rental due to properties remaining empty.

The implementation of this recommendation will have high impact with low costs. This should be implemented by December 2006.

Recommendation

R4 Deliver a consistent estate management service so that estates are managed and maintained to the same standard by:

- *ensuring that estate inspections are carried out to the same quality standards; and*
- *improving monitoring arrangements to identify issues that detract from the environment of a housing area and take quick action to address these so that all housing areas are well kept.*

The expected benefits of this recommendation are:

- all residents will live in areas that are well maintained and managed, and can expect the same standard of service irrespective of where they reside.

The implementation of this recommendation will have high impact with low costs. This should be implemented by December 2006.

Recommendation

R5 Take action to deliver and demonstrate value for money across all services, integrating it into working practices by:

- *collecting robust information on the costs of services and using this information to identify where improvements can be made, developing actions to deliver these;*
- *setting clear targets for achieving value for money in different service areas and establishing monitoring arrangements to assess progress; and*
- *using procurement effectively to secure value for money.*

The expected benefits of this recommendation are:

- customers will receive services that represent value for money;
- efficiency savings which can be re-invested in frontline service delivery; and
- progress in achieving value for money can be clearly demonstrated,

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

Recommendation

R6 Strengthen performance management by:

- *identifying the performance information needed for all key service areas, including progress in meeting decent homes and value for money, and include this as part of the existing suite of performance indicators so that progress can be monitored in all areas of activities.*

The expected benefits of this recommendation are:

- more effective management of services by managers and the Board; and
- increased ability to identify and implement options for improvement.

The implementation of this recommendation will have high impact with low costs. This should be implemented by December 2006.

Recommendation

R7 Strengthen the capacity of the organisation to deliver improvement by:

- *identifying where people and skills gaps exist within the organisation and seeking to meet these through training and other human resource policies; and*
- *developing an IT strategy, with a timetable for implementation, that delivers a system which meets business needs and increases capacity by more effective and efficient working.*

The expected benefits of this recommendation are:

- Wolverhampton Homes will have the appropriate staff capacity to deliver and sustain significant improvements in services; and
- the organisation will be appropriately supported by IT in delivering its services.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by March 2007.

Recommendations for Wolverhampton City Council

Recommendation

R8 Strengthen the focus on customers by:

- *improving and effectively co-ordinating the delivery of the aids and adaptation service with Wolverhampton Homes to deliver an efficient and timely service for tenants; and*
- *taking action to address identified weaknesses in the allocations scheme, and in liaison with Wolverhampton Homes, agreeing and introducing a revised scheme.*

The expected benefits of this recommendation are:

- vulnerable tenants will receive a service that meets their needs; and
- customers' will understand how homes are allocated and housing need is prioritised.

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

Recommendation

R9 Strengthen the focus on meeting the Decent Homes Standard by:

- *clearly identifying the capital resources directed into achieving decent homes as part of regeneration projects and the outcomes this delivers; and*
- *ensuring that capital works carried out through the regeneration service are clearly linked into Wolverhampton Homes asset management strategy, and that programmes are effectively co-ordinated to maximise the impact of the resources available.*

The expected benefits of this recommendation are:

- resources for achieving the Decent Homes Standard are effectively targeted.

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

Recommendation

R10 Minimise the financial uncertainties in the relationship between the council and Wolverhampton Homes by:

- *taking actions to remove, as far as possible, the uncertainty around the resources to be made available by the Council for Wolverhampton Homes, to deliver the services required under the management agreement, and the investment programme to improve the stock.*

The expected benefits of this recommendation are:

- Wolverhampton Homes will be better placed to effectively plan improved services, and take stock investment decisions, within a more secure financial framework.

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

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

Dates of inspection: 4 May to 19 May 2006.

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Report

Context

The locality

- 11 Wolverhampton City Council is a metropolitan Council in the West Midlands. The population of the area is 239,400 living in 103,000 households. Twenty per cent of the population are aged 15 years or below, 63 per cent are aged 16 to 64, and 17 per cent are aged 65 years and over. Future projections are of an ageing population with the proportion of those aged 65 plus to rise by 15 per cent by 2017, and the proportion aged 16 to 64 years projected to fall by around 11 per cent over the same time period.
- 12 Twenty-four per cent of the population are from minority ethnic communities and over 60 languages are spoken. The largest minority ethnic communities are Indian at 12 per cent and Black Caribbean at 4 per cent. The city has an above average level of non-Christian religions; 13.6 per cent of the population compared with 5.5 per cent for England and Wales. Sikhs make up 7.6 per cent of the population, the fourth largest Sikh community in England and Wales.
- 13 Wolverhampton is a principal manufacturing centre. Although jobs in the manufacturing sector have been declining in Wolverhampton, this sector still accounts for 21.9 per cent of the labour market. The average gross weekly pay for a full-time Wolverhampton worker is £434.14, which is above the average wage of £427.28 for the West Midlands but below the national wage of £464.75. Unemployment is above the national and regional average and life expectancy is in the lowest 15 per cent in the country.
- 14 Eighty-five neighbourhoods make up the city, with relative areas of affluence sitting alongside pockets of deprivation. There are 29 priority neighbourhoods. The authority is ranked 40th out of 354 authorities in the Indices of Deprivation 2004. Over 50 per cent of Council housing falls below the Government's Decent Homes Standard.

The organisation

- 15 The Council comprises 60 councillors in 20 wards with Labour in overall control. Currently, a Leader and Cabinet of nine Portfolio Holders govern the business of the Council. The Cabinet is divided into five cabinet teams each with a scrutiny committee. In addition, there is a scrutiny board and a health scrutiny panel.
- 16 The Council's overall general fund budget for the year 2005/06 is over £300 million. The housing revenue account budget was about £65 million and the capital budget for housing was £35 million. The Council employs just over 10,000 staff.

- 17 Wolverhampton City Council and the local strategic partnership (LSP) are a local area agreement (LAA) pilot area. Under the Audit Commission's Comprehensive Performance Assessment (CPA) Wolverhampton has progressed from a weak Council in 2003 to a three-star Council which is progressing well by 2005.

The service

- 18 The Council established an Arms Length Management Organisation (ALMO) called Wolverhampton Homes (WHL) with effect from the 1 October 2005. The ALMO has delegated responsibility for providing housing management and maintenance services, receiving a management fee for this service of £33.835 million for 2006/2007. It manages the Council's capital budget for stock investment which is £11 million budget for 2006/07. It employs approximately 800 staff to deliver the service.
- 19 In October 2005 Wolverhampton Homes took responsibility for 24,355 Council properties, including 1,623 leaseholders. Within this there are 16 sheltered schemes providing 580 flats and bungalows. The warden service responsible for providing housing support to these properties is delivered by the Council.
- 20 The ALMO board consists of five councillors, five Independents and five tenants.
- 21 The functions delegated to are set out in their section 27 application and can be summarised as:
- stock investment decisions and repairs ordering;
 - rent collection, dealing with arrears, debt counselling;
 - consulting and informing tenants on matters which are the ALMO's responsibility;
 - promoting tenant participation, including involving tenants in monitoring and reviewing service standards;
 - enforcement of tenancy conditions;
 - similar functions for leaseholders;
 - managing lettings, voids and under-occupation;
 - estate management, caretaking and housing related support services under the Supporting People programme.
- 22 The functions retained by the Council include:
- overall housing strategy and enabling;
 - determining policies on lettings and anti-social behaviour (in consultation with the ALMO) and rents;
 - managing the Supporting People programme, including the warden service for sheltered housing; and
 - homelessness and general housing advice.

- 23 We have carried out two previous housing inspections at Wolverhampton. In May 2002 the Rents, Repairs and Re-lettings services received an overall score of 'fair' (one-star) with uncertain prospects for improvement. In 2004, the repairs service received a 'fair' score with promising prospects.
- 24 If the standards of Wolverhampton Homes meet government criteria, the Council will receive supported borrowing of £42.2 million initially, and be allowed to seek up to a total of £288.2 million if the ALMO progresses well.

How good is the service?

What has the service aimed to achieve?

- 25** The Council's vision is that by 2010 the city will comprise of successful and sustainable communities and neighbourhoods where people want to live. The Vision of Wolverhampton Homes is: *'Decent Homes, People Focused, Quality Services'*.
- 26** To achieve this vision Wolverhampton Homes aims to:
- be a good landlord and employer of choice;
 - deliver on our promises to customers;
 - ensure all customers receive a service appropriate to their needs;
 - improve the quality and condition of Council homes throughout Wolverhampton;
 - challenge the way we do things to achieve value for money;
 - support and sustain communities so they are safe and desirable;
 - learn from the past and improve for the future;
 - be recognised as a top performing and innovative ALMO;
 - be inclusive, open and accountable; and
 - work in partnership with Wolverhampton City Council to recognise and support its wider corporate objectives.
- 27** The results of the initial risk assessment process undertaken identified the following ten key priorities which became the focus for the initial 2005/06 Wolverhampton Homes Delivery Plan. These are business planning, staff morale, customer service, value for money, repairs performance, procurement of Decent Homes, addressing identified problems, communication, governance of Wolverhampton Homes and focus on inspection process.

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

Access and customer care

- 28** This service displays a balance of strengths and weaknesses. Wolverhampton Homes has a clear focus on customer access and care and has identified this as a significant area for investment. Customers can access services easily and this is supported by a range of attractive leaflets and other information. Service standards have been developed with tenants and customer feedback and complaints are actively sought and acted on. However, customer enquiries are not dealt with consistently, monitoring of service standards is not yet demonstrating outcomes and customer feedback is not systematically used to drive service improvement.
- 29** Customers have easy access to services in person through a network of 16 area offices and a number of surgeries. Wolverhampton Homes has reviewed usage of the area offices and, following consultation with customers, has changed office opening hours. Opening times have been extended to Saturday mornings and one evening a week at the two main offices in Bilston and Wednesfield, and the other offices have been twinned to ensure one is always open during working hours on weekdays. This replaces the system where some offices were closed during lunch times or for some afternoons. Usage of the offices is being monitored and an assessment of the impact of the new arrangements is being carried out in June. The offices on the whole, provide a welcoming environment for customers but facilities are limited in some
- 30** Telephone access to services is satisfactory but lacks some customer focus. There are separate telephone numbers for the area offices which means that customers may need to ring different numbers depending on their enquiry. Telephone answering at area offices cannot be effectively monitored as there is no call monitoring system and has relied on checks by managers or customer feedback. IT systems have recently been enhanced to produce this information in future but it is not available historically. However, our experience during mystery shopping was that telephones were answered quickly, normally within three rings. Customers reporting repairs receive an effective service through the Repairs Reception Service. Call monitoring systems for this service are in place, which shows that about 90 per cent of calls are answered in 30 seconds, and very few calls, about one per cent, are abandoned before reaching an operator.
- 31** Wolverhampton Homes has an attractive website which is easy to use. A number of services are offered online such as rent payment and reporting repairs. Some of these rely on the email system and which operates satisfactorily.

- 32 Wolverhampton Homes has a clear focus on customer care and has redirected resources to support this. The number of customer services officers has been increased and a comprehensive training programme has been provided. A useful 'frequently asked questions' guide has been developed to help customer services officers deal with enquiries. However, the ability to deal with customer enquiries and concerns at the first point of contact is variable. The STATUS survey carried out in November 2005 identified that 21 percent of customers felt that staff did not deal with their enquiry in a satisfactory way and that 30 per cent were dissatisfied with the outcome of their contact. A tracking survey carried out in March 2006 to assess progress shows that these particular issues still remain. Our mystery shopping to test the service across a range of enquires also showed inconsistencies in the advice and information given.
- 33 Wolverhampton Homes has recognised the issues it needs to address, and that significant change is required to deliver a more customer-focused service. The Board has taken an in principle decision to reduce area offices and change the way telephone call handling is dealt with. Investment has been agreed and a comprehensive review of how services are to be delivered in future starts in June 2006. The intention is to fundamentally change how Wolverhampton Homes interacts with its customers.
- 34 Wolverhampton Homes has established its own identity and developed, under its own logo, a range of attractive and informative leaflets for customers. These include service standards for most services developed with customers, which will be publicised in the tenant newsletters. The Tenants Handbook has been revised in consultation with customers, a Leaseholders Handbook has been developed and a welcome pack for new tenants introduced. Monitoring arrangements for service standards are in place as local performance indicators, but in some cases these rely on manual collection of information which is time intensive. However, the standards are only recently developed and it is too early to demonstrate the effectiveness and outcomes of monitoring.
- 35 Information and advice leaflets are available in the area offices but these are not distributed as effectively as they could be. Sheltered schemes have very little information on display about the services on offer from Wolverhampton Homes. This is also the case in high rise schemes which have a concierge service, where notice boards and the office facilities are not effectively used to promote services and provide information. This is missing an opportunity to enable customers to know about the services available from Wolverhampton Homes and the standards they can expect.
- 36 There are a number of arrangements to ensure that services are accessible to customers with particular needs but not all offices are Disability Discrimination Act (DDA) compliant. An assessment of the offices has been carried out which shows that two offices are not DDA compliant because there is no wheelchair access, and steps and a steep ramp also make it difficult for people with mobility problems, or parents with pushchairs. Three other offices are accessible in the reception areas for customers but not throughout the remainder of the offices for employees.

- 37 Wolverhampton Homes encourages access to information for customers who do not have English as their first language. Interpretation and translation services are provided by Wolverhampton Homes' own staff or through external agencies. Straplines in the community languages and other formats are included in a number of leaflets, but not consistently in all. An exercise is planned to audit information available to customers and ensure straplines appear in a consistent format. However, we found Wolverhampton Homes to be proactive in some areas. The front cover of the Tenants Handbook contains references in Braille and information requested in Braille or large print is provided quickly. Also a number of documents can be downloaded in different community languages and given to the customer at the point of enquiry, providing a quick and effective service.
- 38 Customer feedback is not yet being systematically used to drive service improvements. Wolverhampton Homes is active in seeking customer feedback on its services and takes action in response to this. Customer feedback is gathered in a number of ways through one off surveys, such as STATUS, specific service surveys such as repairs and new tenants, and through various tenant group meetings including the Tenant Action Groups. To strengthen the feedback obtained at tenants' meetings a feedback form has been introduced for tenants to complete, to enable the information to be gathered in a more formal way.
- 39 The main source of customer feedback is gathered through satisfaction surveys following the receipt of services. The effectiveness of these is currently hindered by low response rates. In addition, some surveys have only been recently introduced and are therefore not yet producing useful information. There is also some inconsistency in the way that surveys are carried out and reported on, dependant on whether it is a central or local responsibility. Where response rates are poor action is taken to address this. In the case of responsive repairs the form was changed, pre-paid postage provided and the surveys left by the operative rather than posted out. This is resulting in an improved response rate although this still remains low. Feedback on the repairs service is also gathered through telephone surveys carried out by the Repairs Reception Service.
- 40 Customer feedback is used to improve services, although this is not systematic across all areas. The feedback is discussed at Performance Officers meetings and any improvement actions identified. The results are reported to Tenant Action Groups, various management teams and improvement groups, the Senior Management Team and the Board. To strengthen this area of work and ensure that outcomes from customer feedback are maximised, staff resources have been refocused and a data base is being developed to capture all feedback from whatever source. This will allow themes from feedback to be identified and addressed in a more systematic way.
- 41 Customer surveys indicate that satisfaction is generally high. The STATUS survey in November 2005, shortly after Wolverhampton Homes 'went live', showed overall satisfaction with the service had fallen from 71 to 65 per cent. The tracking survey in March 2006 showed an increase to 75 per cent. Our inspection work also supported this upward trend in satisfaction.

- 42 There is an effective customer complaints system which is used to feed into service improvements. Wolverhampton Homes has introduced a revised complaints and compliments procedure, which includes financial compensation. This has resulted in complaints being dealt with quickly, with robust time targets in place and the emphasis on resolving them at the first point of contact. If complaints escalate into the next stages of the process complainants have the opportunity to have their complaint considered by the Appeals Tenants Action Group. Tenants on this group have been trained by the Local Government Ombudsman to enable them to do this. Satisfaction surveys for stage two complaints have recently started and will be extended to include stage 1. Informal complaints are encouraged through feedback and comment slips and these are dealt with in same way as stage one formal complaints.
- 43 Wolverhampton Homes learns from complaints and uses them to identify service improvements. There is a monthly complaints newsletter which is circulated for staff, although the information is not published for customers. Performance on complaints is regularly reported to the Board.

Diversity

- 44 This service displays a balance of strengths and weaknesses. The information on the customer profile is not comprehensive, and monitoring of services by diversity is not sufficiently wide-ranging to demonstrate that services are provided equitably, or to develop tailored services to meet vulnerable needs. However, there is a strong corporate focus on equalities and diversity and a clear strategy to move the service forward. External challenge and partnership working are effectively used to improve services and there are many examples of Wolverhampton Homes providing an effective response to meeting the needs of individual customers.
- 45 Information on the customer profile is not comprehensive, although Wolverhampton Homes is actively seeking to increase the information it holds. Information on age, gender, ethnicity and disability is held on existing IT systems but this is not complete, and Wolverhampton Homes is aware that there are a number of inaccuracies. Survey exercises have been carried out to increase, verify and update the records. This has resulted in accurate information being available for 35 per cent of customers. A survey exercise is carried out annually to continue to increase the accuracy of the records. A vulnerability check list has been introduced for new tenants and this information is added to the data base so that profile information remains updated. The information held has recently been extended to include the type of disability and two more ethnic groups.
- 46 Wolverhampton Homes makes good use of information from a range of sources to inform its policies and actions. The BME (black and minority ethnic) survey in 2004, carried out by the Council's landlord services division, and work with ACOV (All Cultures One Voice) has helped in determining how information can best be presented. For example, it helped inform the decision to produce a DVD to inform tenants about the Decent Homes Standard. The DVD can be seen in different languages and tenants told us that it had also reached people who have difficulty with written material.

- 47 Census information is also used and has been broken down to produce local area profiles. Managers are expected to use this when carrying out impact assessments, which are required for all policies and procedures. Wolverhampton Homes has also extended its community languages from five to seven in response to information becoming available on the communities living in Wolverhampton.
- 48 Wolverhampton Homes has a strong focus on equalities and diversity with a high profile being given in corporate documents and plans, and through the appointment of a Board Member as champion. There is a comprehensive Equalities and Diversity Strategy which has been developed in a consultative manner around key themes such as access to services and leadership. Individual managers took responsibility for developing each of the themes. External challenge is brought to the strategy and diversity work more generally, through the Equalities and Diversity Strategy Group, made up of officers, residents and stakeholders. This group is responsible for monitoring progress against the strategy. Further challenge is brought by the Equalities Circle Forum which includes representatives from ACOV and BME organisations. The role of this group is being extended to act as champions and offer support to managers to deliver improvements. However, equalities and diversity is not included as a key competency in the recently revised staff appraisal scheme, which means that Wolverhampton Homes is missing the opportunity to embed into the organisation one of its key priorities.
- 49 Wolverhampton Homes works with community organisations to increase access to Wolverhampton Homes' services. Information about Wolverhampton Homes is displayed in community organisations' offices, and surgeries are held in some locations to encourage take up of services from groups who otherwise may not readily access them. However, take up of this service is not monitored so Wolverhampton Homes does not know how effective its approach is.
- 50 Equalities and diversity training is mandatory and has been provided for staff for a number of years. In 2005/06 training focused on operatives, staff in asset management and new staff. About 350 members of staff received training which was facilitated by an external provider. A rolling programme of generic equalities training has been agreed. The Board has also received training on equalities and diversity. This emphasis on training reflects Wolverhampton Homes' commitment to diversity.

- 51 The profile of staff does not reflect the community. The census shows that about 24 per cent of the population of Wolverhampton are from BME communities, whereas it is 15 per cent overall for the staff of Wolverhampton Homes. The figure is low due to a lack of representation in the in-house work force, where only nine percent of operatives are from BME communities. There is also a gender imbalance in the work force with no female operatives employed. Wolverhampton Homes is seeking to address this through work with the unions and by increasing representation through future apprenticeship schemes. Improvement targets have been set for ethnicity, gender, age and disability, and these are reported to the Equality and Diversity Strategy Group, the Senior Management team and in future will be presented to the Board. There is also benchmarking arrangements with the Council and a neighbouring ALMO to compare progress with one another. By increasing the representation in the workforce Wolverhampton Homes will reinforce its commitment to diversity and be better able to develop services to meet the needs of local communities.
- 52 The profile of the Board is broadly representative of the communities of Wolverhampton, with a mix of gender and ethnicity as well as a reasonable age range. The Board recognises the importance of understanding the impact on diversity from any decisions it makes which reinforces the strong corporate approach.
- 53 Wolverhampton Homes seeks to tailor services to meet specific needs and the needs of vulnerable customers, although this is largely on a reactive basis. The customer profile information that is held cannot be easily shared across the organisation as the IT system only has limited capacity to allow any flagging of vulnerability. The information is held in the system but on a stand alone basis which needs to be proactively accessed. This means it is not used in a systematic way to determine and offer services to meet vulnerable needs.
- 54 Nevertheless, we found a number of examples where Wolverhampton Homes responds to meeting particular needs. These include fitting lever taps for older tenants, providing extension handles on gas fires, altering a bathroom layout to meet religious requirements, and helping people with visual impairment to complete forms. However, there are limited policies covering this area which means the service offered depends on individual members of staff. While this enables a responsive service, there is a risk that vulnerable customers are dealt with inconsistently.

- 55 The monitoring of services by ethnicity and other diverse needs is not comprehensive and Wolverhampton Homes cannot therefore demonstrate that all its services are provided equitably. Wolverhampton Homes assesses itself as complying with the Commission for Racial Equality Code of Guidance in Rented Housing. It reports performance against this to the Board on an annual basis. Ethnic monitoring for allocations is robust and is used to highlight any issues, but there is little ethnic monitoring for repairs and rent collection. Some satisfaction surveys include diversity monitoring, although only about 50 per cent of respondents complete this. Satisfaction surveys following capital works do not include monitoring information. This inconsistent monitoring of services undermines Wolverhampton Homes' commitment to diversity and prevents the effective development of services to meet diverse needs.
- 56 Aids and adaptations to vulnerable customers' homes are not carried out quickly and effectively and the joint working between the Council and Wolverhampton is not resulting in positive outcomes for customers. The responsibility for this service rests primarily with the Council, with Wolverhampton Homes carrying out a proportion of the work. However, the lack of information, long waiting times and the apparent duplication of roles for some aspects, means the service is not meeting customers' needs in an effective way.
- 57 Satisfaction surveys for this service are not routinely carried out, and there are no arrangements in place to gather the views of those on the waiting list. A one off survey has recently been carried out for those customers who have received a completed service. The survey showed generally high satisfaction levels from a response rate of 50 per cent. However, the survey also highlighted that there was little take up of the service by BME communities. Of the respondents who completed the diversity monitoring information, none were from the BME customers which suggest there are issues with access to the service for BME communities. Wolverhampton Homes is seeking to address this with the Council
- 58 Wolverhampton Homes provides an effective response to dealing with racial harassment cases with partnership working through the Wolverhampton Partnership against Racial Harassment. Members of the partnership meet with officers of Wolverhampton Homes every six weeks to consider the cases reported, and develop a multi-agency approach in appropriate cases. A wider membership of the Partnership meets quarterly to address city-wide issues in a more strategic way. The racial harassment policy and procedure is dated and Wolverhampton Homes has drafted a broader anti-harassment policy which is currently out for consultation.
- 59 Wolverhampton Homes is not delivering a consistent response to domestic violence. A domestic violence policy has only recently been developed and is currently out for consultation. In the absence of this the response to customers suffering domestic violence is dependent on the officer dealing with it. We carried out some mystery shopping around domestic violence and found an inconsistent response in the advice and information offered. Wolverhampton is progressing the policy as a priority and intends to link it to a training programme for staff.

- 60 There are sound procedures in place to ensure that the contractors used by Wolverhampton Homes have appropriate diversity policies in place. Wolverhampton Homes, along with five councils in the West Midlands, have developed a checklist for contractors and suppliers to use to demonstrate that they comply with Commission for Racial Equality Guide for Race Equality and Procurement in Local Government, and also the Common Standard for Equalities in Public Procurement set by the West Midlands Forum.

Stock investment and asset management

Capital improvement, planned and cyclical maintenance, major repair works

- 61 Weaknesses outweigh strengths in this service area. Stock investment is not set within the strategic framework of an asset management strategy and therefore Wolverhampton Homes cannot demonstrate that its resources are co-ordinated and effectively targeted on carrying out the right maintenance and improvement work to the right homes at the right time. There has been a limited focus on meeting the national and local priority of the Decent Homes Standard and the current capital programme is insufficient to make any significant progress. However, residents are involved in influencing the service, there has been consistent spend against budget, and generally programmes of work are well managed. There is some evidence of expenditure being moved from responsive repairs work to more cost effective planned works but this is limited.
- 62 Wolverhampton Homes does not have a fully developed asset management strategy to ensure that current and future expenditure is most effectively targeted on meeting national and local priorities. This means that decisions are not set within a comprehensive strategic framework. Effective investment planning has also been hindered by uncertainty over the level of capital resources provided by the Council for 2006/07. The amounts allocated by the Council to the capital programme for 2006/07 have varied over the last nine months from £8 million to £18 million. The programme was finally agreed at £11.185 million, a significant reduction on previous years. This undermines the ability of Wolverhampton Homes to set a framework for the effective use of existing resources.

- 63 Stock condition information is not fully comprehensive. There is recent stock condition data, based on a 14 per cent sample survey carried out by external consultants in 2004. The survey concluded that 52 per cent of homes failed the Decent Homes Standard. The information from the survey has been added to, using local knowledge and existing stock condition information, to establish the proportions of properties with multiple failures in different areas of the city. On the basis of this, and following consultation with tenant representatives, it was agreed to develop the programmes to meet the Decent Homes Standard on the basis of 'worst first'. An investment plan to reflect this has been drafted. However, Wolverhampton Homes recognises that further stock condition information is needed to produce detailed work programmes and build up the stock condition data base. As part of the Decent Homes' programmes surveyors will visit and survey all properties to determine exactly the work required.
- 64 Arrangements are in place to deliver the extensive programmes of work through the ALMO funding. A comprehensive process, which involved tenant representatives from the start, has taken place to select three partners on the basis of quality and price to deliver the Decent Homes programmes. These arrangements are sufficiently robust to ensure that the substantially increased programmes will be deliverable.
- 65 The IT systems do not support effective asset management. There is no current integrated system incorporating stock condition data, planned maintenance, responsive repairs and voids work that captures the up to date position across all the housing stock. Wolverhampton Homes is therefore unable to provide an up to date analysis of failure rates against the individual criteria contained within the decent homes standard. This limits the effectiveness of existing and future plans to target resources most effectively and track progress in meeting the Decent Homes Standard.
- 66 Programmes of work are not making significant progress in targeting the Decent Homes Standard. For example, at 31 March 2005, 52 per cent of dwellings failed to meet the Decent Homes Standard. At the 31 March 2006 this had increased to 53 per cent. The capital programme for 2006/07 is reduced by about £7 million, which severely limits the ability to carry out Decent Homes programmes. The programme has been reduced as a result of pressures on the Council's 2005/06 programme, when there was a shortfall of funding to meet existing commitments. Money was borrowed as a short-term measure to honour the programme in 2005/06, but the impact has been to reduce the programme in 2006/07 to pay back the loan.

- 67 Wolverhampton Homes is not using the resources that have been allocated to focus on achieving decent homes. Faced with reduced resources, Wolverhampton Homes has prioritised current contractual arrangements, which has meant that resources are not following the priority of meeting decent homes. For example, although reduced, it is maintaining a substantial window replacement programme. Although the window programme is popular with tenants, and the Council made promises in 1996 to replace all windows, priorities have changed since this time. The boiler replacement programme for 2006/07 has been reduced, despite ineffective heating systems being an area contributing significantly to Decent Homes failure rates, and high levels of responsive repairs on heating systems. Similarly, investment in maintaining the external fabric of buildings has also been reduced, despite substantial numbers of properties failing the Decent Homes Standard due to poor condition of roofs, walls and structural items. Wolverhampton Homes has made plans to review the capital programme to assess relative priorities if the ALMO funding is not secured but in the meantime progress is not being made in meeting the Decent Homes Standard.
- 68 However, it is positive that Wolverhampton Homes has carried out a risk-based assessment of other elements of the capital programme to determine whether expenditure is necessary and appropriate. This work has focused on issues like high rise fire safety and lift maintenance work. Wolverhampton Homes has determined the level of expenditure necessary to maintain these areas, and taken a decision to maintain programmes to ensure that key areas relating to the safety of tenants will be maintained. As a consequence, and within the context of an overall substantial reduction in the capital programme, the amount of available resources for investment in decent homes work has been reduced.
- 69 Wolverhampton Homes and the Council have been effective in ensuring that the allocated budget for capital works is fully spent. There has been a consistently high spend against the capital budget in recent years and in 2005/06 spend against the capital programme was £17.595 million against a budget of £17.713 million
- 70 There are some weaknesses in the co-ordination of the capital programme between Wolverhampton Homes and the Council. Some work to meet the Decent Homes Standard is carried out by the Council's regeneration service. The demolition programme has now ended and the focus is now on refurbishment as a means to increase the sustainability of areas. Where this involves Council owned properties the work carried out contributes to meeting the Decent Homes Standard. The high rise blocks at Graislely Court are currently receiving new heating systems, kitchens and bathrooms. However, it is not clear how much of the Council's retained capital programme is delivering decent homes, nor the level of investment involved.

- 71 There is also a lack of co-ordination between the Regeneration Service and Wolverhampton Homes and the stock condition data base is not being updated following work. This impacts on an operational as well as a strategic level. For example, girder doors are being fitted as part of a regeneration programme in a particular area but this information has not been received by those responsible for carrying out responsive repairs. Operatives are therefore responding to repairs without necessarily knowing what doors have been fitted.
- 72 Tenants are able to influence aspects of the capital programme, and the repairs service more generally. Tenants, through the various tenant action groups and other bodies, have influenced decisions as to what should be included in the Decent Homes Standard, such as the provision of showers during bathroom modernisations and the quality of kitchen and bathroom fittings. They have also been involved in materials specification, which has led to the use of higher standard products. Tenants are included in the selection process for some contractors, for example the selection of the new heating contractor.
- 73 The involvement of tenants at a strategic level is more limited. Tenant representatives were part of the decision to take the 'worst first' approach in developing the investment programmes to meet the Decent Homes Standard. However, there is less involvement in determining the respective priorities within the programme. The Tenant and Leaseholder Strategic Consultative Committee has been strengthened to enable a more strategic focus to be developed.
- 74 More extensive consultation with tenants over the planned improvements to their homes is taking place through the Decent Homes Trailer. This travels around the city showing what will be on offer through the Decent Homes programmes, and the sorts of choices tenants will have. Feedback from tenants is captured to inform future decisions. However, choice for tenants within current programmes of work is limited. For example, if a home requires a kitchen replacement there is no choice available in terms of units. This means tenants have little control over the way their home looks, and represents a weak approach to customer care.
- 75 Effective cyclical arrangements to maintain the external fabric of properties are not in place. There is a small revenue funded programme of work on external painting in 2006/07 of £150,000, with a further £150,000 available for communal painting, and some painting is carried out as part of the broader External Improvement Programme. However, this is very limited and unlikely to keep pace with deterioration. This means that external elements will be deteriorating more rapidly and adding to the burden of responsive repairs needing to be undertaken, and so adding to maintenance costs.

- 76 Wolverhampton Homes is making some progress in moving work from responsive repairs to more effective planned maintenance programmes. For example, repair requests that are potentially more suited to being undertaken as part of a planned works programme are assessed by an Inspector who visits the property by appointment within five days. At this point the Inspector decides whether it should be carried out as a response repair or assigned to a programme with any remedial work carried out in the interim as a minor repair. About 900 repairs have been identified as being appropriate for planned works and 450 have been completed. However, this is not making any impact in increasing the level of planned to responsive works.
- 77 Best practice is not being achieved in the split between planned and responsive works, and is not showing any improvement. In 2004/05, 53.5 per cent of expenditure was on planned works with 46.5 per cent on responsive but this situation has deteriorated in 2005/06 with 48 per cent being planned and 52 per cent being responsive. This does not meet Audit Commission guideline recommendations and means that more resources are being put into short-term responsive repairs, than more cost effective long-term planned maintenance arrangements.
- 78 Effective contract management arrangements are in place, with good working relationships between Wolverhampton Homes, contractors and suppliers. The contract arrangements for heating are based on a partnering approach, with a good specification of materials, an information pack for tenants receiving the work, and the employment by the contractor of tenant liaison officers. Where heating systems are replaced insulation work is also carried out. However, there are not comprehensive key performance indicators across all contracts which limits the effectiveness of managing performance in a consistent and demonstrable way.
- 79 Wolverhampton Homes does not have a fuel poverty strategy in place or effective plans and measures to achieve energy efficiency. Although the SAP3 rating of dwellings is above average the absence of strategic plans to link issues around energy efficiency is a missed opportunity. There has been little inward investment in this area. This means that tenants are missing out on measures to improve the thermal efficiency and comfort of their homes and Wolverhampton Homes is not maximising resources available through external agents.
- 80 There is a sound approach to the identification and removal of asbestos. Wolverhampton Homes maintains a register of the location and condition of asbestos or presumed asbestos in its properties. It currently has information for about 12,000 properties and updates this regularly. There is an ongoing training and asbestos awareness programme for operatives and training for surveyors and technical staff to achieve recognised qualifications. There are effective procedures in place to remove asbestos.

³ SAP rating - this is the Standard Assessment Procedure which is the Government's recommended system for home energy rating. It is based on the calculated annual energy cost for space and water heating. The calculation assumes a standard occupancy pattern, derived from the measured floor and so that the size of a dwelling does not strongly affect the result, which is expressed on a 1 to 120 scale. The higher the number is, the better the energy efficiency of the dwelling.

- 81 However, there are weaknesses in the way that asbestos is managed in tenants' homes. Wolverhampton Homes does not systematically provide information on the location and condition of asbestos to anyone who is liable to work on or disturb it. The lettable standard does not make reference to asbestos, nor do job tickets issued to operatives and contractors. There is no information for tenants, other than in the handbook, and tenants are not told if there is asbestos in their home. These weaknesses in adequately addressing issues around the management of asbestos are present despite Wolverhampton Homes having a substantial in-house asbestos section and a commitment to address asbestos issues effectively.
- 82 There has been a pro-active corporate approach to the provision of smoke alarms in dwellings. Wolverhampton Homes has a database of which properties have been fitted with hard wired smoke detectors and which properties have been fitted with tamper proof lithium battery smoke alarms (with a ten-year life). Since 2002 the lithium battery smoke alarms have been fitted in around 14,500 properties as part of an ongoing programme in partnership with the West Midlands Fire Service. Local repair team operatives also carry smoke alarms on their vehicles and will fit these to properties where they observe that existing smoke alarms have been removed by the tenant. This indicates a good level of customer care in ensuring resident safety by alerting tenants to the event of a fire in their home.

Responsive repairs

- 83 There is a balance of strengths and weaknesses in this service. Wolverhampton Homes has a responsive repairs service that meets basic legal and contractual requirements, and is now delivering a competent service that tenants are able to rely on. Reporting arrangements are working effectively through the Repairs Reception Service and the backlog of repairs that has been evident in Wolverhampton for many years has been completed. The service is more customer-focused through changes in working practices, and quality assurance work through effective post-inspection of repairs. Customer satisfaction levels are high. Performance in the last quarter of 2005/06 showed sustained improvement and is offering a more reliable level of service. However, performance remains weak in comparison to others, too much emergency work is being undertaken and there is lack of detailed information and analysis in some areas to support further improvement.
- 84 Tenants have easy access for reporting repairs through the Repairs Reception Service. Accurate description of repairs is supported through the use of diagnostic software which limits the amount of variation work needed. Pre inspections have been reduced and there is a target to carry out no more than five per cent. For urgent and routine repairs tenants are sent a clearly laid out receipt which is set out as 'What' 'Why' 'Where' which is easy to understand. Reporting of repairs out-of-hours is less effective. These calls are taken by the Council's call centre where staff do not have access to diagnostic software or access to property records.

- 85 Appointments are offered for urgent and routine repairs at the point of contact with the Repairs Reception Service. For 2005/06, 65 per cent of appointments were made and kept against a target of 70 per cent. However, performance for the last quarter of 2005/06 was 77 per cent, a significant improvement on the first quarter at 44 per cent. However, performance is still well short of top performing ALMOs who achieve 96 per cent. Performance is broken down into gas, electric and all other repairs. Appointments made and kept for gas were considerably lower than for the other two categories bringing the overall average down. However, there is insufficient information to show the factors leading to appointments not being kept, such as the tenant not being at home, which counts as a missed appointment, or the materials not being available for the repair. This makes it difficult to develop actions to improve performance.
- 86 Performance on completing repairs is improving and is providing a more reliable level of service for tenants. However, performance remains weak overall and is not comparable with top performing ALMOs or other social housing providers. Performance for completing emergency, urgent and routine repairs was 90, 84 and 90 per cent respectively for the last quarter of 2005/06. The average time taken for the completion of non-urgent repairs has significantly improved taking 16 days in the last quarter of 2005/06 compared to 43 days at the beginning of the financial year. Wolverhampton Homes has recently introduced a system to gather the reasons for the late completion of repairs and will use this information to identify improvement actions.
- 87 Wolverhampton Homes has eliminated the backlog of repairs that has existed historically for a number of years. In November 2002 there were over 13,000 repairs that were overdue. These were slowly reducing but in the last nine months they have been effectively tackled.
- 88 Wolverhampton Homes does not know how many repairs it completes on the first visit. However, it has taken actions to enable more jobs to be completed by operatives at the first call. For example, regularly used materials are now carried on operatives' vans. The numbers of multi-skilled operatives have also been increased. Agreements have been reached in conjunction with Unions for the provision of training, and operatives who become multi-skilled receive an extra £750 per annum per trade. This is enabling more jobs to be completed right first time, but as the number of multi-skilled operatives is currently only 28 out of a total workforce of around 300, the current impact on service is limited.
- 89 Better customer focus is being achieved by new working arrangements by operatives. Operatives are now able, within guidelines, to carry out associated work as part of the repair. Wolverhampton Homes has worked effectively with operatives and unions to bring in a banded salary scheme which means focus is on the repair needed rather than the bonus it generates for the operative. This is contributing to more work to be completed at tenants' homes on the first visit, improved customer satisfaction and more efficient working arrangements.

- 90 Inspection arrangements are providing a more customer-focused service than in the past. Emphasis is now placed on post-inspecting completed repairs to ensure a high quality of work, rather than wasting resources on pre-inspections. Wolverhampton Homes has criteria to identify appropriate repairs for post-inspection and a target of completing 10 per cent post-inspections of all responsive repairs. In the final quarter of 2005/06 this target was exceeded with 12.5 per cent being completed. This means a better use of resources to ensure tenants receive quality repairs.
- 91 The level of emergency repairs remains high which is not making the most effective use of resources. Over 18 per cent of all repairs were emergencies in 2005/06, and during the last quarter of the financial year, the figure was over 22 per cent. This does not comply with best practice or Audit Commission recommended guidelines which recommend that emergency repairs should constitute no more than ten per cent of all repairs. However, the percentage of out-of-hours emergencies is reducing. Over the last five years the annual number of call outs has fallen by 21 per cent, although this is not impacting on the overall level of emergencies.
- 92 There has been limited analysis of the factors contributing to the high level of emergencies, or of the factors underlying responsive repairs, where for example frequent failures of particular property attributes may occur. This prevents the direction of planned programme work to address these recurring problems. Although there are examples of multiple repairs failures being acted on and a programme developed to address these in a planned way, this is not systematic. For example, Wolverhampton Homes employs around 40 qualified gas engineers who work on the replacement of heating system components and responsive gas repairs, and yet still around 35 per cent of all out-of-hours repairs are gas related. This suggests that resources are still diverted to emergency repairs rather than a proactive planned approach, aimed at preventing future breakdowns.
- 93 Customer satisfaction with the repairs service is generally high. Satisfaction surveys are left with tenants by the operative at the time the repair is completed. There is a £50.00 prize draw for tenants and operatives for those satisfaction slips returned. Response rates are low but are supplemented by telephone surveys carried out by the Repairs Reception Service. The last quarter of 2005/06 shows a high percentage of customers rating the service as good or very good and our inspection checks also showed high satisfaction levels. However, satisfaction levels in the latest STATUS survey carried out in March 2006 are less favourable, with 68 per cent expressing satisfaction with the service but 21 per cent stating that they were fairly or very dissatisfied.

Empty (void) property repairs

- 94 There is a balance of strengths and weaknesses in this service. There is a lettable standard in place agreed with customers and properties are let in accordance with this. Arrangements are in place to effectively manage and monitor voids but performance in this area, although improving, is weak.

- 95 There is a lettable standard in place which was agreed with tenants. This brings properties up to a reasonable standard of repair and cleanliness. Copies of the lettable standard are given to new and prospective tenants which means that tenants have a clear idea of what to expect and can report variances to the set standard. We visited a number of properties which were ready for letting, and in general found that they met the agreed standard. Tenants, who have been trained as auditors, were initially involved in inspecting empty properties to ensure they achieved the standard. Members of the Void Tenants Action Group now take responsibility for visiting a number of properties to ensure compliance is maintained.
- 96 However, the lettable standard is not comprehensive and does not, for example, set out what the minimum level of insulation work should be or what to do if asbestos is present in the dwelling. There are also some areas where the lettable standard is not sufficiently explicit about what a new tenant should expect to receive and this leads to some minor inconsistencies in the condition of properties being offered to new tenants.
- 97 Customer care in the service is demonstrated through negotiations with prospective new tenants about fitted items left by previous tenants and by fitting new toilet seats. All new tenants are given a copy of gas and electrical safety certificates relating to their new home in accordance with good practice.
- 98 Wolverhampton Homes does not have a clear approach to meeting Decent Homes Standards in void properties. The lettable standard does not mention the decent homes standard and does not set out what to do if the property fails any of the decent homes criteria. Wolverhampton recognises that this issue needs to be addressed and decisions taken and plans to carry out this work in consultation with the Voids Tenants Action Group.
- 99 Wolverhampton Homes has an appropriate approach to dealing with potentially high cost voids. A comprehensive sustainability assessment is carried out where voids are identified as requiring costly work to repair. On the basis of this a decision is taken as to whether to repair the void or whether it should be disposed of. In the case of the latter recommendations are made to the Board and then to the Council. This means that resources are not wasted on properties which are not sustainable in the future.
- 100 Effective procedures are in place for keeping void properties secure. For long-term voids screening is used. However, for other voids smart alarms, keyless doors and coverings for window openings are used as required. Although at a significant cost, these measures minimise the environmental impact of empty properties in the area.
- 101 Performance in re-letting empty properties, despite significant improvement from previous years, remains weak. Between January and March 2006 the re-let time was 46 days, although for March this had fallen to 44 days. Over the year it took an average of 52 days against a target of 40 days. Within this the repair time was 36 days, which remained fairly consistent over the year, against a target of 33 days.

- 102** Wolverhampton Homes is clearly focused on improving performance in letting times. Staff resources have been redirected, and although responsibility for re-letting empty properties remains shared across different teams, the management of performance has been brought together through the Voids Integrated Management Team. Each process of the void stage is tracked and all overdue voids are examined. Void repairs are delivered by an in-house repairs team and an external contractor. Performance and costs are compared to help identify any learning and areas for improvement. These comparisons show little differences between the two.
- 103** The number of void properties available for letting is monitored. At March 2006 there were 340 empty properties. These included 76 that required major work before letting. The average time taken to re-let major works voids, although monitored, is not reported on, and the rent loss as a result of this is not identified separately. It is therefore difficult to assess the impact that major works voids have on overall rent loss and limits the ability to identify the ways in which performance could be improved.

Gas servicing

- 104** Strengths outweigh weaknesses in Wolverhampton Homes' approach to gas servicing. Wolverhampton Homes complies with its statutory landlord responsibilities and gas safety regulations and achieves a very high level of performance in carrying out annual servicing to tenants' homes. However, Wolverhampton Homes is not making best use of appropriate legal remedies to gain access to properties.
- 105** The effectiveness of Wolverhampton Homes' approach is demonstrated by very strong performance in completion of annual servicing. At March 2006 all 20,113 properties that were due to be completed had received an annual check and service ensuring that risk to tenants from gas related incidents is minimised.
- 106** Wolverhampton Homes has effective policies and procedures in place which support its statutory responsibilities in an effective way. These were subjected to scrutiny by an external consultant in 2005 and found to be appropriate. This means that the service has an effective framework in which to operate procedurally.
- 107** Gas servicing arrangements offer customer friendly appointments. These are offered between 7.00 am and 7.00 pm on Monday to Friday and all day Saturday if required. This ensures that gas safety checks can be carried out at times that are convenient to tenants, and helps to minimise access difficulties. Satisfaction surveys are carried out which show high levels of customer satisfaction with the service.
- 108** Appropriate quality control and audit arrangements are in place for gas servicing. Ten per cent of all services carried out by the external gas contractor are checked by qualified technical officers who do on-site post service quality inspections, audit gas safety certificates and check qualifications. Through this process all CP12 certificates are checked by Wolverhampton Homes' qualified staff. This ensures that a high quality of service is provided to tenants.

- 109** Effective arrangements to ensure that new tenants have an immediate gas supply are in place. Wolverhampton Homes has arrangements with a national utility company to provide a gas supply to all new tenants. In exchange for this arrangement it receives an introduction fee from the utility company, and the new tenant does not have to search around to establish who the supplier is. This helps tenants to settle into their new home quickly, enables Wolverhampton Homes to do the appropriate gas safety checks for the new tenant, and levers in some external funding. Gas servicing certificates are given to new tenants at the sign-up stage.
- 110** Wolverhampton Homes is not using all legal remedies to ensure that access is given to properties for the annual gas safety check. Existing policies and procedures are over reliant on the threat of, and the carrying out of forced entry to properties. Forced entry was made to nine properties in 2005/06. Procedures do not allow for the use of injunctions to ensure that tenancy conditions, which give the right of entry are enforced. The use of forced entry is not acceptable when other remedies are available.
- 111** IT systems do not support a best practice approach to non-access issues for gas servicing. The IT system cannot flag up non-access when tenants are contacting Wolverhampton Homes for other reasons. In addition, the out-of-hours service does not have access to any gas safety records so it is possible that an engineer could be despatched to carry out responsive repairs at a property that had unserviced appliances in it.
- 112** Written advice to tenants about gas safety is incomplete. For example, information is not provided in the tenants' handbook about the importance of not sleeping in rooms with open flued gas appliances because of the hazard of carbon monoxide poisoning. Neither has suitable advice been given to other housing staff to ensure that they alert tenants of the risk if they know that the tenant is sleeping in, for example, the living room. This means that potentially vulnerable tenants or people with disabilities lack suitable advice about this potential hazard. Wolverhampton Homes has advised that staff have now been briefed and that an article is planned for the next edition of the tenants' newsletter.

Aids and adaptations

- 113** This is a weak area of service. The service is not user friendly, and does not respond quickly to provide aids and adaptations to enable older tenants and those with disabilities to live in their homes independently for longer.
- 114** The responsibility for delivering this service has been retained by the Council with Wolverhampton Homes acting as a contractor to provide some of the aids and adaptations work to tenants' homes. However, this leads to the service being fragmented and there is a lack of accountability for poor performance. For example, the tenant's handbook gives tenants a phone number to ring for aids and adaptations without telling them that they will be speaking to someone from Wolverhampton City Council. A tenant would not therefore know who to complain about if they received a poor service

- 115** Information to customers on aids and adaptations is limited. There are no service standards in place, no supporting leaflets and no information provided in community languages. This means that not all tenants would be aware of the support available to enable them to live independently in their own homes.
- 116** There are long waiting times for aids and adaptations, although a priority system is in place to target existing resources most effectively. However, in addition to waiting times for the occupational therapists' assessments, there are delays in providing the service to tenants due to a shortage of technical officers at the Council to specify the work to be carried out and priority targets are not being met. Wolverhampton Homes' staff are also re-specifying the work given to it by the Council because of insufficient detail. This is leading to duplication of effort and further delays to tenants. Further duplication of effort is occurring in carrying out the work. For example, if someone receives a level access shower and a grab rail, Wolverhampton Homes will fit the shower on one visit, and the Community Equipment Section of the Council will go and fit the grab rail. This means that tenants receive multiple visits and the administrative burden to both organisations is increased.
- 117** We visited tenants' homes where aids and adaptations work had been completed. Tenants were satisfied with adaptation provided and the quality of the work. However, as satisfaction surveys are not sent out as a matter of course on the completion of work, satisfaction levels are not captured and acted upon.
- 118** Performance monitoring arrangements are weak. There is no reporting to Wolverhampton Homes' Board or tenants. The Council's monitoring arrangements are old and unhelpful with an IT system that is incapable of printing out a list of overdue applications and progress monitoring is ad hoc. This does not enable Wolverhampton Homes to understand the service that is being provided to tenants.
- 119** Performance is poor. There are substantial waiting times for aids and adaptations work. It is routinely taking over a year for major aids and adaptations work to be carried out and there are currently eight cases waiting since 2004 for work to be completed. The Council has under spent against the allocated budget for aids and adaptations over the last two years. There was a £200,000 underspend in 2005/06. Although any underspend is rolled forward into the following financial year, this has left vulnerable tenants waiting longer than needed to have adaptations made to their homes.

Housing income management

- 120** This service has more strengths than weaknesses. Tenants are offered a variety of ways to pay their rent and there is a strong emphasis on preventative work to stop arrears arising. Performance in collecting rent and recovering current and former tenant debts is strong. There are effective working arrangements to ensure tenants receive housing benefit entitlement and effective support is given to vulnerable tenants where this is identified as needed. However, the arrangements for referral for debt advice, and monitoring the outcomes of this, are not sufficiently robust to demonstrate the effectiveness of the service. Wolverhampton Homes is not proactive enough in ensuring that all vulnerable tenants in debt receive appropriate support.
- 121** Rents are set and charged by the Council with Wolverhampton Homes responsible for collection. The Council has retained responsibility for collecting rechargeable repairs and other sundry debts. Service charges as part of the rent are not explicit. Some are pooled within the overall rent while others are identified separately. For example, heating and the concierge service are separate, but grounds maintenance and caretaking charges are not. This makes it difficult for tenants to assess whether the charges represent value for money. Wolverhampton Homes is carrying out work so that charges, both within and separate to the rent, are clearly identified and accurately reflect the costs incurred. This information will be used to inform the Council's rent setting processes. Wolverhampton Homes is responsible for consultation with tenants over the rent increase. The exercise to consult with tenants in 2005 was effectively carried out.
- 122** Wolverhampton Homes ensures that tenants have a wide range of payment methods available to them. These include payment at area offices, at post offices, by swipe card at various shops, standing orders, over the internet and more recently by direct debit.
- 123** The current cost of rent collection is relatively high, with little done, until the creation of Wolverhampton Homes, to develop and promote the most cost effective methods. Wolverhampton Homes monitors its transactions and has assessed the cost of each method of payment. The majority of payments are made through the cash offices at the Civic Centre or the area offices, which is one of the more expensive ways, at £1.20 per transaction. The introduction of direct debit was prioritised by Wolverhampton Homes and, following development work on the IT system, was introduced with effect from April 2006. Take-up is low but the promotion of direct debit has now started.
- 124** There are comprehensive policies and procedures for the collection of rent and recovery of arrears, although these are not supported by a corporate debt policy. The recovery policy reflects best practice with the emphasis on early intervention and the provision of benefit and money advice. However, the lack of a corporate debt policy agreed between Wolverhampton Homes and the Council means that customers owing more than one debt are not dealt with in a co-ordinated way. This is particularly relevant when some housing revenue charges, such as rechargeable repairs, continue to be collected by the Council.

- 125** Performance in collecting the rent over the years has been consistently strong, and amongst the top performing metropolitan councils. For 2005/06, 97.90 per cent of the rent was collected, just short of the target of 98.05, and of the top performance for ALMOs at 98 per cent. The percentage of rent arrears as a proportion of the rent roll was 1.37 per cent; 2.3 per cent of tenants owed more than seven weeks rent; and 0.8 percent owed more than £1,000. In cash terms although the total arrears for current and former tenants increased by £76,000 to £1.517 million in 2006/07, this still represents good performance. This performance reflects Wolverhampton Homes' success in minimising the level of arrears both at an overall and at an individual case level.
- 126** Responsibility for recovering current tenant arrears rests with the estate patch officer. To complement this effective support is offered through a centrally-based team, the Arrears Task Force. This team provides training, offers extra capacity in areas where performance is not meeting the required standards and support at a case level when legal proceedings are underway.
- 127** Wolverhampton Homes places a strong emphasis on prevention and early intervention. The Council ran the 'Rents First Please' promotional campaign for many years to raise the importance of paying the rent and Wolverhampton Homes has continued this. Wolverhampton Homes has introduced pre-tenancy interviews which include a financial check to assess whether the incoming tenant can afford the property and a discussion about rent payments and benefit entitlement. Benefit forms are completed at the interview and any supporting evidence gathered so that benefit entitlement can start, if possible, when the tenancy commences. Sign up interviews and new tenant visits also cover rent payments, and more recently encourage the use of direct debit. Quarterly rent statements are sent out and if an account falls into arrears the first letter is quickly sent out. However, there is limited debt advice at the early stages of arrears with tenants only advised to seek this later in the recovery procedures. This misses an opportunity to make debt advice available when the debt is low and so help in preventing further arrears accruing.
- 128** Wolverhampton Homes has arrears procedures that take swift and firm action, where debts continue to increase. A high number of Notices of Seeking Possessions are served and eviction is used as a final sanction with 183 evictions in 2005/06. We examined a number of recent evictions and found that the procedures leading to them had been followed through. However, there has been limited analysis of cases where legal action has been taken to identify any trends that would help to develop preventative actions. Wolverhampton Homes has recently started to analyse the cases which result in eviction by diversity to assess if some groups are more likely to be evicted than others, but it is too early to draw any detailed conclusions.

- 129** Provision for debt and welfare benefit advice is in place through a range of agencies but the referral arrangements, and the monitoring of outcomes from these, are not sufficiently robust to demonstrate that Wolverhampton Homes is providing an effective service. Housing staff provide some basic debt advice but then advise tenants to seek further advice from an appropriate agency. This is not part of a formal referral process so Wolverhampton Homes does not know if tenants have sought advice and what the outcomes of this are, unless the tenant or the agency makes contact to discuss repayment arrangements. This means that the effectiveness of debt advice in contributing to the recovery of arrears cannot be assessed.
- 130** There are constructive working relationships with the advice agencies and staff at Wolverhampton Homes, with joint working to avoid legal action, and in particular evictions. Wolverhampton Homes also makes use of different agencies. The CAB is one of the main providers of debt advice but there are also advice agencies targeted at different communities. For example, there are specific agencies for the Asian communities, and the Council's welfare advice service is targeted at residents in sheltered housing or those receiving some form of housing support. This helps ensure that debt advice is available to vulnerable groups.
- 131** However, there is little help is offered to vulnerable tenants in accessing advice. Customers are given telephone numbers to ring, but no additional support in contacting and setting up arrangements with appropriate agencies for advice and assistance. Wolverhampton Homes has recognised that it needs to develop its money and debt advice services. It has set up a project, with a dedicated officer, to improve debt advice to customers. This includes the training of staff and establishing effective referral and monitoring arrangements with the various agencies.
- 132** Wolverhampton Homes promotes and encourages the use of credit unions in the city. Articles in the tenants' newsletter explain how credit unions can help and there is also a link available on the website. This ensures that tenants are aware of, and can access the services on offer through a credit union as a means of assisting people to manage their finances.
- 133** Housing benefit and council tax benefit advice is readily available for customers. There are benefit officers based in Wolverhampton Homes' main offices at Bilston and Wednesfield, and surgeries are held every fortnight at all other area housing offices. General advice, including wider benefit advice where appropriate, is offered as well as dealing with particular claims. In addition Wolverhampton Homes' staff have access to benefit calculators that allows them to assist customers in estimating any housing benefit due, and identifying other benefit entitlement. An online calculator is also available for customers to use on the Wolverhampton Homes' website.

- 134** Housing benefit applications are generally processed quickly, taking an average of 33 days during 2005/06, and there are effective liaison arrangements to resolve any housing benefit issues. A protocol covering the arrangements between Wolverhampton Homes and the Council's housing benefit service was agreed in October 2005. Staff of Wolverhampton Homes are trained in the verification framework and this is successfully implemented. There are regular liaison meetings between housing and benefit staff at which actions are agreed to progress any issues in a timely manner. However, advice agencies expressed some concerns over housing benefit claims, suggesting that some cases took a long time to resolve. Our file checks also suggested some issues with processing housing benefits and ensuring appropriate backdating of benefit. There were also concerns expressed by agencies over the recovery of housing benefit overpayment at rates which they felt did not take account of the ability to repay. Wolverhampton Homes can negotiate a reduction of these on behalf of vulnerable tenants.
- 135** There are arrangements to provide support to vulnerable tenants who have fallen into debt, but these are not triggered early enough, and are not consistent enough, to ensure that the service is available to all those that need it. Support for vulnerable tenants who fall into arrears is through referral to the Council's tenancy sustainment team. Tenants receive help and support to manage their finances and ensure that they are receiving all due benefit entitlement. While it is clear that those referred for tenancy support receive effective assistance, the systems in place do not ensure that all vulnerable tenants who need this support are identified and referred. This has recently been improved by the introduction of a vulnerability checklist which is completed when the tenant signs up for a property. This enables the consistent identification of support needs and enables support to be offered from the beginning of a tenancy, which complements the preventative approach to arrears recovery. However, the vulnerability checklists are not kept in the area offices and the IT system does not easily lend itself to the quick and efficient identification of vulnerable tenants. This means that the risk of vulnerable tenants slipping through the net remains. Wolverhampton Homes will be addressing this as part of the project looking at increasing money and debt advice.
- 136** Record keeping on arrears cases is not comprehensive. There is limited additional recording of information beyond that generated through the system. For example, while liaison with the housing benefit service is captured, there is less information about contact with other agencies or any out-of-hours work. Wolverhampton Homes is now taking action to improve this.
- 137** There are effective policies and procedures for the collection of former tenant arrears and Wolverhampton Homes are reasonably successful in recovering monies owed. A former tenant recovery team chases former tenant debts using the services of a debt tracing and collection agency where appropriate. The level of former tenant debts has significantly reduced since 2000, although some of this is due to writing off historic debt which was not recoverable. At the end of 2005/06 the former tenant debt was £580,000, and during the year the in-house team recovered £210,000 and the debt agency recovered £159,000.

- 138 Wolverhampton Homes has an appropriate write off procedure in place and does not rely on writing off debts as a means of addressing arrears. The level of write off has declined over the years. In 2005/06, £212,000 was written off as irrecoverable, representing 0.49 per cent of the rent roll. This was within Wolverhampton Homes target figure and compares favourably with the level of write off in other ALMOs, where best performance is 0.58 per cent.

Resident involvement

- 139 This service has more strengths than weaknesses. There is a comprehensive structure for resident involvement with residents involved in a variety of ways and clearly able to influence services. Work is underway to increase involvement for the wider tenant base and under represented groups but this is not fully developed and remains limited.
- 140 There is a strong structure for tenant participation and a variety of ways in which residents can become involved. There are about 70 Tenant and Resident Associations, Tenant Action Groups (TAGs) for a number of service areas, and tenant auditors who are part of Wolverhampton Homes' quality assurance processes. The Wolverhampton Federation of Tenants Associations has been established for many years and has its own office and officer support. A Tenants Strategic Consultative Committee was set up more recently to consider more strategic issues and is currently being revised and strengthened. Residents make up the majority membership on the four area forums, which do not have decision-making powers, apart from deciding the environmental improvement projects, but are part of the structure sitting below the Board of Wolverhampton Homes. In addition, there is also a Leaseholder Forum and ten leaseholder groups. Resident involvement is adequately resourced to support these structures.
- 141 The Tenant Participation Agreement has recently been reviewed and revised. It sets out clear aims for tenant participation for 2005/08, and is supported by an action plan. A steering group of residents is responsible for monitoring progress against the plan.
- 142 Tenants produce an attractive and informative newsletter. The design and content is determined by an editorial panel consisting of tenant and leaseholder representatives. Readers of the newsletter are encouraged to write in with their views and comments. Wolverhampton Homes provides support, but the newsletter is tenant-led and enables information to be presented from a customer perspective.

- 143** Tenants are clearly able to influence decisions across a range of areas and services. There are a number of TAGs with responsibility for different service areas. These include TAGs for repairs and voids, Decent Homes, disability, concierge service and communications. Each of these groups consider issues in relation to their service areas and help determine the level of service offered and any improvements. Outcomes from this work include the garage site review, the introduction of estate walkabouts, agreeing service standards, deep cleaning of high rise blocks, showers over baths as part of the decent homes specification, and changes to double glazing units to allow people with disabilities to open them more easily.
- 144** Residents are involved in monitoring services. There has been mystery shopping by tenants for a number of years. This has focused on access issues around the area offices, involving visits to offices and survey work with customers. The pool of mystery shoppers is currently being refreshed. Four tenants have also been trained as auditors as part of the ISO 9000 quality accreditation scheme. Auditing has taken place of voids passed as ready for letting to assess whether they were meeting the agreed lettable standard. The tenant auditors will look next at other aspects of the voids process such as the sign-up procedures. Void inspections continue to be carried out by members of the Voids TAG to ensure that standards are maintained.
- 145** Area Forums are made up mainly of residents in the local area, with ward councillors and officers having an open invitation to attend. These previously existed as area committees but, with the establishment of Wolverhampton Homes, and following discussions with tenant representatives and the Board, the number was increased to four, with a further forum proposed for flatted estates. The role of the forums is being revised and clarified. They do not have decision-making powers but are responsible for commenting on policies and procedures, and considering and monitoring performance information, so that their views can be taken into account by the Board when making decisions. The Area Forums also have responsibility for determining the environmental improvement programme and control over the budget of £600,000. Schemes can be submitted by residents which are prioritised and agreed by the Area Forum.
- 146** Residents are involved in strategic decision-making but the opportunities and capacity for this to be fully effective are under developed. To increase resident involvement at a strategic level the Tenants Strategic Consultative Committee was set up about two years ago. Wolverhampton Homes recognised that this was not working as effectively as intended and has worked with tenant representatives to review and strengthen its role. It is now being re-launched as the Tenant and Leaseholder Strategic Scrutiny Panel. However, residents have had an input at a strategic level into the decisions by Wolverhampton Homes. For example, residents were able to influence the development of the four area forums and changes in opening hours pending a major review of this area. Tenants have also played a role in determining the procurement arrangements for the Decent Homes programmes. The Wolverhampton Federation of Tenants Association is part of the quarterly strategic meetings with the Council and Wolverhampton Homes to agree the annual Delivery Plan and assess progress against this.

- 147 The involvement of residents from the wider tenant base and traditionally under represented groups is limited. Wolverhampton Homes has development work in place to address this but this is not yet resulting in demonstrable outcomes. The STATUS survey in November 2005 showed that 51 per cent of tenants were satisfied with the opportunities to be involved, and many respondents indicated that they were not interested in becoming involved. A smaller sample survey in March 2006 showed that the percentage had increased slightly to 57 per cent.
- 148 Wolverhampton Homes is active in promoting and encouraging wider involvement. It has developed a database of residents who have indicated that they would like to be involved in less formal participation activities, such as completing surveys or attending focus groups. The database currently has about 400 residents registered. However, Wolverhampton Homes does not promote resident involvement as part of its sign-up procedures for new tenants and is therefore missing an opportunity to increase involvement.
- 149 Work is also underway to try and encourage involvement from under represented groups. Surveys have been sent to tenants under the age of 25 and a focus group is planned. Wolverhampton Homes and the Federation are carrying out some research in the New Park Village area to try and identify why some groups do not get involved. Six areas with large black and minority ethnic (BME) communities have also been identified for further work, with the intention to use community organisations to build up links. ACOV has also included in their business plan agreed with Wolverhampton Homes, some objectives around increasing access to involvement by BME groups and improving the arrangements for participation. However, it will be a while before the impact from this development work is realised.
- 150 Wolverhampton Homes has recently collected information on the profile of tenants active in the tenant participation structures. This is due to be considered by the Equalities and Diversity Steering Group and will be used to inform service development to increase representation. Tenant representatives are aware that they need to be more representative of the communities they serve and are keen to engage in activities that would promote this.

Tenancy and estate management

Tenancy management

- 151 On balance there are more strengths than weaknesses in this service. There are sound tenancy management systems and Wolverhampton Homes works well in partnership to address anti-social behaviour. Support for vulnerable tenants to sustain their tenancies is effectively provided. However, recent improvements to the increase the effectiveness of the anti-social behaviour service are not yet embedded, and inconsistencies in dealing with cases is resulting in differential levels of service for customers.

- 152** There are comprehensive procedures for tenancy and estate management. However, these are not always consistently followed despite Wolverhampton Homes having accreditation under the ISO Quality Assurance System. The procedures are currently being updated and put onto an electronic management system to enable quick and easy access by all staff. The procedures are supported by the development of a document library which stores all policies and forms used as part of the procedures. However, despite these arrangements there are some inconsistencies in approach, and in the use of standard forms, across the area offices. The ISO system uses quality audits to ensure consistency and compliance with procedures. The audit programme has slipped because of the development work to update procedures and capture them electronically. Wolverhampton Homes has recently agreed to free up time for the trained auditors to carry out audit work to address slippage in the programme, and is also considering how the existing pool of auditors can be increased and the work of tenant auditors maximised.
- 153** The Tenancy Agreement has recently been reviewed and revised to ensure that it continues to reflect best practice, and that it complies with the guidance issued by the Office of Fair Trading. Tenancy management arrangements are sound and have been strengthened by the introduction of pre-tenancy interviews, which are used to explain tenancy conditions and provide advice on a range of matters. This is reinforced at the sign-up interviews which are comprehensively carried out. New tenant visits are conducted to ensure that the tenant is settling into their new home, and are also used to identify any vulnerability issues and additional support that the tenant may need. In areas where the Council's neighbourhood wardens operate the new tenant details are passed on for the warden to visit and discuss any community safety issues. These arrangements provide a strong basis for future management of the tenancy.
- 154** Wolverhampton Homes has increased its capacity to deal with anti-social behaviour, uses a range of remedies to support its approach, and works effectively with partners to tackle it. However, a comprehensive victim support package has only recently been introduced, record keeping is inconsistent and developing a more strategic approach is hindered by limited performance information and systems.
- 155** Responsibility for dealing with anti-social behaviour (ASB) rests with the estate patch managers. These are supported by four area-based ASB co-ordinators. These are new posts created by Wolverhampton Homes through the redirection of resources into ASB as a priority area. The co-ordinators support the estate managers in dealing with cases and also act as the link with the Council's ASB unit and other agencies.

- 156** Wolverhampton Homes has adopted an anti-social behaviour policy and good practice framework, which offers a systematic approach to ASB and sets targets. Training has recently been carried out for staff in respect of this. An ASB protocol was agreed with the Council in December 2005 setting out the respective responsibilities in addressing anti-social behaviour. The full range of remedies are used as appropriate, including injunctions and exclusion orders, acceptable behaviour contacts, anti-social behaviour orders (ASBOs), possession proceedings and introductory/demoted tenancies. Since October 2005, Wolverhampton Homes has dealt with over 450 cases of ASB and has obtained 13 ASBOs, started 5 possession proceedings, carried out 8 evictions, obtained 1 injunction, and 2 demoted tenancies.
- 157** Effective use is made of mediation as a means of resolving neighbour disputes and ASB. Mediation is provided through an external mediation service which reported success rate of 52 per cent in 2004/05. Wolverhampton Homes pays £15,000 a year for this service, regardless of the number of cases, and receives feedback on each case referred. In 2004/05, 48 cases were referred by Wolverhampton Homes which means an average cost of about £300 for each case representing a good use of resources.
- 158** There is a witness support package to help complainants in reporting and providing evidence in ASB cases, but this has only recently been put in place and there are no outcomes as yet. The package includes the provision of mobile phones and personal attack alarms. However, the knowledge of the support available varied across the area offices, which means that victims of ASB may not receive a consistent service. Diary sheets are issued to complainants on which to supply evidence, but more customer friendly methods such as digital voice recording has only recently been introduced. Staff are expected to identify any particular customer needs and tailor the approach accordingly.
- 159** Wolverhampton Homes also makes use of evidence from other sources such as video or covert surveillance in accordance with agreed protocols. However, the use of CCTV footage captured by the concierge service is not maximised. Concierge staff have recently received ASB training to increase their understanding of the policies and procedures, and how the work they do can more effectively contribute in tackling ASB.
- 160** The standard of record keeping of ASB files is variable. Some cases provide detailed information and evidence of joint working with the Police and other agencies. However, some cases lack a clear audit trail of the actions taken, and action plans are either missing or have not been signed as agreed with the complainant. This shows that customers are experiencing inconsistent levels of service.

- 161** Addressing anti-social behaviour is effectively supported by partnership and multi- agency working. Protocols are in place to enable the sharing of information. A city-wide ASB Forum meets monthly with attendance by all relevant agencies, the Police and the Youth Offending Team. It considers cases that have been referred to it, identifies appropriate courses of action and ensures there is effective joint working. Action plans are agreed which are reviewed at the next meeting. In addition to the Forum there are monthly ASB tasking meetings held in a number of areas across the City. These deal with local issues, and problems caused by some of the lower level anti-social behaviour.
- 162** Wolverhampton Homes has developed a number of local performance indicators to help it manage and track progress in tackling ASB. A range of performance information is collected, but this is mainly quantitative and cannot be easily manipulated to provide wider information on trends or hotspots. Some work has been carried out in the Low Hill around mapping of ASB but not elsewhere. This hinders the development of a more strategic and proactive approach,
- 163** Wolverhampton Homes, in partnership, has developed some diversionary activities to assist in preventing ASB. In the Low Hills area of the City, target hardening schemes have been complemented by joint working with the Youth Inclusion Project, neighbourhood wardens and other agencies to provide diversionary activities for young people. Joint working in this area is resulting in positive outcomes for residents. However, diversionary activities are limited in some other areas of the city.
- 164** There is an effective approach to dealing with racial harassment cases. Procedures are in place with target time scales for action. The approach is broadly similar to ASB but all cases are automatically referred to the ASB Forum and a register of cases is maintained which is used for monitoring progress. As discussed in the Diversity section of the report the racial harassment policy has been reviewed and has been widened into an anti-harassment policy.
- 165** Wolverhampton Homes publicises its successes in dealing with ASB. Articles are placed in the local newspapers and on the website. Residents are encouraged to report incidents of ASB and can do this online over the website. However, information on the website about ASB and the service offered by Wolverhampton Homes is not easy to find and involves navigating through several pages on the website. Satisfaction surveys have also recently been introduced for ASB, once cases have been closed. Although to date only a few have been returned, 62 per cent expressed satisfaction with the outcome of their case.

- 166** Wolverhampton Homes works proactively to support tenants in sustaining their tenancies through the use of floating support. Where tenants are identified as needing support a referral is made to the Council's tenancy sustainment team. The approach has recently been strengthened through the introduction of a vulnerability checklist, which is completed when the tenant signs up for a property. This means that support needs can be identified from the onset and a referral made. The sustainment team is able to support about 260 clients at any one time but demand exceeds this. This is addressed by referring clients on to other support services. There is good liaison between the tenancy sustainment team and Wolverhampton Homes on both a formal level through meetings, and on an individual case level. There are protocols governing referral arrangements. This means that clients receiving support are provided with an effective service.
- 167** Support for residents in sheltered schemes is provided by the Council who deliver the warden service. There are positive working relationships between the wardens and staff of Wolverhampton Homes and good liaison over dealing with issues around repairs, empty properties and other landlord issues. We visited a number of schemes and found them to be well maintained with residents expressing satisfaction with the services they receive.

Estate management

- 168** This service has a balance of strengths and weaknesses. Wolverhampton Homes works proactively to manage its estates and maintain them in good order and has a number of services and initiatives to support this. However, the services provided are not consistently implemented to deliver positive outcomes for all customers. Although many estates provide a pleasant environment for people to live, some continue to display signs of neglect impacting on the quality of life for residents.
- 169** Wolverhampton Homes has a range of services to manage and maintain its estates in good order, although these are not yet resulting in consistent outcomes for customers. We visited a number of estates and found many to be well maintained and free of litter. However, some offered an environment for residents that appeared neglected with overgrown shrubs and weeds, lack of maintenance in communal areas and some graffiti. This means that residents experience differential levels of service.

- 170** Wolverhampton Homes is proactive in addressing estate management issues. Monthly estate inspections are carried out by relevant officers and which tenants can also attend, and there is a target for estate managers that all roads and blocks in their patch are visited at least once every six months. Monitoring arrangements are in place to ensure inspections are carried out as planned and outcomes are discussed in one-to-one meetings with managers. Formal estate walkabouts take place once a year. These are publicised in advance and attended by tenant representatives and local residents, other agencies such as the Police, local councillors and officers responsible for relevant service areas. An action plan is produced which is sent to attendees. Tenants are generally confident action is taken to address the concerns arising during the walkabout. However, our estate visits showed some examples of maintenance issues that had not been picked up and graffiti in garage areas that appeared to have been there for some time. This suggests some inconsistencies in the quality of the estate inspections carried out.
- 171** Effective management of the high rise blocks is increased through the concierge service and recent cleaning initiatives have improved the environment for residents. The concierge service is responsible for monitoring CCTV footage in the blocks, clearance of rubbish and maintaining the external environment of the blocks, and providing a visible and responsive service for residents. Concierge staff have positive working relationships with area office staff, and on-site logs detailing any incidents are passed to the offices on a regular basis. Joint visits are also carried out where appropriate.
- 172** Wolverhampton Homes recognised that it was not making the most effective use of the concierge service and along with the Concierge Tenants Action Group has reviewed the service and is introducing new working arrangements from July 2006. This will provide a mobile service from 10.00pm to 6.00am, which also ensures a supervisor is always on duty. Concierges will also take increased responsibility for monitoring the cleaning service. Clear service standards are in the process of being agreed through the Concierge TAG.
- 173** Cleaning standards in the high rise blocks are variable. In response to this Wolverhampton Homes has carried out a deep cleanse of the blocks which included painting all the floor surfaces in the stairwells to make them easier to clean in future. This has successfully enhanced the appearance of the blocks and Wolverhampton Homes is planning to extend the deep clean to some medium rise blocks based on a risk assessment. To maintain the cleanliness of the blocks additional resources are being put in and the hours for cleaning have been significantly increased.

- 174 A caretaking service is delivered to all low and medium rise block which results in these areas being kept free of litter, and quick action to resolve any issues such as fly tipping or abandoned cars. The caretakers regularly visit the estates and carry out full checks of all areas on a 12-week cycle, with high risk areas checked more often. Low rise blocks are swept, light bulbs are changed and some minor repairs can be carried out. The caretakers respond quickly to move any dumped rubbish and in the case of white goods, take these to an appropriate waste recycling company to dispose of properly. Steps are taken to identify those responsible for dumping rubbish and causing environmental damage, and Wolverhampton Homes works with the Council's environmental service to take action against them.
- 175 There are no service standards in place for the caretaking service, which means that customers cannot be clear about the service standards they can expect and complain if these are not delivered. However, service standards are being developed, and caretakers are clear about their responsibilities and are provided with appropriate training to support their role.
- 176 Abandoned vehicles are removed quickly and arrangements are in place to remove graffiti on estates through the Council's street scene service. Racist or offensive graffiti has a target for removal within 24 hours. Other reported graffiti is generally removed in seven days. However, we observed some graffiti that had not been removed in the required timescale clearly impacting on the appearance of the area..
- 177 Grounds maintenance on estates is variable. The service is provided under a Service Level Agreement (SLA) with the Council. Estate services managers are responsible for monitoring the service, visiting all sites on a fortnightly basis with the contractor. This is supplemented by tenants on the Grounds Maintenance Tenants Action Group who tour the areas by bus to identify problems and the actions needed to address them. Although monitoring arrangements have led to improved performance this is not consistent across all areas. Our estate visits showed an acceptable standard on many estates but not all. Of the tenants we spoke to some were satisfied with service while others were less so. Wolverhampton Homes is reviewing the SLA for grounds maintenance and as part of this will determine the level of service required and the best way of delivering it to achieve value for money.
- 178 The condition of garage sites on estates varies, and either enhance or are to the detriment of the surrounding environment. Wolverhampton Homes has been proactive in addressing this and in response to concerns expressed by tenant representatives has carried out a garage site review. This has resulted in some sites being refurbished and others identified for alternative use or disposal. This ensures that resources are not spent on sites which are not considered viable, but it does mean that pending these sites being dealt with, the environment for some residents is poor.

- 179** An environmental improvement budget is effectively used to improve estates. These are resident-led schemes prioritised through the Area Forums. They have resulted in a number of target hardening schemes such as additional lighting and security measures and other improvements such as landscaping projects.

Allocations and lettings

- 180** This service has a balance of strengths and weaknesses. Wolverhampton Homes is proactive in seeking to influence the Council's allocation scheme to deliver a more effective and customer-focused service. Systems are in place to ensure that properties are allocated in accordance with the allocation scheme, and there are initiatives in place aimed at improving performance in letting times. However, properties still take too long to re-let and weaknesses in the allocation scheme, although the responsibility of the Council, have been evident for a considerable time and have not been addressed.
- 181** Wolverhampton Homes is responsible for maintaining and managing the Housing Register and letting properties in accordance with the allocation policy. The Council remains responsible for the allocations scheme, and any development or changes to it. The Council has operated a choice based lettings scheme (CBL), covering about 2000 properties in the south of the city, since 2002. The remaining properties are allocated according to a points system based on housing need. Nominations to registered social landlords are made by Wolverhampton Homes, but monitoring of take up is carried out by the Council.
- 182** The allocation scheme and the CBL scheme are not delivering an effective service for customers. An external review of the allocations scheme was carried out in 2004/05. The review identified that the key issues identified in our inspection of the service in 2002 remained, and in particular highlighted weaknesses around the quality of the information provided and the complexity of the points scheme. The CBL scheme was also reviewed and, while a number of strengths were identified around greater customer satisfaction and lower refusal rates, there were issues around the costs of the service and the amount of time taken to let properties. Running the CBL scheme and the points scheme in parallel was also identified as a source of confusion for customers. Our discussions with tenants during the inspection confirmed that this is still the case.
- 183** Wolverhampton Homes has addressed the issues and recommendations arising from the external review and has submitted proposals to the Council to improve the allocation scheme. These are based on replacing the points scheme by a banding system, and expanding the CBL scheme to operate on the basis of this. Current IT systems cannot support this at present and will require investment. The Council has not yet reached a decision on the course of action it intends to take, but has agreed to bring in external resources to take this forward.
- 184** Wolverhampton Homes and the Council are not maximising the use of the housing stock by encouraging under occupation moves. The incentive scheme to encourage tenants to move from larger into smaller accommodation is not very attractive. The scheme offers removal expenses and a small additional payment of £150. The opportunity to potentially release more family accommodation is therefore being lost.

- 185** Wolverhampton Homes, the Council and other partners work together to address issues of low demand as part of regeneration work. The Low Hills area of the city is the most demonstrable example, with significant improvement in the area being delivered through partnership working. The number of empty properties on the estate has reduced and letting them is now easier.
- 186** Local lettings policies are used in a number of high rise blocks with some designated for particular age groups. However, there has been no assessment of the impact that these policies have for local communities and whether they are achieving the intended outcomes.
- 187** Customers have a range of information available to them about the allocation of homes. An area demand checklist has been introduced to act as a guide for applicants, which categorises the different areas across the city according to the ease of offers, and indicates the likely points level needed to receive an offer in that area. This allows applicants to make informed choices.
- 188** Wolverhampton Homes does not yet have systems in place to ensure that the right level of priority is awarded to every applicant. It does not have the resources to visit every applicant to ensure that it is accurately reflecting their housing and personal conditions. Visits are restricted to homeless households and transfers. It carries out office interviews prior to offering tenancies, but does not always carry out home visits to prospective tenants. This means that there is a risk that homes may not be allocated to those most in need, or homes could be obtained fraudulently.
- 189** However, there are robust systems to ensure that properties are allocated in accordance with the allocations scheme. A checklist is used to ensure that processes are followed and two officers are involved in signing off allocations. There is also random sampling of about one in five allocations which acts as an audit check and helps identify any training needs. A training pack has been produced as a result of learning from this exercise. Lettings to sheltered schemes are made on the basis of a scoring system, and in liaison with the warden of the particular scheme, to ensure they are allocated to those with the most appropriate need.
- 190** Assistance is offered to some vulnerable customers to bid under the CBL scheme. However, this is not systematic relying on the customer being identified as in need of help. There is also fast tracking to let properties quickly where it is allocated to a priority case, such as homeless or vulnerable applicants.
- 191** Appropriate procedures are in place to deal with requests for reviews of decisions in relation to housing applications and allocations. However, these are not well advertised and there have been very few challenges to decisions. In practice, officers try and resolve issues without the need for formal review but the lack of publicised information may mean that some applicants remain unaware of the review procedure.

- 192** There is comprehensive monitoring of lettings with reporting to management teams and the Board. Impact assessments as part of the diversity and equality agenda have been carried out. Monitoring shows that black and minority ethnic (BME) groups are well represented among the tenant population and that lettings, other than for sheltered schemes, reflect this. It also shows that access to the CBL scheme for BME groups is high when compared to the Housing Register.
- 193** There are a number of initiatives and working practices which assist in reducing the time it takes to let properties. Lettings officers seek to pre-allocate all properties other than where there are evictions or where there is no demand. This results in over 80 per cent of properties being pre-allocated. Accompanied viewings are carried out for all properties to encourage acceptance. Wolverhampton Homes achieves a number of back to back lettings which incur no void time because any repairs are carried out when the tenant moves in. These now account for 16 per cent of all lettings. There is also an incentive scheme that pays £50 if a property is returned in good condition, clear of rubbish and with the keys handed in on time. In spite of its efforts the take up of this incentive, launched 18 months ago, is low but the scheme has not been reviewed to see how take up could be increased.
- 194** The re-let times for empty properties remains weak at 52 days for 2005/06. Wolverhampton Homes is actively addressing performance and the time taken is reducing, achieving 44 days in March. However, the letting element, excluding the time for repairs, continues as a significant percentage of the overall letting time. This is partly due to refusal rates which are high at over 20 per cent, but is also due to the uncertainty of lettings staff as to when properties will be ready for letting following repairs. This is based on the previously poor record of the repairs service in returning properties within agreed timescales. Wolverhampton Homes is tackling both these issues.
- 195** Careful monitoring of voids through the Voids Integrated Management Team (VIMT) is resulting in more properties being returned from repairs within the target time. This is removing some of the uncertainty for lettings staff who are now more confident about placing adverts for CBL and pre-allocating properties. The high rate of refusals is also being addressed. Analysis of refusal rates showed that a high percentage could have been avoided by having better customer information. Refusals reasons are considered by the VIMT and work has started to review the Housing Register and the information on it. Refusals rates are reducing with the number of properties accepted on the first offer increasing from 66 per cent in 2002/03, to 81 per cent in 2005/06, and reaching 88 per cent in March 2006. The letting element of the re-let process is starting to show a reduction in time at 12 days for the last quarter of 2005/06 although is outside of the target of 7 days.

Leasehold management and right to buy

- 196** There are more strengths than weaknesses in this service. Leaseholder services are effectively delivered meeting statutory responsibilities and providing a good level of information and advice. Leaseholders are involved and clearly influence service development. There is strong performance in processing Right to Buy applications in accordance with statutory targets and clear service standards are available for customers. However, there is some duplication of effort in dealing with invoices for service charges which is an ineffective use of resources.
- 197** There are about 1,770 leaseholders representing 8 per cent of the stock. Appropriate arrangements are in place to ensure that Wolverhampton Homes meets the statutory responsibilities towards leaseholds, and that the provisions of the Common and Leasehold Reform Act 2002 are complied with in relation to consultation with leaseholders prior to major works being carried out. Leaseholders have the option of repaying the costs of major works over a three-year period without incurring any additional charges. They can also 'buy into' programmed works such as the window replacement programme. Arrangements will be put in place to give leaseholders the option of having new kitchens and bathrooms under the decent homes programmes, but they will not be offered deferred payment options for these items.
- 198** There are satisfactory procedures to ensure that service and repair charges are correctly calculated. Leaseholders receive an annual breakdown of their service charges, and a schedule of repairs and improvements undertaken during the previous twelve months. However, they are not automatically notified when any communal repairs are carried out and therefore are not aware of the charge for this until the annual schedule is sent to them. Service charges reflect actual costs, with the exception of concierge services where a decision was made to charge a reduced fee, in line with that paid by tenants. Leaseholders can pay their service and repair charges by monthly instalments over a 12 month period. A recent survey carried out showed that 82 per cent of leaseholders were happy with the information provided with their invoice.
- 199** The arrangements for invoicing leaseholders result in some inefficiencies in delivering this aspect of the service. The bills for service and repair charges are determined by Wolverhampton Homes but invoices are prepared, sent out and collected by the Council. This leads to some duplication of effort and is not effective use of resources. We understand that from 2007/08 invoices will be prepared by Wolverhampton Homes. Current performance information shows that in 2005/06, the Council collected 87 per cent of service charges due and 64 per cent of charges for major works and repairs.

- 200** Wolverhampton Homes is effectively involving leaseholders in service developments. There are ten leaseholders groups across the city, representing the majority of leaseholders. There is a Leaseholder Forum which brings together representatives from the individual groups. There are two representatives from each group on the Forum making a total of 20. Forum members have been involved in agreeing service standards, developing the leaseholder handbook, and devising the questions for the first leaseholders' satisfaction survey. Forum members are also involved in designing and contributing articles for the first leaseholders' newsletter planned for July 2006.
- 201** Satisfaction levels among leaseholders vary depending on the service provided. Leaseholder meetings show that there is general satisfaction with the services provided, but a recent survey suggested more mixed views. A satisfaction survey was carried out in early 2006 and is planned annually. Based on a response rate of just under 14 per cent the results show a number of positive features. For example, 74 per cent found the leaseholder team helpful and 91 per cent thought the new handbook was useful. However, there is between 20 and 30 per cent dissatisfaction levels in respect of major works, repairs to the block and the caretaking, concierge and grounds maintenance services. The levels of dissatisfaction for key areas of service are high and reflect some of the issues identified in the tenancy and estate management section of this report.
- 202** Wolverhampton Homes has strong performance on completing its Right to Buy (RTB) applications within statutory time targets. During 2005/06 all statutory time targets were met. Although the number of RTB sales fell in 2005/06, the level of RTB requests during the first two months of 2006/07 increased substantially with 130 applications received.
- 203** There are clear service standards in place for the RTB service which are sent to all tenants at the initial application stage. An annual survey of satisfaction with the RTB service is carried out which shows acceptable levels of satisfaction with the service provided by Wolverhampton Homes. Eighty-eight per cent were satisfied with the information provided and 73 per cent were satisfied with the service provided by the Home Sales Team.

Is the service delivering value for money?

How do costs compare?

- 204** Wolverhampton Homes does not have comprehensive information on the costs of its services. Restructuring and changing working practices has meant that previously held information is historic, and the costs of current services to reflect the changes made are only now becoming available. Although comparison exercises have been carried out these are no longer relevant in the context of restructured services.

- 205** Costs were submitted for 2004/05 to Housemark as part of their benchmarking service. This exercise showed that in comparison to others costs were mixed, with the costs of rent service favourable but repair costs were poor. However, this exercise was based on previous structures. Wolverhampton Homes is preparing the figures for submission for 2005/06. To make these as accurate as possible the costs are being established on the outturn figures for October 2005 to March 2006, and doubled to reflect the full year costs. Although, not ideal, this will enable Wolverhampton Homes to broadly establish its current costs and enable these to be compared to others through the Housemark scheme, and also against the 2004/05 figures. This means that suitable information will be available to assist identify where improvements need to be made.

How is value for money managed?

- 206** There are more weaknesses than strengths in this area. Wolverhampton Homes cannot demonstrate that it delivers value for money across all its services. There is no overarching strategic approach to ensure that value for money is comprehensively addressed, procurement has not been effectively used and there are a number of service areas with high spend which cannot show value for money. However, there is a strong focus on value for money as an organisational priority and significant efficiency gains have been achieved. Wolverhampton Homes is clear about the areas it needs to tackle and has plans in place to address these.
- 207** Wolverhampton Homes has not developed a value for money strategy. It does not yet have sufficiently robust information about its costs to underpin the effective development of this. The lack of a strategy means that that the approach to delivering value for money is not fully co-ordinated and may not link various actions for maximum impact. However, Wolverhampton Homes has agreed an Annual Efficiency Statement which sets out the areas to be targeted and the ways in which efficiency gains will be delivered in 2006/07. It has also taken swift action to identify the major value for money issues facing it, and has been successful in tackling a number of these.
- 208** Wolverhampton Homes is effectively challenging and renegotiating the Service Levels Agreements (SLAs) with the Council, which is resulting in savings, or enhanced levels of service for the same price. The SLAs cost Wolverhampton Homes £4.8 million a year, representing 14 per cent of the management fee. They are due to run until October 2006, but recognising that issues needed to be dealt with earlier, Wolverhampton Homes carried out a comprehensive review of them through an external consultant. This has resulted in a series of recommendations, and following discussions with the Council, many of these have been or are being implemented.

- 209** Renegotiated SLAs have resulted in savings of about £145,000 for human resources and legal work, and an additional £200,000 of IT resources paid for by the Council. The internal audit service, provided under an SLA, has been tendered and awarded externally, with projected savings to be in the region of £60,000. Agreement has been reached to tender the vehicle leasing arrangements as existing contracts end, Wolverhampton Homes is setting up its own client function for the grounds maintenance service which offers better value than that provided by the Council, and further work is underway to challenge the costs under the procurement SLA which provides a number of client functions in procuring major works contracts.
- 210** Wolverhampton Homes has taken effective action to address long standing issues in the in-house workforce, which has operated at a loss for a number of years, and offered poor value for money in delivering the repairs service. The in-house work force was projected to make a loss of £1.9 million in 2005/06. The Board of Wolverhampton Homes took decisions to reduce the establishment so that financial losses would not be incurred. The workforce was reduced by 43 operatives and the bonus system replaced with a banded salary system. A profit position of £354,000 has now been estimated for the end of 2005/06 and annual efficiency gains will be in the region of over £1 million. At the same time as introducing these changes and reducing the workforce, performance in carrying out repairs has improved and the backlog of repairs has been cleared. Customers are now receiving an improved level of service at a much reduced cost.
- 211** There has been restructuring of services to deliver them more efficiently and achieve savings. The area structures have been reduced from three to two. This delivered efficiency gains of £660,000 of which £222,000 has been used to meet budgetary pressures as a result of the reduced management fee, and the remainder directed into front line services through additional posts. Action has also been taken to address value for money concerns in the choice based lettings scheme. It was identified that allocations through the scheme were costing twice as much as other allocations. An analysis of this showed that the high costs were largely due to the Property Shop premises, which upon examination showed limited usage of customers visiting. The Property Shop has been closed and the service relocated to an existing area office, with property adverts now publicised through all the area offices. This has delivered savings of £20,000 a year.
- 212** On a smaller scale there are examples of actions taken by staff to achieve improved value for money. For example, the production of the new leaflets was awarded on the basis of competitive quotes, when previously it would have been carried out in-house by the Council. There has also been savings by changing the arrangements to produce documents such as Board papers, policies and procedures, and a much greater emphasis on electronic means of access and circulation.

- 213** However, some activities have not been assessed as to whether they deliver value for money. Estate surgeries, while offering greater access, are not monitored for usage and whether therefore they are an effective use of resources, when compared to meeting access needs through home visits. The charge for the out-of-hours service provided by the Council has not been challenged to see if it offers good value, particularly in the light of the declining usage.
- 214** There are service areas within repairs and maintenance with high levels of spend that cannot demonstrate value for money. The stores service has an annual turnover of about £3.5 million. Oncosts are charged on this at between 25 and 30 per cent and in a number of cases there is double handling of materials adding to the costs further. The joinery shop is a costly facility at around £250,000 a year but this has not been assessed to see if it provides good value for money. The procurement of materials, although subject to market testing in a number of cases, is often short-term with little long-term commitment to ensure effectiveness and efficiency.
- 215** Procurement is not being effectively used across all areas to deliver value for money. There is no procurement strategy which sets out a clear framework for procurement decisions and how best value can be achieved. This has led to a number of arrangements being in place with some based on value for money principles, but some unable to demonstrate this.
- 216** Some services have not been market tested or subject to any benchmarking exercises. The responsive repairs service has not been market tested although it was subjected to a benchmarking exercise in 2005 based on schedule of rates items, which suggested that the costs were favourable. Wolverhampton Homes is addressing key weaknesses in the service so that it is performing at an acceptable level, before subjecting it to any form of tendering, but currently this service cannot demonstrate value for money. Other services such as the asbestos section, which has an annual turnover of around £700,000, has not been benchmarked against external providers or market tested, and the same applies to the electrical service. The UPVC window contract has been tendered in respect of the supplier, with a partnering arrangement entered into in 2004, but not for the labour element. This ranges between 54 and 62 per cent of the cost of the contract and has been provided in-house for a number of years without market testing or any assessment as to whether it offers value for money.
- 217** Wolverhampton Homes is aware of the services it needs to address to ensure that value for money is being achieved. It has included actions in the 2006/07 Delivery Plan to carry out cost benefit analysis of services and market test those services where value for money and performance are in need of significant improvement.
- 218** Other services have been competitively tendered. The gas servicing contract was won in-house on the basis of a five-year contract following competitive tendering in 2004. Most major works programmes are subject to tender exercises. However, many of these are short-term. Out of about 100 contracts, only 16 are for periods of longer than five years. This means high commissioning costs are incurred, which is not making the most effective use of resources.

- 219** Wolverhampton Homes has some partnership arrangements in place. The external improvement programme, and void work in an area of the city, is carried out by an external contractor under a partnership agreement. This is enabling benchmarking of services between the in-house team and the contractor. A partnership for the provision of gas boilers, based on a specific model, is estimated to achieve savings of £460,000 a year compared to the previous ad hoc arrangements.
- 220** The arrangements for procuring the Decent Homes programmes are based on modern procurement principles, and reflect a careful and considered approach by Wolverhampton Homes. Tenant representatives were involved from the start and contractors were selected on the basis of quality, which included assessment against extensive criteria as well as visits to sites where they were operating. Cost was then taken into account and three contractors have been chosen with the contracts to be delivered on the basis of partnering.
- 221** Wolverhampton Homes carries out some work for the Council won under competitive tendering. This relates particularly to asbestos removal, aids and adaptations and some minor and major capital works. A loss is projected on this work and a report is being presented to the Board in June to decide the future of these contracts. In the meantime, Wolverhampton Homes is subsidising work to the Council.
- 222** Progress is being made in improving value for money in various aspects of the repairs service, although the impact in some areas is still to be realised. Although the average cost of repairs per property has increased over the years, the average cost of repair jobs is falling. In 2004/05 the average cost was £217.59 but in 2005/06 this fell to £172.30. The difference in cost overall equates to £1.37 million which means these resources are available for use elsewhere. The level of variations to repairs orders also reduced in the latter part of 2005/06, although some of this is due to a revised calculation. In 2005/06 the variation between the estimated and actual cost of repairs was 32 per cent overall whereas the figure for the last quarter was 15 per cent. Some responsive repairs are being moved to planned works but this is not making a significant impact on the planned responsive ratio which, at 48:52 planned to responsive, remains outside Audit Commission guidelines. The level of emergency repairs is high at 22 per cent, which does not make effective use of resources.
- 223** Wolverhampton Homes is not maximising income through rechargeable repairs. The rechargeable repairs policy has recently been reviewed in liaison with the police but is not yet proving effective. In 2005/06, £36,432 was raised as rechargeable repairs but only £14,188 was collected. This is not maximising the resources available for repairs and means that tenants' rents are paying for repairs needed as a result of wilful damage.

- 224** Void costs are high and increasing at an average of £2,800 for 2005/06. Wolverhampton Homes has examined these costs and carried out an analysis of the costs between the in-house team and the external contractor which showed that the costs to bring properties up to the lettable standard are broadly similar. Comparison has also been made with another ALMO in the West Midlands which showed Wolverhampton Homes' costs as high. However, further detailed analysis has not yet been carried out to fully understand why costs are high and identify what action could be taken.

Summary

- 225** We have assessed Wolverhampton Homes as providing a fair 'one-star' service.
- 226** Wolverhampton Homes has a strong focus on customer care and equality and diversity. There is easy access to services, comprehensive information about them, and arrangements to meet particular needs. There are effective arrangements for carrying out repairs to tenants' homes, major contracts are well managed, and annual gas services are completed within time.
- 227** There is strong performance in collecting rent and recovering arrears, a comprehensive approach to addressing anti-social supported by effective partnership working, effective support for vulnerable tenants to maintain their tenancies, and a proactive approach to estate management resulting in many estates being well kept. Leaseholder services are effectively delivered. There is a strong structure for resident involvement with customers clearly able to influence services.
- 228** However, the ability to deal satisfactorily with customer enquiries at the first point of contact is limited, and monitoring of service standards and customer feedback is not yet sufficiently developed to effectively assess satisfaction levels and drive service improvements. Customer profile information and the monitoring of services by diversity, is not sufficiently comprehensive to demonstrate that services are provided equitably, or to allow services to be tailored in a systematic way to meet the needs of vulnerable customers.
- 229** Progress is not being made towards reaching the decent homes target, performance in completing repairs in priority times is weak and empty properties take a long time to repair and let. Joint work arrangements between Wolverhampton Homes and the Council are not providing an effective aids and adaptations service for vulnerable customers.
- 230** The arrangements for customers to receive money and debt advice are not robust. Estates are not consistently managed and maintained, and there is limited involvement in services from the wider tenant base and under represented groups. Wolverhampton Homes cannot demonstrate that it delivers value for money across all of its services, and procurement has not been effectively used to achieve services that reflect best value for customers.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 231** Wolverhampton Homes can demonstrate a track record in delivering improvements. Improved services are being delivered in a number of areas supported by stronger performance. Customers have noticed service improvements and this is being reflected in satisfaction levels. However, progress in delivering improvements, and in improving performance, has not been consistent in all areas.
- 232** Wolverhampton Homes has made sound progress in delivering improvements that customers would recognise. The range and scale of improvements needed is considerable, and Wolverhampton Homes prioritises the areas it needs to tackle. The Delivery Plan for October 2005 to March 2006 identified 16 priority projects on which to focus resources and effort. These cover a range of activities including setting up as an ALMO, building capacity to deliver services and introducing service improvements. A number have been completed and some are ongoing and have been rolled forward into the priorities for 2006/07. Improvements that customers directly benefit from are:
- extended opening times following a review of customer services and area offices, with more effective use of resources in staffing these;
 - the branding and promotion of Wolverhampton Homes with service standards agreed across most services;
 - the introduction of direct debit from April 2006;
 - a review of the concierge service delivering enhanced levels of service from July 2006; and
 - a review of garage sites in response to resident concerns to improve the environment and increase safety, with some tackled and clear plans developed on how to address the remaining.
- 233** Improvements have also been made in a number of other services, which are being sustained over time. For example, the efficiency of call handling by the Repairs Reception Service has increased, more empty properties are now accepted on the first offer, gas servicing now performs strongly compared to a very poor position in 2002, and partnership work in recent years in the Low Hills area of the city is resulting in an improved environment for residents to live in.
- 234** Wolverhampton Homes can demonstrate a track record of delivering improvements as a result of external challenge. Consultants carried out a mock inspection in January 2006 and work is underway to implement the recommendations arising from this. Issues identified in an external quality report on gas servicing in August 2005 have also been addressed.

- 235** However, the track record in delivering the recommendations arising from our two inspections in 2002 and 2004 is more mixed. Some actions have been achieved but some have not been addressed and some remain ongoing. A table showing progress against the recommendations is attached at Appendix 3. Wolverhampton Homes is tackling most of the outstanding issues, although a number remain the responsibility of the Council, and has successfully delivered some, such as the introduction of direct debit.
- 236** Performance is showing sustained improvement in a number of key services and poor performing areas are effectively tackled. The table below shows performance trends for a number of key indicators.

Table 1 Performance trends in key service areas

Performance indicator	2003/04	2004/05	2005/06*	Quarter 4 2005/06*
Rent collected	97.92%	98.00%	97.90%	97.90
Average time taken to complete routine repairs	N/A	71 days	26.5 days	16 days
Level of emergency repairs as a proportion of all repairs	26%	22%	18%	22.6%
Percentage of emergency repairs completed in time scales	N/A	87.88%	86.92%	90.45%
Percentage of urgent repairs completed in time scales	N/A	76%	81.36%	84%
Percentage of routine repairs completed in time scales	N/A	48%	77%	90.45%

Performance indicator	2003/04	2004/05	2005/06*	Quarter 4 2005/06*
Repairs appointments made and kept	N/A	27%	65%	77%
Time taken to re-let empty properties	N/A	Over 70 days but based on different calculation	52 days	46 days
Percentage of homes failing the Decent Homes Standard		52%	53%	53%

* *Unaudited figures*

- 237** The table shows that performance is continuing to improve across key service areas with many showing increased performance levels by Quarter 4 of 2005/06. However, not all areas are showing such sustained improvement. Significantly, no progress is being made in meeting the Decent Homes target and progress is slow in reducing the time taken to let empty properties.
- 238** Improvements in services and performance are being reflected in increased customer satisfaction. The STATUS survey carried out in November 2005 showed that satisfaction had fallen overall, and against a number of other indicators. A smaller sample survey carried out in March 2006 showed that satisfaction in some areas had risen, with overall satisfaction with the landlord service increasing to 75 per cent, which is an improvement on both the November survey and the previous survey in 2004. Our inspection findings also showed that customers held the view that services had improved under Wolverhampton Homes, with particular improvements with responsive repairs and the level and quality of the information available.
- 239** Sustained improvement in value for money cannot be demonstrated over the last three years but progress has been made since the establishment of Wolverhampton Homes. Wolverhampton Homes has delivered significant efficiency gains within its first six months of operation and these are sustainable over time. Addressing the viability issues within the in-house work force has meant that this service is no longer operating at a loss, and restructuring of how services are delivered has resulted in efficiency gains which are now being used to improve front line services.

How well does the service manage performance?

- 240** Wolverhampton Homes has a clear vision for the organisation, with aims and priorities to support the delivery of this. It has identified the improvements that are needed and has developed a sound improvement planning framework to take the organisation forward. There is a robust performance management framework to cascade the priorities through the organisation and there are arrangements to ensure that performance is effectively monitored and managed. However, some plans are still in development and some key performance information is not effectively captured and monitored.
- 241** Wolverhampton Homes is aiming to secure a 'three star, excellent' rating for its services by April 2008, and has established an improvement planning framework to achieve this. An overarching plan, the excellent services project plan, has been developed based on a comprehensive assessment against the Audit Commission's key lines of enquiry (KLOEs). This plan identifies the actions needed to meet the requirements of the KLOEs for an excellent service. The actions are captured for implementation in the Delivery Plan, priority improvement projects, strategic improvement plans, service plans and specific action plans. A project support team regularly reviews the excellent services project plan and checks off completed actions, including validation that the actions have been carried out. In this way, Wolverhampton Homes can deliver and demonstrate continuous improvement.
- 242** The improvement plans are generally robust setting out the actions needed, the time scale, the responsible officer and milestones or outcomes to measure progress against. Service plans are clearly linked into the priorities identified in the Delivery Plan, address service weaknesses and set challenging targets for most areas. For example, the Delivery Plan includes targets around maintaining the high levels of income collection and reducing void periods to 27 days, which are supported by more detailed targets at a service level. However, some service plans had not been fully completed at the time of inspection, lacking financial and risk assessment information, which means the ability to deliver them has not been fully assessed.
- 243** There are effective arrangements for monitoring progress against the improvement plans. Plans are monitored at appropriate levels within the organisation. Progress against the Delivery Plan is monitored at Board level and also by the Council. Priority projects and service plans are monitored by the Senior Management Team. Exception reporting is used as appropriate. The excellent services project plan is used as a tracking tool to gain an overall view of progress against the range of improvement activities it is carrying out.

- 244** Wolverhampton Homes recognises that it cannot deliver all the improvements needed at the same time and has adopted a priority approach. Improvement plans and actions are prioritised against a risk assessment so that key issues are tackled first. The Delivery Plan for 2006/07 builds on the priorities identified in the previous plan and identifies ten strategic improvement plans. These are longer-term plans owned by the Senior Management Team, and each led by a management team member. Priority projects are developed to ensure that key improvements are delivered. This approach means that resources are targeted to those improvements which are identified as being the most important at that time.
- 245** The improvement planning framework is resulting in improved services for customers and more effective ways of working. For example, improvements that are underway include work to increase debt advice available to customers, and developing a systematic approach to using customer feedback to improve services. Improvement priorities for 2006/07 include a major review of access to services to reconfigure how customers interact with Wolverhampton Homes, and the development of new IT systems to support the effective delivery of services in the future.
- 246** Improvements have been identified that will deliver value for money. The Annual Efficiency Statement Forward Look identifies the areas for potential efficiency gains. These include the relocation of a local repairs team to an existing office saving £40,000, restructuring of back office activities in the Finance Division saving £85,000, restructuring of the Asset management Division saving £355,000, and changes of mobile phone contracts with savings of £22,000 from June 2006. In addition, £2 million has been secured from the Council to invest in new IT systems. This was negotiated on a business case for future efficiency gains being delivered through a reduction in the establishment as a result of the investment, projected to be in the region of £1 million a year. However, the lack of value for money and procurement strategies hinders the development of a co-ordinated approach to planning future improvements in this area.
- 247** There is strong and visible leadership from the Chief Executive, with the Board and the Senior Management Team willing and able to take difficult decisions in order to achieve the organisation's priorities. This is supported by a sound performance management framework which cascades the aims and priorities of Wolverhampton Homes through the organisation. The aims and priorities in the Business Plan are linked through the Delivery Plan to the Service and functional plans, which clearly show how each service and section contributes in meeting them. Individual responsibilities are identified through the annual staff appraisal system.

- 248** There is effective performance monitoring which is aimed at improving performance and addressing areas of concern. Performance information is relevant and well presented, and performance is effectively managed through a structure of performance meetings. The information sets out current and historical performance against targets and includes comparison to the top performance of other ALMOs. A monthly report of consisting of a range of performance indicators is considered by the Senior Management Team and the Board. The information is also collated and presented as a quarterly report, which is considered by the Area Forums and the Board, along with a commentary explaining performance in key service areas and any actions being taken. This enables Board members and tenants, through their role on the Area Forums, to have a clear understanding of how services are performing.
- 249** An attractive quarterly report containing key performance information is produced for the public. The full report is sent to tenant groups and is available in local offices. A summary was also sent out with the Tenants Handbook. This allows customers to see and comment on how Wolverhampton Homes is performing.
- 250** At a more detailed level performance monitoring is carried out through the various management teams. There are 72 BVPI and local performance indicators used by managers to monitor and discuss performance. This is supported by six-weekly meetings of all service and section managers, which are chaired by the Chief Executive, and include a focus on performance indicators and more general performance issues. Performance officers who have responsibility for performance systems meet on a regular basis to identify and implement any improvements arising from performance monitoring activities. Performance is also monitored through one-to-one meetings between staff and their managers. In the South Division a 'performance clinic' approach has been adopted for front line staff to discuss their performance. If this proves successful consideration will be given to expanding it across the rest of the organisation.
- 251** However, there is insufficient focus on some areas of performance with key performance information not included within the reporting framework Progress against Decent Homes is reported annually but there is no tracking of progress through out the year, there is no information on the performance of the aids and adaptations service and value for money targets are not being tracked as part of performance monitoring. The costs of services in relation to performance have not been effectively linked so that the level of performance can be assessed against the cost of providing the service.

- 252** There are effective arrangements to tackle poor performance. Where performance is of concern specific groups are established to address this. Two groups have been set up, one for repairs, the Repairs Integrated Management Team (RIMT) and one for voids, the Voids Integrated Management Team (VIMT). These groups bring together officers responsible for the different aspects of the service, and seek to understand the causes of poor performance and identify ways of improving it. The RIMT has been established for some time and has been successful in introducing changes to the responsive repairs service and improving performance. The VIMT has been established more recently, and although there are signs of improvement in void turn round times, the outcomes so far are limited.
- 253** The arrangements for the Council to monitor the performance of Wolverhampton Homes are robust. Monthly meetings are held which monitor key performance indicators. Following discussion, it has been agreed to change the format of these meetings so that the performance meetings take place every third month, with one month used for Council officers to attend the Senior Management Team meeting where performance is discussed, and the remaining month used to look at progress against targets in the Delivery Plan. In addition to this there is also joint monitoring of the housing capital programme, which tracks the progress of projects and spend against budget.
- 254** At a strategic level there are quarterly monitoring meetings. These include the Chief Executive of Wolverhampton Homes, the Council's Portfolio Holder, senior officers from the Council and representatives from the Wolverhampton Federation of Tenant Associations. This group reviews progress against the Delivery Plan and addresses any strategic issues.
- 255** The relationship between the Council and Wolverhampton Homes has been tested by negotiations over the Delivery Plan, and the level of the management fee and capital resources. An external review to consider the governance arrangements has been carried out and recommendations made to improve the relationship. For example, financial and performance monitoring protocols are to be agreed.
- 256** Budget monitoring arrangements have been introduced to ensure the effective and proper management of budgets. Prior to Wolverhampton Homes most budgets were not delegated but held centrally. Wolverhampton Homes has delegated budgets to managers and the Finance Division provides regular financial information to enable these to be managed. This is supported by monthly monitoring meetings with divisional finance officers.
- 257** There is a robust approach to assessing risk and monitoring arrangements have been established. Areas of risk have been identified and actions developed to address these. Key areas identified are around asset management and value for money. A risk map has been drawn up which will be reviewed by the internal auditors and the Board. In future, six-monthly risk reports will be presented to the Finance and Audit Committee.

- 258 Wolverhampton Homes is a learning organisation. It uses customer feedback to inform service improvements, although this has not yet developed into a systematic approach. It also learns from external organisations. A number of visits have been made to high performing social housing providers to learn from them and also to allow staff to judge Wolverhampton Homes' services against them. Staff also attend externally facilitated workshops which look at good practice. The vulnerabilities checklist was introduced as a result of learning through this.

Does the service have the capacity to improve?

- 259 Wolverhampton Homes effectively plans how it can use the resources available to deliver improved services, and redirects resources into achieving priorities. This is supported by effective human resource planning which is increasing the capacity of the organisation to deliver improvement. However, capacity remains limited in some areas, and there is uncertainty over future resources available from the Council.
- 260 There is effective financial planning to ensure that Wolverhampton Homes can deliver its services and improvements within the resources available. The Delivery Plan sets out how Wolverhampton Homes will maintain and improve services over the next three years within a reducing budget by achieving savings and efficiency gains across a number of areas. Assumptions on the likely reductions in the management fee have been made. However, given the position of the Council's housing revenue account, with a projected deficit in 2007/08 of £750,000, Wolverhampton Homes continues to face uncertainty about the level of resources it will have to deliver its services.
- 261 Wolverhampton Homes delivered its services within the agreed management fee for October 2005 to March 2006. Resources and efficiency gains were redirected to support priorities, and for setting up the ALMO, for which no additional budgetary provision had been made by the Council. This indicates that the resources available are effectively managed.
- 262 Resources for 2006/07 have been prioritised to ensure that Wolverhampton Homes remains within its budget and that the objectives in the Delivery Plan are delivered. The management fee for 2006/07 for Wolverhampton Homes to deliver its services was finally agreed at £33.875. This is lower than originally anticipated and £1.2 million less than for 2005/06, but Wolverhampton Homes planned its budgets on the basis of meeting this. This meant difficult decisions were taken, including controlling the filling of vacant posts, which impacts on capacity, and leaving a number of service pressures unfunded, such as the budget for continuing the deep cleaning of the high rise blocks. These services will be prioritised for funding if additional resources become available, either from the Council or as a result of efficiency gains.
- 263 The capital programme for investment in the stock has also been reduced in 2006/07. The impact of this has been discussed earlier in the stock investment section of the report. The Council has agreed investment of £104 million to 2010, as its contribution to meeting the Decent Homes Standard and has assessed that it will be in a position to honour this commitment.

- 264** There is effective human resource planning to support and develop the capacity of Wolverhampton Homes to deliver improvement. Wolverhampton Homes is seeking to be awarded Investors in People accreditation by February 2007, and a number of actions are being progressed to achieve this. Workforce planning is incorporated as part of the divisional service planning process. Managers have profile information on their staff and are expected to identify any gaps in capacity to deliver the service and any improvements. Periodic profiling of the in-house work force takes place and the information discussed with the unions to identify any actions to be taken. For example, the workforce has an aging profile and a local performance indicator has been set to address this.
- 265** Wolverhampton Homes effectively shifts resources increasing capacity where necessary to achieve priorities. Staffing resources have been increased to support the customer service at the point of access, letting of empty properties and anti-social behaviour. New posts to deliver these services have been established through the redirection of existing resources.
- 266** Improving staff morale has been a key priority for Wolverhampton Homes and work to increase this is proving successful. Staff conferences were held in July and August 2005 to provide information about Wolverhampton Homes and seek feedback on the improvements needed. Communication in the organisation was identified as an issue and this has been strengthened. The six-weekly meetings held with service and section managers include a core brief. This information is captured in the staff newsletter, which is issued at the same time, and managers are responsible for cascading this down to staff. The staff survey in November 2005 continued to identify issues around communication, and a lack of understanding by staff about some of the changes that were happening. In response to this smaller briefing sessions have been introduced carried out by the Chief Executive and held at different work locations. Two rounds of these have been held so far and have been well received. A tracking survey of 200 staff in March 2006 showed that staff feeling well informed had increased from 76 per cent to 86 per cent and job satisfaction had increased from 57 per cent to 70 per cent. Staff we spoke to told us that communication was better and that they were clear about the organisations aims and priorities and their own roles.
- 267** Staff recognition events have also been launched, with two held so far. Members of staff can be nominated by their colleagues through the FLAG (Front Line Action Group) or by the Senior Management Team. Small cash awards are given to staff who have delivered a service above and beyond the requirement of the job. The events are also used for awarding certificates to staff who have achieved qualifications.

- 268** A new staff appraisal system, Personal Development Reviews (PDRs), has been introduced which focuses on achieving key competencies, setting performance objectives and identifying development needs. PDRs were carried out during April and May and at the time of inspection 88 per cent were either completed or scheduled. The Human Resources Division carry out some quality assurance on completed PDRs and from now on will be picking up training needs in a more systematic way to inform the annual training plan. The appraisal system is supported through regular one-to-one meetings between individual members of staff and their managers.
- 269** Wolverhampton Homes is using training effectively to build capacity and support business needs. A People and learning Strategy has been developed which is linked to the Delivery Plan to show how supporting staff will deliver the organisation's objectives. Actions in the strategy have been cascaded into service plans for delivery. Resources within the Human Resources Division have been redirected into strengthening the development and training role. Training has been provided through annual programmes in the past. For 2005/06 these focused on customer services for front line staff and operatives, and equalities and diversity training. However, the more structured approach now in place, and more effective use of PDRs for identifying training themes, is enabling training to be developed to support business needs, for example in 2006/07 there will be a training focus on management development.
- 270** The capacity of Wolverhampton Homes to deliver its priorities remains limited in some areas. As an organisation Wolverhampton Homes is still new, and has a challenging improvement agenda to address. It has built upon and introduced improvements to the way it manages capacity, but given the pace of change, the ability to manage this needs to be increased at different levels within the organisation. Without enhancing capacity Wolverhampton Homes will face difficulties in achieving all the improvements it seeks to deliver.
- 271** There are comprehensive procedures to manage attendance and minimise the impact of sickness absence on capacity. There is a management of attendance policy with procedures in place to address sickness absence. Monthly reports are produced for managers which identify where action needs to be taken. Wolverhampton Homes uses the Council's occupation health service, which also includes access to physiotherapy and counselling services. A structured return to full-time work is offered following long-term sickness along with options to reduce hours, change work patterns or redeployment where appropriate. If long-term sickness continues after sickness pay ends action is taken to terminate employment.
- 272** In 2005/06 sickness was 6.25 per cent against a target of 4.23 per cent. When long-term sickness is taken out the figure reduces to 2.44 per cent. The target for 2006/07 remains as 4.23 per cent. Comparisons are made with a neighbouring ALMO which show similar levels of sickness absence, but there are plans to benchmark with other organisations to identify ways of improvement. Detailed sickness figures are reported monthly to the management team and any high absence figures for particular teams are investigated. Summary information is presented to the Board.

- 273** Appropriate governance arrangements are in place to ensure the organisation's business is carried out in the proper manner. The capacity of the Board is developing, and the Board members work well together, and with the Senior Management Team, resulting in effective decision-making.
- 274** The Board is well supported through training and development. The initial training programme was based on the requirements needed for the role and in response to a skills audit of members. Training sessions have generally been well attended and have included areas such as business planning, finance and Board empowerment. Board members have recently started an appraisal process and have carried out an individual assessment against a number of activities. The results are currently being collated and will be used to identify any skills gaps and develop future training programmes. Skills gaps will also be addressed through the recruitment of new Board members; there is currently a vacancy for an independent member. The Board is also aware of the need for succession planning and proposals are being developed with the Wolverhampton Federation of Tenant Associations, with discussions around having an elected pool of tenant representatives who could be nominated to vacancies when they arise.
- 275** Current IT systems are not providing Wolverhampton Homes with sufficient capacity to improve services quickly in some areas. The IT systems are dated, have not been invested in over the years and are no longer adequate to support the business needs of Wolverhampton Homes. Wolverhampton Homes has successfully negotiated £2 million from the Council to invest in a new IT system. Proposals on how to proceed have been agreed, and all services will be subjected to business process reengineering with appropriate IT solutions developed to support new ways of service delivery. This includes the plans to review access to services, reducing area offices and introducing new telephone call handling arrangements. The target is to have a new IT system in place with effect from October 2007. In the meantime any enhancement of existing IT systems are on the basis of an assessment against agreed criteria to ensure that only projects that are cost effective are carried out.
- 276** Procurement has not been comprehensively and effectively used to increase capacity. Some partnering arrangements have been developed for the delivery of capital works, which are resulting in savings on previous arrangements and adding value in addressing concerns and learning from each other. Partnership working in areas of tenancy management is adding capacity and expertise in delivering positive outcomes. However, procurement is not being used as systematic tool to increase the capacity of the organisation to deliver improvement.
- 277** Wolverhampton Homes has attracted limited external inward investment in delivering its services. Some external funding has been secured as part of energy efficiency work and through work with the fire service to install smoke alarms. However, to date this is not an area that Wolverhampton Homes has actively pursued.

Summary

- 278** We have assessed Wolverhampton Homes as having promising prospects for improvement.
- 279** Wolverhampton Homes can demonstrate a track record in delivering improvements. Improved services, many of which are customer-focused, are being delivered in a number of areas supported by stronger performance. There is a clear vision for the organisation, Wolverhampton Homes has identified the improvements that are needed, and has developed a sound improvement planning framework to take the organisation forward. A robust performance management framework cascades the priorities through the organisation and performance is effectively monitored and managed.
- 280** Wolverhampton Homes effectively plans and manages how it can use the resources available to deliver improved services, and redirects resources into achieving priorities. This is supported by effective human resource planning which is increasing the capacity of the organisation to deliver improvement.
- 281** However, progress in delivering improvements, and in improving performance, has not been made consistently in all areas. Some plans are still in development and some key performance information is not effectively captured and monitored. Capacity remains limited in some areas, and there is uncertainty over future resources available from the Council.

Appendix 1 – Performance indicators

Wolverhampton PIs – 2004/05

	2002/03	2003/04	2004/05	2004/05 top 25% Mets
BV63 SAP rating	59.1	60	60	64
BV66a % rent collected	97.9%	97.92%	98%	97.69%
BV74a Overall satisfaction	69.3%	-	82%	81%
BV75a satisfaction with TP	-	-	69%	68%
BV184a LA homes non-decent	51.5%	48%*	53%	43%
BV184b Change in non-decent	14%	13.5%*	0	11.3 per cent
BV185 Repair appts made and kept	5%	5%	27.7%*	75%

Appendix 2 – Progress against recommendations of previous Audit Commission Inspections

Recommendations of previous inspections

Audit Commission inspection report 2004

Repairs and maintenance service	Progress
Continue to develop a robust HRA business plan to demonstrate how its objectives will be delivered and that arrangements are in place to prioritise investment if the funding available is lower than anticipated	Achieved.
Use procurement as a tool to deliver value for money agreeing the five-year procurement plan by September 2004 to set out how services will be procured and how additional investment through the ALMO can be delivered	Not achieved.
Demonstrate that the management costs of delivering the service reflect value for money	Ongoing but not achieved.
Reduce the level of emergency repairs and continue to increase the level of planned maintenance effectively monitoring the impact of this on reducing the level of responsive repairs	Ongoing but not achieved.
Improve performance in completing repairs in priority times supported through effective workforce planning to achieve a consistent level of service for tenants across the city	Achieved.
Use pre and post-inspection of repairs to increase the effectiveness of the responsive repairs service to demonstrate quality assurance and value for money	Achieved
Improve performance in the time taken to re-let empty properties setting challenging targets for each stage and establishing robust monitoring arrangements	Partially achieved and ongoing.

Repairs and maintenance service	Progress
Consistently achieve the lettable standard and put systems in place that can demonstrate this	Achieved.
Achieve high levels of call handling to compare with the best, setting challenging targets and monitoring consistently across the service	Achieved.
Increase appointments across the responsive repairs service, including gas servicing, effectively capture and monitor this information and set targets to track improvement	Achieved and ongoing.
Ensure that learning from customer feedback and complaints results in practical service improvement and that monitoring of service standards is consistently carried out	Partly achieved and ongoing.
Strengthen resident involvement further by engaging the wider tenant base and advertise and use key feedback meetings to involve more tenants in the service	Partly achieved.
Develop the role of the strategic consultative committee to involve tenants in the strategic and budgetary decisions of the service	Partly achieved and ongoing.
Prioritise the implementation of its equalities action plan and take appropriate action to address the slippage in time scales	Updated by new strategy.
Complete the review of ICT requirements to support service delivery and develop appropriate options	Ongoing.
Ensure that arrangements for managing and monitoring the performance of services are robust, measure outcomes and are use to drive improvement	Achieved.

Audit Commission inspection report 2002

Re-lettings and Rents Management Services	Progress
Continues to work with All Cultures One Voice to research the issues for black and minority ethnic communities and develop strategies to address inequalities	Ongoing.
Investigate further the deterrents for customers in applying for social housing and promote the image of the Council through attractive literature, based on the experience of Homes Now! across the city	Not achieved.
Increase the provision of services available to tenants for money and benefit advice and ensure consistent access to the service across the city	Ongoing.
Introduce a corporate debt policy to facilitate the prioritisation of debts and give guidance to staff responsible for collecting monies owed to the Council	Not achieved but ongoing.
Implement consistent practice in negotiating arrears repayments	Achieved.
Gather accurate property information to guarantee the accuracy of the rent assessment process	Achieved.

Appendix 3 – Documents reviewed

- 1 Before going on-site and during our visit, we reviewed various documents that were provided for us. These included:
 - self-assessment;
 - section 27 application;
 - management agreement;
 - Business Plan;
 - Delivery Plan;
 - service plans and various improvement plans;
 - service leaflets and service standards; and
 - relevant policies and procedures.

Appendix 4 – Reality checks undertaken

- 1 When we went on-site we carried out a number of different checks, building on the work described above, in order to get a full picture of how good the service is. These on-site reality checks were designed to gather evidence about what it is like to use the service and to see how well it works. Our reality checks included:
 - focus groups with tenants, staff, operatives and the Board;
 - visits to WFTA and ACOV offices;
 - visits with repairs staff and to empty properties;
 - visits to major works projects;
 - visits to sheltered housing schemes;
 - visits to estates with caretaking and concierge staff; and
 - mystery shopping at area offices.

Appendix 5 – Positive practice

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

Access and customer care

- 1 Wolverhampton Homes is improving access to its information. The front cover of the Tenants Handbook contains references in Braille. A number of documents can be downloaded in different community languages and given to the customer at the point of enquiry, providing a quick and effective service.

Diversity

- 2 Wolverhampton Homes has introduced a vulnerability checklist for new tenants. This gathers a range of information about the tenant’s needs which is added to the profile database. This enables the profile information to remain up-to-date.

Tenancy management and preventing arrears

- 3 Wolverhampton Homes has introduced pre-tenancy interviews as part of its approach to tenancy management. These are used to explain tenancy conditions and provide advice on a range of matters. They also include a financial check to assess whether the incoming tenant can afford the property and discussion about rent payments and benefit entitlement. Housing benefit forms are completed at the interview and any supporting evidence gathered so that benefit entitlement can start, if possible, when the tenancy commences.

Involving customers in service monitoring

- 4 Tenants of Wolverhampton Homes are involved in service monitoring. There has been mystery shopping by tenants for a number of years. This mainly focuses on access issues around the area offices, and involves visits to offices and survey work with customers. Four tenants have also been trained as auditors as part of the ISO 9000 quality accreditation scheme. Tenant auditing has taken place for voids passed as ready for letting and is due to be extended to other areas of service.