

South Tyneside Homes

South Tyneside Metropolitan Borough Council

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Arm's 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, arm's 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 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); and
- '*Learning from the first housing ALMOs*' (May 2003).

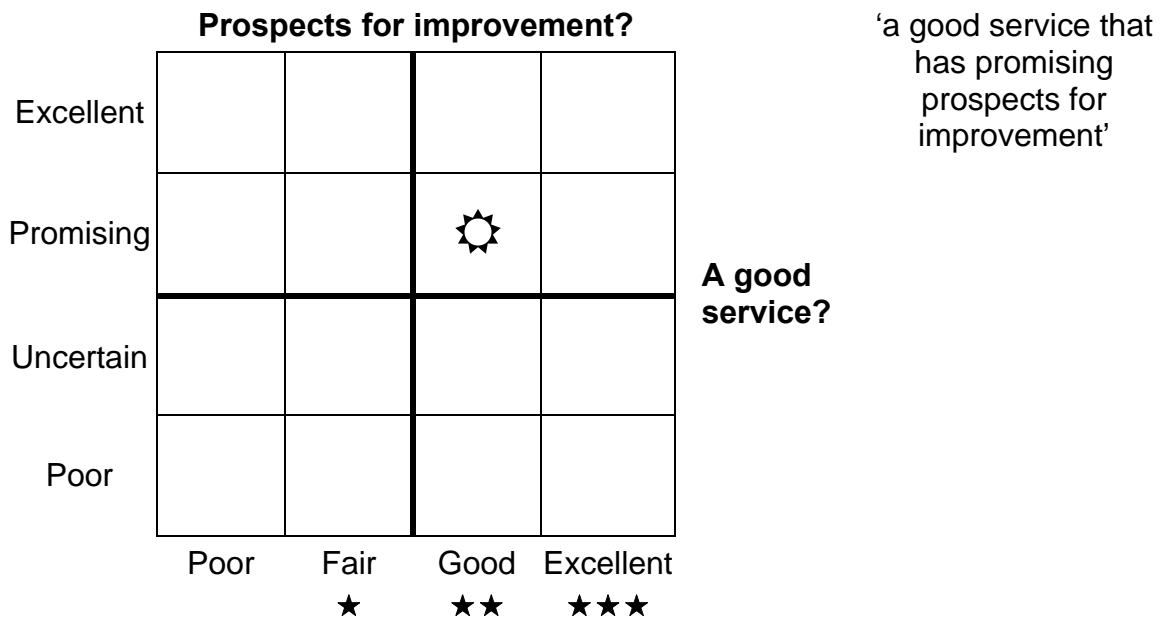
Summary

- 1 South Tyneside is England's smallest metropolitan borough, covering 64 square kilometres and has three towns (South Shields, Jarrow and Hebburn) and three villages (Baldon, Whitburn and Cleadon). The borough has a declining population which was estimated at 151,000 in 2006, with 2.76 per cent of the population from minority ethnic groups.
- 2 The Council established an arm's length management organisation (ALMO) called South Tyneside Homes (STH) in April 2006. The ALMO has delegated responsibility for providing housing management and maintenance services to the Council's 18,949 homes. We inspected STH in February 2007 which found the service to be a fair, one-star service, with promising prospects for improvement.
- 3 In this re-inspection, we have assessed STH to be providing a two-star, 'good' service to customers. The ALMO has made strong progress in addressing the weaknesses we found in our last inspection and has subsequently improved the service from its previous 'fair' level, in the last 12 months.
- 4 In particular STH has addressed some of the fundamental weaknesses we found previously, particularly in setting out and publishing its investment plans to ensure homes are improved to the decent homes standard; strengthening its management of empty homes leading to reduced re-let times and empty properties; improving the approach to estate management and the appearance of estates making them more attractive places to live. Improvements have also been made to leasehold services and sheltered housing which were previously weak. It has also made improvements across the range of services inspected, delivering better outcomes for customers.
- 5 There are still however, some key areas for improvement. These include a lack of targets to ensure greater representation of diverse groups among staff. Sheltered schemes and flats still not being fully accessible to comply with legislation. The approach to VfM has yet to be embedded.
- 6 We have assessed STH's prospects for improvement to be promising. It has a strong track record overall, there is effective leadership and it has made some improvements in capacity at board and manager level and through partnership work. However, there are some areas of weaker performance despite improvements, some aspects of governance arrangements are only satisfactory and staff sickness levels are very high.

Scoring the service

- 7 We have assessed South Tyneside Homes as providing a ‘good’, two-star service that 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

- 8 We found the service to be good because it has a range of strengths including:
- services are easy for customers to access and there is good information available about them, including accessible service standards;
 - performance on dealing with complaints and call handling exceeding targets;
 - customer satisfaction with the overall landlord service and in most aspects of individual services is high;
 - a clear commitment and strategic approach to diversity, with a strong understanding demonstrated by staff and better use being made of customer profile information;
 - strong approach to resident involvement, with opportunities to engage with harder to reach groups and residents are routinely involved in reviewing services;

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.

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- STH is developing a culture of VFM, it has made some efficiency savings and has a robust approach to procurement which is delivering benefits;
- investment decisions are informed by robust stock condition information and a strengthened sustainability model and environmental strategy;
- a customer focused response repairs service which has improved performance and is providing a high quality service to all tenants;
- a renewed customer focused approach to empty homes with a dedicated empty homes team; revised lettable standard fewer empty homes and reduced re-let times;
- performance on gas servicing is strong, customer focused and improving levels of early access;
- strong adaptations service which works well with partners and completes adaptations quickly;
- customer focused rent collection and arrears recovery procedures offering a wide range of information, benefit advice and rent payment options;
- strong approach to financial inclusion with quick referrals to debt advice agencies which is leading to increased benefits and reduced rent arrears for tenants;
- action taken against ASB is effective with good partnership working, a balance of enforcement activity and support or diversionary activities taking place;
- the appearance of estates has improved significantly with an increased focus on ensuring estates are well maintained;
- service charges have been de-pooled to ensure more realistic charges are levied to tenants and leaseholders;
- improved communication with leaseholders through the website, improved procedures and publications, a new forum for leaseholders and new service standards;
- improvements have been made to the choice based lettings system to ensure it best meets customer needs now and in the future when the new policy is introduced; and
- there is a clear strategic approach and range of support available to meet the housing support needs of vulnerable groups including those in sheltered housing.

9 However, there are some areas which require improvement. These include:

- not fully assessing the benefits of having two separate approaches to customer contact arrangements;
- not fully addressing access issues to comply with the disability discrimination act (DDA) in sheltered schemes and flats;
- a lack of clear and challenging targets to ensure greater representation of diverse groups among staff;

- weaknesses in value for money still exist, costs are not well understood in all areas, the VFM strategy is not clear and the whole approach is yet to be embedded;
 - weaknesses in performance in some aspects of response repairs; declining performance in completing emergency repairs and the high proportion of emergency and urgent repairs;
 - not yet explored the benefits of incentive schemes for positive tenant behaviour and no 24-hour response facility for victims of anti-social behaviour;
 - clear options and advice about prospects for re-housing is not provided for all customers; and
 - there are still weaknesses in the leaseholder service with, weak invoicing arrangements, arrears still high and not all service costs fully recovered.
- 10** The service promising prospects for improvement because:
- the board and senior managers demonstrate clear and visible leadership, to drive improvements forward, including using their influence with the Council and redirecting resources to priority areas;
 - the ALMO and the Council work well together through strong partnership and monitoring arrangements;
 - STH has made progress against all the recommendations made in the last inspection and other areas for improvement highlighted within it;
 - performance has improved in most areas and customer satisfaction has increased;
 - there are further service improvements that customers would recognise;
 - customers are involved in developing plans and reviewing its approach;
 - there is a comprehensive performance management framework, staff are more involved in improvement planning and performance management;
 - service improvement planning is robust, with the focus on customer identified priorities featuring as well as other areas for improvement; and
 - capacity has been boosted through a strengthened senior management team and new additions to the board.
- 11** However, there are a number of barriers to improvement. These include:
- medium to long term service improvement plans are yet to be developed to ensure sustained focus on improvements over time;
 - performance is mixed and in some areas is still not strong compared with other similar organisations, targets aren't always helpful or realistic;
 - the framework to ensure a continued focus on VfM is not well developed, efficiency targets have not been set for each area or an efficiency plan developed as part of the overall approach to VfM;

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- some aspects of governance arrangements are only satisfactory, composition of the board does not reflect the community adequately and the role of area panels has yet to be fully developed to ensure maximum benefits; and
- there are some weaknesses in HR with high levels of sickness, the quality of staff appraisal is inconsistent and is not robustly managed.

Recommendations

- 12 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.

Recommendation

R1 Improve the focus on customers by:

- *ensure staff promote the dangers of restricting ventilation of boilers at every opportunity to avoid the hazards of carbon monoxide poisoning;*
- *implementing 24-hour anti-social behaviour reporting, with measures in place to respond appropriately to reports received;*
- *improving the quality and availability of information and advice with regard to housing options;*
- *measuring outcomes from housing support activities;*
- *improving response times to and learning from complaints;*
- *improving response rates to customer satisfaction by extending range of ways to complete questionnaires, appropriate to customer needs;*
- *understanding the reasons for lower satisfaction with opportunities to get involved and taking action to improve satisfaction in this area;*
- *assess the benefits of operating two customer contact systems; and*
- *addressing other customer care related weaknesses in this report.*

The expected benefits of this recommendation are:

- improvement in the quality of service delivery, as experienced by customers;
- improving access to services;
- to demonstrate the impact of initiatives;
- improving opportunities to gather feedback from customers; and
- increasing customer satisfaction.

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

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

Recommendation

- R2 Improve performance in meeting the diverse needs of the community, by:*
- using a range of tools and opportunities to continue updating the customer profile data;*
 - using the data received, in liaison with customers, to automatically tailor information sent in the appropriate format;*
 - using profile information to strategically inform and anticipate changes; for setting targets and performance measures across services which help to determine whether diverse needs are being met; and*
 - ensuring reviews are complete and plans are in place to ensure all offices and all viable sheltered schemes are accessible and DDA compliant and discussing resulting options with customers.*

The expected benefits of this recommendation are:

- increased customer satisfaction, across a diverse profile;
- facilitating greater access to services through improved communication; and
- ensuring services are accessible to all.

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

Recommendation

- R3 Improve information available on costs of services and improve the value for money of services by:*
- focusing on developing a VfM culture among staff and board members, making the strategy clear and integrating it into STH's overall approach to service delivery;*
 - ensuring efficiency targets are integrated into service plans and individual targets set;*
 - reducing the high levels of emergency and urgent repairs;*
 - improve income collection rates from rechargeable repairs and leaseholders; and*
 - ensuring performance information is used to direct resources appropriately.*

The expected benefits of this recommendation are:

- a stronger basis to improve efficiency and value for money;
- decision making which is based on greater appreciation of the cost and quality of services; and
- increasing awareness and delivery of value for money across services.

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

Recommendation

R4 Strengthen performance management and improvement planning by:

- *putting in place challenging and achievable targets across all service areas;*
- *ongoing assessment of the impact of new strategies, approaches, procedures and initiatives on customer outcomes;*
- *robustly monitoring all SLAs to ensure they are delivering appropriate and high quality services;*
- *developing a robust performance framework for contractors and the in-house repairs service which involves customers to ensure there is a focus on meeting customers needs; and*
- *develop a more systematic approach to the use of all customer feedback to enable better comparison and analysis.*

The expected benefits of this recommendation are:

- plans which clearly set out customers expectations of what the service should deliver;
- robust performance management processes to highlight and address performance issues efficiently; and
- more consistent customer care, delivering higher quality outcomes.

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

Recommendation

R5 Maximise capacity to deliver further improvements by:

- *completing a review of governance arrangements and links to area panels;*
- *ensuring the asset management database is fully functional and integrated with other repair and maintenance systems;*
- *using flags on IT system to highlight gas servicing requirements to further improve access;*
- *addressing high levels of staff absence; and*
- *acting upon all feedback from the staff survey.*

The expected benefits of this recommendation are:

- increased staff attendance and motivation, to drive service improvement;
- greater capacity through better use of ICT; and
- increased scope for continual improvement of performance.

The implementation of this recommendation will have high impact with low costs. This should be implemented within four months of publication.

- 13 We would like to thank the staff of South Tyneside Metropolitan Borough Council who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 31 March to 11 April 2008

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Report

Context

The locality

- 14 South Tyneside is England's smallest metropolitan borough, covering 64 square kilometres and has three towns (South Shields, Jarrow and Hebburn) and three villages (Baldon, Whitburn and Cleadon).
- 15 The borough has a declining population which was estimated at 151,000 in 2006, with 2.76 per cent of the population from minority ethnic groups. The population is ageing with the number of 0 to 19 year olds projected to fall by 26 per cent over 20 years. There are well-established Yemeni/Arab and Bangladeshi communities in the borough.
- 16 South Tyneside suffered industrial decline in the 1970s and 1980s with severe social and economic consequences and in 2001 had the worst unemployment rate in England and Wales. In 2007 the borough was ranked as the 37th most deprived in the Government's Index of Multiple Deprivation³. This ranking has improved from the 15th most deprived in 2002, although the area still suffers from extensive deprivation.
- 17 Unemployment was 9.1 per cent in April 2007 compared with the national average of 5.3 per cent⁴. Average income is low; gross weekly pay is £388 compared to the North East average of £400, and national average of £459⁵.

The Council

- 18 The Council comprises 54 councillors, with the Labour Party in overall control. There is a ten member cabinet, supported by four scrutiny committees and a coordinating and call-in committee to govern the business of the Council.
- 19 In 2004 the Council was the only one to improve performance from a 'fair' to an 'excellent' CPA rating in one year. In 2008 the Council was assessed as improving well and demonstrating a four-star overall performance. Housing scored three out of four, and the Council's use of resources also scored three out of four which includes an assessment of South Tyneside Homes accounts as a wholly owned subsidiary of the Council.
- 20 In 2007/08 the Council had a net budget of £221.664 million with a capital programme of £54.165 million.
- 21 The Council is the largest employer in the borough, employing 8,500 people.

³ Rank of average ranks

⁴ April 2006 - March 2007; numbers and % are for those aged 16 and over. % is a proportion of economically active

⁵ ONS annual survey of hours and earnings - resident analysis 2007

The service

- 22** The Council established an arm's length management organisation (ALMO) called South Tyneside Homes (STH) in April 2006. The ALMO has delegated responsibility for providing housing management and maintenance services to the Council's 18,368 homes and 696 leasehold properties, receiving a management fee of £10.370 million for this service. It manages the Council's Housing Revenue Account budget of £49.423 million and £14.336 million capital programme budget. It employs approximately 665 full time equivalent staff to deliver the service through five neighbourhood and two sub-offices.
- 23** The ALMO is managed by a Board that is made up of four tenants, four council nominees and four independents. The day-to-day running of the company is delegated to a senior management team, headed by a Chief Executive.
- 24** The functions delegated to the ALMO 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 and Right to Buy administration;
 - managing lettings, voids and under-occupation; and
 - estate management, caretaking and housing related support services under the Supporting People programme.
- 25** 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, and
 - homelessness and general housing advice.
- 26** In April 2007, the Audit Commission inspected South Tyneside Homes and judged it to provide a fair, one-star service, with promising prospects for improvement. Where relevant, we start each section of the report with a brief description of what we said in 2007.
- 27** If the standards of South Tyneside Homes meet Government criteria, the Council is eligible to receive Supported Borrowing to help it bring all its homes up to the government's Decent Homes Standard.

How good is the service?

What has the service aimed to achieve?

- 28 South Tyneside Council has six priority themes.⁶
- Promoting a sense of place, cultural opportunities and wellbeing.
 - Helping every child and young person achieve their potential.
 - Making communities safer and stronger.
 - Helping people to live independent and healthy lives.
 - Helping people into jobs and encouraging enterprise.
- 29 South Tyneside Homes has identified four strategic objectives to deliver its vision of 'putting housing at the heart of South Tyneside'.
- Deliver excellent services.
 - Deliver modern homes to the South Tyneside Standard.
 - Run ourselves well.
 - Contribute to the community of South Tyneside.
- 30 The ALMO has also identified the values that will govern the delivery of these objectives.
- Prudent management of our resources and the resources we manage on behalf of tenants and the Council.
 - Respect in all our relationships and for all our stakeholders, colleagues and partners.
 - Inclusion of all our customers and partners in all our work.
 - Delivery of promises, excellent services and homes that people want to live in.
 - Excellence through continuous improvement.

⁶ Spirit of Tyneside 2008

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

Access and customer care

- 31 In 2007, we found that there were more strengths than weaknesses in this area. South Tyneside Homes (STH) demonstrated a strong customer focused culture. It was easy for customers to access services, good quality information was easy to obtain and included service standards for all areas. Customer satisfaction was generally high. Users were routinely consulted and increasingly involved in developing services. Feedback was used to improve services. However, offices were not fully compliant with the Disability Discrimination Act (DDA). Performance in answering telephone calls and responding to complaints was below target.
- 32 In this inspection there continue to be more strengths than weaknesses. There is a clear strategic approach to access and customer care. Frontline services have been strengthened and re-focused on the customer. Services are accessible and written information is of a high standard. Performance on dealing with complaints and handling calls has improved. Customers are routinely consulted and satisfaction is improving with services. However, some offices and services are still not fully accessible. There are some weaknesses with systems for measuring customer feedback and STH has yet to analyse the benefits of operating two separate systems for handling customer queries.
- 33 STH has a clear strategic approach to access, customer care and communication. The strategy is robust and focuses on six key objectives: getting to know customers, identifying their needs, ensuring accessibility to services, communicating well, ensuring staff are well trained and responding positively to feedback. Significant progress is being made in achieving the strategic objectives against the associated action plan with 77 per cent of customer profile information collected to date. An analysis of customer access points resulted in the closure of under used, unsuitable offices. This ensures a clear focus is maintained on improving services to customers.
- 34 Frontline services have improved and continue to be accessible and customer focussed. Frontline housing services have recently undergone a comprehensive review including customers which has strengthened its approach to customer service. Numbers of customer service staff has increased and specialist teams have been introduced to ensure an appropriate response to more complex customer queries and requests. We found offices to be welcoming and friendly, staff polite and knowledgeable and all wore name badges and uniforms. A range of useful information is provided at all offices. Access by telephone is available 8 am to 8 pm with dedicated repair and choice based lettings freephone services through the Council call centre. STH continues to have its own dedicated number for all other housing enquiries. This enables easy access to the most appropriate staff or service so that enquires can be dealt with effectively.

- 35 STH has recently reviewed and improved its arrangements for contact out of hours and in an emergency. This service is now provided by the council on behalf of STH. The service responds promptly to emergencies out of hours. Calls are handled appropriately by trained staff, however, arrangements for reporting ASB out of hours are not as comprehensive. STH has included emergency out of hours reporting arrangements as part of their ongoing reality checks carried out by tenant inspectors. This ensures high quality customer focused services are maintained through regular monitoring.
- 36 Some offices are not yet fully DDA compliant although reasonable adjustments have been made. Access to offices was recently reviewed in light of customer usage and accessibility and two offices were closed. There remain a further five offices and two sub offices. Where offices were closed customers were consulted and alternative provision made including surgeries and home visits where required. Plans to be co-located with the Council at one stop shops planned in the borough are under discussion, and further closures to STH offices to deliver more accessible services may be made as a result.
- 37 STH has continued to improve on its approach to the provision of accessible high quality information. Leaflets describing standards, consulted upon and agreed with tenants, have been updated since the last inspection, they are informative and easy to understand. The corporate style is professional and informative and all information is available in Braille, large print and translation on request. The tenants' handbook is comprehensive and a version is available in a pictorial, easy to read format. A readers' panel made up of customers comment on accessibility of information prior to publication. Information provided for customers on improvements planned for their homes is of an extremely high quality highlighting the choices available for improvements to their homes. This ensures customers have a clear understanding of the level of service they should receive.
- 38 Satisfaction for individual services is routinely gathered through a comprehensive system for all services. It ensures a standardised way of measuring satisfaction. Dissatisfaction is followed up where satisfaction falls below an agreed level through rectification notices to service managers to help learn from feedback. Services are scored out of ten for their satisfaction and performance is monitored on a regular basis. The majority of services are showing improved satisfaction levels. This provides up to date information from customers and enables opportunities to quickly respond where satisfaction declines. It demonstrates a commitment to learn from feedback.

Table 1 Customer satisfaction by service area

Service Area	AV Satisfaction scores (out of 10) last inspection	AV Satisfaction scores (out of 10) March 08
Gas servicing	8.3	8.7
Repairs	7.97	8.29
Decent Homes	7.5	8.03
Right to Buy	9.3	7.07
Lettings	7.21	7.42
Complaints	5.3	5.3
Empty Homes	5.88	6.44

- 39** Performance in dealing with customer complaints is exceeding targets. The customer complaints and compliments system has improved. It is robust and well publicised to service users. Regular reports to the Board and SMT highlight performance against standards. Performance has improved in several areas and is centrally monitored with a weekly list of outstanding cases sent to appropriate managers to action. The year end figures for 2007/08 show that 84 per cent of complaints are acknowledged on time, compared to only 66 per cent at the time of the last inspection. Overall 80 per cent of all complaints were completed within target times, compared to 57 per cent previously. Some 297 compliments were also received from customers in 2007/08. STH has learned from some complaints, such as estate management, to inform a review and improve services. A new compensation policy has been implemented from April 2008. Customer satisfaction with handling complaints has not declined. This indicates that STH's approach to complaint handling is improving.
- 40** Tenants are routinely engaged in reviewing services. A mystery shopping group was set up made up of tenants to test a range of STH services. The group is well managed and is a tenant led group with work programmes decided by tenants with support from STH staff. Tenants have received training in mystery shopping and have already reviewed a number of services. These include estate management services which have lead to significant improvements in the appearances of estates. The group also identify potential solutions to identified issues so that services can be improved. Tenants are engaged in a quality panel set up to help monitor performance and service standards against customers agreed top ten standards. They also review service provision through the service improvement groups (SIG) for each service area. There are many examples of changes made following feedback from tenants. Effective involvement ensures services are based on what customers want.

- 41 There are some weaknesses with systems for measuring customer feedback. Response rates to postal satisfaction surveys are low; opportunities to gather feedback over the phone have not yet been explored. Summary findings are not collated, compared and analysed from all sources of customer feedback. For example, feedback from meetings with tenant and focus groups, repairs inspections and mystery shopping. This helps to identify and tackle common problems more systematically.
- 42 Contact centre performance monitoring has been strengthened and performance is improving. The approach to monitoring call handling information has been changed with regular reports now provided. Performance on handling calls is improving at both STH and the Council. STH's call handling has improved from 62 per cent of all calls answered within 20 seconds at the time of the last inspection to 85 per cent in March 2008, against a target of 80 per cent. The Council has similarly improved its call handling from 67 per cent to 81 per cent over the same period. Despite improved performance targets are not challenging at 80 per cent. Numbers of missed calls have reduced since the last inspection from 11 per cent at STH to 5 per cent and at the Council from 7 to 6 per cent.
- 43 A comprehensive set of accessible service standards for all services has been implemented following customer consultation. Leaflets describing standards are informative and easy to understand. STH has recently reviewed all service standards and agreed a top ten out of all standards to regularly report on to customers. Performance against the standards shows that the majority of standards have improved or remained the same.
- 44 The website is easy to navigate and informative. Information is comprehensive and accessible in different formats, including the facility to alter font size, change the language and use Browsealoud. There are good links to other sites and information is easy to understand and articles are relevant and timely. There are several online services such as reporting repairs, making complaints or comments, reporting issues on your estate and paying rent. More are planned such as getting rent statements online. This makes it easier for people to find out about STH's services.
- 45 STH has yet to determine if having two systems for dealing with customer queries is the best use of resources and is delivering benefits to the customer. The decision to set up a dedicated switchboard service was a pragmatic business decision to quickly rationalise enquiries from all housing offices through one central telephone number. However, this approach has yet to be reviewed to ensure it is effective in ensuring customers queries are directed appropriately and is giving value for money.

Diversity

- 46 In 2007, we found that there were more strengths than weaknesses in this area. STH demonstrated a strong commitment to improving equality and diversity. The policy framework provided a firm basis for developing equitable housing services. Information on the profile of tenants was developing to help STH communicate in a wide range of formats, and STH gave support to vulnerable tenants. However, some strategies and initiatives had not yet fully delivered clear benefits for customers. STH's composition of staff, Board members and tenant groups did not fully reflect the local community, and it did not monitor diversity performance by contractors and resident groups effectively.
- 47 In this inspection, we found that strengths continue to outweigh weaknesses. Diversity is embedded within the organisation, supported by a clear strategy, action plan and comprehensive training. Good use is made of profile information and examples of services being improved as a result are evident. STH complies in the most part with the new CRE code of practice⁷, is engaging with 'hard to reach' groups and has effective relationships with partners and representative bodies. There are some weaknesses. Sheltered schemes and flats are not yet DDA compliant, and targets to increase workforce representation are unambitious.
- 48 STH demonstrates a clear commitment to diversity which is evident throughout the organisation. This is reflected in STH's key values which include 'the active inclusion of stakeholders and partners' and 'conducting all relationships with respect'. Training is delivered to all staff and board members, who demonstrate a keen understanding of diversity issues. STH is engaged with partners who represent a variety of community groups and help ensure STH both understands and supports the needs of all interests in the community.
- 49 A comprehensive equality and diversity strategy and action plan set a clear direction for STH. All key actions within the first annual action plan were delivered with the exception of developing an equality and diversity training plan for contractors, although progress is now being made. The strategy provides a solid basis for embedding diversity within the organisation, based on a sound understanding of local and national issues.

⁷ The new housing code of practice came into force on 1 October 2006, it replaces the statutory codes of practice in rented and non-rented housing, issued by the Commission for Racial Equality (CRE) in 1991 and 1992, respectively.

- 50 STH has developed a 'Reaching Out' strategy for involving 'hard to reach' groups. It demonstrates a good understanding of local issues, based on extensive research and backed by an action plan to engage and involve the community it serves. There are 42 actions within the plan to be delivered by October 2008, and of these 33 had been delivered by March 2008. Over the last 12 months, 135 visits have taken place to community groups representing, among others, young people, asylum seekers, people with a disability and ethnic minority women. There are already some clear benefits from this approach including; a greater awareness of STH services; increased lettings to a wider range of applicants; to diverse community groups; the development of more appropriate forms of involvement including drop-in sessions for the Bengali speaking community, and the linking of tailored staff training to address issues raised by community groups. This led to training delivered by a local disabled person, and the development of neighbourhood information sheets.
- 51 Staff are aware of diversity issues. As well as formal training, staff awareness is reinforced by weekly information sessions and a strong diversity handbook which gives staff information to help them deal with customers in ways appropriate to their needs. Training is tailored to individual groups of staff and further aids, such as a pocket guide to understanding the vulnerability indicators printed on repairs job tickets, help to further promote understanding. The 2007 staff survey showed staff feel equipped to work with all sections of the community.
- 52 STH is aware of legislation and standards, and uses this to drive change. STH has self-assessed itself as compliant in the most part with the new CRE code of practice and achieved level 2 of the local government equality standard in 2007 and is on course to achieve level 3 by early 2008. STH has used both standards to challenge its approach and to help ensure progress continues to be made.
- 53 STH has a profile of its tenants which is used to tailor communication and to help understand the make-up of the community. Data is now held on 77 per cent of tenants. This is an increase on the 47 per cent at the last inspection, but below STH's target of 90 per cent by March 2008. The information is held on the IT system where vulnerability is flagged on screen and printed on job tickets, and is well-used by staff. STH decided not to collect information on sexuality after consultation with the Lesbian, Gay, Bisexual and Transgender Forum. This however represents a missed opportunity and a gap in the organisation's understanding of this group's needs.

- 54 Profile information is used to help plan and design services and is used as a basis for key strategies including 'reaching out' the strategy to engage with hard to reach groups, 'looking forward' the sheltered housing strategy and the financial inclusion strategy. For example, profile data was used to target benefit campaigns in areas with the highest arrears and income deprivation. On an individual basis, profile information is used by staff to determine where home visits are most appropriate and help the decent homes team determine any support needs during major works. The use of profile information to automatically produce appropriate communication is not complete, for example it is not possible to provide tailored information as part of bulk mailings. Strong use of profile information helps STH to deliver appropriate services and anticipate changes in demand.
- 55 Key information is available in other formats. Six community languages have been identified and were recently updated following consultation with BME groups. All leaflets are produced in font size 14, and carry straplines. Interpretation services are widely used. Customers have easy access to information.
- 56 Policies are in place to deal with hate crime and domestic violence. STH participates in multi-agency arrangements such as the Domestic Violence Forum and Hate Incident Forum and took the lead in the latter forum to redraft the leaflet and incident reporting form which was previously only used for racist incidents. STH's stance against harassment or discrimination is communicated through its tenancy agreements and revised handbooks, and awareness training has been delivered to frontline staff. This ensures STH provides support to victims and all are aware of the organisation's stance.
- 57 STH is developing a range of performance information to closely monitor investment partners. They work closely with partners using good practice from their own experience and other ALMOs. Measures include diversity targets. This helps to ensure continual improvement.
- 58 Not all STH offices are DDA compliant and there is outstanding work to sheltered schemes and flats. Sheltered schemes have had DDA surveys and works are complete to scheme entrances. As sheltered schemes are undergoing sustainability assessments further work including works to communal areas is on hold, with full upgrades not due to start until 2009/10. Progress on DDA works to low rise and multi-storey blocks is disappointing. Works will not start until 2008/09, with all blocks compliant only by 2013. The ability of some tenants to live independently is compromised and STH is not meeting its statutory obligation.
- 59 STH's workforce is not representative of its community. Positively STH has a workforce action plan to help address this issue and has tried to extend the appeal of STH as a place to work through school visits, work with community groups and a partner's forum. Targets are unambitious however including one to increase the proportion of BME staff to 2 per cent by 2009, which is still below the proportion of BME residents at the 2001 census and to employ 2 per cent of staff with disabilities. Fairer representation of staff would further demonstrate STH's commitment to diversity.

- 60 STH's board under-represents women, young people and leaseholders. Of 15 members four are women, there is no-one under 30 and no leaseholder. The board does have six members who identify themselves as disabled and one BME member. This issue is recognised, targets have now been set and plans to meet the targets are currently under review by the Board. STH has recently established an interested persons group which meets monthly and encourages people to develop an interest in board membership. However until imbalances are addressed, the Board does not fully represent the local community.

Stock investment and asset management

Capital improvement, planned and cyclical maintenance, major repair works

- 61 In 2007, we found that there was a balance of strengths and weaknesses in this area. The asset management strategy and sustainability model provided a solid framework to direct stock investment. However, the strategy's action plan lacked detailed targets. STH complied with asbestos regulations. Improvement work was customer focused and a decent homes plus standard (DHS) had been agreed with tenants. The stock condition database provided comprehensive data, but new IT systems had caused some uncertainty over the high number of non-decent homes. Improvement programmes had not been approved and published. The approach to energy efficiency and environmental issues was still developing.
- 62 In this inspection, we found that strengths now outweigh weaknesses. The overall strategic approach to capital investment has improved. Investment decisions are informed by robust stock condition information and a strengthened sustainability model and environmental strategy. There is a more strategic approach to energy efficiency which is delivering savings for tenants. The programme for improvement work is now published and, following feedback, work has focused on tenant priorities and improved delivery arrangements. STH complies with asbestos regulations. There is still a high number of non-decent homes although steps are being taken to address this. The environmental strategy is still developing and is yet to deliver improvements.
- 63 STH's strategic approach to capital programmes has improved. The asset management strategy now incorporates an affordable warmth strategy and an environmental strategy. This provides a solid basis to direct stock investment in line with corporate priorities and objectives.
- 64 Investment programmes are suitably informed by a robust stock condition database and sustainability model. The stock condition database includes data for 40 per cent of homes which is a good sample size. Surveys incorporate Housing Health and Safety Rating System (HHSRS) criteria. Some databases are not yet fully integrated with the stock condition database, however this is planned from July 2008. Despite this, data can easily be interrogated and used with sustainability data to inform programme options, ensuring that investment is not wasted.

- 65 STH has further developed its robust sustainability model. The model now integrates with council databases to incorporate a range of socio-economic indicators. STH has a traffic light assessment of some 230 individual local areas. It understands reasons for low demand and is carrying out further investigations and option appraisals where long term sustainability is uncertain. Affected properties are included in the capital programme in later years until the required sustainable investment option is agreed. Information on sustainability informs both the investment programme and other housing management initiatives, such as ASB and estate management work, to help improve the long term sustainability of estates.
- 66 There is evidence of local areas becoming more sustainable. For example, The Lonnen Estate in Horsley Hill has improved following investment work. Between 2006/07 and 2007/08 the average number of bids through choice based lettings increased from 27 to 55, and the number of voids reduced from 30 to 3. Home improvements have had a positive contribution on crime and fear of crime. Specifications for new UPVC windows and doors were agreed in line with Police recommendations. Borough-wide burglary rates fell by 5 per cent during 2006/07 and an impressive 20 per cent by the end of 2007/08. The success of such programmes contributes to the sustainability of these areas.
- 67 STH continues to ensure that investment programmes are customer focused. The South Tyneside Standard explains decent homes simply, with pictorial aids, to help tenants understand what home improvements they will receive. The standard is much higher than the minimum decent homes standard and was agreed with tenants. It includes double glazing, external security lights, kitchen and bathroom floor coverings and showers over baths. Working methods have been improved following feedback to ensure contractors protect furniture, keep tenants better informed of progress and provide respite facilities during works. As a result, disruption has been minimised and tenant satisfaction has improved.
- 68 Homes are improved to a high standard in line with tenant preferences. The programme has been re-designed to separate window and door replacement programmes from other packages including internal works and external works. A comprehensive range of high quality information and choice is given to tenants. This includes kitchen design layout, colours and finishes. Tenants can also have a range of additional work at their own expense. Tenant representatives were involved in agreeing the range of components offered to tenants. STH has responded to tenant preferences and a revised programme has now been published (including on the website) and will deliver decent homes by 2013. The extension from 2010 (with CLG approval) will allow detailed investigation into the future use of properties where long term sustainability is uncertain. STH improved the website during our inspection to include an easy to use search facility that tells tenants what improvements they will receive and when. Clear information helps to ensure that tenants understand what improvements they will get.
- 69 Capital programmes are effectively managed. The 2007/08 programme of £14.4 million is being delivered on time, and as planned. Progress is closely tracked and ensures that work promised to tenants is delivered when expected.

- 70 STH is compliant with asbestos regulations. An asbestos register is updated with surveys completed by trained staff. Although asbestos procedures focus on properties with common areas, other domestic properties are picked up as part of asbestos surveys in all void properties and before DH work. Over 11,000 properties (57 per cent of stock) have been surveyed. Repair orders 'flag' the existence of asbestos and suitable information is available for tenants. Interface with contractors ICT systems in the next few months will allow the sharing of data. This helps ensure the health and safety of residents, staff and contractors during building work.
- 71 STH is increasingly making homes more energy efficient. The SAP⁸ rating for homes has improved further from 66 to 67 in 2007/08, placing STH among the top performing metropolitan councils in 2006/07. The affordable warmth strategy is starting to tackle fuel poverty through the installation of double glazed windows and UPVC doors, loft insulation, condensing boilers and the provision of energy efficient light bulbs. A district heating system at Hebburn has been replaced and energy usage is now 35 per cent more efficient. This is estimated to save £140,000 a year on maintenance costs. Estimated savings of 37 per cent have been passed onto tenants through reduced heating charges in 2008/09. These improvements are leading to significant costs savings for tenants on energy bills.
- 72 There is still a high level of non-decent homes but STH is taking steps to address this. The number of non-decent homes has reduced from 60 per cent at the last inspection to 55 per cent at April 2008. This is among the highest level of non-decency in all ALMOs. STH is now spreading DH work and moving away from whole house refurbishment to speed up the reduction of non decent homes as quickly as possible.
- 73 It is too early to demonstrate improvements as a result of the newly developed environmental strategy. Work is not yet targeted and embedded throughout the organisation on delivering the objectives within the strategy. Some waste recycling is done but work lacks coordination and is not monitored and measured. A strategically focused approach is needed to minimise any adverse environmental impact during investment programmes.
- 74 External painting is only being carried out on a six-yearly cycle (although it has reduced from seven years), and STH does not test domestic electrical systems on a planned basis every ten years. However, electrical systems will be checked as part of DH programmes. Future cyclical testing is necessary to check safety features, such as earthing and replace damaged electrical accessories on the most cost effective basis.

⁸ SAP: Standard Assessment Performance - a measure of the energy efficiency of homes

Responsive repairs

- 75 In 2007, we found that strengths outweighed weakness. The repair service had been transformed, closely involving and responding to tenants' priorities. The new service, branded 'Fix-it', was widely publicised. The overall quality and customer satisfaction with the responsive repair service was positive. Operatives were multi-skilled and empowered to undertake additional work. Weaknesses included the high proportion of emergency and urgent repairs, and procedures to collect repair recharges had only started.
- 76 In this inspection, we found that strengths continue to outweigh weaknesses. The new and effective repairs service, which was a pilot last time, has now been rolled out to all tenants. Customer satisfaction has increased and performance is improving. There has been a focus on improving ways of working to ensure greater efficiency. Weaknesses still include the high proportion of emergency and urgent repairs, not monitoring jobs completed right first time and reduced performance in completing the challenging target for emergency repairs.
- 77 The repair 'fix-it' service delivers a high quality service and is now provided to all tenants. The service was transformed involving, and responding to tenants' priorities. Tenants are closely involved monitoring performance and developing services through a Service Improvement Group (SIG). Tenant inspectors are involved during post repair inspections and feedback is reviewed with tenants to improve services. Frontline staff are helped to accurately order repairs by repair diagnostic software. Operatives are multi-skilled, helping to ensure that as many jobs as possible are completed at the first visit.
- 78 The response repair service is increasingly customer focused. Comprehensive published information ensures that tenants know what they are entitled to. It is easy to report repairs through a single freephone number and by other means, including text messaging and online by the website. Profile information about personal needs helps operatives to make appropriate arrangements for repair work. Appointments are made for repairs (including evening and Saturday mornings) and operatives are empowered to undertake additional work if there is time. Tenant satisfaction is routinely measured for completed work. As a result the repair service helps to meet tenant expectations.
- 79 Repair pre- and post-inspections are now more clearly recorded and reported. Some post inspections are carried out with tenant inspectors and feedback forms help to ensure that lessons are learned to improve services. The number of inspections is in line with good practice. Pre-inspections were 8.6 per cent in 2007/08, and post inspections were 16 per cent (good practice suggests no more than 10 per cent for pre-inspections and post inspections of 10 per cent. This makes more efficient use of resources, ensures repairs are of a good standard and helps speed up getting repairs done.

- 80** Overall performance with the repair service is strong. Performance on completing urgent and routine repairs on time is high at 98.3 per cent and 99.4 per cent respectively, and exceeds targets. Some 94 per cent of appointments were made and kept in 2007/08 (target 90 per cent target) compared to 72 per cent in 2006/07. Performance is routinely reported to tenants in reception areas and in newsletters. As a result overall tenant satisfaction with completed repairs has improved.
- 81** There are still some weaker areas in the response repairs service. Only 89.4 per cent of emergency repairs are completed on time (year to date March 2007/08), compared to 97.8 per cent in 2006/07. The two hour response time (agreed with tenants) is particularly challenging and is proving difficult to meet. The average time taken to complete non urgent repairs has increased to 8.79 days in 2007/08 compared to 8.29 days in 2006/07. Performance completing repairs at first visit is being reported, however the information is not always accurate to enable effective measurement of performance. STH cannot demonstrate consistency and effectiveness of operatives offering, and undertaking, additional repairs. These weaknesses reduce the overall efficiency of the service.
- 82** The strategy to redirect expenditure from expensive breakdown repairs to more planned preventative maintenance is not comprehensive. The ratio of planned:response revenue expenditure in 2007/08 is 22:78, only slightly better than in 2006/07, and well below good practice of 60:40. The strategy focuses on 'batches' for repair orders as a way of increasing efficiency. It does not include other measures such as ways to reduce the proportion of emergency / urgent repairs; better repair diagnosis; supply chain efficiencies and draw down contracts. Reducing repair expenditure releases more money for home improvements.
- 83** STH does not achieve an optimum balance between emergency, urgent and routine responsive repairs compared to good practice guidelines. They are completing twice as many emergency and urgent repairs as recommended due to over ambitious targets. STH is under estimating its true proportion of 'emergency and urgent' repairs, which are more expensive to undertake.

Empty (void) property repairs

- 84** In 2007, we found a balance of strengths and weaknesses in this area. STH was customer focused with a clear letting standard agreed with tenants, and undertook accompanied viewings and new tenant visits. Voids were repaired to a satisfactory standard. Re-let times were improving, but still too long. The average cost of voids was high and increasing.

- 85 In this inspection, we found improvements have been made and a balance of strengths and weaknesses remain. There is now a clear strategic approach to the management of empty homes. A dedicated team deals with empty homes, and performance is improving as a result. A new incentive scheme for tenants to leave properties in a good condition has been introduced. The service is customer focused with a revised lettable standard, positive use of feedback from new lets and tenant inspectors involved in reviewing the quality of empty homes. Weaknesses include the high cost of void repairs and limited analysis of performance information to target resources at areas that need to be improved.
- 86 STH has now developed a strategic approach to the management of empty homes. Since the last inspection it has developed a positive empty homes strategy with clear objectives that are integrated with broader corporate objectives. There is a greater understanding of area sustainability and the key reasons behind low demand and long re-let times. Low demand properties, and those with an uncertain future, are being reviewed in line with the improved sustainability model to ascertain the best future options for investment or change of use.
- 87 STH has significantly improved the management of empty homes. A dedicated team integrates repairs and housing management staff. Positive features include carrying out asbestos surveys and pre-termination inspections. A fire risk assessment by the Fire Service ensures that smoke alarms are provided pending mains wired systems as part of DH work. In October 2007 the team further improved procedures, including: more realistic void categories and closely managing performance; introduced post-let repairs with promissory notes for minor jobs; and, an empty homes reward of £75 for tenants leaving a property in good condition, to date 75 have been issued. These changes have contributed to the improved performance and efficiency of managing empty homes.
- 88 The empty home service is customer focused. Accompanied viewings are done by the empty homes team for all lettings, liaising closely with local estate officers who do sign-ups and provide ongoing tenancy management. They are able to agree extra work to help re-let properties with low demand. Tenants are fully involved in improving the service and have reviewed the lettable standard, making it more realistic and leaving non-urgent work for post-let repairs. Tenant inspections help ensure standards are met. Prospective tenants complete a lettable standard check list at accompanied viewing and feedback is collated and has been used to improve the service, such as providing an additional power socket near washing machine locations. As a result tenants are more likely to accept new homes that are suitable to their needs.

- 89 Performance in managing empty homes has improved but has only met its target for one month. The number of empty homes has reduced from 339 in March 2007 to 220 at the end of March 2008 (1.15 per cent of stock). Average re-let times have reduced from 72 days in 2006/07 to 54.9 days in 2007/08. Although this is still well below the target of 39 days, new procedures have seen a significant improvement over the last few months, with the average re-let time in March 2008 reducing to 34 days. Numbers of empty homes returned beyond target timescales has significantly reduced. Empty properties we inspected were repaired to a satisfactory standard in line with the lettable standard. As a result empty homes are brought back into use more quickly for people who need them and rental income is maximised. STH estimates that £180,000 in rental income was saved during 2007/08 as a direct result of improvements made to the management of empty homes.
- 90 STH has improved the decoration scheme for new homes to deliver benefits to tenants. Currently discounts are received by STH and do not directly benefit tenants. However, STH has worked in partnership with Gateshead Housing Company to agree a new scheme with a supplier commencing in June 2008. This will allow a ten per cent discount direct to tenants and other facilities include free home delivery and telephone ordering. The new system will both improve the service to tenants and offer administrative efficiency savings for STH.
- 91 STH is still not making the best use of performance information to give a true picture of performance. Data requested during this inspection showed that 59 per cent of properties were relet within a 40 day target in 2007/08 compared to 43 per cent in 2006/07. Performance in completing post-let repairs (8 per cent of lettings since October 2007) is not being measured. STH is not systematically identifying trends or common themes, from feedback and visits, to learn and continually improve services. These weaknesses reduce the effectiveness of re-letting empty homes. More detailed analysis can identify problem areas and also recognise where improvement has been achieved.
- 92 There are other weaknesses with empty property management. The average cost of void repairs is still high. Costs have increased from £2,267 in 2006/07 to £2,322 in 2007/08. Part of the high cost of repair work is due to carrying out some decent homes work in category three voids. STH intends to review the balance between doing DH work and achieving a quick and economic turnaround on property. This will help demonstrate the value for money of re-letting properties as quickly as possible.
- 93 A new handyman repair service is not yet effective. This service is offered to help new tenants, who may be vulnerable, doing small jobs to help them settle into their new homes. However, few people have taken up the service since it was introduced in October 2007. STH is promoting the service during accompanied viewings to encourage take-up. The service is not a traditional handyman scheme. It is restricted to new tenants and is not delivering efficiency savings as it uses existing fully skilled repair operatives, as opposed to, for example, a locally based caretaker. STH recognise this weakness and are exploring alternatives.

- 94 STH does not have an arrangement with an energy supplier when managing empty homes. STH did carry out a review in relation to a preferred energy supplier, but concluded this was not in the tenants' best interests. Therefore advice is not given to tenants on the best energy tariffs available to them. Positively, repair work is not delayed as work is powered by generators or done by cordless hand tools. Best tariffs change regularly and STH cannot be expected to provide up-to-date advice. However, referral to appropriate websites would help new tenants obtain the best deal for their circumstances. STH intend to develop this as part of an affordable warmth strategy.

Gas servicing

- 95 In 2007, we found that strengths significantly outweighed weaknesses in this area. Gas servicing performance was effective - 99.8 per cent of properties had a valid gas safety certificate. The 2006/07 programme was arranged over nine months leaving the last three months to 'mop-up' no-access cases. Performance was monitored robustly through regular meetings with both the in-house team and the external contractor. All safety certificates were checked.
- 96 In this inspection, we found that strengths continue to outweigh weaknesses. Gas servicing performance is effective with the majority of outstanding certificates being within three months and none more than six months outstanding. Performance is regularly monitored and procedures and methods for carrying out servicing are robust. Quality checks have been improved and updates on current practice are provided for staff. Legal action is pursued if necessary where access is denied. However, STH has only started to monitor the SLA with the Council's legal service, is not using every opportunity to promote the dangers of restricting ventilation to gas boilers, and is not providing 'flags' on the IT system to ensure appointments can be quickly arranged.
- 97 Gas servicing performance is effective. At the end of March 2008, 99.54 per cent of properties had a valid gas safety certificate, although slightly worse than during the last inspection. Some 100 properties do not have a current safety certificate, compared to only 14 at the last inspection. Performance is monitored robustly and STH reports on the number of outstanding services. It ensures that appropriate legal action is taken to gain access where necessary, through provision of the Environmental Protection Act. At the time of inspection sixty cases were overdue by less than three months and none overdue by over six months. Strong performance helps ensure the health and safety of tenants.
- 98 STH has responded to previous inspection concerns and improved quality checks of gas servicing. Five per cent external checks are done in addition to five per cent internal checks. The external audit service hold 'toolbox talks' with operatives to give feedback from checks and also train staff with any changes regarding regulation or good practice. This helps to ensure that the quality of servicing improves and staff remain up to date with current practices.

- 99 Gas servicing procedures and methods are robust. The importance of gas servicing is widely promoted to increase awareness. Appointments are offered including evenings and weekends. Smoke detectors (mains and battery operated) are checked during servicing and new detectors are provided where absent. Gas servicing data is now held on the same IT system as the repair service to ensure better sharing of information. Hand held technology is being introduced that will further improve efficiency and record keeping.
- 100 Good information is provided about gas servicing. The annual programme is promoted and tenants are clearly informed when servicing is due to take place. A variety of high quality newsletters, service standards and leaflets, designed with tenants, reinforces a safety culture and the importance of gas servicing.
- 101 STH is not fully ensuring that residents do not block ventilation to open flue boilers. STH responded diligently to a recent case of suspected carbon monoxide poisoning, ensuring a programme of works to improve ventilation. Until recently the potential dangers to tenants of restricting ventilation by using boiler compartments for storage were not publicised. A new leaflet has now been developed for tenants to highlight this issue. However, to date STH has not ensured that all possible action is taken, and recorded, where potential problems are identified during visits. This is needed to ensure the health and safety of residents.
- 102 There are some other weaknesses with gas servicing. STH is just starting to monitor performance of the Council's legal service against agreed targets to ensure that access is obtained quickly. Outstanding gas servicing is not flagged on the IT system so that call centre operators can arrange appointments when tenants call with other queries. This would help to ensure that access is arranged as quickly as possible.

Aids and adaptations

- 103 In 2007, we found more strengths than weaknesses in this area. Clear policies and joint working with Council staff was providing more adaptations for people in need, and made better use of resources and equipment. However, there was no clear target for assessing people with lower level need for adaptations.
- 104 In this inspection, we found that this is an area of significant strength. The budget for this service has continued to increase. There is good joint working between STH, the Council and partners to deliver a responsive service. The service has been improved and as a result adaptations are being assessed and completed more quickly. Satisfaction levels remain high. There remains a weakness with the database of adapted properties not being up to date or integrated with the stock condition database.
- 105 Budgets for adaptations have continued to increase demonstrating the Council's commitment. The 2007/08 budget of £1.2 million has increased to £1.4 million in 2008/09. As a result more vulnerable people will be helped to live independently in their homes.

- 106 Adaptations procedures have continued to improve. Following the last inspection Council and STH staff thoroughly reviewed procedures and working arrangements to address weaknesses. The policy and procedure for aids and adaptations is robust and comprehensive information is available for tenants about adaptations. Leaflets provide clear information about service standards, timescales for a council OT assessment and specific targets for STH to carry out adaptations work once approved. From this tenants can assess how long they can expect to wait from making a request to the work being completed.
- 107 Joint working between STH, council and partners provides an efficient adaptations service that is responsive to customers needs. Staff meet regularly to review performance and evaluate user feedback to continually improve services. Satisfaction surveys demonstrate that 90.6 per cent of tenants were satisfied in 2007/08. Action is being taken to address the area of lowest satisfaction by improving the print size of contact details. New satisfaction surveys have just been introduced in line with STH's corporate approach to measuring satisfaction but it is too early to determine levels. Taking into account feedback ensures that the service is improved in line with user requirements.
- 108 Previous high performance continues to improve. Performance is closely monitored and managed. Over 91 per cent of adaptations by STH were completed within target (ranging between 5 and 40 days) in 2007/08. STH carried out 555 adaptations in 2007/08. Age Concern's handyperson service completed 100 per cent of minor adaptations within the target five days. Council performance carrying out detailed OT assessments has significantly reduced from 14 weeks in 2006/07 to 6.5 weeks in 2007/08 (within the target of eight weeks). People with 'critical or substantial needs' are assessed within 48 hours. This has been achieved by reviewing procedures and ensuring that 70 per cent of initial self assessments (to determine priority) are carried out within a target 48 hours. As a result the total council waiting list has reduced from over 250 last year to 68 cases at the end of March 2008. The longest an individual waiting list case has been waiting for approval is currently 19 weeks. Strong performance ensures that vulnerable tenants can get help they need quickly.
- 109 Good use is made of existing adaptations. STH employs a specialist occupational therapist (OT) to help match housing register applicants to empty adapted property and assess tenant requirements during decent homes work. Where possible equipment that is no longer needed is recycled. STH is flexible with their decent homes programme to ensure tenants' needs for adaptations are catered for during improvement work. These actions ensure that best use is made of existing aids and adaptations work and equipment.
- 110 The adaptation service is maximising its use of limited resources. Work is carried out by the in-house team that was recently market tested. By matching applicants to existing adaptations (and recycling equipment) it is estimated that £430,000 was saved in 2007/08. Joint working makes good use of resources. For example, combining DH, void repairs and council adaptation budgets, enabled existing equipment in an empty property to be upgraded, saving time, disruption to a new tenant and cost in not needing to build an extension to their existing home. This makes the best use of resources to help more people in need.

- 111 The adaptations database is improving but is still not 100 per cent accurate. Decent homes and empty property surveys are being used to update the database. However, the database is still not fully integrated between ICT systems. This is being developed and will help to match applicants to suitable properties.

Housing income management

- 112 In 2007, we found a balance of strengths and weaknesses in this area. It was easy for tenants to pay their rent and they were closely involved in developing the service. There was a good range of information and STH promoted the most cost effective payment method. STH had effective benefit advice services and close links with the Council's Housing Benefit (HB) section to ensure HB was paid promptly to tenants. However, service charges were not disaggregated and rent collection performance was not good. Current and former tenant arrears had steadily increased. Profiles of tenants in arrears had not been used to target benefit take-up campaigns.
- 113 In this inspection, we found that strengths now outweigh weaknesses. Good progress has been made in de-pooling service charges in consultation with tenants and residents. Procedures and practice have been strengthened with a dedicated team focussed on arrears recovery. There is a range of ways to pay rent and the most cost effective is encouraged. Good links exist between STH, advice agencies and the Council's HB team and targeted advice and benefit take up campaigns have taken place. STH has a robust approach to financial inclusion and benefits are being experienced by customers as a result. Performance is improving on non-rent debt collection and although performance is improving in rent collection, it is not yet meeting targets set. Until recently collection of recharges was not strong and the full extent of outstanding repair recharges is not clearly known.
- 114 Rent convergence will be achieved for the majority of properties by 2017. A small number of properties, principally those in multi-storey blocks will achieve convergence after 2017 because of the impact of new service charges for caretaking, concierge and CCTV services. This is in line with the Government's revised 2017 timetable and will mean STH rents will be set on a similar basis to other social housing providers.
- 115 STH has made progress in de-pooling service charges. This was a significant weakness last time. STH has carried out extensive consultation with tenants and leaseholders and has approached the de-pooling positively with tenants to ensure that they are informed about the reasons for change and are clearer about the cost and quality of services. Leaseholder and Sheltered heating charges have been phased over five years which has helped to gain acceptance for the change. The majority of service charges have been separated out and are detailed on statements for tenants. Some costs including door entry systems and communal lighting are not passed on. Some are negligible, or not easily separated, and in the context of the significant progress made in this area, this is a minor weakness.

- 116** The de-pooling of service charges has given greater transparency on costs and greater accountability to service charge payers. For example, STH has carried out a facilities management review one aspect of which will assess the quality of cleaning. Tenants have a copy of the cleaning specification in order to monitor standards, and housing officers are aware of the importance of monitoring contracts and know what actions to take including the issue of default notices. Information on services is displayed in communal areas. The levying of services charges is starting to lead to greater efficiency in the services tenants pay for.
- 117** There are still a wide range of payment methods that makes it easy for tenants to pay rent. There are ten methods including direct debit; swipe cards for payment at post offices and local shops; telephone; and payment online. This allows tenants to pay rent at places and times convenient to themselves.
- 118** The move to a specialised team for income management has ensured there is an increased focus on rent collection and arrears recovery. STH takes prompt action and enables a focus on early intervention. The team has individual targets for arrears recovery and performance is closely monitored through monthly 'one to one's' with staff. As a result rent arrears have reduced by £136,163 since the team was set up in January 2008.
- 119** Performance in collecting rent and recovering arrears is reasonable when compared to other similar organisations. Rent collection has improved 97.41 per cent for 2007/08 compared to 97.07 per cent at the same time last year but is still not meeting targets set. Rent arrears have reduced to 2.87 per cent of the rent debit compared with 3.28 per cent at the same time last year. From 2006/07 to 2007/08 STH can show a reduction in the level of tenants in arrears over seven weeks from 6.16 to 5.89 per cent. The level of tenants served with a notice seeking possession has increased but numbers of evictions has declined over the same period from 26.57 per cent to 34.22 per cent and 0.54 per cent to 0.43 per cent respectively. Performance not yet reaching the challenging targets set by STH. The impact of the new approach to income management however is showing signs of improvement compared with previous year's performance.
- 120** Policy and practice in rent collection and arrears recovery is robust. A prize draw has been introduced since the last inspection as an incentive to keep a clear rent account. STH ensure that early contact and support is provided at the first sign of arrears to prevent escalation. Procedures identify contact within the first week of arrears. Debt advice is offered at first contact and tenants are contacted out of hours to maximise opportunities to establish payment arrangements. There is good joint working with housing and estate officers to ensure tenants pay their rent regularly and this is emphasised at sign up. Rent accounts are set up at sign up and HB entitlement is calculated.

- 121** STH only seeks possession for rent arrears as a last resort, after any alternative action has been taken, and after tenants have received debt advice. Communication is sensitive with tenants' personal situation carefully considered before severe action is taken. There is a court protocol in place and attempts to contact tenants out of hours is a requirement prior to any notice proceedings being pursued. Staff use the Court Users' Group to identify and improve procedures. Online court applications are planned to speed up the process, this will reduce court costs by £50.00 per case. Alternative remedies to recover debts such as attachment of earnings are also used. STH works closely with advice agencies and at eviction stage encourage tenants to attend court where legal service is offered to all tenants which can benefit those tenants who have to date been difficult to engage with. This approach has helped in reducing evictions and maximises opportunities to recover arrears in a sustainable way.
- 122** Tenants are also encouraged to pay their rent by the most cost effective means. Targets are now in place to encourage take up of direct debit (DD) payments as the most cost effective method and take up has increased to 20.25 per cent of all tenants. Direct debit is promoted at sign up, mandates are set out with rent statements and letters and prize draws for DD payers are advertised in newsletters to tenants. Plans are in place to facilitate the setting up of low cost basic bank accounts through the credit union which will enable an increased number of people to pay by DD. Staff at offices have promoted DD as a means of beating queues at busy periods in area offices.
- 123** Tenants are benefiting from STH's approach to financial inclusion. A strategy is in place and objectives are being met. A rent arrears protocol is in place with four approved debt advice agencies to ensure quick access to advice within five days of referral. Advice agencies are able to provide advice and focus on income maximisation, outcomes are being measured this has resulted in significant amounts of additional benefits being claimed by STH tenants as a direct result of the advice agencies interventions. In 2006/07 over £5.8 million in additional benefits or arrears of benefits was claimed.⁹ STH works closely with the council which has beacon status for its approach to financial inclusion. Targeted advice campaigns take place and a programme of further events is planned. These events are multi-agency events targeted at some of the most deprived areas to ensure maximum take up. The approach to financial inclusion is being monitored by the community legal services partnership as well as the income management SIG. This approach ensures that tenants are able to receive prompt advice and boost their income which contributes to their ability to sustain their tenancy.

⁹ This figure is from the Strategic Plan of South Tyneside community legal services partnership (CLSP) it refers to all benefits realised for all residents in South Tyneside but the CLSP estimate that around 65 per cent of their customers are STH tenants..

- 124 A range of helpful information is available to tenants and STH's approach to income management is customer focused. A dedicated webpage on 'money matters' provides comprehensive advice and publications to assist tenants in managing their money. It has useful tips on managing debts and signposts to other agencies including the Government's 'lets talk money' campaign aimed at tackling financial inclusion. Payment methods are publicised in the tenant handbook, quarterly rent statements and in the tenant newsletter although not in the service standard leaflet. Letters, leaflets and statements have been agreed with tenants and are generally helpful, customer-friendly and are available in different formats. Tenants are closely involved with all aspects of income management through the rent and income service improvement group. They have also been involved in reviewing rent arrears procedure; agreeing dates for rent free weeks and establishing service standards for rent collection. This makes it easy for tenants to know how to pay rent and helps maximise income collection.
- 125 A renewed approach to the collection of former tenants' arrears (FTAs) is leading to an increase in amounts collected. A dedicated officer is now focusing on the collection of FTAs, the target of 10 per cent has been exceeded and £124,000 (13.34 per cent) in 2007/08 has been collected to date. A partnership with a debt collection agency has been established where debts are referred over £100.00 where no contact has been made despite attempts. The agency also provides a tracing service to facilitate access to former tenants. Write-offs have been taking place regularly and reached targets set where debts are deemed unrecoverable. This demonstrates a clear focus on debt recovery.
- 126 Approach to collection of non-rent debts has vastly improved. Improved collection of garage arrears has led to a reduction in the debt from £21,847 to £6,475 (a reduction of 68 per cent). Procedures have been reviewed to ensure they are robust but fair and flexible and this has contributed to the improvement in collection. Invoicing and collection of rechargeable repairs is improving since the establishment of a dedicated income management team. STH now invoice and collect recharges. Since the establishment of the team £2,200 of recharges have been levied and 33 per cent of those have been collected to date which includes those people where payments by instalments have been agreed. However there is a lack of clarity over the level of outstanding recharges and performance until recently has not been strong. STH has recognised that collection of water rates is not cost effective and is difficult to monitor. As a result it is currently in discussion with Northumbria water to address this. Performance is therefore improving in most areas of non-rent debt collection.
- 127 Good working relationships exist with the Council's Housing Benefit (HB) team. HB advice is provided at sign-up including assistance to complete HB forms. A trial calculation to identify likely entitlement to benefit and any partial rent payable through a benefit calculator is offered and is available online. Staff are trained in HB verification and can fast track applications. This has reduced the time taken to assess new claims from 45.5 days in April 2006 to 20.74 days in November 2007. Access to the Council's HB system allows for early notifications of changes of circumstances so contact can be established. Staff from HB have participated in targeted benefit take up campaigns with STH. This helps maximise tenant entitlement and minimise arrears caused by delays in benefit being paid.

Resident involvement

- 128** In 2007, we found that strengths outweighed weaknesses in this area. Resident involvement was becoming well established. STH had a culture of respecting residents and was increasingly involving a wider group of residents in more ways to drive service improvement. STH demonstrated its commitment to resident involvement at all levels of the organisation, and all housing staff had received resident involvement training. However, some hard-to-reach groups were under-represented and tenants were often consulted on proposals but not fully involved in developing them.
- 129** In this inspection, strengths continue to outweigh weaknesses in this area. There is an increasing number of ways for residents to become involved in the organisation, with a growing number of actively involved customers and wide-ranging activity to involve harder to reach groups. STH is committed to training and capacity building, and residents influence service provision through service improvement groups (SIGs). While increasing, the level of satisfaction with opportunities for involvement still remains low at 61.4 per cent.
- 130** Involvement is reflected in STH's corporate objectives and culture. STH's vision for resident involvement is "to put resident involvement at the heart of housing services and to give all customers a voice in the decision making process..." A strong involvement strategy sets a clear direction, with a supporting action plan which delivered against all actions in 2007/08, although the plan was not SMART, with the delivery of some actions difficult to evidence. Resident involvement is a key component of STH's approach to delivering and improving services.
- 131** Tenants influence service improvement in many areas. There are six service improvement groups which have influenced the direction of services. The repairs SIG has helped develop the lettable standard and inspected empty properties and the rent SIG has reviewed the rent recovery procedure and been an important part of the consultation over the de-pooling of service charges. The annual tenants' conference helps inform the corporate plan and tenants were involved in the recruitment of the new Chief Executive. Sometimes tenants are not fully involved, for example in decisions such as: environmental improvements through area panels due to the limited publicity, and appraising the sustainability of individual sheltered housing schemes. STH wants to ensure membership of SIGs is extended beyond regularly involved tenants, and has taken steps to extend publicity of the groups, but acknowledges more needs to be done.
- 132** STH provides support for resident involvement. A dedicated resident involvement team is in place, and a budget of £225,000 was set aside in 2007/8, although this was underspent by approximately £30,000. A resident involvement service improvement group is in place to help inform and deliver the action plan, and comprehensive training is available to all residents which is well publicised though a brochure sent with the housing newsletter, the website and through housing officers. STH is yet to evaluate the success of training but plans to do this during 2008.

- 133** STH has agreed a new 'reaching out' strategy to help involve under-represented groups and this is beginning to produce positive results. STH recognises some groups traditionally do not get involved, especially BME communities, and that less than 9 per cent of involved tenants are aged under 30. A variety of forms of engagement are offered including consultation with representative community organisations through both staff and service users. STH has a clearer understanding of the needs of its community, and has increased its visibility, although there is still progress to make in some areas.
- 134** There are now 18 different ways for residents to become involved and clear publicity helps to promote an open and inclusive approach. Opportunities range from board membership through to mystery shopping, joining a service improvement group, joining a reader's panel and involvement in resident inspection. The number of residents signed up for involvement activities have increased from 467 at the last inspection to 643. Residents we spoke to believed it was easy to get involved and that they were listened to.
- 135** However, representative structures are under-developed. STH has re-constituted its tenants and residents forum and refreshed its membership. This is a positive step, but the forum only represents the 18 current resident groups and not those who are involved in other ways. For example, there is no means of ensuring representation from groups such as young people or the BME community or of other interests such as leaseholders. This means that not all residents have their views fully represented through these formal routes.
- 136** Satisfaction with opportunities for involvement remains low. Satisfaction increased from 59.3 per cent in 2006 to 61.4 per cent in 2007. This performance is well below average. STH recognises this as a weakness and aims to do more outreach work such as roadshows to promote its various forms of involvement, and to carry out more work to benchmark the quality of its resident involvement.
- 137** STH has carried out some benchmarking of resident involvement. This suggests its costs are below average, although the benchmarking group is limited to the north east. There are plans to assess the quality of services and the benchmarking group aims to assess satisfaction with the outcomes of tenant involvement as well as satisfaction with opportunities.

Tenancy and estate management

Tenancy management

- 138** In 2007, we found a balance of strengths and weaknesses in this area. Clear information informed tenants about their rights and responsibilities. Action against anti-social behaviour (ASB) was improving using a range of remedies in line with the Respect Standard. There was increasing evidence of balancing enforcement with support and preventative initiatives. However, performance was not monitored and managed effectively; there was limited evaluation of initiatives and few local PIs to indicate success with improving area sustainability.

- 139** In this inspection, we found that strengths now outweigh weaknesses. Tenants are clearly informed about their rights and responsibilities supported by follow up visits at regular intervals which are regularly monitored. Action taken against ASB is effective with a balance of enforcement activity and support or diversionary activities taking place. STH has well developed partnership arrangements to tackle ASB. Satisfaction among residents and confidence in the area as a safe place to live is improving. However STH is still not fully evaluating its approach to all aspects of tenancy management to determine its effectiveness and is yet to explore the need for incentive schemes to promote positive tenant behaviour. Arrangements for dealing with ASB out of hours are not well developed.
- 140** Clear information ensures tenants are made aware of their rights and responsibilities at an early stage. The sign up procedure has recently been reviewed and is much more comprehensive providing advice and support for customers. Introductory tenancies are used which can assist in dealing promptly with breaches of the tenancy. Rights and responsibilities are clearly set out in a plain language tenancy agreement and tenant handbook, which includes an easy to read version with pictorial aids. This sets out the behaviours that are expected of customers. This approach is effective in ensuring customers understand their rights and responsibilities.
- 141** STH has focused on ensuring tenants are assisted in maintaining their tenancies. A dedicated team of estate and housing officers carry out customer care visits to new tenants within four weeks of their tenancy start and after nine months to make sure tenants are adhering to their tenancy agreements and to offer appropriate support where required. Reports on the nine months visit highlight where any breaches of tenancy have occurred so they can be addressed prior to the end of the introductory period. Two yearly customer care visits are provided for existing tenants and over 6,947 have been visited to date. These visits are monitored as part of monthly 'one to one's' with staff to ensure they are being delivered and to measure effectiveness. There are a range of support providers available for STH to refer to providing tenancy support. Staff have a helpful directory listing the range of support available from floating support to drug and alcohol services. This demonstrates a positive approach to customer care and a focus on ensuring customers are able to sustain their tenancy.
- 142** However, STH is not formally monitoring and reporting on the impact of their strengthened approach to tenancy management. For example the percentage of introductory tenancies made secure after 12 months. In addition, there has been no evaluation of the need for additional incentives to promote positive tenant behaviour and encourage tenants to keep to their tenancy obligations and behave well.

- 143 The approach to dealing with ASB has been strengthened. The establishment of a specialist tenancy enforcement team has contributed to a more coordinated service to tenants. ASB issues are categorised into three levels of seriousness. The establishment of a specialist tenancy enforcement team has enabled a prompt initial response to tenant complaints. The team are now more focused on dealing with ASB complaints, there are target response times in place but in practice staff are responding to the majority of customer queries the same day. Monthly performance information shows that between 95 and 98 per cent of queries are responded to in time. This confirms to customers that their issues are being taken seriously and action is taking place to resolve their concerns.
- 144 Information on ASB is clear and informative. There is a range of ways to report ASB either in person; via email; over the phone; by letter or on the website. A recently developed ASB leaflet details the types of behaviour that would be classed as anti-social and how they will be dealt with. Other agencies that can provide support and assistance are signposted and information on how victims and witnesses will be supported, to encourage them to come forward, is detailed. Hate crime reporting is detailed in literature and on the website to encourage wider reporting. This encourages reporting of ASB issues and complaints so that they can be resolved as soon as possible.
- 145 However, arrangements for dealing with ASB issues out of hours are not well developed. There is a 24-hour reporting line for ASB issues provided by the Council which is highlighted in STH publications. This is only to report issues and not to provide a response. Issues will be picked up the next day or on Monday if it is over a weekend. Community wardens operate in some areas but only up until 10 pm Customers can not therefore access emergency support from STH to deal with ASB outside office hours, which could result in some vulnerable customers suffering from unnecessary distress over weekends and holiday periods.
- 146 There are close working arrangements between the STH tenancy enforcement team and the Council's ASB unit to ensure a seamless service is provided to tenants. Case reviews occur on a regular basis to discuss and agree proposed actions. Both teams have access to a shared IT system so that they are appraised of progress and new cases, and can inform customers of progress regardless of the team contacted. Staff within STH have been trained and supported to ensure high standards of evidence collection and investigations are undertaken in line with the Council's approach. Information is now shared more easily and direct links are established between the Council and STH's teams. Representatives from the Council sit on the court user group and systems are in place to deal with emergency cases speedily with county courts if necessary. This ensures intelligence is best utilised and that evidence to support ASB cases is robust and cases are less likely to be halted for those reasons and perpetrators of ASB can be dealt with appropriately.

- 147** STH, working in partnership with the Council, uses a range of tools to deal with ASB. An ASB toolkit highlights the range of actions that can be taken. Mediation services are available and promoted by staff as an option for the resolution of ASB issues. Some staff are trained in mediation skills but there is also the option of referral to a new mediation service. Last year STH working with its partners served 24 notices seeking possession, carried out three evictions, two demoted tenancies, 24 demotion notices and one extension of an introductory tenancy due to ASB. It regularly uses acceptable behaviour and good neighbour agreements and has issued three crime related anti social behaviour orders ((CR) ASBOs) and two injunctions for ASB. Successful action is publicised in the local media to deter others. Dealing effectively with ASB makes areas more popular and sustainable.
- 148** There is a balance of enforcement action (with support offered to vulnerable tenants) alongside prevention and diversionary activities. Staff signpost and refer tenants to a wide range of agencies to ensure appropriate support is received. Protocols, such as with mental health services, ensure that support is provided for those tenants who may be perpetrators as well as victims of ASB. Initiatives are targeted to ensure maximum effect such as during 'mischief week'. STH works well with its partners to support and promote activities to engage young people, for example, through 'womble style' estate walkabouts, football tournaments and education programmes in schools. This is an effective approach using intelligence to avoid ASB among specific groups and at certain times of the year.
- 149** Mechanisms are in place to ensure feedback to complainants is provided following a report of ASB. There is a requirement to feedback to complainants on a fortnightly basis and this is quality checked by managers to ensure it is happening. This ensures complainants are kept up to date with progress being made and are clear that something is being done to address their concern.
- 150** Performance monitoring arrangements for ASB have been strengthened. Services provided by the Council via a Service Level Agreement (SLA) are routinely being monitored. Standards to be measured through the SLA are now clearly identified and in the main are being achieved. Targets for satisfaction levels are set at seven out of ten, which are yet to be achieved but other standards are being met. The Council are part of Housemark's benchmarking club for ASB and in relation to performance in the majority of reported areas it compares well. Monitoring meetings happen monthly and opportunities also exist at a more senior level to explore the impacts of targeted initiatives and campaigns to address issues of ASB, for example under age drinking. Regular reports to the board are now taking place. This ensures that the effectiveness of services is being measured.

- 151 STH is embracing the Government's Respect Agenda. The Government has designated South Tyneside as a Respect Area, and it has received extra funding for initiatives like the family intervention project and a parenting project which is having positive results. It has signed-up to the Respect Standard and a self assessment and action plan ensures it is addressing key areas. It has policies and procedures which reflect the Respect Standard's core commitments Projects like this should positively help reduce problems of ASB.
- 152 Multi-agency partnership working to address ASB is strong. STH has representation at both a strategic and operational level. It attends the effective¹⁰ crime and disorder reduction partnership (CDRP) in South Tyneside and the multi-agency problem solving forums at a more local level. STH is a key partner in the implementation of neighbourhood action plans to address issues of concern in local areas. It participates in activities to strengthen multi-agency relationships and targeting hot spot areas for example Horsley Hill. This assists in making areas sustainable and attractive.
- 153 Satisfaction of tenants and residents in dealing with ASB is improving. In October 2007 the Local Government User Satisfaction Survey highlighted the changing perceptions of ASB as "a problem" across the region. South Tyneside showed the most improved performance in the region over the period 2003 – 2007 with fears about ASB almost halved. Satisfaction with the area as a place to live is increasing from 70.76 per cent in 2006 to 77.6 per cent in 2007/08 (Status Survey 2007/08) The satisfaction surveys carried out by the Council's ASB unit show signs of improvement although it is still low (from 5.48 to 5.52 out of 10). The newly developed STH ASB team has shown signs of prompt responses to customer complaints as referred to earlier.
- 154 Good working relationships are in place with the Council teams to ensure estates are well maintained. The Council's approach to safer cleaner greener issues has ensured funding has been made available to provide fencing in areas where youths were congregating and to provide barriers to prevent scooters using alleys ways behind tenant's homes.

Estate management

- 155 In 2007, we found a balance of strengths and weaknesses in this area. The standard of estate management and appearance of estates was satisfactory. Areas were maintained to basic standards. New service standards and estate inspections were starting to maintain estates consistently. However, performance monitoring and management of services provided through SLAs was weak.

¹⁰ The South Tyneside CDRP is rated as 2.50 out of 15 in its family group for performance all 6 key offences 'per 1,000...' 2006/07 (low figure = better performing) The key offences are burglary, robbery, theft of and from a vehicle, sexual offences and violence against a person.

- 156** In this inspection, we found that strengths now outweigh weaknesses in this area. There has been a focus on improving the appearance of estates and they are now well maintained and attractive. Tenants have been involved in inspecting estates and identifying improvements. Robust monitoring of grounds maintenance and cleaning contracts ensures services have improved. Caretakers and concierge services are popular with residents. However a facilities management review has been ongoing for some time and has not lead to improvements and feedback following estate walkabouts is not provided for all customers. Environmental budgets whist devolved locally are not contributing to a wider approach to improvement in those areas.
- 157** Estates are maintained to a high standard. Estates are clean and tidy, with little evidence of graffiti or vandalism. Grounds maintenance; fly tipping; graffiti removal; abandoned vehicles; bulky waste removal and cleaning communal areas are all services provided through service level agreements (SLA) with the Council. Robust monitoring of these agreements to ensure services are of a good quality are now taking place. Tenant inspectors have had a positive impact on the improvement of estates. They have identified improvements on estates and these are being addressed through estate action plans. Inspectors have inspected all estates and a comprehensive report on findings has been produced. A score is awarded for each estate in key areas such as untidy gardens, fly tipping and specific areas for improvement are highlighted. This has lead to the development of action plans and significant improvements have been made to estates as a result. This has helped ensure a customer focused approach to improving the appearance of estates.
- 158** Staff have a positive visible presence on estates and residents are increasingly involved in local estate management. Following a review of housing management, a dedicated team of estate and housing officers is more visible. Estate officers are out on their patches daily; carry out formal monthly inspections and publicised estate walkabouts with a broader range of interested parties. Regular inspections ensure that any issues with graffiti, litter and rubbish, fencing repairs and abandoned cars are quickly identified and acted upon. Joint walkabouts result in an action plan circulated to all participants to show what action has been taken. However, action taken following walkabouts is not fed back to all tenants and residents in the area to demonstrate action being taken.
- 159** Security and communal cleaning in high rise blocks of flats is effective. A 24-hour concierge service is provided by the Council that controls access and activity within and around flats. Flats also have intercom and security alarms. Internal and external areas around high rise blocks are kept clean and tidy by both caretakers and through an SLA with the Council. This is subject to review with an ongoing facilities management review. Required cleaning standards are advertised in all communal areas and whether those standards have been met. The quality of cleaning is monitored by estate officers and where necessary default notices issued to address poor standards. This robust approach to monitoring services has led to improvements in the standards of cleaning.

- 160 There is a clear approach to the management of untidy gardens. Staff have been trained in the new procedure. Support is available for some vulnerable tenants to assist in maintaining their gardens through a garden tidy scheme. Referral is possible to the tenancy enforcement team for enforcement action if necessary but this has not been required to date. This approach is helping to ensure estates are attractive places to live.
- 161 Tenants have been closely involved in improving the approach to estate management. Environmental budgets have now been devolved to area panels to ensure local issues are addressed and prioritised by tenants in the area. Tenants of high rise flats were previously un-represented through tenants groups. STH has made contact with tenants and residents to form a group which has begun to develop specific service standards for the high rise blocks. Satisfaction is now sought directly from customers of high rise blocks and satisfaction is high. Tenants have been closely involved in developing the approach to estate management through the service improvement group. This has ensured that improvements have been in line with customer priorities.
- 162 Environmental budgets are not being used effectively to complement DHS or planned works to benefit all tenants locally. Environmental budgets are devolved to three area panels made up of four councillors and four tenants or leaseholders. They were selected following a request for expressions of interests and board members selected tenant and resident panel members. Criteria is in place to guide the panel but lacks clarity to ensure budgets are spent on environmental improvements to complement planned or DHS work to be carried out. Opportunities to bid for grants to address environmental issues are not widely promoted among all tenants. There is no prioritising of bids at the start of the year to ensure the budget is spent on the most pressing issues or to complement other work planned in those areas. This approach limits the impact the environmental budgets can have as part of wider approach to improvement in those areas.
- 163 Caretaking staff are customer focussed and provide a prompt responsive service. Caretakers are available on a rota basis 24 hours a day seven days a week to respond to customer queries. They make contact with all new tenants to introduce themselves and let tenants know how they can be contacted. Caretakers perform a range of tasks such as removing bulky waste, checking faulty equipment such as door bells and reporting repairs. As a result people, including vulnerable older people, feel safer and the environment is kept tidier.
- 164 There has been a review of the caretaking and concierge service which has been ongoing for some time and has made limited changes to date although more are planned. The action plan is not SMART and a consultant was commissioned in June 2007 and yet a report has only just gone to the board in February 2008 with an action plan to be implemented. Recommendations and issues highlighted at the time of the last inspection have yet to be explored but will be as part of the review, such as using caretakers to carry out minor repairs. As such progress has been slower and potential improvements to the service have been delayed as a result.

- 165** Recycling facilities are available in the multi-storey and mid rise blocks for larger furniture items and white goods as well as paper and plastic. Caretakers assist tenants unable to leave their recycling in the appropriate bins. The white goods and furniture are recycled and offered for low cost sale with guarantees provided for white goods recycled. This is promoted to tenants in housing matters.

Leasehold management and Right to Buy

Leasehold management

- 166** In 2007, we found that there were more weaknesses than strengths in leasehold management. The charging and collection of service charges was weak. Leases were out of date, procedures did not reflect good practice and leaseholder satisfaction was low. However, STH was increasingly involving leaseholders and had a leaseholder forum. Information to leaseholders had improved and there were a variety of ways to pay service charges. It was too soon to identify the impact of recent improvements.
- 167** In this inspection, we found that strengths and weaknesses are balanced in this service. Progress since the previous inspection includes the un-pooling of service charges, the levy of a more realistic management fee, the introduction of key procedures, the development of a consultative forum and easier ways for customers to contact the service. However, the level of leaseholder arrears is very high at £76,000. Invoicing arrangements are weak with estimates sent out late. Throughout 2007/08 a lack of staffing meant many improvements were not fully delivered, although a fully staffed team was in place from April 2008.
- 168** STH has made considerable progress in un-pooling service charges. In a relatively short time, STH has carried out effective consultation through letter, newsletter and meetings of the leaseholder new forum, with the result that service charges beyond property insurance and a management fee were charged for the first time in 2008/09. STH has been able to deliver difficult messages in a sensitive and appropriate manner.
- 169** STH now charges a more economic cost for services provided to leaseholders, but this still does not recover the full cost of the service. The management fee charged to all leaseholders is £125, compared to an economic cost of £152. As a result of leaseholder consultation, and because historically the service has only recovered a small management fee and insurance costs, the full cost of leaseholder services will be phased in over five years. Rent payers still make a substantial contribution to services enjoyed by leaseholders and are effectively subsidising their services.

- 170 Many positive changes have taken place over the past twelve months. There is better customer focus through for example a leaseholder section on the website, the production of a leaseholder handbook and a greater emphasis on face to face contact; improved consultation procedures and new service standards. Leaseholders are now given the option to buy into gas servicing, although this has only just been publicised through the leaseholder newsletter and it is too early to judge responses. A debt referral service is also available through welfare rights, but no-one has taken this up yet. Leaseholders now have a wider choice of services and know what they can expect to receive.
- 171 Invoices for leaseholders are clear, and carry an appropriate explanation of how charges are made up. Statements were designed with the leaseholder forum and carry information on charges and the outstanding balance, and information on payment methods. Invoices comply with legislation. Clear invoices decrease the number of queries raised by leaseholders and help encourage prompt payment.
- 172 However invoicing arrangements are weak. For 2007/08 estimates were sent in July and final bills in September. Delays meant leaseholders were unclear on what to pay and when, this also undermined efforts to recover arrears through reaching agreements to pay charges by equal direct debit payments. This performance is below STH's new leaseholder service standards.
- 173 The level of outstanding leaseholder payments is high at £76,000. Leaseholder arrears are largely due to an historical lack of monitoring and enforcement. A new arrears escalation policy and the secondment of a member of staff into the leaseholder service has seen the collection rate for leaseholder charges rise to 104 per cent. However, arrears remain high, insufficient action has been taken and an historical lack of capacity still means a great deal of debt is outstanding.
- 174 The service has suffered from a lack of capacity which has worked against some of the positive changes introduced recently. Following the previous inspection, leasehold management was separated from the right to buy service and a team of two full time equivalent staff provided for. The section has only just recruited these staff, meaning that for a year, with one full time secondee in place, the service has not made progress in some key areas.
- 175 A service charge dispute resolution procedure has been recently introduced. Eighty four disputes resulted from the latest full bill, with most resolved at stage 1 (leasehold manager). A further three were resolved at stage 2 (Governance Manager), with none so far progressing to leasehold valuation tribunal. The procedure gives clear accountability to leaseholders, and provides for timely and full responses.

- 176** Helpful information and clear service standards are provided for leaseholders. Service standards were recently revised and carry key promises by which leaseholders can judge the service. A leaseholder forum meets regularly, and a leaseholder newsletter was recently introduced which carries performance information and details of changes to the service. Leaseholder satisfaction is increasing with a survey score of 6.27 out of 10 (January 2008) compared to 5.95 at the time of the last inspection. The survey has not yet been used to influence service improvement, but comments on the quality of services will be followed up. Leaseholders therefore have clear expectations of the service they receive.
- 177** Key policies and procedures which were largely absent at the last inspection are now in place. Section 20 consultation takes place where appropriate, there is a clear procedure for recording leaseholder repairs and repairs to communal areas, and a buy back policy is in place although it does state STH will not buy back leasehold properties. The development of key procedures means costs which should fall to leaseholders are more likely to be recovered.

Right to Buy administration

- 178** In 2007, we found that there were more strengths than weaknesses in Right to Buy. There was a broad range of helpful information for prospective purchasers, valuations were carried out appropriately and performance on dealing with applications was steadily improving. However, STH did not make effective use of feedback to improve services and there was no systematic approach to suspending applications.
- 179** In this inspection, there continue to be more strengths than weaknesses. STH has extended the already broad range of information available to purchasers. Services are accessible with a dedicated email address, and website pages, coupled with the team's move to the head office which has confidential interview rooms which were previously lacking. Performance on dealing with applications is strong and some value for money aspects of the service have been challenged. However, feedback is not systematically used to improve services and STH is unaware of the profile of RTB purchasers and applicants.
- 180** STH provides an accessible RTB service. A small dedicated RTB team provides a consistent service, and the recent move to the head office gives access to interview rooms, which was not possible at the previous location. Staff are approachable, and provide a dedicated email address, clear service standards and internal procedures which help ensure purchasers receive an informed service.
- 181** User-friendly and comprehensive information is provided to prospective purchasers. The information pack includes information on the costs and responsibilities of becoming a home owner and has recently been supplemented with a set of frequently asked questions and RTB valuations by house type and area. The pack also includes a leaflet 'we'll do it for free' which tells prospective purchasers that companies may try to charge fees for services which STH provides at no charge. Customers can therefore judge the issues involved in purchase and are given the information to make informed choices.

- 182** STH is proactive in discussing the implications of home ownership with purchasers. Interviews and home visits are offered to all purchasers, and a joint home visit is always carried out with the leasehold team in the case of a flat purchase to ensure all obligations are understood. It is positive that where STH believes an RTB1 form has been sent by a company, it will send an information pack to the purchaser. This approach supports understanding and helps reduce confusion at a later stage.
- 183** Performance is strong. Ninety nine per cent of applications were denied or admitted within statutory timescales, and 94 per cent of s125 notices were sent within time in the first three quarters of 2007/08. Performance meets customer expectations, if not statutory requirements.
- 184** STH however carries out little monitoring to judge whether the information it provides is useful and effective. The number of personal interviews carried out is not monitored and enhancements to the information pack have been based on anecdotal rather than systematic feedback. Satisfaction with the information pack is monitored, but this was only put in place in February 2008. In addition, satisfaction with the RTB process is mixed. Returns from those completing a sale show an overall satisfaction score of 7.31. With a lower score of 7 for ease of contact. Response rates from the survey are very low at 15 per cent, with no actions taken to improve the service as a result of this feedback. Opportunities to further improve the service are missed.
- 185** There is some consideration of value for money. STH has tried to benchmark its costs against other landlords in the region. Although little data is available, the cost of the service appears reasonable. STH has also analysed its conveyancing costs as part of the review of its legal services SLA with the Council and believes these costs are competitive.
- 186** There is some consideration of the diversity of customers, although profiling is weak. Home purchase plans are available in three community languages and the plans are compliant with Sharia Law. Translations of other documents are available on request. However the profile of purchasers is not known, with monitoring forms only recently sent with information packs and not analysed yet.
- 187** There is now a systematic approach to suspending applications. A procedure is in place, and checks take place at the initial application and completion stages for the serving of NoSPs or any case of anti-social behaviour. Checks are comprehensive and ensure STH's approach is coordinated and that only appropriate sales are made.

Allocations and lettings

- 188** In 2007, we found a balance of strengths and weaknesses in this area. It was easy to apply for homes and applicants received good information about the process. STH gave support to people with diverse needs and employed its own medical and occupational therapist (OT). It analysed refusal reasons to improve the letting process. The allocations policy had been reviewed and a choice based lettings (CBL) system introduced. STH gave appropriate priority to homeless households. However, the CBL scheme did not give priority to lower level housing needs, it lacked local lettings policies and the register was not being reviewed. STH also lacked re-housing targets and strategies for re-housing people with diverse needs. It was not effectively understanding and managing performance.
- 189** In this inspection, we found that strengths now outweigh weaknesses in this area. There has been a review of the CBL policy and STH has clearly influenced the new policy. It is taking a lead in implementing the new policy by August 2008, and is taking the opportunity to strengthen its approach to service provision. High quality customer information for customers has been further improved, and support is given to help vulnerable applicants through the CBL process. The register is effectively managed and reviewed and allocations are made in a clear and transparent way. However, comprehensive options and prospects advice is not yet provided and high levels of refusals are still occurring with limited understanding to enable improvements to be made.
- 190** STH has focussed on improving customer access to housing in influencing the review of the Council's allocations policy following the implementation of choice based lettings (CBL) in 2006. Extensive customer consultation was undertaken and STH were able to represent the views of customers who have had difficulty ensuring their needs were adequately prioritised through a two band system. The revised policy has been agreed and is proposing five bands are introduced to allow for differing levels of need. STH and the Council have a shared plan to implement the new policy in August 2008. STH will strengthen its approach to allocations through improvements such as ensuring more staff are available to assist customers through the CBL process. This will ensure that applicant's needs are better met by the revised policy and approach.
- 191** Overall, customers receive good quality information and advice about CBL and their individual applications. It is relatively easy to apply for homes under the current scheme. A centralised Your Choice Team provides a single point of contact for customers. A leaflet sets out the service standards and explains all about the Your Choice scheme. Homes are advertised through a dedicated website, in local press, at local libraries, in each housing office and through local advocacy and community groups. Lists of available homes are also sent out to individuals who would not have access through the other routes. Local information leaflets have been produced which provide more information about the local community, in particular information about schools, shops, public transport links and health. The application form is simple to complete and staff can help customers where required. Customers can bid for homes through the website, in person or via SMS texting as well as through the Council's contact centre.

- 192** STH's approach to allocations and lettings is customer focused. Referrals for assistance can be made to a support agency for vulnerable applicants to assist them through the CBL process. Home visits are offered for customers who require some assistance in completing forms or to explain the process further. Home visits also assess the current housing situation; extent and impact of current housing on medical needs and determine the level of urgency for re-housing. Automatic bids can be placed for customers or a nominated person is able to bid on their behalf. Accompanied viewings are always carried out, and this is helping to reduce the number of refusals at this stage. This assists customers who require additional support to apply for appropriate housing.
- 193** However, clear options and advice about prospects for re-housing is not provided for all customers. Feedback on lettings is available at area offices and on the website. This advises customers of the property type, location, number of bids and what band was successful for each home advertised. This information is not routinely given to customers or to new applicants to assist in the selection of properties to bid for. In addition, more detailed information to assist in managing expectations and reducing inappropriate bidding is not taking place. Customers are not advised about estimated waiting times for particular areas, potential nominations to RSL properties or the availability of property within the private sector. Nominations to RSL properties are not carried out unless the Council invites specific nominees for schemes. Initiatives that may be suitable for some applicants, such as affordable housing or shared ownership, are not promoted to assist with the high levels of demand that currently exist.
- 194** STH manages the Council's housing register effectively. The register has recently been reviewed. The waiting list is expected to substantially reduce as a result of changes of circumstances or applicants no longer requiring re-housing. There is a review procedure in place followed by an appeal process to an independent lettings panel, although welcome letters do not inform applicants of the right of review. There is a clear and fair approach to suspending applications in cases of arrears and ASB. Service standards for processing applications within 21 days are being met, and have recently been reduced to a more challenging ten days. Comprehensive medical assessments are undertaken by an in-house health and housing team consisting of two OTs a nurse and a medical assessment caseworker. References are sought from previous landlords where possible, this can often be done by telephone the same day. Applications are processed promptly and information on the register is kept up to date.
- 195** Allocations are made in a transparent way. The audit trail linking applicants bidding for empty homes to the applicant offered each home is consistently recorded. Reasons why an applicant was not considered are clearly noted. All allocations are signed off by a manager to ensure consistency of approach. Management transfers are agreed by the lettings panel and management transfers only account for 15 per cent of all allocations made. Transfers are considered for tenants facing homelessness; clearance of their property, suffering ASB, or domestic violence. This ensures needs are met appropriately but in a fair and consistent way in line with policy expectations.

- 196** There is a high level of refusals, with limited action to understand reasons and improve services. Refusals have been over 46 per cent of offers made. The dedicated empty homes team carrying out accompanied viewings is increasing numbers of acceptances at that stage but levels of refusals are not reducing as a result. STH is aware of the reasons for refusal but has not fully analysed information to identify causes, such as at what stage refusals are high. The most common reason for refusal (40 per cent of all CBL refusals) is people bidding for the wrong area. The new policy will limit the numbers of bids people can make to five; it is currently unlimited. However, more could be done to ensure applicants are better informed prior to bidding. Local information leaflets have been produced to highlight local facilities, but may not be assisting people in making choices about the areas they are bidding for. High numbers of refusals lengthen the lettings period and contribute to properties being empty for longer.
- 197** Performance reporting on lettings is taking place. The 'Your Choice: Feedback' report provides monthly performance information to the Senior Management team. The report is also provided to the Council at the bi-monthly joint progress meetings. It includes performance on satisfaction with lettings procedures and average re-let times. Progress on lettings to diverse groups is reported to board on a six monthly basis. A new format for reporting performance has been introduced from 2008/09 which enables more robust monitoring of newly introduced targets for lettings to diverse groups.
- 198** The CBL scheme gives appropriate priority to homeless applicants and STH works effectively with the Council to ensure homeless households are re-housed and homeless obligations discharged. Some 72 per cent of applicants found to be homeless and in priority need, were housed by STH in 2007/08. STH are working with the Council on a homelessness prevention plan which will address how customers are actively assisted in maintaining their current home or finding a new one.
- 199** STH has started to address the issue of the relatively low level of lettings to black and minority ethnic (BME) applicants. With the Council it is consulting community organisations about barriers to access and has carried out a series of visits to community groups to talk about the service and address concerns. The CBL process was clarified and information on available properties is now sent to several minority community groups. A new 'Your Choice' leaflet for customers for whom English is not their first language has been produced and a question has been added to the application form that asks customers about their 'preferred language'. Despite a lack of targets lettings to BME groups are improving. At the end of 2006/07 only 1.42 per cent of lettings were made to BME applicants. The latest figures show an improvement to 1.59 per cent of those registered with Your Choice, and 2.85 per cent of applicants who accepted a home were from BME communities (March 2008). Targets for lettings to BME households are to be set at 1.6 per cent to reflect the percentage of BME applicants on the waiting list for 2008/09.

- 200** STH is attempting to make better use of its stock to meet demand. Demand for Council homes in the borough remains high. At the end of 2007, there were approximately 83,658 bids made by applicants and 1,188 lettings, an average 81 bids for each property let. STH has local lettings policies in place for people over 55 years of age in high rise blocks, where caretaking and concierge staff offer additional support. A transfer incentive has recently been introduced for customers who are under-occupying three or four bedroom homes to move into a smaller property that meets their needs. This approach ensures that better use is made of existing stock to meet needs while still offering choice.
- 201** Customer satisfaction with the application stage is high but is not gathered on all aspects of the service. Questions relating specifically to the Your Choice process within the new tenants survey are high with scores of seven plus for the application process and responsiveness of staff. The satisfaction survey however is still not adequate in terms of the CBL lettings scheme. It has not been updated to reflect CBL and questions provide limited data which would enable issues to be identified and tackled.
- 202** The lettings IT system is improving. The IT system was improved in October 2007 to mirror the process set through the new empty homes procedures. Customer selection is now fully computerised. Further improvements are planned moving into the new policy and a detailed specification has been requested by STH to ensure systems reflect planned new working practices. This includes the opportunity to apply for housing on-line which is not possible currently.

Supported housing

- 203** In 2007, we found that there were more weaknesses than strengths in this area. Although STH worked with partners to provide a range of housing support services to vulnerable groups, its sheltered housing services were traditional with a number of weaknesses. There was no strategic approach to providing sheltered housing services and housing support for older people.
- 204** In this inspection, we found that there is now a balance of strengths and weaknesses. Progress has been made in developing a comprehensive sheltered housing strategy. There is a range of useful publications and good quality information for tenants of sheltered schemes. Satisfaction with the service is high. Schemes are maintained to a reasonable standard and staff are enthusiastic and well informed. Good partnerships exist with support providers and STH has strengthened its strategic approach to the support of vulnerable tenants. However, options appraisals are yet to be completed on all schemes to determine future viability, and future investment is on hold to improve accessibility and tenant's homes. Consultation on the strategy was limited and further improvements are required to bring services to sheltered housing tenants beyond minimum standards. Partnerships with support providers are not yet formalised to ensure they continue.

- 205** STH has an accomplished and comprehensive sheltered housing strategy supported by a similarly clear action plan. Although only approved in January 2008, the organisation is already making progress to transform its previously traditional approach in some key areas, such as the long-term future of sheltered schemes, the role of scheme managers and the quality and flexibility of support offered to users. Partners were involved in the development of the strategy which has helped raised the profile and professionalism of the service and provides a clear vision for the future.
- 206** Consultation with service users over the strategy was not comprehensive. Questionnaires and interviews were administered to both existing and prospective sheltered housing residents. Residents were not, however, directly consulted over the future use or viability of sheltered schemes, or how this should be evaluated. STH considered the implications of this and reasoned that it did not want to worry residents about their homes. It is to consult the Service Improvement Group, comprising 20 sheltered housing residents, over schemes which may not have a viable future, but it could have involved residents in setting the evaluation criteria and considering their views more fully.
- 207** Good information is available to sheltered housing residents. Service standards are in place and reviewed each year, with results published in each sheltered scheme. A clear sheltered housing tenant's handbook explains the scheme manager service and some of the additional services offered. A sheltered housing newsletter is published, and each scheme has developed a comprehensive welcome pack for sheltered tenants containing more information on services and the locality. The extent of information varies from scheme to scheme, but it does include reference to the protection of vulnerable adults. Satisfaction with the service is high, with an average score of 8.72 out of 10 Tenants therefore understand the level of services they should receive.
- 208** Sheltered housing schemes are maintained to a reasonable standard and provide appropriate support. Schemes provide a good quality of service with facilities to match. Staff provide a comprehensive, friendly and approachable service. Scheme managers are enthusiastic and informed and act as an effective referral point for additional services. Recently revised support plans are in place for all residents. Detailed guidance is issued to scheme managers and plans are reviewed every six months to identify any changes to individual support needs. For prospective tenants, a needs and risk assessment is carried out when an offer of accommodation is made. However, a flat charge for services is paid by all residents regardless of differing needs. Overall, the services provided in sheltered housing are appropriate to the needs of residents.

- 209** There are some weaknesses in the sheltered housing service, although plans are in place to address them. STH's sheltered housing service was recently assessed at level C of the quality assessment framework for Supporting People. That is only meeting minimum requirements and at above average costs. The limitations of the current service are partly due to delayed investment in some security and safety aspects, but further work is needed in some areas to include more proactive partner involvement in support plans, a need to encourage and handle complaints better and a more coordinated approach to inclusion and developing information for excluded against groups. These issues are recognised and highlighted within the supported housing action plan, and the service aims to achieve level B when quality assessments are carried out later in 2008.
- 210** Until options appraisals have been completed on all sheltered housing schemes some will not be fully accessible or meet DHS. Some sheltered schemes require significant investment to ensure they are accessible and to provide modern kitchens and bathrooms, update some communal areas and provide appropriate affordable warmth. A full assessment of works needed to bring each scheme up to DDA standards has been completed. Although all entrances benefit from automatically opening doors, further works are on hold until the appraisal of the future viability of sheltered schemes has been completed. STH has made progress in this area, but some tenants will not be aware when improvements to their homes are likely to be carried out.
- 211** STH continues to develop good partnerships with other agencies to provide housing support services. The service was restructured in January 2008, with specialist staff working in developing services for older people, young people and in strategic work with partners. STH is active within the SP core strategy group, homes for young people group and specialist housing needs group. STH provides signposting and liaison for people needing housing support including young people, people with sensory and physical disabilities, and people with mental health issues, and some support from their specialist staff in additional to floating support. Partners recognise their strengthening relationships with STH.
- 212** STH has a tenant support strategy in place. Consultation has taken place with 99 partners, although service users have not been directly involved. The strategy sets out the links between STH's housing support activities and other parts of the organisation involved in financial exclusion, tenant involvement, choice based lettings, decent homes and ASB. It reflects future demand for the service, and an action plan is in place which aims to increase the visibility and effectiveness of housing support both within and outside STH.
- 213** There are few formal protocols outlining relationships with partner organisations. Although relationships are generally strong and improving, they are largely formed through informal arrangements with staff within the supported housing team. The organisation risks losing these strong relationships if staff within the team were to leave.

Is the service delivering value for money?

- 214** In 2007, we found more weaknesses than strengths with value for money (VFM). There was a corporate commitment to VFM but this was not yet fully embedded throughout the organisation. STH did not have clear and accurate information on the cost and quality of each individual service, and how these compared with other service providers. Efficiency targets were unchallenging and not fully integrated with service plans. Planned efficiency reviews were ad hoc and not systematically targeted at high cost areas. However, STH had made many efficiency savings and, through benchmarking, STH had an understanding of how overall costs of services compared with others. It could show that, in relative terms, its costs were low. STH had a new VFM strategy and was establishing the framework for improvement through the procurement strategy and plans to market test construction services.
- 215** In this inspection, we found that there is now a balance of strengths and weaknesses. STH has a better understanding of costs and how these compare. A VFM culture is starting to emerge and a strategy and action plan have now been developed. Efficiency targets are being met, robust procurement decisions have led to savings and resources are being redirected to deliver priorities. There are weaknesses however. Costs are not well understood in all areas, the VFM strategy is not clear and efficiency targets are unambitious. There is little coordination of the efficiencies gained to ensure best use of resources, and the whole approach to VFM is yet to be fully embedded.

How do costs compare?

- 216** STH has taken steps since the previous inspection to collect information on the cost and quality of services. A benchmarking exercise with a national provider coupled with a bespoke report for STH concludes that overall costs are low, with mixed performance.
- 217** An understanding of costs is emerging. Core management costs per property are £371 per year compared to a peer group median of £471, with the number of properties managed per member of staff also favourable at 135 compared to a peer average of 96. There are some high cost areas, with tenancy and estate management spending above average, and average expenditure per property per year on responsive repairs high at £484 compared to a peer average of £348.
- 218** Awareness of costs at manager level is mixed. Repair managers are not members of any benchmarking clubs, and although managers are aware of budgets and committed spend against them, there is little influence on budget setting or bringing about service improvements. Managers are unaware of the introduction of zero based budgeting which has been discussed only at the level of service heads.

- 219** STH has also assessed headline indicators on the quality of service. Performance is mixed, although the data is based on the 2006/07 financial year. In areas such as gross rent arrears, and repair response times performance is among the top twenty five per cent , but performance is among the lowest twenty five percent on DHS compliance, and relet times. This is starting to aid understanding and address performance issues.
- 220** There are some services areas where both cost and quality comparisons are unclear. Benchmarking information is being used to compare the Council's performance in relation to ASB but STH does not yet fully understand or utilise it. Service costs and how they compare have not been analysed or reviewed. Some benchmarking has taken place on resident involvement, right to buy and leasehold service, but data is drawn from very few landlords making meaningful conclusions difficult. Costs and performance therefore have not been fully explored to ensure services procured are providing value for money and STH is unable to systematically focus improvement efforts or resources on areas which may require the most improvement.

How is value for money managed?

- 221** A value for money (VfM) culture is beginning to emerge. Progress has been made since the last inspection, with VfM training delivered to board members, some key staff and active tenants, and key messages delivered through team briefings. However, a clear understanding of VfM is still patchy. VfM and efficiency issues are not consistently reflected in staff objectives, VfM issues are not part of board performance reports, and tenants have little influence on budget setting or a full understanding of VfM issues. There is still some way to go until VfM and efficiency are mainstreamed in the organisation.
- 222** A VfM strategy and action plan are in place but are not clear. While all key actions were delivered in 2007/08, and the VfM strategy shows an understanding of key VfM components, it does not set out a clear vision for the organisation. There is little consideration of STH's current position, where it wants to position itself or any clear presentation of the steps it wishes to take. The strategy largely describes the business processes in place within STH, although the draft strategy for 2008 addresses some of these issues. The organisation has made clear progress in promoting efficiency and VfM, but a more coordinated approach could have delivered greater results.
- 223** The emphasis on the management of VfM is to improve the quality of services within existing resources. This approach is well understood by staff, is reflected in service plans, and positive changes are apparent in the majority of services. Without a full understanding of costs however, the approach is general, with similar challenges issued to all service areas. Although STH has addressed many high cost areas of procurement, it has not concluded in any systematic way whether there are services where above average costs or differences in performance are justifiable or desirable given its local context.

- 224** However, VfM is not fully embedded as part of the organisational culture. While staff are aware of corporate initiatives to improve value for money and efficiency and their outcomes, few have specific team or individual value for money targets to direct and judge individual performance. For example, some staff and managers do not have objectives for reducing sickness or specific targets which fit into the organisation's efficiency targets. This is a missed opportunity which would help improve and measure staff commitment to VfM.
- 225** Value for money is a consideration in service planning. In preparing service plans, all teams are asked to identify potential efficiencies as part of their contribution to overall efficiency targets. The service planning process helps to provide some degree of challenge, but as these plans are completed by those delivering the service, could be more testing.
- 226** Estimates for 2007/8 show overall efficiency targets were met, however, these targets were not ambitious. Targets were based on an overall cashable saving of 2 per cent. Against a target of £1.154 million STH estimates that it delivered cashable savings of £1.664 million, which is positive. However, given that half of the target was due to improved rent collection performance and reductions in corporate recharges, the targets for the rest of the service are not stretching. It is unclear how efficiencies offered up by teams through the service planning process are challenged, and in the absence of centrally agreed targets it is difficult for STH's approach to VfM to be robustly delivered.
- 227** STH has achieved savings and efficiencies in the support services provided by the Council. In addition to the 10 per cent saving in council recharges for 2006/07 totalling £417,000, STH commissioned advice to review five service level agreements with the Council. The review concluded two services were largely competitive. A £175,000 saving will be made in financial management services in 2008/09 and the Council is to undertake its own procurement exercise for ICT support. STH is making better use of its resources and ensuring the services delivered by the Council compare well in terms of quality and cost.
- 228** Procurement decisions have led to substantial savings. The organisation's procurement strategy is robust and is supported by a three-year procurement programme which clearly sets out targeted services. The strategy itself has a framework for assessing which services should be procured. Outcomes are reported to board in a format which details non-financial and financial benefits. Key achievements include the procurement of the decent homes programme to 2010 which is forecast to achieve 10 per cent savings, and the procurement of the responsive repairs contract which is estimated to save 20 per cent in its first year. This ensures that services increasingly provide value for money.
- 229** There is little coordination of efficiency gains, or where these should be reinvested in services. The VfM strategy is silent on this issue and only mentions reinvestment when quoting the Audit Commission's KLOE. There has been some redirection of resources to support the housing management review, but in other areas efficiencies are reinvested in the service making those savings, for example efficiencies delivered in repairs and capital improvement. There is no coordinated overview which challenges the resources within each service area or which decides where cash or efficiency gains should be redirected.

- 230** A range of reviews and some reconfiguration of resources are delivering positive results. The housing management review has redirected resources to frontline services, a review of empty properties has delivered improved performance and the de-pooling of service charges and review of leaseholder services means more economic charges are now made. Key decisions on the review of sheltered housing will take place in 2008/09 over the future of individual schemes and the reconfiguration of sheltered housing. These reviews have improved the use of resources in previously under-performing areas.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 231** In 2007, we found a balance of strengths and weaknesses in this area. STH was committed to improving services and already showed a recent track record of successfully delivering a significant range of service improvements since the ALMO was formed. Improvements had focused on customer priorities and had delivered many improved outcomes for service users. However, improvement on key performance indicators (KPIs) had been mixed and there was a limited track record of delivering efficiency savings.
- 232** In this inspection, we found that there are now more strengths than weaknesses. STH has made progress on all of the inspection recommendations, alongside other weaknesses in the inspection report. Performance has improved in many areas and improvements have been in areas that customers would recognise. However, while STH can demonstrate an emerging focus on value for money it has not been systematic and in some areas performance has not improved sufficiently.
- 233** As the following table demonstrates, STH has taken action on all of the recommendations made after the last inspection; these are incorporated in the current service improvement plan.

Table 2 Inspection recommendations

South Tyneside Homes 2007

Recommendation	Progress
1. Strengthen the focus on customers by:	
<ul style="list-style-type: none"> taking action is ensure performance is meeting all service standards; 	Complete
<ul style="list-style-type: none"> effectively engaging with hard-to-reach groups to ensure they have the opportunity to be more effectively involved in developing services; 	Complete
<ul style="list-style-type: none"> profiling tenants in rent arrears and targeting specific benefit advice to meet identified needs; and 	Complete
<ul style="list-style-type: none"> developing plans and targets to ensure staff, tenant groups and the Board represent communities they serve. 	Partially complete

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Recommendation	Progress
2. Improve stock investment programmes and the management of the repairs service by:	
<ul style="list-style-type: none"> • approving and publishing a plan to bring all homes up to agreed decent homes plus standards; 	Complete
<ul style="list-style-type: none"> • developing a clear strategy to reduce the level of urgent and emergency repairs and improving performance on re-letting empty properties; and 	Complete
<ul style="list-style-type: none"> • developing robust energy efficiency and environmental strategies. 	Partially complete
3. Improve information available on costs of services and improve the value for money of services by:	Partially complete
<ul style="list-style-type: none"> • identifying and continually monitoring individual service costs; 	
<ul style="list-style-type: none"> • establishing systematic methods for comparing costs and quality to other service providers; 	Complete
<ul style="list-style-type: none"> • taking action to disaggregate service charges from rent, and charging actual costs to tenants and leaseholders receiving those services, ready for 2008/09; and 	Complete
<ul style="list-style-type: none"> • extending benchmarking and meaningful comparison with peers. 	Partially complete
4. Strengthen performance management and improvement planning by:	
<ul style="list-style-type: none"> • ensuring that all services standards are routinely monitored; 	Complete
<ul style="list-style-type: none"> • developing systems to formally evaluate and report the success and outcomes of plans, strategies, training and learning from benchmarking; 	Partially complete
<ul style="list-style-type: none"> • monitoring and managing the quality of staff appraisals; 	Partially complete
<ul style="list-style-type: none"> • ensuring that performance indicators are accurate and consistent; 	Complete
<ul style="list-style-type: none"> • developing local performance indicators that give an accurate picture of services and objectives important to customers; and 	Complete
<ul style="list-style-type: none"> • developing outcome measures for all key areas of business. 	Partially complete

Recommendation	Progress
5. Improve individual services to meet standards agreed with tenants by:	
<ul style="list-style-type: none"> • reviewing and improving leasehold management services in line with good practice; 	Partially complete
<ul style="list-style-type: none"> • developing a strategy, with residents, for sheltered housing schemes and housing support services for older people to meet their needs; 	Complete
<ul style="list-style-type: none"> • reviewing rent recovery arrangements to bring performance in line with good practice; and 	Complete
<ul style="list-style-type: none"> • reviewing the allocations policy, with the Council, to ensure appropriate priority is given to people with lower levels of housing need. 	Complete

- 234** Customers are closely involved in service improvement groups and play a key part in shaping improvements. STH routinely focuses on improvements customers want following consultation and customer feedback. There are numerous examples including the housing management review which led to the introduction of dedicated teams focusing in areas such as estate management income management and tackling ASB. Tenants are directly involved in reviewing services through a quality panel and tenant inspectors findings have lead directly to improvements in the appearance of estates.
- 235** STH regularly canvasses customer views for all services and customer satisfaction is high. An annual STATUS survey is carried out and the most recent survey shows satisfaction with the overall service is improving from 69 per cent in 2006 to 76.4 per cent (December 2007). This compares favourably with the best performing metropolitan authorities for 2006/07 (77 per cent).
- 236** Performance has generally improved since the last inspection. Overall, performance trends are positive.
- The majority of performance indicators (PIs) show improvement over the last three years: overall satisfaction with the service; SAP rating; average time to complete non-urgent repairs; the percentage of repair appointments made and kept; percentage of urgent repairs completed within government time limits; percentage of empty homes; percentage of rent collected; current rent arrears; average relet times; opportunities for customers to participate; proportion of homes that were non decent.
 - However some weaknesses in performance remain, they are repair costs of empty homes; satisfaction with opportunities to participate; numbers of tenants who have had notices seeking possession and average relet times.
 - At the end of 2007/08 PIs show 64 per cent are improving, 18 per cent of indicators have remained the same and 18 per cent have deteriorated.

- 237 Improvements in performance have continued to benefit customers directly. These include performance in carrying out repairs; improvements to the ASB service; dealing with complaints; improvements to the appearance of estates and to allocations and lettings. This ensures improvement is taking place in areas that make a difference to the customer.
- 238 Clear benefits are being delivered for vulnerable service users. Access is easier for people with diverse needs and home adaptation services are good. STH is developing good knowledge about tenants and is increasingly able to contact users in different ways to meet personal preferences. A range of housing support services is provided to help tenants with particular needs. STH has improved its approach to financial inclusion with the development of protocols with debt and advice agencies and comprehensive information for customers. An affordable warmth strategy is supporting this approach to financial inclusion through the reduction of fuel poverty. A hard to reach involvement strategy was developed to ensure the views of diverse groups are effectively captured. STH has addressed the support needs of its more vulnerable tenants with the review of sheltered housing and introduction of a tenant support strategy. This is ensuring that there is a focus on meeting the needs of the most disadvantaged customers.
- 239 Better ways of working have improved the efficiency of the repairs service. STH has thoroughly reviewed its stores function. Currently, the stock of £0.5 million is too high, representing over 10 per cent of materials used in a year. Bar coding and reduced staffing levels will lead to better use of resources, as well as improving customer satisfaction. STH expects ongoing staff savings of £98,000 a year in the stores section. However, it has not estimated the total expected cashable and non-cashable savings from transforming the stores function. A pilot for mobile working involving 15 staff from June 2008 has been prepared. Staff will use handheld technology and improved stock arrangements to improve the service and productivity. Operatives will be allocated individual repairs directly (in real time) to keep appointments. Inspectors can currently make appointments directly during repair inspections using lap tops. These changes help ensure the value for money and effectiveness of the repair service.
- 240 STH has redirected resources to tackle a number of key weaknesses in other service areas. These are:
- introducing specialist teams to focus on areas such as estate management, ASB and managing empty homes - all key customer priorities;
 - de-pooling service charges;
 - the procurement of its repairs and maintenance service;
 - it has increased the resources for gas servicing to ensure the health and safety of tenants is maintained;
 - introduced an environmental strategy;
 - improved performance reporting to customers, including agreeing a top ten of service standards, and
 - improved information and publications for customers.

- 241** However, some areas have not been progressed sufficiently well such as; delay in completing a full DDA survey of all communal blocks; mobile working for repairs operatives; introducing a preferred energy supplier and improving services for leaseholders. This means that the needs of some customers are not being fully met.
- 242** STH has sought to exert relevant influence on the Council where this affects the quality of service and outcomes for customers. For example, it has been influential in the recent review of the Council's allocations policy and approach to CBL. STH has also driven the de-pooling of service charges with the Council. This demonstrates that STH is effectively negotiating with the Council in areas affecting customer outcomes.
- 243** There is evidence of a focus on VFM issues since the last inspection although this approach is not yet fully embedded. STH's awareness of costs has improved, with better use of benchmarking and greater understanding of the impact on service delivery. Efficiency targets have been achieved although not stretching. STH has reviewed several of its service level agreements with the Council and savings have been made. A robust approach was taken to the recent procurement of its repairs and maintenance service which will deliver efficiencies. However, there is a lack of a clear strategy to demonstrate sufficient focus on value for money. It has yet to be fully supported by including VFM targets in improvement plans and as part of individual objectives to ensure its focus is continued.

How well does the service manage performance?

- 244** In 2007, we found more strengths than weaknesses in this area. STH was committed to continuous improvement and learned from the feedback of customers, staff and other organisations. There was clear vision and leadership from the senior staff and the Board. The organisation was self aware and action plans were in place to address many of the areas for improvement we identified. The performance management framework was generally robust. STH was a learning organisation but did not always make full and systematic use of benchmarking. Improvement plans were comprehensive but lacked clear and measurable outcomes. There were a few weaknesses in performance reporting.
- 245** In this inspection, we found that there continues to be more strengths than weaknesses in this area. There is a clear vision and long term plans identified through the corporate plan. The performance management framework is robust and ensures all stakeholders are able to influence priorities. Arrangements for improvement planning are strong and focused on continuous improvement. STH learns from feedback of customer staff and other organisations. Performance reporting is comprehensive and appropriate. There are some weaknesses with improvement plans they are not yet linked to efficiency targets and some action plans are not SMART.

- 246 STH sets out clearly what it wants to achieve. A clear vision, strategic objectives and values are laid out in the ALMO's five-year corporate plan which is widely publicised. Aims reflect local and national priorities and highlight how the vision will be achieved. The plan is robust and identifies through clearly defined outcomes and targets what difference it plans to make over the longer term for residents in South Tyneside. The plan is to be refreshed annually to allow for changing priorities to be addressed. This ensures priorities are clear to staff, customers and stakeholders.
- 247 STH's performance management framework ensures that South Tyneside residents' priorities influence the direction of the organisation. The framework has recently been renewed and ensures the organisation's corporate plan is translated into an annual delivery plan which is consulted upon with stakeholders and tenants. Customers and other key stakeholders, such as the Council, are involved in the planning cycle to ensure their priorities are reflected in budgets and planned service improvements. Aims included in the corporate plan support the delivery of the Council's housing strategy and the objectives of the Spirit of South Tyneside. These are communicated through all the levels of the organisation and included in service plans and individual objectives. This approach ensures plans are focussed on things that matter to local residents.
- 248 STH involves customers in developing its plans and reviewing policies. Tenants and residents are involved through service improvement groups, and are able to contribute to the review of plans and policies. For example, at the annual tenants' conference tenants were asked to determine service improvement priorities. The results will be used to inform the budget setting exercise and the service improvement plans. Tenants were also involved in determining aims and objectives for the recently developed strategies for harder to reach groups and financial inclusion. This helps to ensure proposals are prioritised to meet customer needs and organisational priorities.
- 249 STH's approach to improvement planning is robust. It adopts a project management approach involving all parts of the organisation. A comprehensive service improvement plan is in place which includes customer priorities as well as recommendations from the previous inspection report. Project managers have overall responsibility for a workstream and workstream leaders take responsibility for individual areas of service. Project management training was undertaken to support the process. Progress updates are collated into monthly reports for the service improvement programme board, chaired by the Chief Executive and bi-monthly updates provided to STH Board. This ensures there is a continued focus on improvement.
- 250 There are a few weaknesses with improvement plans. Although STH has robust Service Improvement Plans (SIPs) it does not yet have a medium/ long term improvement plan. This has yet to be developed as part of the corporate plan. There are still some plans that lack SMART targets, for example the asset management strategy action plan. More detailed targets are included in the section service plans. Without measurable outcomes the strategy does not clearly demonstrate what it aims to achieve.

- 251** Service improvement plans are not integrated with efficiency targets. Furthermore, efficiency targets have not been set for each service area. Targets are not collated within an overall VFM strategy or efficiency plan based on a corporate view of priorities. Without this, resources may not be focused to achieve the greatest gain and improvement and ensure all parts of the organisation play a part in improving efficiency.
- 252** Performance monitoring is effective and robust. Information is collated and reported upon regularly by the performance team. This aids consistency and ensures performance is measured on the same basis as targets. Information is provided in a clear format and compares performance against target, and includes direction of travel indicators. Performance is principally managed through monthly performance management meetings which examine the weakest and highest risk indicators. Board reports highlight exceptions to performance with cogent explanations of why performance is below target.
- 253** Any areas of under-performance are effectively addressed. STH has identified areas where improvement is needed and formed six performance action groups (PAGs) to challenge and improve performance. Each PAG has a lead officer and each has responsibility for improving performance against key indicators such as sickness absence, re-let times, or ASB case resolution. PAGs feed into monthly performance management meetings chaired by the Chief Executive, and help ensure comparatively weaker areas are prioritised.
- 254** There are still some weaknesses in performance management. Some targets for 2007/08 have been unrealistic, rather than challenging, such as the rent arrears target of 2 per cent of rent debit (3.28 per cent in 2006/07). The target to reduce average re-let times was 39 days in 2007/08 (top performing metropolitan councils 2006/07 37 days) despite performance being 72 days in 2006/07. Consequently, some targets have not been met. Although there are many LPIs in place not all are being reported on to ensure weaknesses can be tackled. Realistic target setting helps to drive improvement and reflect improvements made.
- 255** STH learns from customer feedback. Complaints are broken down by area and type of service to help identify common issues for improvement. Following feedback from leaseholders that their estimated repair bill was not fair as it was based on only one year, STH introduced an estimate based over two financial years, and placed a cap that took into account short-term anomalies. The choice of replacement gas fires and surrounds was introduced within existing budgets for Decent Homes work. STH uses feedback to continually improve services.
- 256** There are opportunities for staff to make suggestions to contribute to service improvements. There is a staff suggestion scheme and staff are encouraged to highlight areas for improvement as part of the 'one to one' process. There are rewards for suggestions adopted to encourage staff to present their ideas. This demonstrates a willingness to learn from staff feedback to improve STH's approach.

- 257 STH regularly seeks to learn from other better performing organisations and apply good practice. It learned from others to improve the productivity and efficiency of the repair services. It is introducing a pilot for mobile working (with 15 staff) in June 2008. Repair staff will be equipped with PDAs, starting their working day from home in fully stocked vehicles, and being allocated work job by job (real-time job scheduling to keep appointments) to make the best use of resources. STH has also learnt from other ALMOs on their approach to managing absence and is implementing a staff healthcare scheme as a result. STH is willing to learn from others and is utilising what works well in other organisations.
- 258 STH has a positive and responsive approach to feedback. During the inspection a number of issues were highlighted to STH which were speedily resolved in the interests of the customer. These include amendment of ASB literature to better highlight support for victims and witnesses. Changes to court letters to ensure tenants were aware of the support from legal services provided at court. Improvements to the out of hours contact arrangements. This demonstrates a commitment to improve and respond quickly to issues which are impacting directly on services to customers.
- 259 Strong service planning and staff commitment has ensured that service have continued to develop despite high turnover and temporary replacement of senior staff. There are a range of comprehensive action plans to support individual initiative, for example, the resident involvement action plan and equality and diversity action plan. Both have ensured progress has been made against plans.
- 260 There is a clear focus to delivering improved resident involvement. The new involvement action plan carries clearer targets and represents a progression from the 2007/08 plan. Plans include the development of a young persons' website, the establishment of a young persons' forum, and greater liaison with schools to gain a greater insight into ASB. The action plans builds on, and improves upon past successes while recognising that there is more to do to engage effectively with all groups.
- 261 The leadership of STH is visible and accessible. A newly recruited interim Chief executive has in a short space of time ensured progress has been made. Staff events have been held to motivate and enthuse staff. Staff perceive senior managers as willing to listen and engage with them. Informal networks are complemented by formal briefing, one-to-one meetings, team meetings and annual staff conferences. This helps to develop mutual understanding and respect.
- 262 STH has established a clear corporate identity which adds to the professional image of the organisation. All frontline staff have uniforms, there is a well designed and established logo and vehicles are painted in corporate colours. Together they create the image of a separate organisation which staff are proud to work for.

- 263** There is evidence of STH tackling key problems and taking difficult decisions. For example, the recent housing management review and de-pooling of service charges. Close consultation with customers, staff and positive working relationships with trade unions, including listening and reacting to concerns, have helped deliver the required changes in these areas.
- 264** Partnering arrangements with investment programmes will improve further. Partners are keen to develop information sharing, supply chain procurement and pain/gain sharing arrangements when investment programmes are confirmed following receipt of ALMO funding. This will ensure STH, and partners, obtain the full benefit of true partnering arrangements.

Does the service have the capacity to improve?

- 265** In 2007, we found more strengths than weaknesses in this area. Positive skills and capability of staff was backed up by robust human resource services. Internal communication was good. Governance arrangements were sound. There was a satisfactory approach to medium-term financial planning and services were well supported by IT systems. However, the quality of staff appraisals was not consistent and the benefits of training courses were not systematically evaluated. The diversity of the local community was not reflected at all levels of the organisation.
- 266** In this inspection, we found that there is a balance of strengths and weaknesses, Despite high turnover among senior staff progress has been maintained, interim staff have ensured continuity and capacity for the future has been strengthened with a newly recruited CEO and a revised senior management structure. A new board chair is providing strong leadership and relationships with the Council are strong. Staff are professional and well trained and communication is effective. However, some weaknesses that were identified last time have yet to be fully addressed. The quality of staff appraisals is still not consistent and comprehensive checks are not in place to ensure levels of quality and consistency are maintained. Governance arrangements are only satisfactory with the diversity of the community still not reflected at all levels although plans are being developed. Sickness levels are high and plans are in place to address this but have yet to make an impact.
- 267** STH is taking steps to increase the capacity of senior management. Overall staff turnover is not high and has reduced from 9.48 per cent at the last inspection to 8.02 per cent by December 2007. However, STH has suffered from the loss of several staff at a senior level, including the Chief Executive, since the last inspection. This has been addressed through the recruitment of interim managers, including an interim CEO, who have been well received and have focussed on improvement. An experienced ALMO Chief Executive has been recruited which is seen as a positive appointment by all parties. The new CEO has been fully involved in the development of a proposed re-structure which will increase the executive management team from two to four directors, and strengthen the heads of service team. Additional, permanent appointments are planned which will further increase the capacity of management teams to deliver improvement.

- 268** Staff are professional and generally have the capacity and capability to deliver improved services. Staff are well trained and have access to a range of regular corporate training and individual training to address specific requirements. A training plan is in place which considers both corporate and service area training needs. This builds on service plans and individual appraisals. Diversity training has been particularly successful, as has training linked to the housing management review. Staff teams were recently revised as part of the housing management review to focus on specialist areas. However much needed management development training has been deferred as STH has focused on service improvements. Programmes are ready to start from April 2008. This ensures staff have the right skills and are focussed on delivering improved services to customers.
- 269** STH's working relationship with the Council remains positive. Both parties are clear about their respective roles and the relationship is appropriately arm's length with the Council recognising improvements to the housing service. The Council has been very supportive in helping to deliver recent improvements, including grounds maintenance services and support for anti-social behaviour. The Council's framework for monitoring and managing the ALMOs performance generally has the right balance between requiring areas of concern to be tackled and allowing the ALMO to get on with operational management. Regular reports to the neighbourhood scrutiny committee build on a range of performance and financial monitoring meetings between respective officers. The Board and Council have used performance information to ensure areas of weakness are addressed, including improving average relet times. The Council understands STH's need to review SLAs and contracts and has not exerted any pressure for the ALMO to retain council services. Effective relationships help to ensure that work in areas of joint interest are coordinated to improve local services.
- 270** Staff communication is effective. Staff are well informed through regular newsletters, briefings and team meetings. STH has good communication and relationships with Unions, working cooperatively to improve both staff terms and conditions and services for customers. There is a staff suggestion scheme in place and staff are listened to and improved working arrangements reflect staff feedback. For example, staff involvement in PAGs to improve performance in specific areas has led to; implementing a new health care plan, sheltered scheme coordinators covering weekends on a rota basis and providing more detailed information on repair orders. As a result staff are effectively involved developing service and working arrangements.

- 271** ALMO governance arrangements are satisfactory and still developing. Roles and responsibilities of board members are clearly understood and the Board is now working together effectively. The Board tends to operate on the basis of consensus and members are not identifiable by their constituencies at meetings. The Board has attempted to develop more local accountability through three area panels although reporting arrangements and links between the two are not yet clear. The Board receives good support from officers. Members have personal appraisals and development programmes that are supported by broad training programmes covering key areas of business as well as personal needs. The Board has made some difficult and potentially unpopular decisions which demonstrates their commitment to improving STH's services.
- 272** The Board's capacity has recently been enhanced with the selection of a strong Chairperson. Board capacity has recently been boosted by recruitment of a new member following an assessment of the current board's skills. The new board member has a range of suitable skills and shortly after joining the board was appointed as Chair. This appointment is seen as a positive move by the board and STH's partners.
- 273** STH recognises that governance arrangements need to improve further and are due to be reviewed. In particular a review will address under-representation of the Board membership that does not currently reflect the composition of local communities. STH is aware of the problem and understands how membership could be more representative, but the current succession plan lacks detail about how improvement could be delivered. To help address this, the Board chair has agreed some targets for under represented groups and STH is establishing an interested persons group. This has yet to be fully endorsed by the Board. Other areas requiring review include the role of area panels and rationalising performance and formal liaison arrangements with the Council. This will further improve the effectiveness of governance arrangements.
- 274** Human resource management is generally sound and enhances the capacity of the organisation and staff. A people strategy provides a good framework, and the SLA with the Council has been evaluated with employee relations taken in-house. The housing management review was implemented smoothly with good employee buy-in and the people strategy is reviewed annually with staff focus groups aiding its development. Staff reported high levels of satisfaction with the HR service.
- 275** There are some weaknesses in human resource management. Despite guidance, individual staff objectives are not set consistently and do not for example, include value for money objectives for staff. The quality of appraisals is not assessed to determine quality or completion. A sample we examined were variable, and in 2007/08 only 83 per cent of appraisals were completed for all staff. A staff survey carried out in 2007 raised a number of issues of concern. STH has addressed key concerns within its people strategy, but actions are limited because the staff survey was not analysed by team, pay grade or gender making actions general and therefore lessening their impact.

- 276 Sickness is a key issue, and already high levels have increased since the last inspection. The number of working days lost due to sickness was 13.24 in March 2008 compared to 12 days per person at the time of the last inspection. Positively, considerable efforts have been made to reduce sickness. These include a one day training event for line managers on the sickness policy, sickness absence audits, and STH are introducing a new occupational health provision and health care plan for all employees in April 2008 which has proved successful in reducing sickness absence in similar organisations. However it is too early for this action to contribute to a reduction in current sickness levels.
- 277 STH has a satisfactory approach to medium term financial planning. As the managers responsible for the overall housing revenue account, they have developed detailed three year plans to 2010 which maintain the current prudent level of balances. There is also an appropriate ALMO budget plan to 2010 and a longer term capital investment plan to 2013. This demonstrates the capacity to sustain service delivery and improvement programmes.
- 278 Budget management is relatively robust. There are monthly liaison between budget holders and finance staff, and clear reporting. Budgets continue to be set on an historical basis. Zero based budgeting was planned for 2007/08, but only partially introduced due to capacity issues in the finance team. Monitoring is appropriate and minimises the risk of overspending.
- 279 Partner agencies recognise the visibility of STH and their contribution to joint working. STH regularly attends multi-agency groups and consults effectively on its strategic direction through for example the approach to dealing with ASB, the sheltered housing and diversity strategies. Partners note a 'can-do' attitude from STH and value the quality of day to day contact and the speed of decision making, although some strategic initiatives have been hampered by a turnover of staff at senior level.
- 280 STH has attracted external funding to add to its own capacity. Overall £600,000 of external finding was secured in 2007/08. Examples include £240,000 energy efficiency funding including subsidised insulation, matched funding of £177,000 to area panels, and £50,000 from the fire service to fund smoke alarms. Strong partnership working is starting to help the organisation stretch its own resources.
- 281 STH now have a more strategic approach to IT development. An IT strategy has recently been approved by the Board. IT systems have developed further and help support service improvement and improved value for money. For example new RTB and service charge modules have been introduced that will improve systems and performance reporting. Other changes include a new swipe card contract that extends options for tenants to pay rent and reviewing rent arrears procedures to ensure that systems prompt getting debt advice. A contact management system is ready to be implemented as soon as the housing management review is finalised. STH is also working with the Council to ensure suitable data protection systems The strategy will help ensure that IT development is prioritised to meet service improvements.

- 282** There are still some weaknesses with IT systems and arrangements. The service level agreement with the Council has not yet been reviewed. STH is not monitoring how many staff have undertaken the Council's desk top data protection training. Repair and stock condition data is held on three different IT software systems that are not fully integrated. However, work has progressed and key interfaces are due to be implemented over the next few months. As a result key information will be integrated and shared. This ensures information collected, helping to ensure that information is comprehensive and improves the quality of service delivery.
- 283** Risk management arrangements are robust and well embedded. The risk management strategy is sound, with quarterly Board reports on the risk register and training for managers and Board members in identifying and mitigating risks. The register clearly identifies the likelihood, impact and owner of each risk, as well as outlining control measures and contingencies.

Appendix 1 – Performance indicators

Performance indicator (BVPI ref)	2005/06	2006/07	UA top quartile 2006/07	UA 2007/08
63 Average SAP rating	63	66	67	67
66a Percentage rent collected	97.09	97.07	97.74	97.41
66b Percentage tenants with > 7 wks arrears (gross)	5.86	6.16	3.98	5.89
66c Percentage tenants in arrears with NoSP served	24.9	26.57	22.75	34.22
66d Percentage LA tenants evicted for rent arrears	0.47	0.54	0.41	0.43
74a Percentage tenants satisfied with overall service	73	69	77	76.40
75a Percentage tenants satisfied with TP	56	60	67	62.11
184a LA homes which were non-decent at start of year	73	61	23	55.09
184b Change in proportion of non-decent homes	0.1	3.3	29.2	9.45
212 Average relet time (days)	72	72	37	54.87

Appendix 2 – Reality checks undertaken

- 1 When we went on site we carried out a number of different checks, building on the work described above, in order to get a full picture of how good the service is. These on-site reality checks were designed to gather evidence about what it is like to use the service and to see how well it works. Our reality checks included:
 - visits to offices;
 - visits to estates and schemes;
 - observation of the staff and offices;
 - observation of a Board meeting;
 - focus groups with frontline staff and housing support providers;
 - staff and Board member interviews;
 - interviews and focus groups with tenants and residents;
 - inspections of empty properties, repairs and investment schemes;
 - mystery shopping and reality checks; and
 - file checks various services including, complaints, approach to appraisals and income management.

Appendix 3 – Positive practice

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

- Approach to financial Inclusion.
- Where STH believes an RTB1 form has been sent by a company the right to buy team will send an information pack to the purchaser to ensure they are fully aware of the process.
- Doorstep court team provide legal advice to all STH tenants who are facing possession proceedings.
- Easy to read tenants handbook.
- Diversity Pocket book for staff.