

Housing Association Inspection Report

August 2008



Housing Services

Cross Keys Homes Limited

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Contents

Housing Association Inspections	4
Summary	5
Scoring the service	6
Recommendations	9
Report	12
Context	12
The locality	12
The Association	12
The service	12
How good is the service?	13
What has the service aimed to achieve?	13
Is the service meeting the needs of the local community and users?	13
Access and customer care	13
Diversity	16
Stock investment and asset management - capital improvement, planned and cyclical maintenance, major repairs works	20
Stock investment and asset management - responsive repairs	22
Stock investment and asset management - void repairs	25
Stock investment and asset management - gas servicing	26
Stock investment and asset management - aids and adaptations	27
Anti-social behaviour	29
Housing income management	32
Is the service delivering value for money?	35
How do costs compare?	35
How is value for money managed?	36
What are the prospects for improvement to the service?	39
What is the service track record in delivering improvement?	39
How well does the service manage performance?	40
Does the service have the capacity to improve?	43
Appendix 1 – Performance indicators	46
Appendix 2 – Documents reviewed	47
Appendix 3 – Reality checks undertaken	48

Housing Association Inspections

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

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

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

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

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

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

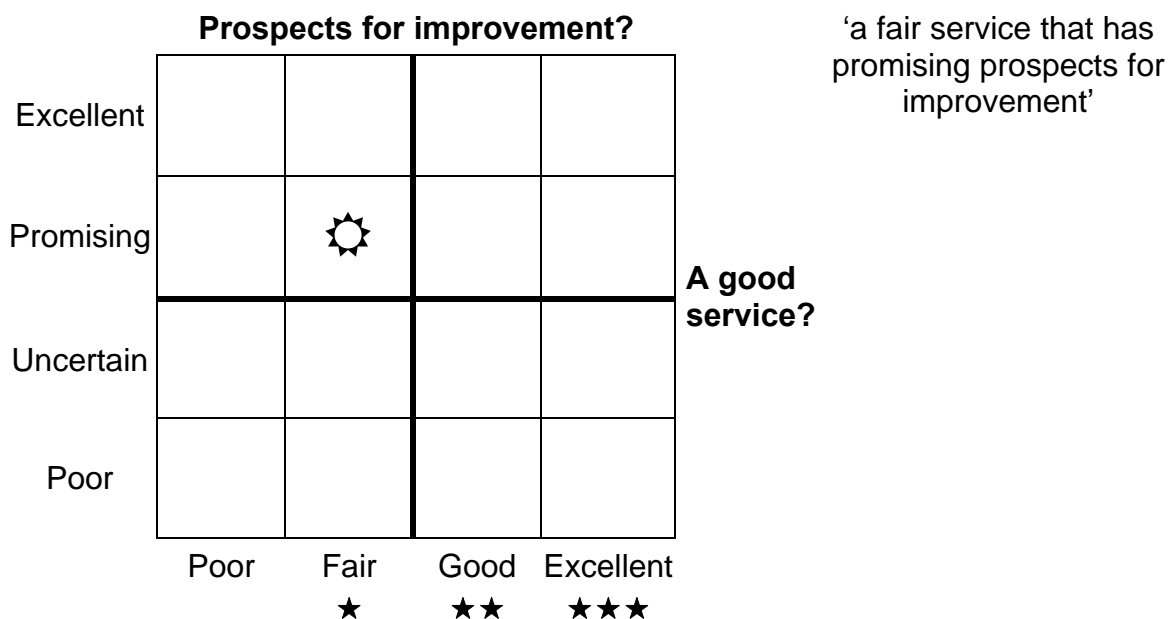
Summary

- 1 Overall, services inspected at Cross Keys Homes are 'fair' with 'promising' prospects for improvement.
- 2 There are a number of strengths. Clear service standards are in place and services are generally easy to access. An effective framework is in place to address diversity and the organisation is learning from direct engagement with minority groups. Anti-social behaviour services are being delivered effectively in partnership with other agencies.
- 3 A significant programme of major works has been delivered, with high levels of customer care and strong resident influence. A high proportion of responsive repairs are completed in one visit and emergency repairs are carried out quickly. Empty properties are being repaired to a high standard and standard voids are re-let comparatively quickly. The gas servicing process is robust and performance is at high levels. Aids and adaptations are well publicised and well resourced. Customer satisfaction is high across service areas and there are positive aspects in the approach to value for money.
- 4 However, there are also areas of weakness. Current and former tenant arrears are at high levels with arrears bad debts also high. Effective arrears recovery processes have been slow to develop and new arrangements are not yet embedded. Performance on delivering urgent and routine repairs is unclear and has been variable on keeping repairs appointments. Information on customers is not being used to comprehensively analyse and tailor services.
- 5 Void repair systems are not sufficiently focused on minimising turnaround times and in particular major works voids are taking too long to complete and are not being effectively monitored. A programme of cyclical decoration has also been slow to commence. The approach to value for money is not yet comprehensive and in particular can not be demonstrated in the current void and responsive repairs contract.
- 6 There are a number of strengths which support the prospects for future improvement. There is a track record of delivering improvements in a number of service areas, a continuous improvement framework is in place and future plans address key issues. Capacity to deliver improvement is supported by strong financial plans, a positive approach to staff training and effective use of procurement. However, CKH has been slow to introduce effective IT systems which is reducing efficiency, use of performance indicators to monitor services is under developed and there is no human resources strategy.

Scoring the service

- 7 We have assessed Cross Keys Homes Limited as providing a 'fair' service that has 'promising' prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Figure 1 Scoring chart¹



Source: Audit Commission

- 8 We found the service to be 'fair' because it has a range of strengths including:
- a significant programme of major works has been delivered, with high levels of customer care and strong resident influence;
 - a range of enforcement and diversionary measures are being effectively delivered in partnership to tackle anti-social behaviour;
 - there are clear service standards in place and information for residents is generally of a high standard;
 - performance on telephoning answering and responding to letters is strong and there is an adequate range of appointments for repairs;
 - satisfaction surveys are used in most service areas and show high levels of satisfaction;
 - there has positive direct engagement of minority communities and positive work to ensure that contractors have effective diversity policies;

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.

- a high level of repairs are being completed in one visit and performance on emergency repairs is comparatively above average;
 - there is a robust letting standard in place which is being used to ensure voids are repaired to a high standard;
 - gas servicing processes are effective and performance on servicing in timescales is high; and
 - minor aids and adaptations are well resourced, effectively delivered and linked to the major works programme.
- 9 However, there are some areas which require improvement. These include:
- current and former tenant arrears are at high levels, arrears bad debts are also high and relationships with debt advice agencies are under developed;
 - performance on keeping repairs appointments is variable, tenants do not receive written confirmation of repair requests, and urgent and routine repairs completed in timescale are not being effectively monitored;
 - some aspects of local offices and the organisation's website are under developed;
 - systems are not sufficiently focused on minimising void repair times and it is taking too long to repair major works voids;
 - the approach to electrical testing and asbestos information is not comprehensive and some homes have not had regular external cyclical decorations;
 - the city council's Disabled Facility Grant process is not effectively linked to Cross Keys Homes' major works programme;
 - value for money can not be demonstrated in the current responsive and void repairs contract;
 - the approach to handling complaints is not fully developed; and
 - a programme of equality impact assessments has not yet commenced and services have not been comprehensively assessed to ensure they are being effectively delivered to all sections of the community.
- 10 The service has promising prospects for improvement because:
- there is a track record of delivering improvement in a number of service areas and tenant satisfaction shows improvement across services;
 - plans provide a clear direction for the organisation and cover key areas for improvement;
 - there is a well developed continuous improvement framework in place and effective staff supervision arrangements;
 - staff are well motivated and there is a strong approach to training; and
 - partnership working and external expertise is effectively used to increase capacity.

11 However, there are still some areas for development. These include:

- the organisation has been slow to introduce effective IT systems which is reducing capacity;
- performance information is not always effectively used and some strategies are not fully developed; and
- there is no overarching human resource strategy in place and sickness levels are too high.

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 costs¹ and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the Association shares the findings of this report with tenants and board members, and addresses all weaknesses identified in the report. Associations forming part of a group structure should share the lessons and findings of the report amongst the wider group. The inspection team makes the following recommendations.

Recommendation

R1 Improve access and customer care by:

- *ensuring that repairs appointments are kept in line with targets and providing confirmation receipts for repair requests;*
- *ensuring urgent and routine repairs are carried out in target times;*
- *ensuring that plans are in place to maximise the effectiveness of all local offices and by further developing the Cross Keys Homes' website;*
- *carrying out a programme of equality impact assessments and comprehensively assessing services to ensure they are being effectively delivered to all sections of the community;*
- *ensuring electrical testing is carried out to all homes in line with good practice and that asbestos information is comprehensive and proactively shared with residents and contractors, and that cyclical decorations programmes are effectively maintained;*
- *working with the city council to ensure the Disabled Facility Grant process is effectively linked to Cross Keys Homes' major works programme; and*
- *embedding new complaints processes and ensuring systematic links to learning.*

The expected benefits of this recommendation are:

- improved access to services; and
- increased customer satisfaction.

The implementation of this recommendation will have high impact with low costs. This should be implemented by January 2009.

¹ 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 value for money by:

- *pursuing customer focused measures to reduce current and former tenant arrears and arrears bad debts;*
- *introducing systems focused on minimising void repair times and reducing the time it takes to repair major works voids;*
- *ensuring the new repairs and void contract is effectively introduced and managed to improve efficiency and service delivery;*
- *developing a comprehensive human resource strategy and taking measures to reduce levels of staff sickness; and*
- *promptly delivering new IT systems.*

The expected benefits of this recommendation are:

- increased financial and human resource capacity; and
- improved delivery of services.

The implementation of this recommendation will have high impact with low costs. This should be implemented by January 2009.

Recommendation

R3 Improve performance management by:

- *mapping and agreeing the performance indicators that should be monitored at operational and strategic level, ensuring these are effectively calculated and reported, and ensuring that the range of indicators formally reported at senior levels is sufficient to enable effective performance management; and*
- *ensuring the board has the capacity to effectively scrutinise performance.*

The expected benefit of this recommendation is:

- improved management of performance improvement.

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

Recommendation

R4 Take action to address all other weaknesses identified in this report.

Recommendation

R5 Report and publicise the key findings of this report to service users, stakeholders and elected members and staff.

- 13 We would like to thank the staff of Cross Keys Homes Limited who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 12 to 16 May 2008

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Report

Context

The locality

- 14 Cross Keys Homes (CKH) operates in Peterborough, which has a population of approximately 162,700, of which an estimated 12 per cent are from black and minority ethnic (BME) communities. In addition to large settled Italian and Portuguese communities there has been a recent increase in new arrivals from Lithuania and Poland. Ninety seven languages are spoken in the city. The overall population is expected to rise by 22 per cent by 2021 and the area has been identified for large increases in jobs and homes as part of the Government's M11 growth corridor. The city has a number of areas of high deprivation with 40 per cent of the population living in areas which are within the most deprived 10 per cent in the region. At over 3 per cent unemployment rates in Peterborough are above the regional average and wages for those employed are below the regional average.

The Association

- 15 CKH was launched in October 2004 to take ownership of Peterborough City Council's 10,000-strong housing stock. As the city's largest landlord it now manages 9,550 homes spread across Peterborough providing a range of affordable rented properties. The rented stock is managed by four geographically spread area offices and includes 29 sheltered schemes providing 1,200 homes for older people, nearly 1,000 leasehold properties and 90-bed spaces of supported accommodation. CKH also provides a city-wide floating support service which aims to help vulnerable people to sustain their tenancies and to provide advice and support. CKH's staffing structure currently consists of 250-plus employees.

The service

- 16 The inspection covered stock investment and asset management, housing management income and anti-social behaviour as well as the cross cutting areas of access and customer care, diversity and value for money.
- 17 An asset management department delivers stock investment services with an annual budget for 2007/08 of approximately £32 million for planned and cyclical works and £6.1 million for responsive repairs. Anti-social behaviour (ASB) services are delivered by a specialist ASB team based at the area offices. Rent collection and arrears recovery services are split between two teams with some staff based centrally and some at local offices.

How good is the service?

What has the service aimed to achieve?

- 18 CKH has three stated driving forces.

'Ambition – to improve people's lives through our ability to inspire, motivate and give hope to individuals and communities

Challenge - to provide homes, neighbourhoods and services that our customers and stakeholders can respect and take pride in and that other organisations aspire to

Spirit - one team setting high standards and exceeding them.'

- 19 CKHs has seven stated corporate plan objectives.

'To manage and maintain our homes to the highest standard

To improve the quality of life for Cross Keys Homes residents and make our communities places where people want to live

Through opportunity, excellence and innovation provide a range of services to customers and stakeholders of Cross Keys Homes

To develop a larger organisation through innovation and excellence so as to offer better opportunities for tenants, stakeholders and staff

To achieve the highest level of business excellence

To develop the highest standards of customer care in all dealings with customers and stakeholders

To be a caring and motivating employer of choice.'

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

Access and customer care

- 20 Strengths outweigh weaknesses in access and customer care. There are clear service standards in place and performance on telephoning answering and responding to letters is strong. Information for residents is of a high standard and there is an adequate range of repairs appointments. Satisfaction surveys are widely used to assess performance and satisfaction levels with services are high. There are strengths in the corporate approach although some areas still require development. Local offices and the organisation's website show a mix of strengths and weaknesses. A new, more effective, system for handling complaints is not yet embedded.

14 Housing Services | How good is the service?

- 21 A range of clear service standards, which were introduced in 2007, have been agreed with residents. They cover all the key service areas and are published in a range of leaflets which are available in local offices, on the CKH website and in a new tenants pack. The launch of new service standards was also publicised through the resident newsletter and press releases. Mechanisms are in place to monitor the majority of these standards although there is not yet systematic reporting of performance. Overall, however, the standards enable residents to have a clear understanding of the quality of services they should expect.
- 22 Information is produced for residents in a range of formats and overall is of a high quality. For example, a regular resident newsletter and an annual performance report is produced which are both easy to understand and contain useful information. A DVD has been produced to help explain tenancy conditions to new residents as part of a comprehensive new tenancy pack. This helps ensure that tenants are well informed about CKH services.
- 23 There are effective mechanisms for reporting repairs. The majority of repairs are reported by telephone. A specific freephone line is in place, which is open from Monday to Friday, 8.00am to 5.00pm, along with an out-of-hours emergency service. Calls are handled in a professional and friendly manner. Repairs can also be reported using phones in the reception areas of local offices, by e-mail and via the CKH website. The repairs call centre achieved its target of answering 90 per cent of calls in 20 seconds in 2007/08 with only 2 per cent of calls being lost. This means it is easy for residents to report repairs.
- 24 Performance on telephone answering in other parts of the organisation is also strong. Automated monitoring systems are in place, which cover all sections of the organisation. Ninety four per cent of calls were answered within 20 seconds in 2007/08 with less than 1 per cent being lost. Call answering performance is monitored at senior level through monthly reports to the management team. This means residents and external partners receive a prompt response to calls.
- 25 Performance on letter response is also strong. All letters requiring a response are monitored against a five-day target for full response. Following consultation with residents CKH focused this target on sending full responses and minimising the use of acknowledgements. Approximately 90 per cent are letters are being responded to in line with this target. This means that the majority of residents receive a prompt response to their correspondence.
- 26 It is positive that additional mechanisms are in place to report anti-social behaviour (ASB). In addition to standard reporting mechanisms, there is a text messaging service which is advertised within ASB hotspots and an out-of-hours ASB reporting number. During file checks we also saw evidence of online forms being used by complainants to report ASB. This makes this service more accessible and encourages residents to report ASB.

- 27 Overall satisfaction with services and the ability to access them is high. The 2007 STATUS survey shows that 90 per cent of tenants were satisfied with services provided by their landlord, which is in the top 25 per cent of RSL performers. Eighty eight per cent of tenants were satisfied with the helpfulness of staff and 85 per cent with the ability to deal with their problem. Recent mystery shopping carried out by residents also produced generally positive results. This shows that a significant proportion of tenants are positive about services being provided by CKH.
- 28 A range of mechanisms are in place to enable residents to influence the development and delivery of services. Tenant involvement structures include consultative committees and panels, focus groups, neighbourhood panels and village voices. CKH has also utilised street surgeries in partnership with local city councillors and the Police, where all partners knock on the door of all homes to introduce themselves and seek feedback on the issues affecting the local area. We found numerous examples of where residents have directly influenced the development of services. This helps ensure services are focused on meeting customer needs.
- 29 There is wide ranging use of satisfaction surveys to gather feedback from customers, although the approach is not yet comprehensive. There is an annual survey of residents which includes a three yearly full STATUS survey on views across services. The last two surveys have also been followed up by a programme of visits to dissatisfied customers with the result feeding into priorities for service improvement plans. There are also more specific ongoing satisfaction surveys covering the majority of service areas being inspected. However, there has not been regular surveying of customer views on satisfaction with complaints handling and rent collection services. Quality control mechanisms and reporting arrangements for ongoing surveys are inconsistent and do not enable easy comparison between service areas. This means that while customer surveys are being used to judge how far services are meeting customer expectations some aspects of the current approach limit the effectiveness of this.
- 30 There is a reasonable corporate approach to access and customer care although this is not yet comprehensive. A customer care policy, agreed with residents, set outs principles of CKH's approach. All staff have received customer care training and effective delivery of customer care was witnessed from frontline staff. There is clear corporate branding in place, and frontline staff are easily identifiable through uniforms and name badges. A customer access strategy has recently been developed and is directing the work of the organisation. However, this does not yet have a clear action plan and further consultation on the strategy is still required. A contact management IT system has been introduced and is operational in local offices but this is not yet effectively integrated with other IT systems. Despite these weaknesses, the overall approach has created a positive customer care culture within the organisation.

- 31 There is a mix of strengths and weaknesses in delivery of services through local offices. There are four local offices, all of which are welcoming and well maintained. These have a range of information on display and standard facilities such as private interview rooms, adequate seating, and toys for children. One is located on the organisation's most challenging estate. There is ramped access and lowered counters for wheelchair users. However, there was some inconsistency in the quality of facilities and location. For example, two offices are not well located in the areas they serve and two do not have an automated door or a buzzer for wheelchair users. CKH has assessed two offices as not fit for purpose. This means that while local offices are generally ensuring services are easy to access, this is not yet consistent.
- 32 The quality of Cross Keys' website is also mixed. It is generally accessible, has a range of information and on-line reporting of repairs, complaints and ASB. There is also a link to an external site for rent payment. However, the presentation of the site is not always customer friendly. For example, links to some key service areas are not sufficiently prominent. There is also no facility for tenants to check their rent account or make an estimated calculation of likely benefit entitlement. CKH has recently tested the website through six tenant inspectors and got positive feedback on ease of navigation and access to information with the majority being fairly satisfied with the overall presentation. The website is useful in assisting access to services but it is not yet maximising the effectiveness of this route.
- 33 The approach to dealing with complaints is under developed. A new system for handling complaints has recently been introduced, linked to the introduction of new IT. However, this is not yet fully embedded. For example, complaints logging goes through specific champions rather than all staff, data on informal complaints is not yet available and links with learning are not systematic. The previous system was manually operated and focused only on formal complaints. Progress on these was centrally monitored and performance was in line with target times and quality standards during 2007/08. This means that a basic service has been in place but the new system of complaints handling has not yet fully impacted on the service.

Diversity

- 34 There is a balance of strengths and weaknesses in the approach to diversity. There is an effective framework in place to address diversity and are some strong elements to the corporate approach. CKH is learning from direct engagement with BME communities and there has been some tailoring of services in response to customer profile information. There has also been positive work to ensure that contractors have effective diversity policies. Translation and interpretation arrangements are adequate. However, the scope of customer profile information is limited and it is not being used comprehensively to analyse access to all service streams. A programme of equality impact assessments is not yet in place and the aids and adaptation service is not being effectively accessed by BME groups.

- 35** There is an effective framework in place to address diversity. A new single equality scheme is in place, which covers a wide range of diverse needs beyond gender, disability and race. The delivery of the equalities work is coordinated through a high level strategic group chaired by the Chief Executive and contains a board member who champions diversity, tenant representatives, and relevant local stakeholders. This group is supported by an operational committee to action and deliver the action plan. The action plan was informed by an equality and diversity gap analysis and a disability health check carried out by external consultants. This helps ensure a consistent strategic direction in addressing diversity.
- 36** Other aspects of work on diversity also demonstrate a strong corporate approach, including:
- an effective approach to training on diversity with all staff and board members and the majority of tenant representatives having been trained in diversity and cultural awareness - an equality and diversity training register is maintained;
 - CKH have held two annual diversity conferences, which were well attended by a diverse range of tenants, the 2007 event being used to consult residents on its new equalities scheme as well as raising awareness of its services and recruiting tenant representatives;
 - CKH has undertaken an exercise to assess their compliance with the good practice note from the Housing Corporation, and complies with this;
 - there are equality and diversity targets contained within team service plans and work plans for each member of staff; and
 - an independent assessment of CKH's customer access points confirmed that reasonable adjustments to enable access at all local housing offices had been made in line with the Disability Discrimination Act.

This helps ensure services are accessible to all sections of the community and that staff are effectively skilled to deliver services to a diverse community.

- 37** It is a strength that CKH directly engages with diverse communities throughout the city. For example, CKH is working with the city council to target support to the Portuguese and Kurdish communities. Specific engagement of BME residents has also taken place. This has taken the form of door knocking exercises with interpreters used where required, and has been focused on ensuring CKH better understands the needs of BME residents. This has resulted in some aspects of services being tailored to meet the needs of particular communities and increased levels of satisfaction among BME residents.

- 38 There is a positive approach to promoting diversity among CKH contractors. CKH has developed an equality and diversity scheme for contractors, who have been asked to sign up to the commitments within the scheme. This was launched in January 2008 and 89 per cent of contractors had signed up to the scheme at the time of the inspection. This includes all CKH's main partners. The major works contractors have also utilised CKH's equality and diversity training to ensure that all their staff have a consistent approach with CKH. This helps ensure that where CKH services are delivered through contractors that they meet the needs of all sections of the community.
- 39 Overall, there are effective arrangements in place for translations and for the use of face-to-face interpreters. A telephone translation service is in place as well as access to interpreters. Straplines in the main community languages are used on public documents although these are not used on the organisation's website. The website has links to text translation services. CKH has provided Portuguese language lessons to 14 frontline staff as this is the most common community languages spoken. Although we found an example of where language difficulties had not been dealt with effectively, in general there are mechanisms in place to assist residents who do not speak English to access services.
- 40 CKH staff and board members reflect some aspects of the community profile but not all. The ethnic profile of staff is similar to that of the local community but this is not the case for people with disabilities who are under-represented. The CKH board is broadly representative of the local community. Effective representation of minority or disadvantaged groups enables these groups to influence decision making and is a reflection of how accessible the organisation is to the different sections of the community.
- 41 Use of customer profile information to shape services has been mixed. CKH has an effective understanding of its customer profile with information held on approximately 80 per cent of its customers. It undertakes a rolling two-year tenancy verification programme where staff visit all tenants to find out more about them. There are some examples of where this information has been used to influence service delivery, for example more community language straplines have been added to information for residents, and the specific needs of some tenants are reflected in service delivery. Satisfaction surveys are analysed to assess BME and disabled resident satisfaction and some other performance indicators are in place.
- 42 However, the information collected is not comprehensive and access to service areas have not been systematically analysed by diversity streams. For example, information has not been collected on sexuality and faith and access to the repairs service has not been analysed by diversity streams which puts in doubt compliance with the CRE code of practice in rented housing. In addition, current IT systems do not enable profile information to be effectively shared across the organisation. This means that CKH cannot be sure that services are effectively meeting the needs of all sections of the community.

- 43 It is a weakness that the satisfaction of BME residents is lower than that of non-BME residents. The 2007 status survey showed that BME residents are 7 per cent less satisfied with services. This is an improvement from 10 per cent in 2006, when CKH developed a specific project to address the issue and this resulted in a number of the activities described above. It is also still 1 per cent higher than the average overall tenant satisfaction achieved by similar RSLs in 2006/07. However, the continuing disparity shows that CKH services may not be equally effective in meeting the expectations of different sections of the community.
- 44 CKH has yet to assess the equality impact of the majority of its strategies, policies and procedures. No programme is in place to carry out equality impact assessments. Two pilot assessments have recently been undertaken on the aids and adaptation service and the customer care policies with the support of tenant members of the diversity forum. However, at the current time CKH cannot be sure that its approach to services consistently supports equal access to services.
- 45 Customer representatives are not yet fully reflective of the resident profile. People from a BME community make up approximately 10 per cent of customer representatives against a target of 15 per cent. CKH has done specific work to increase BME involvement including targeted publicity for diversity conferences and direct engagement exercises. There has not been specific analysis of the age profile of involved residents. This means CKH cannot be sure that resident influence over the services fully represents all sections of the community.
- 46 There are some weaknesses in the 'One' equality scheme. Contextual data is under developed, strategic objectives and performance targets are not consistently SMART and the action plan does not clearly link with the scheme. Diversity and equality is also not explicitly reflected in the organisations corporate objectives, although this has been recognised by CKH and is due to be changed. This could limit the effectiveness of work to address diversity.
- 47 Some sections of the community are not effectively accessing the aids and adaptation service. Only six per cent of customers accessing this service are from BME backgrounds. It is positive that CKH is aware of this through its analysis of customer profile data and there is recognition that this is likely to be partially due to the age profile of BME groups. CKH is carrying out an equality impact assessment on the service. However, targeted publicity has not yet been effectively used to increase access by the BME community, which means this service may not meeting the needs of all sections of the community.

Stock investment and asset management - capital improvement, planned and cyclical maintenance, major repairs works

- 48 Strengths outweigh weaknesses in the approach to capital improvement, planned and cyclical maintenance and major works. There is a high level of stock condition information which is being used to direct investment. A significant programme of major works has been delivered, with high levels of customer care and strong resident influence. Satisfaction with major works is high and refusals have been minimised. An asset management strategy is in place although some aspects are not fully developed. There has been a high level of electrical testing and surveying for asbestos but coordination of this information is not yet comprehensive. A proportion of homes have not had external cyclical decorations completed for more than six years.
- 49 Stock condition information is generally robust. Information is held on 96 per cent of homes, which were all surveyed as part of a property improvement programme. Information is held on a specific asset management module that has been in place for six months and has been regularly updated with works carried out. From 2007/08 onwards, a fifth of the stock is being re-surveyed each year, which involves collecting additional information that can be most effectively utilised by the new asset management IT module. This module has enabled monthly reporting on performance against the decent homes standard, which provides information essential in prioritising stock investment.
- 50 It is a strength that a significant programme of improvement works has been delivered since the association was established. This has resulted in a £70 million investment in homes over three and a half years. The programme is due to be completed by the end of 2008, which will bring all homes (excluding refusals) up to the decent homes standard and achieve the transfer promises on improving homes 18 months ahead of schedule. Expenditure has consistently been close to budget for major works. This means that tenants are benefiting from modern facilities in their homes.
- 51 Residents have effectively influenced the delivery of the major works programme. The original programme of work was changed following concerns raised by residents about historical under investment in some areas. Transfer promises and a Cross Keys Homes property standard, which are well above the decent homes standard, have been agreed with tenants. The range of products used in the programme was selected by a panel of tenants, officers and contractors following presentations by supply organisations. This has helped ensure the programme has met the expectations of customers.
- 52 There is strong customer care in the delivery of major works. Examples include:
- clear information is provided to tenants on how works will be delivered and the detail of the programme accessible on the CKH website;
 - a wide range of fixture and fittings choices for residents and computer aided design for kitchens with residents being left with a computer print of the chosen design;

- respite arrangements have been provided for some vulnerable residents when major works are carried out - this is in addition to an mobile unit that is available for residents to get away from work and have refreshments; and
- effective and regular tenant liaison arrangements and supervision of works.

While there are some inconsistencies in the approach to communication with tenants between the two main contractors, the overall approach is ensuring the delivery of works is customer focused.

- 53** There are clear and effective arrangements for dealing with refusals. A neighbourhood manager visits to discuss with the resident why they do not want works to be completed and any way these issues can be mitigated. Outstanding work due to refusals represents 8 per cent of the total works since the programme commenced. This helps ensure that the number of residents benefiting from property improvements is maximised and that the programme is delivered efficiently.
- 54** Satisfaction levels with major works and cyclical works are high. Satisfaction surveys are carried out for all planned and major works and show levels between 95 and 100 per cent across different aspects of works. Our visit to tenants also found that the experience of major works is positive, with choices being offered and supervision being carried out regularly throughout the works and at completion. This shows that major works are generally meeting tenants' expectations.
- 55** It is positive that an asset management strategy is in place although some aspects of the approach are not yet fully developed. A documented asset management strategy has been in place since 2006 and provides a framework for investment decisions. This is supported by the CKH business plan, which sets out actual investment plans. Since September 2007, an investment panel comprising residents and officers has been in place and meeting quarterly to oversee the delivery of the strategy. However, a sustainability model to inform investment decisions is not yet operational and IT limitations have meant information on the history of responsive repairs has not been effectively used. This means that a strategic approach is guiding investment activities although CKH cannot yet be sure the strategy is maximising the effectiveness of stock investment.
- 56** It is a weakness that external decorations have not been consistently carried out on the planned six-year cycle. Prior to the transfer of homes to CKH, the cyclical decoration programme was inconsistent and limited information was provided. CKH did not commence a cyclical decoration programme until July 2006. While the level of works required is now much less following a substantial window and door replacement programme, soffits, fascias and some other items still require regular decoration and a significant proportion of properties will not have been done in the last six years. This increases the likelihood of unnecessary damage to woodwork and makes the external appearance of homes less attractive.

- 57 There has been a high level of electrical testing but the approach is not yet comprehensive. Approximately 7,600 homes have been tested as part of the recent improvement programme. While the specific servicing section of the asset management IT module is not yet operational the testing of these properties can be identified by the nature of other work carried out. Approximately 3,000 homes have not been tested as part of the improvement programme and there is no information on when testing last took place in these homes. Information on testing carried out on voids has not been collated. A rolling five-year programme of electrical testing was carried out by the Council prior to the transfer of homes to CKH but the details of which homes the Council was successful in testing has not been supplied to CKH. While a programme of electrical testing is planned for 2008/09 the detail of this programme has not been developed and it is not clear how this will fit with future improvement works. This means that although most homes will have had recent electrical testing CKH can not be sure all homes have been tested in the last ten years, in line with good practice.
- 58 The approach to asbestos management is under developed. Basic type 1¹ surveys were carried out on 96 per cent of homes as part of the improvement programme and where these identified possible asbestos this information is held on the asset management database which has been in place for the last six months. However, negative results from these surveys are not registered on the database so it is not possible to distinguish these from homes that have not been surveyed. Where type 1 surveys identified possible asbestos in areas where works were to be carried out, further type 2² investigations were then carried out to these specific areas. While the database identifies if further tests were carried out, it does not yet provide details. All contractors have access to the database but there is no automated system to highlight the possible presence of asbestos on responsive repairs orders. There is good general publicity on asbestos safety for residents but specific information on asbestos in homes is not proactively shared. This approach to asbestos management is not yet minimising safety risks.

Stock investment and asset management - responsive repairs

- 59 There is a balance of strengths and weaknesses in responsive repairs. There are high levels of satisfaction with the service and performance on completing emergency repairs to time is comparatively above average. Importantly, a high level of works are completed in one visit. Information for residents on repairs reporting has recently been improved but this has not yet been distributed to all residents. However, performance on urgent and routine repairs is not being effectively monitored and performance on keeping repairs appointments is not yet at a consistently high level. IT is not effectively supporting repair ordering.

¹ This involves a visual inspection only

² This involves testing materials for the presence of asbestos

- 60** It is a strength that there is a high level of tenant satisfaction with responsive repairs. The 2007 STATUS survey showed 88.4 per cent satisfaction with the repairs service. Ongoing surveys for each repair show monthly satisfaction fluctuating between 92 per cent and 99 per cent. Where dissatisfaction is recorded the tenant is contacted to discuss concerns and where necessary a surveyor visits. There is a 25 per cent return rate on these surveys with a prize draw as an incentive. This shows that the service is meeting the expectations of the majority of residents.
- 61** Performance against timescales for emergency repairs is reasonable. 98.5 per cent were completed within the 24-hour timescale in 2007/08 (to February 2008), which is above average compared with similar RSLs although not yet in the best 25 per cent. This ensures emergency repairs are carried out promptly for nearly all tenants.
- 62** It is a strength that a high level of works are being completed in one visit. This is monitored as an operational performance indicator and shows that approximately 90 per cent of works are being completed in one visit. This is assisted by the flexibility given to operatives to carry out any works required when they visit a property, where they have the skills to do so and can complete the work within the appointment slot. This helps minimise disruption to tenants, increases efficiency and helps ensure that repairs are completed without delay.
- 63** There has been a focus on reducing the level of non-access for responsive repairs. This is being done by telephoning and texting tenants to remind them of upcoming appointments. An attempt to contact tenants is also made following a missed appointment to discuss with them why the appointment was missed. While this has been fairly recent and is not yet comprehensive it has had the effect of reducing the level of non-access increasing efficiency and customer care.
- 64** The approach to the post-inspection of responsive repairs is not yet comprehensive, although scrutiny and assessment are thorough and the results are effectively reported. All repairs over £500 are visually inspected with a target to achieve 10 per cent of all repairs. Where repairs are visually inspected an appointment with the tenant is made. However, performance in 2007/08 was below target at 8.7 per cent. A proportion of these are done by telephone but there is not a clear target or monitoring of the split between visual and telephone inspections. This means that while residents are benefiting from this quality control in the repairs process its effectiveness is not being maximised.

- 65 There are significant weaknesses in performance information on responsive repairs. Information on urgent and routine repairs completed in timescale excludes all repairs carried out by appointment. This means these timescale indicators only report on a very small number of repairs. This is not made clear in performance reports to residents and board members. The proportion of appointments kept is monitored but there is no automated verification that appointments are made within the urgent and routine timescales. Performance on keeping appointments is variable, as described further below, and this could also impact on performance on achieving repairs in timescales. There is no monitoring of the proportion of appointed jobs placed in urgent and routine categories. There is also no monitoring of performance against a published service standard to attend emergency repairs within two hours. This means that CKH and its residents cannot clearly assess the performance of the repairs service.
- 66 IT systems are not effectively supporting repairs diagnosis and ordering. The main IT system is primarily a contractors system used for the management of the repairs operatives. This means that the contractor and CKH have access to the same information. However, the system does not have automated links with planned maintenance modules to identify items under defect periods or when they are due to be replaced, and therefore all operatives have to access separate systems to identify this information. It is also unable to produce repairs confirmation receipts for tenants. The system can only be used for logging repairs for the main contractor which means for example that gas repairs calls have to be forwarded directly to the gas repair contractor. There is no repair ordering diagnosis software to assist call operatives and the system cannot effectively store and highlight information relating to specific customer needs. This increases the likelihood of errors in processing repairs, limits customer care and makes the process less efficient.
- 67 The approach to information for residents on repairs ordering is not yet embedded. A detailed guide to assist residents in reporting repairs has just been produced. Distribution to new tenants has commenced and it has been placed in local offices and on the website, but it has not been distributed to all tenants. Brief guidance on repairs ordering was available previously in the old tenant handbook. The development of the handbook is a positive development but had not had a significant impact at the time of inspection.
- 68 Performance on keeping repairs appointments is not at a consistently high level. Monthly performance during 2007/08 shows fluctuations between 87 per cent and 96 per cent against a target of 100 per cent. Cumulative average performance for the year was 90 per cent. This means that a proportion of tenants are being inconvenienced and this also reduces the efficiency of the service.

Stock investment and asset management - void repairs

- 69 There is a balance of strengths and weaknesses in void repairs. There is a robust moving-in standard which has been agreed with tenants. Voids are being repaired to a high standard and there is a high level of satisfaction with the condition of properties. Overall, standard voids are re-let comparatively quickly. However, systems are not sufficiently focused on minimising void repair turnaround times and in particular major works in voids is not comprehensively monitored and takes too long to complete.
- 70 There is a robust moving-in standard that has been agreed with residents. A challenging standard for empty properties has been in place for a number of years and has recently been reviewed in consultation with residents. This includes a commitment to bring all voids up to the decent homes standard. However, the standard has only been publicised in a 'moving-in standard' leaflet since April 2008 and is provided to new tenants when they sign their tenancy rather than prior to viewing where it can be more effectively used to assess the quality of the property. Despite the weaknesses in publicity, the standard is challenging and provides clear information to guide the standard of void repairs.
- 71 Voids are being repaired to a high standard and there are high levels of satisfaction with re-let properties. We found only very minor issues in our examination of ready to let homes, which overall had been repaired in line with the relevant service standards. We also found robust post-inspection processes with examples of voids being passed back to the contractor for further works where they did not reach the required standard. This is also reflected in a high level of satisfaction with the lettings process. During 2007/08, an average of 87 per cent of new tenants were satisfied that new homes were clean and well repaired. This means that customers are moving into well maintained homes that in most cases meet their expectations.
- 72 Overall, properties are being re-let comparatively quickly. The average re-let time, (excluding major works) was 22 days during 2007/08. This performance is in the best 25 per cent of similar RSLs, and shows that the lettings process is well integrated with the void repair process, with lettings taking place quickly following completion of repairs. This helps ensure prospective tenants get new homes quickly and it increases the efficiency of the organisation.
- 73 It is taking too long to repair major works voids and monitoring is inadequate. Of 710 voids in 2007/08, 120 voids were classed as major works voids. Major improvement works for voids are carried out by the major work contractor and then passed back to the responsive repairs contractor for minor repairs. Trend information is only monitored on the second stage of this process. This is a fragmented process and there are examples of long timescales for carrying out works. This means that some properties are not available to new tenants at the earliest opportunity and potential rental income is lost.

- 74 There is also insufficient focus on ensuring other void repair timescales are minimised. Timescales for void works are not clearly linked to the level of works required. The quickest category of void repairs is five calendar days, although the vast majority of voids are classified in a nine-day category. A significant proportion of voids are not being completed within target time and approximately 40 per cent are returned to the contractor for additional work. This means that properties are not becoming available at the earliest opportunity.
- 75 Pre-termination inspections are not being effectively used to reduce void turnaround times. While pre-termination inspections are part of the void process these are not taking place consistently when notice of termination of tenancy is received from a resident. Inspecting a property before a tenant moves out can help identify potential fast track voids and confirm with the existing tenant what condition the property should be left in, both of which can help speed up the re-letting process.
- 76 There is a lack of resident choice in the delivery of void works. Decorations vouchers are being phased out in favour of increased decorations being carried out by the repairs contractor. There is not a clear value for money justification for this decision and while there has been some consultation with residents through a repairs focus group there has not been more targeted consultation of new and prospective tenants. There is also no mechanism to enable new tenants to have choice in fixtures and fittings where major improvement works are carried out to voids and ultimately reduces their choice.
- 77 An incentive scheme to encourage tenants to leave homes in a re-lettable condition has not yet been implemented despite this being considered beneficial. This has not been implemented as it is part of a wider reward scheme that is delayed due to IT issues.

Stock investment and asset management - gas servicing

- 78 Strengths outweigh weaknesses in gas servicing. The gas servicing process is robust and performance on servicing is at high levels. There is also effective publicity on the importance of gas safety. However, performance on gas servicing is not effectively reported at senior levels in the organisation and IT systems are not well integrated.
- 79 The gas servicing process is robust. A range of appointments are available for gas repairs and processes are in place to deal with access problems. This includes a series of letters, visits, and telephone calls, an incentive scheme to encourage access at first contact and detailed information gathering on the tenant where non-access persists. However, injunctions are not being used to deal with persistent access problems. There is an effective post inspection process for gas servicing with 10 per cent of work inspected by an independent contractor. Records on gas servicing are easily accessible. This helps ensure that the gas servicing process operates effectively.

- 80 Performance on gas servicing within timescales is strong. The proportion of homes where gas servicing is completed within timescale is consistently over 99 per cent. The small number of homes where servicing within the year is not achieved are the result of persistent access problems and these are still generally completed close to the anniversary date. Legal action to gain access is pursued as a last resort but positively this has not resulted in any evictions. This helps ensure that gas appliances are safe.
- 81 The importance of regular gas servicing is well publicised. Examples include a number of articles in the resident newsletter, a dedicated leaflet highlighting its importance and coverage in the DVD tenant handbook and on the website. This helps ensure that residents understand the importance of having their gas appliances serviced on an annual basis.
- 82 Performance on gas servicing is not reported or scrutinised. The headline performance indicator for gas servicing on CKH's electronic suite of performance indicators does not reflect the number of overdue services. The indicator reflects contractor compliance with the programme and procedure and shows 100 per cent performance. Trends in outstanding servicing are monitored at operational level. No gas performance indicators are specifically reported to senior management or the board. This means that problems in this important service area may not be quickly raised at senior levels within the organisation.
- 83 Outstanding gas servicing is not effectively flagged up on the responsive repairs system. Outstanding services are manually entered during the latter stages of the non-access procedure. However, there is not an automated link between IT systems to flag up all outstanding services on the responsive repairs system after the first missed appointment. This means that CKH is not yet maximising opportunities to arrange access for gas servicing.

Stock investment and asset management - aids and adaptations

- 84 Strengths outweigh weaknesses in aids and adaptations. Aids and adaptations are well publicised. Minor adaptations are well resourced, effectively delivered and linked to the major works programme. CKH residents have accessed significant levels of major adaptations provided by the city council and partnership working is helping to deliver these. However, links between the city council's major adaptations service and CKH's property improvement programme are not customer focused.
- 85 Delivery of minor adaptations is effective. The city council's occupational therapy service has a two-week target for assessment for minor works and is currently achieving one-week. Minor works include all works up to a value of £1,700. These works are funded and managed by CKH with 99.4 per cent achieved in target times of either five or 20 days dependent on the size of the job. The service is well resourced with a budget of £210,000 being almost fully spent in 2007/08 and having delivered 513 aids and adaptations. This ensures that minor adaptations are carried out quickly.

- 86 Minor aids and adaptations are linked to the major works programme. Any works required are identified during the lead in process for the improvement programme and these are completed at the same time major works are completed. This minimises disruption for residents and increases efficiency in delivering aids and adaptations.
- 87 Aids and adaptations are generally well publicised. Leaflets have been regularly produced and updated and there is also coverage in the tenants' handbook. Letters asking residents to identify aids and adaptation requirements were sent as part of the improvement programme and created a significantly increased demand. There are still approximately ten to 15 referrals each month for aids and adaptations from major works contractors. Other specific targeted publicity has been limited but overall the approach ensures residents are aware of the aids and adaptation service.
- 88 There are positive aspects to CKH's partnership working to ensure the effective delivery of major adaptations. Major adaptations are carried out by the city council as part of the disabled facilities grant (DFG) process and tenants are also supported through the process by a council run Home Improvement Agency. There are regular meetings of partners and CKH receives regular updates on the progress of CKH tenants. Funding for DFGs for CKH tenants was £477,000 in 2005, £1.2 million in 2006 and £670,000 in 2007/08. During 2007/08, waiting times from referral to the Council to completion of works for CKH tenants was an average of 30 weeks. During 2006/07, CKH funded an additional occupational therapist to keep waiting times at reasonable levels when demand significantly increased due to the links with the CKH property improvement programme. Although there is no integrated partnership monitoring of the whole DFG process overall the partnership is delivering an effective DFG service to CKH tenants.
- 89 It is positive that there are high levels of satisfaction with the aids and adaptation process. Satisfaction surveys carried out by CKH and by the Council for DFGs both show satisfaction at close to 100 per cent. This shows that the service is meeting customer expectations.
- 90 It is positive that information on adapted properties is being recorded. Details of adaptations are recorded on the asset management database. This information can be accessed by all staff although it is not automatically flagged up on other IT modules such as letting and repairs systems. However, the information is still accessible and is being used in the lettings and repair process.
- 91 Links between DFGs and the major works programme are not customer focused. Initially major adaptation works were being carried out by CKH's major works contractors but this ceased as the Council could not fit with this with its authorisation processes for DFGs. CKH has funded and installed level access showers to all its sheltered properties when carrying out improvement works. However, where other major adaptations are identified as required through the improvement programme these now go through the normal DFG process. While there is some acceleration of these cases, they are not done as part of the improvement programme, which would mean less disruption to tenants and improved value for money.

Anti-social behaviour

- 92** Strengths outweigh weaknesses in ASB services. The service is well resourced and supported by comprehensive procedures. A range of enforcement mechanisms are being appropriately used and diversionary measures are also being initiated and supported. Partnership working is strong. However, the out-of-hours reporting service and ASB strategy is under developed, and satisfaction surveys show mixed results.
- 93** Overall, there are comprehensive procedures to guide staff dealing with ASB. There is a detailed procedure guide in place supported by separate documents setting out the 24 potential remedies for ASB cases and the approach to witness support. While there is not clear linkage between these three documents, together they help to ensure a consistent service is provided to residents.
- 94** ASB services are effectively resourced. CKH has a well trained specialist ASB team, with a central manager and staff based in the four local offices. This has been in place since April 2007 and allows staff to work closely with local neighbourhood policing teams to jointly tackle ASB. Specialist knowledge within the team is used to speed up legal remedies, and develop multi-agency partnerships to help tackle ASB. This helps ensure residents receive an effective response to ASB complaints.
- 95** CKH has a well developed approach to preventing ASB. Responsibilities towards neighbours and CKH's approach to ASB is explained to new tenants at sign-up, and new tenants are required to sign a good neighbour agreement that emphasises the importance of neighbourly behaviour towards other residents. CKH is involved in a range of diversionary schemes, particularly those focused on young people to help prevent ASB. This includes setting up a youth club on one estate in partnership with the Police, arrange go-carting activities, sponsorship of family ice skating sessions and providing graffiti walls. This approach helps prevent incidents of ASB.
- 96** CKH is effectively linking the government's introduction of the Respect Standard with its work on ASB. CKH is signed up to the standard and has promoted it through its resident newsletter. It has identified the links between its own policies and procedure and has used this assessment to help shape its approach to ASB. This enables CKH to utilise the profile of the Respect Standard initiative as well as helping to ensure the delivery of the standard.
- 97** There are effective partnerships in place to tackle ASB. A multi-agency approach to tackling ASB is coordinated by the city council, with CKH being a key partner in the community safety partnership and participating in the development and delivery of the community safety plan. At an operational level, CKH staff regularly liaise with the city council's community safety team and attend case conferences where perpetrators are CKH residents. CKH works with the Police, social services, Peterborough mediation service and other agencies to jointly address ASB, and these agencies are positive about the way they work with CKH. CKH is recognised as having helped reduce crime in the most deprived areas of the city over the last 18 months. This means that partnership working is assisting work on ASB.

98 CKH also works effectively in partnership with the city council to address hate crimes, harassment and domestic abuse. Through the 'Open Out' partnership, cases are risk assessed and potential options, including a sanctuary scheme, an advocate and a refuge for women victims of domestic abuse are considered. CKH also liaise with the city council's housing options team if tenant victims of domestic abuse require an emergency transfer. Effective arrangements for dealing with hate crimes are also in place. This helps ensure action is taken to tackle these issues and that victims are effectively supported.

99 It is positive that a range of remedies are appropriately used to help resolve ASB including:

- around 85 per cent of cases are resolved through visits and reminding perpetrators of their responsibilities as set out within the tenancy agreement, and some visits are carried out in partnership with the Police;
- suspended possession orders and consent orders are used by CKH and breaches quickly referred back to the court;
- introductory tenancies are also used as a tool to tackle ASB;
- mediation is offered to help resolve some neighbour disputes at an early stage, with 48 cases being resolved this way in 2007/08;
- CKH gathers evidence from police, professional witnesses and overt use of CCTV to help prevent some victims from having to appear in court as witnesses;
- acceptable behaviour contracts and ASBOs are used through partnership working with the police and city council; and
- the physical redesign of estate areas to discourage ASB - this includes breaking up open spaces in shopping areas and closing off alleyways in liaison with the police.

This means that CKH is effectively using its powers to tackle ASB.

100 There is a strong approach to customer care in dealing with ASB. Support is given to all complainants and tailored to meet individual needs. Targets to investigate all cases within five days and interview victims of urgent cases within 24 hours are being achieved. Regular communication with victims is maintained by ASB Neighbourhood Managers using methods agreed with them. Victims are called or visited at least every two weeks by specialist staff although this can be more frequent in serious cases, and witnesses and victims of ASB are offered a pre-court visit to help reassure them about the legal process. This helps increase satisfaction and confidence in the service.

101 Support is provided to vulnerable tenants to help them sustain their tenancy. CKH works with carers and advocates to support vulnerable perpetrators of ASB while working to find practical solutions to resolve the disruption to others and attends case planning meetings. Through its in-house floating support scheme, tenants have easy access to tenancy support. This may help prevent ASB and reduce the need for action against perpetrators.

- 102** CKH effectively publicises its work on ASB. CKH staff participate in a range of community events, such as local policing panels, summer festivals and school fetes. They have been successful in publicising their ASB prevention work in the local press, which helps to reinforce the message that unacceptable behaviour will not be tolerated. This helps staff gain the trust of the local communities and acts as a deterrent to potential perpetrators of ASB.
- 103** There is effective tracking of cases. A spreadsheet is in place which monitors the progress of each case and enables performance information to be produced. This is on a shared IT system so that all members of staff can access this information. However, this is a stand alone spreadsheet and therefore relies on a high level of manual inputting which increases the chance of errors and does not automatically flag up ASB cases on other IT databases to highlight ongoing activity. Paper files are also held which include a progress tracking sheet. While the tracking system helps ensure consistency of service it is not yet fully effective in sharing information across the organisation.
- 104** The ASB out-of-hours reporting service is under developed. Out-of-hours ASB calls go through to the Lifeline contact centre who take details of the incident and will hold a recording of the call should it be required as evidence. However, there is not clear criteria and guidance on actions to be taken in dealing with these calls. There have been very few ASB calls on this line to date and we found that it was a reporting service rather than providing an immediate response. This means that incidents are reported the next working day and provide little benefit to victims calling out-of-hours.
- 105** The strategic approach to ASB is under developed. There is an ASB statement that sets out an overarching approach to ASB. ASB is also identified as a key element in achieving wider objectives as part of CKH's quality of life strategy. However, this is not supported by a more detailed ASB strategy that sets out the current position of ASB services, what needs to improve and how this will be achieved. In addition, geographical monitoring of ASB to inform strategy is not in place. This means that CKH cannot be sure that its activity on ASB is effectively focused to achieve maximum impact.
- 106** The use of written protocols to guide areas of partnership working on ASB is mixed. A service level agreement is in place for mediation services and a formal agreement is in place with the Multi Agency Public Protection Agency and an information sharing protocol is in place. However, other aspects of partnership working with the city council and police rely on good working relationships and are not governed by clear protocols. This can create inconsistency in the service being provided throughout the city and is over reliant upon informal rather than formalised relationships.

- 107 Satisfaction with ASB services is mixed. Returns from case closure surveys during 2007/08 show that 75 per cent of customers were satisfied with the service. This is reasonable performance considering the challenging nature of this service area. However, results from the 2007 STATUS survey showed that only 49 per cent were satisfied with the outcome of the ASB reports with 53 per cent satisfied with the support of staff. Further analysis of the reasons for these variations or external benchmarking of these figures has not been carried out. This means that while the majority of tenants are satisfied with the delivery of this service, CKH cannot be sure it is consistently performing at a high level in this service area.

Housing income management

- 108 Weaknesses outweigh strengths in housing income management. Current and former tenant arrears are at high levels and arrears bad debts are also high. Robust arrears recovery processes have been slow to develop and new arrangements are not yet embedded. Relationships with debt advice agencies are undeveloped although there is effective publicity for these services. There are positive links with financial inclusion work and leaseholder service charges are being collected effectively.
- 109 It is a significant weakness that current arrears are high. Gross arrears were 6.14 per cent at the end of 2007/08 and 5.84 per cent at the end of week 4 2008/09. While these figures are a substantial improvement on the end of 2006/07 when arrears were at 11.04 per cent, this exceptionally high level was distorted by the timing of housing benefit payment. If figures net of housing benefit arrears are examined, these show that arrears were 5.76 per cent at the end of 2006/07, 5.68 per cent at the end of 2007/08 and 5.39 per cent at week 4 2008/09. While this shows some limited improvement it is still in the lowest 25 per cent of similar RSLs. This limits income to the organisation and means that a significant proportion of tenants are in debt.
- 110 An effective approach to arrears recovery has been slow to develop. An arrears strategy was only agreed in April 2008, and has had little impact on service delivery. It does not contain a SMART action plan and is not linked to performance targets to improve the weak performance in arrears collection. There has been an 18-month delay in implementing an automated arrears escalation process, caused by the problem of integration between the IT systems used by CKH and the City Council's housing benefit system. A new arrears action-based escalation process has only recently been introduced and is yet to be fully rolled out to all staff dealing with arrears management. Specialist recovery staff are currently using the new automated system along side the previous manual system involving a spreadsheet and a paper file system, which is duplicating work. In February 2008, staff involved in arrears recovery were reorganised to bring them into one department. However, overall the approach has resulted in weak performance in arrears recovery.

- 111** The approach to using incentives to encourage rent payment is also under developed. Slowness in introducing new IT processes has delayed the implementation of a tenant reward scheme that should provide incentives to encourage tenants to maintain a clear rent account. This is a missed opportunity for CKH to engender a payment culture.
- 112** Performance on former tenant arrears is poor. Former tenant arrears at the end of 2007/08 were £780,000, which represents 2.45 per cent of the annual rent debit. Write offs were £541,000 in the same year, which is 1.58 per cent of the annual rent debit. Both figures show CKH's performance is in the bottom 25 per cent of similar RSLs. There is a member of staff dedicated to pursuing former tenant arrears and, should initial contact fail to illicit a response, the debt is passed on to a collection agency working in partnership with the association. However, performance shows that former tenant arrears are not being effectively collected.
- 113** Relationships with debt advice agencies are under developed. The CAB is the main agency to which residents requiring debt advice are signposted. They have their main office in the centre of Peterborough and also operate a court desk on possession hearing days which may be used by CKH tenants. However, there is no formal arrangement in place for making referrals and the numbers of CKH residents being signposted and then accessing these services is not being monitored. In April 2008, a CKH funded contract with the CAB to provide weekly drop-in advice sessions at CKH area offices commenced. While it is still too early to judge the success of these, attendance to date has not been high although there have been positive outcomes for those who have used the service. It is a weakness that it is not possible to book specific appointments for these sessions. CKH is receiving reports on the numbers attending these sessions and access to unclaimed benefits achieved. CKH has not mapped out and developed formal links with other debt advice services in the city. This means that while debt advice services are available, CKH cannot be sure how effectively these are being used by CKH customers.
- 114** CKH offers a range of payment options, including swipe cards for 'All Pay' points, direct debit, standing order, card payments online and over the telephone, by post and through the four local offices. Following sustained campaigns by CKH to encourage its use, direct debit is the second most popular payment method used by 33 per cent of tenants. Rent payment methods are promoted at sign up and at new tenant visits. By providing a range of payment options, CKH is helping to maximise its income.
- 115** There is an effective rent accounting system in place. The system ensures payments are credited to accounts in a timely and accurate manner. Arrears attributable to housing benefit and other debts can be disaggregated to ensure that action is taken against priority debts. Quarterly rent statements are sent out to all tenants, with statements available on demand should these be requested by the tenant. Supporting People grant payments are made promptly and accurately. This ensures clear information can be provided to tenants on the position of their rent account and assists in the arrears recovery process.

- 116 The availability of debt advice, access to benefits and banking facilities is effectively promoted. A basic assessment of income and expenditure is undertaken by CKH staff at an early stage in the arrears process, which checks whether tenants are receiving their benefit entitlement. CKH has developed a 'money matters' pack, which contains numerous leaflets to signpost its tenants to a range of organisations providing independent debt and welfare advice, along with advice on access to a basic bank account for those without one. The CAB is promoted as providing independent financial advice on all arrears letters, on key leaflets and on posters in local offices. It is also highlighted as part of the arrears procedure. This assists residents to access services that may help them to maintain their rent payments and ultimately their home.
- 117 CKH has a positive working relationship with housing benefits. Although a formal service level agreement between CKH and the city council's housing benefit service was only formally signed while we were on site, in practice the two services work in partnership with daily contact and formal quarterly meetings. Housing benefit is paid in a timely manner, with claims being fast-tracked to avoid court action. CKH staff can verify information submitted to support claims for housing benefit. The housing benefits service accepts third party agreements to enable confidential information concerning tenants' benefit entitlement can be shared with CKH. This helps ensure housing benefit claims are effectively processed.
- 118 There is an effective approach to collecting leaseholder service charges. Leaseholders are sent invoices on an annual basis for their service charge, with an option to extend payments over a maximum of three years for high cost capital improvement works. An incentive is offered to leaseholders in the form of a prompt payment discount. Should the recovery process fail, CKH will pursue recovery from mortgage payments. Performance on collection of service charges is strong with current arrears totalling £35,000. There is not an automatic process to ensure that prescribed notices are served for high cost one off repairs which could cause problems in collection. However, overall costs are being appropriately recovered from leaseholders.
- 119 A new arrears recovery procedure has recently been put in place that links to the approach to financial inclusion. Procedures have been revised and are supported by the new automated escalation process. Recovery officers have the flexibility to adapt the process to respond to the individual needs of customers, such as joint visits to sheltered housing tenants with their resident warden, and this is captured on the rent account system. Out-of-hours work is carried out for more serious arrears cases. Arrears procedures are integrated with the approach to financial inclusion, although measures are not yet in place to assess the effectiveness of remedies for financial inclusion, such as the basic bank account. Overall, however, the revised approach is positive although it is too early to judge the full impact.

Is the service delivering value for money?

- 120** There is a balance of strengths and weaknesses in the delivery of value for money. Understanding of costs is strong and high level benchmarking is taking place, and shows positive results in some areas. Procurement methods are being effectively used in most areas and savings can be identified in a number of areas. However, the strategic approach is not yet systematic and more detailed benchmarking is required in some areas. Some comparative costs are higher than average with average or below average performance. Value for money can not be demonstrated in the responsive and void repair contracts and recharges for responsive and void repairs are not being dealt with effectively.

How do costs compare?

- 121** Understanding of high level costs is generally strong and high level benchmarking information is being used to target efficiencies. Costs for specific service sections are being regularly monitored. CKH is a member of a national benchmarking club and has been using this to compare its costs with other similar organisations over the past three years. The information collected on comparative costs is reported to a continuous improvement group and to the board alongside budget information. This includes future projections of costs for specific service areas through to 2010/11. This helps inform work on value for money.
- 122** Total housing management costs for CKH compare well with other similar organisations. The latest comparative performance information is for 2006/07. This shows that core housing management costs per property are less than average compared with other similar organisations. This provides reassurance that overall costs are not excessively high.
- 123** However, management costs in the specific service areas covered by this inspection show a more mixed picture. Management costs for planned maintenance and tenancy and estate management are below average, which is positive as these are stronger areas of performance. Responsive repairs are in the lowest 25 per cent of costs although this is an area of variable performance. Arrears recovery matches the average with rent collection above average, which is a weakness in view of the performance in this service area. Empty property management is also above average with average performance in this area. This helps demonstrate value for money in some areas but not in others.
- 124** Direct void and responsive repair costs also show a mixed picture. The average cost of a repair is average compared to similar organisations but void repair costs are in the highest 25 per cent. Costs have also continued to rise in this area indicating continuing value for money concerns.
- 125** There has been insufficient benchmarking of direct major works costs. A consultant who is also a partnering advisor to CKH produced some benchmarking on the cost of bathrooms and kitchen installations. This compared CKH against their other clients in 2006 and again in April 2008, which also included heating and rewiring. While this shows positive results, comparisons were with a very limited group of anonymous RSLs, which may not be comparable to CKH. This is insufficient to demonstrate value for money in direct major works costs.

- 126 There has also been insufficient detailed benchmarking of costs and performance. While work from the national benchmarking club provides useful headline information, this has not been used to inform improvements within areas of concern. This represents a missed opportunity for CKH to use this information to secure greater value for money.

How is value for money managed?

- 127 There is a strong focus on planned programmes of work that reduces levels of responsive repairs. The major works improvement programme has resulted in a substantial increase in planned works programmes with £70 million being invested over three and half years. The replacement of outdated facilities has helped to reduce the number of responsive repairs from 50,000 per annum at transfer to 30,000 at the end of 2007/08, with levels continuing to fall. Planned works are a more efficient and cost effective method of delivering property maintenance in the long term and make component failure less likely resulting in less disruption to tenants.
- 128 There has been a strong approach to procurement in major and cyclical works contracts. The major works programme was tendered on two five-year partnering contracts with open book principles and shared savings clauses. Cyclical painting and gas servicing has also been competitively tendered on long term partnering contracts. Aids and adaptation work and the three-year window replacement contracts were also been competitively tendered. Market testing and the approach to contracts are helping to demonstrate and achieve value for money in these service areas.
- 129 It is also positive that there have been robust competitive processes to procure supplies for major works. A range of suppliers were invited to make presentations to a panel of residents, contractors and officers with an assessment being made against price and quality criteria. The two major works contractors have worked together on this procurement to maximise economies of scale. This has helped achieve value for money.
- 130 Overall, there is an effective approach to ensuring value for money in rent collection. The costs of different payment options have been assessed and there has been a successful campaign to increase direct debit take up. One third of payments are now by direct debit. Cash collection arrangements have also been streamlined although costly cash collection at local offices is still in place but will be further reviewed along side general area office service provision issues. The focus on value for money in this area is delivering savings.
- 131 Annual Efficiency Savings statements are being effectively used to drive improvements in value for money. During 2007/08, £5.5 million of efficiency savings were delivered against a challenging target of £6.9 million. The majority of these related to the delivery of the major works programme but it also includes savings in management costs and specific service related costs, such as reduced legal costs resulting from the use of specialist staff on ASB and online applications for arrears possession hearings. This is helping to deliver value for money.

- 132** The corporate approach to value for money is mixed. A value for money strategy has been in place since 2006 and provides a positive framework for the overall approach. This has led to efficiency logs being established for each team to record any efficiencies being achieved, and annual value for money team summaries being produced to provide an overview on each section. Along with internal value for money roadshows, this has helped emphasise the importance of achieving value for money in the organisation. A procurement strategy also provides a positive framework for procurement activities, but this was only produced in April 2008 and therefore has limited impact on the organisation. In addition both strategies lack a systematic analysis of the current position and identification of the priority areas for action. This means that while these strategies are providing an overarching framework they are not yet directing the work on value for money.
- 133** Investigation of procurement consortia options is not yet comprehensive. Procurement consortia have been used to purchase mobile phones and utilities. Comparisons with procurement consortia prices have also been used to inform procurement decisions in some areas. However, there has not yet been a systematic analysis of the potential for use of procurement consortia across all services. This means that CKH may not be maximising efficiency through this route.
- 134** Value for money cannot be demonstrated in the responsive repairs and void contract. This contract has not been market tested but was established at the time of transfer. CKH was committed to continuing this contract until October 2007 but has extended the contract to July 2008. A procurement process has taken place and a new contractor has been appointed. The existing contract was established on an open book partnering contract and average cost pricing mechanisms introduced to increase efficiency. However, costs have continued to rise and value for money in the contract cannot be demonstrated.
- 135** The level of emergency repairs is too high. These are currently running at 37 per cent, an increase from 24 per cent in the first year of transfer. The actual number of emergency repairs has remained at similar levels but the proportion has increased due to an overall reduction in repairs carried out. While the increased levels of planned works may have had a greater impact on reducing the number of routine repairs, emergency repairs started at high levels and have not changed. Carrying out high levels of emergency repairs reduces the efficiency of the repairs service.
- 136** There has not been an effective approach to dealing with rechargeable repairs. Rechargeable void repairs and responsive repairs are not being consistently recharged and collected. Performance on collection is also considerably less than budget. These means that income is not being maximised in this area.

137 IT is under developed in a number of areas. These include:

- lack of automated links between maintenance IT systems and limited flexibility of responsive repairs system;
- stand alone spreadsheets for ASB, void management and aids and adaptations; and
- lack of IT links across services to share information on specific client needs.

While handheld technology is now used in responsive repairs and in other areas are being piloted it is not yet widely used across the organisation. This increases the level of manual processes reducing the efficiency of the organisation.

138 Performance on arrears recovery and arrears bad debt is not maximising income for the organisation. The figures presented earlier in this report show high levels of current and former arrears and high arrears bad debt. This reduces the level of value for money being achieved by CKH.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 139** Strengths outweigh weaknesses in the track record on delivering improvement. There is a strong track record in improving homes and some responsive repairs indicators show improvement. Customer access and ASB services are also being effectively developed. Tenant satisfaction shows significant improvement for specific services and with services overall. Improvements in value for money can also be demonstrated. However, improvement in the approach to diversity has been mixed and changes to improve arrears recovery have been slow, with arrears remaining high. There have also been delays in updating IT systems.
- 140** CKH has a strong track record in improving homes. It has invested £70 million in homes over three and a half years which has delivered a significant range of improvements. Properties are being improved to a high standard and all homes will achieve the decent homes standard by the end of 2008. The programme is 18 months ahead of that envisaged at the time of transfer.
- 141** It is positive that a number of key performance indicators on repairs show improvement. Appointments were only kept for 77 per cent of repairs in 2006/07 but this rose to 90 per cent in 2007/08. Emergency repairs in timescale improved from 83.4 per cent in 2006/07 to 98.5 per cent in 2007/08 and the number of repairs carried out in one visit has also steadily improved. Annual satisfaction surveys also indicate improvement with satisfaction with repairs rising from 74 per cent in 2004 to 88.5 per cent in 2007. While these figures do demonstrate improved customer service in repairs it is not possible to fully assess progress in this area as performance on urgent and routine timescales is not being effectively monitored.
- 142** There has been effective improvement in customer care and access. A range of publicised service standards are now in place and telephone answering times are now at consistently high levels. Repairs appointments have been extended and a freephone line introduced. Satisfaction ratings on ease of access to services have also increased. This demonstrates that services are more accessible and that customer care is stronger.
- 143** Performance in ASB services has also improved. For example, a specialist ASB service has been established and partnerships have been further developed. Ongoing satisfaction surveys show a steady increase in satisfaction from 62 per cent in 2004 to 75 per cent in 2008. This means customers are benefiting from improved service in this area.

- 144 Other customer satisfaction surveys also show improved performance. The STATUS survey in December 2007 showed that 90 per cent of tenants are satisfied with services overall. This is an increase from 77 per cent in 2005 and 82 per cent in 2006. Satisfaction with opportunities for participation has also increased from 71 per cent to 79 per cent. This demonstrates that services are increasingly meeting customer expectations.
- 145 Overall there have been improvements in value for money. Procurement has been effectively used in most areas. For example, the procurement of gas repairs and servicing is delivering significant savings on the previous contract which will total £1 million over a five-year period. The Annual Efficiency Statement for 2007/08 identifies that £5.5 million of efficiency savings and benchmarking also shows comparative improvement on costs. The most significant weaknesses in this area are the time taken to effectively address value for money in the responsive and void repairs contract and the impact of high arrears levels. However, despite this residents have benefited from improved value for money.
- 146 Progress on the approach to diversity has been mixed. BME satisfaction levels have increased and a number of activities have been carried out to engage minority communities. However, the previous equality and diversity strategy was not effectively delivered, service areas have not been systematically analysed by diversity streams and equality impact assessments are only just developing. This means that progress in this area has not been maximised.
- 147 Improvements in rent collection and arrears recovery have been slow and arrears levels remain high. A range of new payment methods have been put in place, new arrears recovery processes have recently been introduced and additional debt advice has started. However, the recovery process is still fragmented and it has taken a considerable time to introduce new IT systems despite weak performance. While there has been some limited improvement in arrears recovery performance indicators, these do not show significant improvement over a sustained period. This means that the level of improvement in this area has not been maximised.
- 148 The implementation of an effective IT system has been slow. A new system was purchased in 2005 and the first element went live in February 2006. However, introduction of some modules has been problematic and others have been delayed. This has impacted on service delivery and the ability to maximise efficiency in a number of areas.

How well does the service manage performance?

- 149 Strengths outweigh weaknesses in managing performance. Plans provide a clear direction for the organisation and cover key areas for improvement. There is a well developed continuous improvement framework in place and effective staff supervision arrangements. Financial and risk management is also strong. However, performance information is not always effectively used and some strategies are not fully developed.

- 150** There is effective leadership of the organisation. This is reflected in plans and structures that are in place to drive improvement. A hierarchy of plans are in place which link to CKH's aspirations and corporate objectives, and that have been agreed with staff and residents. Communication of priorities is effective and the Chief Executive has roadshow sessions with frontline staff which are used to emphasise key messages. This helps provide clear direction for the organisation.
- 151** There is a well developed continuous improvement framework in place. This was established in 2005 along with a continuous improvement team. It is based on an annual process that commences with the board setting the priorities for the association for the next financial year, based on a review of previous delivery, current performance, the outcomes of service reviews and a consideration of external factors such as local needs and new statutory and regulatory requirements. The objectives establish the strategic bridges, which require managers to align budgets and staff to deliver these and set them out within service plans. These also integrate local risk, performance management and value for money considerations, and incorporate the results of the three-year rolling service review process. Service plans are then used to inform the six-monthly staff appraisal process. This helps inform and drive improvements.
- 152** It is positive that CKH is seeking opportunities to be externally tested and accredited. The organisation has achieved Chartermark and Investors in People accreditation. This also involves regular re-assessment processes to ensure the approved standards are being maintained. This demonstrates a willingness to use external challenge to improve the service.
- 153** Plans address key areas for service development including:
- rolling out new IT systems in a number of service areas which will affect void control, electrical testing, repairs ordering , ASB monitoring and customer contact management;
 - re-procurement of voids and repairs services to improve value for money - which will also deliver two hour appointment slots;
 - a rewards scheme for customers to incentivise positive activity;
 - recruiting a debt advice coordinator;
 - customer access plans including the use of local offices and the role of the call centre; and
 - delivering equality impact assessments and revising board corporate objectives to reflect approach to diversity.

This means that improvement activity will be effectively focused.

- 154** It is positive that there is an annual report to the board on progress on equality and diversity, although some aspects of this are under developed. Updates on progress on specific issues are provided but no specific performance data or benchmarking is presented. This means that while the board is able to assess broad progress in this area it is less able assess the outcomes.

- 155 It is positive that performance indicators are regularly benchmarked and that this information is linked to reporting mechanisms. For example, the 11 indicators regularly reported to the management team and board are accompanied by national and regional benchmarking. Benchmarking on costs is also presented alongside budget information. This helps ensure that CKH is focused on improving services to achieve high standards comparative to other RSLs.
- 156 Performance information is effectively reported to customers. Performance is reported to tenants and leaseholders through the website and in an annual performance report sent to all customers. Performance information is also reported to a range of tenants groups, such as the residents' liaison group and the repairs focus group, which used information on non-access by repairs operatives to seek a charge from tenants for repairs appointments they miss. This means residents can also monitor that improvements are being delivered.
- 157 A new IT based performance reporting system has the potential to be an effective tool for monitoring performance. This has recently been introduced and has the capacity to report a range of performance indicators across different service areas and aligns service delivery indicators, financial indicators, satisfaction information and benchmarking information. This will monitor a range of 187 performance indicators. This will improve the CKH's ability to manage performance.
- 158 There are effective individual appraisal and supervision arrangements. Staff receive monthly one-to-ones with their line manager, which assess progress against the six monthly targets that relate to the service plan objectives for each service area. Performance charts are displayed within staff areas at offices to increase focus on performance. This also helps ensure improvement plans are being delivered.
- 159 Financial management is strong. The board receive regular reports on financial performance and managers receive monthly budget statements to show expenditure and variances. These are reviewed in the middle of the financial year to adjust spending to reduce over spending. Overall, however, financial controls are effective.
- 160 There is an effective approach to risk management. Strategic and operational risk registers are in place and monitored. Service plans include a risk analysis and mitigating activities. The board has also worked with officers to identify and monitor the top 20 risks. This ensures risk to the organisation are minimised.

- 161** It is a weakness that only a limited range of indicators are being formally and regularly reviewed by the board and senior managers. This is focused on 11 key indicators which are insufficient to effectively assess performance. For example, these indicators do not include headline indicators on ASB or gas safety. Similarly performance indicators on former tenant arrears and arrears bad debts are not reported alongside other arrears figures to present a clear overall picture of arrears recovery. More detailed reports are provided in some areas, such as on the major works programme and there is a bi-annual report on issues relating to ASB and an annual report on equality and diversity although this lacks specific indicators. However, overall the approach weakens the ability to monitor performance at senior levels in the organisation.
- 162** Other aspects of the approach to performance indicators are also under developed. The new IT based system used for presenting performance information system is still under developed and its use is not yet embedded. While there are a wide range of indicators being collected at operational level there has not been clear mapping of which indicators should be monitored by different parts of the organisation. Some void and repairs indicators are not being monitored effectively and presentation of performance on urgent and routine repairs performance is misleading. Performance information on service standards is not yet effectively presented and is not yet comprehensive. This weakens the effectiveness of performance management in delivering improvement.
- 163** Some aspects of strategy are also under developed. The strategic approach to ASB is not fully developed and the customer access strategy does not yet have an action plan. Elements of the 'One' diversity and equality strategy lack detailed analysis. Targets are also not consistently SMART. This weakens the approach to improvement in these areas.

Does the service have the capacity to improve?

- 164** Strengths outweigh weakness in the capacity to improve. Staff are well motivated and there is an effective approach to training. Partnership working and external expertise is being used to increase capacity. The approach to procurement is increasing capacity and there is strong performance against financial plans. However, there is not a clear human resource strategy in place, sickness levels are comparatively high and board capacity is under developed.
- 165** Staff are well motivated, customer-focused and positive about the availability of training opportunities. They are well informed by good internal communication mechanisms and are regularly appraised to assess performance and to identify training and development opportunities. The results of the annual staff satisfaction survey are shared with staff, and issues raised are being addressed through an internal staff group. Staff satisfaction levels are high at 90 per cent. Having well motivated and trained staff helps increase the capacity of the organisation.

- 166 CKH has a comprehensive learning and development strategy in place. This is focused on delivering training to meet the needs of the business, provide staff with the skills necessary to continually improve as identified through the appraisal process, and develop the capacity of managers. It is supported by a £181,000 budget in 2008/09. This ensures staff have the skills necessary to deliver planned improvements.
- 167 There is effective use of external advice. This has been sought to assist with delivery of specific projects where additional expertise is required, such as consultant advice being used in major procurement projects. This is ensuring flexible expansion of capacity to deliver specific improvements.
- 168 Resident involvement is being used to increase capacity. For example, tenants have recently been trained in mystery shopping and have carried out their first round of activity. They have also been assisting in carrying out satisfaction surveys. Feedback through other resident involvement structures is also being used to inform improvement. This helps drive improvement in the organisation.
- 169 CKH is working effectively in partnership with other organisations. CKH has a strong relationship with the city council which is helping increase capacity in a number of areas. A survey of councils on the performance of RSLs, carried out by the Housing Corporation, shows that the city council gave CKH maximum positive ratings in all areas. Partnership working with a number of external organisations is increasing capacity on ASB services. Joint working on aids and adaptations has also helped increase capacity. Work with debt advice agencies has not yet maximised capacity in this area but this is now developing. Overall, joint working is increasing the capacity to deliver improvement.
- 170 There is strong performance against financial plans. CKH is outperforming its business plan parameters and the Housing Corporation has awarded green lights for its financial viability. Despite under performance on arrears recovery the organisation does have the financial capacity to deliver its improvement plans.
- 171 There are also a number of areas where improvements have only very recently been put in place. For example new arrears processes, complaints processes and debt advice services have recently been introduced. While the full impact of these is not yet evident they do mean that the organisation now has the capacity in place for improvement to impact on these areas.
- 172 Procurement is being used to increase capacity in most service areas. In particular partnering has been used effectively in the delivery of planned and major works. The current contract for responsive and void repairs is not maximising capacity but this contract has recently been re-tendered. This helps provide capacity to deliver improvement.

- 173** The approach to board capacity is mixed. There has been considerable support provided to the board in the form of consultants and specific training, and a formal appraisal process is in place. However, while there is an awareness of weak performance on arrears by board members, there was limited evidence of robust scrutiny and training has not specifically supported their performance monitoring role. There is some evidence of board members challenging and scrutinising in specific areas but this is not comprehensive. A new chair of the board, who has a strong background in housing and regeneration, has recently been appointed following an external advertisement. However, the board is not yet fully developed to ensure it is assisting the capacity of the organisation to deliver improvement.
- 174** The approach to human resource management is mixed. There is a human resources service plan in place which provides some direction for the service and there have been some significant staff reorganisations to help deliver improved services. However, there is no overarching human resources strategy in place. One is currently being developed with a target completion deadline of September 2008. This means that while human resource management is being used to increase the capacity of the organisation but the benefits of a clear strategic approach are not being realised.
- 175** It a weakness that sickness levels are high. Sickness figures are reported regularly to the management team although not regularly to the board. The February 2008 report showed that sickness levels were at 5.25 per cent, above the national average for of 3.6 per cent for 2006. There is an attendance policy in place but this is not being effectively used. A high priority on the human resources workplan is the clear communication of the revised policy to staff and managers to be accompanied by managers' guidance notes. The development of a staff reward scheme will also include health and wellbeing initiatives. However, current sickness levels are limiting the capacity of the organisation.
- 176** IT is not currently maximising capacity although plans for improvement are in place. There are a number of areas where current IT is limiting the capacity of the organisation as identified earlier in this report. Manual systems and lack of integrated IT is affecting both efficiency and service delivery. While there is an IT strategy in place and some new systems are in the process of being rolled out IT is not currently effectively supporting service improvement.
- 177** It is positive that CKH is seeking to attract additional external resources. The organisation has a new homes development programme with a partner RSL to ensure economies of scale are maintained and expanded. Other examples include attracting national lottery money to fund diversity conferences in the city. It is also currently bidding for Housing Corporation funding to pilot new ASB monitoring system. This also helps expand capacity to deliver improvement.

Appendix 1 – Performance indicators

The table below compares CKH performance on key indicators with other stock transfer RSLs in the Housing Corporation's central region.

Performance Indicator	2004/05	2005/06	2006/07	2006/07 comparison group mean	2006/07 comparison group median	2006/07 quartile position in comparison group
Stock Failing Decent Home Standard	48.7%	41.7%	24.5%	13.6%	8.1%	4
Average GN SAP rating	68	79	69 ¹	66	67	2
Routine repairs completed in target	-	98.7%	78.8%	93.6%	95.8%	4
Vacant Dwellings	-	-	1.5%	2.1%	1.5%	3
Vacant General Needs Dwellings	-	-	1.5%	2.0%	1.1%	3
Re-let time (all managed stock)	-	-	30.8 days	36.8 days	32.3 days	1
GN Re-let time (for managed stock)	-	23 days	21.9 days	33.7 days	31.3 days	1
Current tenant arrears at FYE	-	-	11.2%	3.4%	3.0%	4
Tenant satisfaction overall	-	77%	82%	82%	82%	3
Tenant satisfaction with participation	-	71%	73%	62%	60%	1
Tenants satisfied with repairs & maintenance	-	-	87%	79%	80%	1
Shared owner satisfaction overall	-	-	-	67%	-	-

¹ The methodology for calculating the Standard Assessment Procedure (a measure of energy efficiency) changed in 2006/07 resulting in a lower figure than in the previous year and this does not therefore show deteriorating performance.

Appendix 2 – Documents reviewed

- 1 Before going on site, and during our visit, we reviewed various documents that were provided for us. These included:
 - CKH's self assessment;
 - corporate plans and business plans;
 - service plans and neighbourhood plans;
 - performance reports;
 - service strategy and policy documents;
 - leaflets and newsletters;
 - service review documents;
 - internal audit reports; and
 - board reports.

Appendix 3 – 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:
 - interviews with CKH officers and board members;
 - interviews with representatives from partner organisations;
 - visits to all local offices;
 - shadowing of frontline staff;
 - a focus group of residents;
 - a focus group of board members;
 - file and system checks;
 - visit to tenants and inspection of major works;
 - examination of CKH's website; and
 - inspection of ready to let properties.