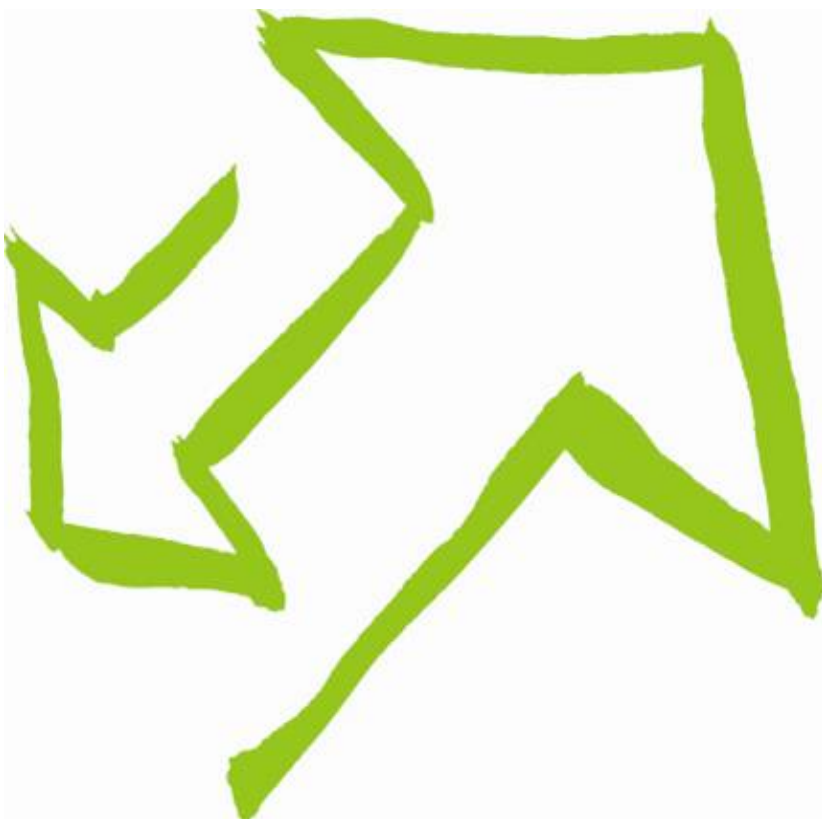


Housing Management Services

Kingfisher Housing Association

June 2009



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Housing Association Inspections

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

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

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

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

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

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

Summary

- 1 Kingfisher Housing Association is providing a fair, one-star housing management service which has promising prospects for improvement.
- 2 The service has a number of strengths. Kingfisher shows a commitment to customer care and diversity and provides good quality information for residents. Multi-agency work with vulnerable tenants is effective, homes are in good condition and there is a strong approach to resident consultation on planned works. The quality of stock improvement work is high and the approach to contracting is flexible and effective. Voids are let to a good standard and performance on annual gas servicing and safety testing is strong. Residents have a flexible range of methods for paying the rent and have good access to income maximisation and debt advice services. Suitable preventive measures and tools are in place to reduce anti-social behaviour. Kingfisher has a robust approach to procurement and new contracts have improved value for money.
- 3 However, there are also areas where improvements are needed. Complaints management is not fully effective and weaker satisfaction rates among people who live outside Basingstoke have not yet been fully explored. Work on diversity is not guided by a clear vision or actions plans and resident profile and vulnerability information is limited. The response to emergency and urgent repairs is slower than average and no appointment system is in place for responsive repairs. The time taken to re-let properties is slow and people who need major aids and adaptation often have to wait too long. Performance on collecting rent arrears is poor. Customer satisfaction with anti-social behaviour is low and monitoring of anti-social behaviour cases and reporting on estate inspections is limited. The costs of delivering the service are higher than average and the strategic approach to value for money and leveraging in external resources is underdeveloped.
- 4 Prospects for improvement are promising. Kingfisher has demonstrated that it can make successful changes to systems and organisational structures and both customer satisfaction and performance indicators show improvement. There are a clear set of aims to guide the Association and the plans in place address key service weaknesses. The Board provides effective leadership, the culture is open and learning from other organisations is routine. Capacity is strengthened by a positive approach to working with partners, effective new computer software and robust human resource management. Staff have suitable training and their morale is high. The Association's subsidiaries provide benefits and finances are strong.
- 5 However there are some areas that need to be strengthened to support improvement. For example, within the service planning and performance monitoring framework, some improvement plans are of mixed quality, the focus on outcomes is not fully developed and some targets are not challenging. Work on promoting environmental sustainability is at an early stage.

Scoring the service

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

Figure 1 Scoring chart¹

| | | | | | | |
|-----------|-----------------------------------|-----------|------------|------------------|------------------------|---|
| | Prospects for improvement? | | | | | 'a fair service that has promising prospects for improvement' |
| Excellent | | | | | A good service? | |
| Promising | | ☀ | | | | |
| Uncertain | | | | | | |
| Poor | | | | | | |
| | Poor | Fair ★ | Good ★★ | Excellent ★★★ | | |

Source: Audit Commission

- 7 We found the service to be fair because it has a range of strengths including:
- Kingfisher shows a commitment to customer care and diversity and provides good quality information for residents.
 - Multi-agency work with vulnerable tenants is effective.
 - Homes are in good condition and residents are consulted well on planned works. The quality of improvement work is high and safety testing is comprehensive.
 - The approach to responsive repairs contracting is flexible and effective.
 - Voids are let to a good standard, resulting in high levels of satisfaction among new tenants.
 - Performance on annual gas servicing is strong and the service is delivered to a high standard.

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.

- Residents have a flexible range of methods for paying the rent. Kingfisher provides income maximisation and debt advice services and collects former tenant arrears well.
- Suitable preventive measures and tools are in place to reduce anti-social behaviour.
- Kingfisher has a robust approach to procurement - new contracts have improved value for money and led to better services for residents.

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

- The approach to complaints management is not robust and weaker satisfaction rates among tenants living outside Basingstoke have not yet been properly explored.
- Performance against some key customer facing service standards -such as answering telephone calls and letters - is not strong.
- Work on diversity is not guided by a clear vision or actions plans and resident profile and vulnerability information is limited.
- The response to emergency and urgent repairs is slower than average and no appointment system is in place for responsive repairs.
- The time taken to relet properties is too slow.
- People who need major aids and adaptation often have to wait too long.
- Performance on collecting rent arrears is poor and information about payment methods is inconsistent.
- Customer satisfaction with anti-social behaviour is low and customers are not always kept well informed about the progress of their case. There are weak approaches to monitoring anti-social behaviour cases and estate inspections.
- The costs of delivering the service are higher than average and the strategic approach to value for money and benchmarking is underdeveloped. There has not yet been a strong approach to leveraging in external resources.

9 The service has promising prospects for improvement because:

- Kingfisher has demonstrated that it can successfully implement major changes in systems and structures.
- Customer satisfaction and performance indicators show improvement.
- Kingfisher has a clear set of aims and has plans to address service weaknesses. The approaches in place to drive improvement are satisfactory, with adequate input from residents.
- The Board provides effective leadership. The culture is open and learning from other organisations is well-embedded.
- Capacity is improved by the positive approach to working with partners, effective new computer software and robust Human Resource management.

Scoring the service

- Staff have suitable training and morale is high.
- The Association's subsidiaries provide important benefits and finances are strong.

10 However there are some areas that need to be strengthened to support improvement:

- There is scope to improve resident involvement in shaping the strategic direction of the Association.
- Some improvement plans are of mixed quality, the focus on outcomes is not fully developed and some targets are not challenging.
- The approach to environmental sustainability is underdeveloped.

Recommendations

- 11 To rise to the challenge of continuous improvement, organisations need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the organisation. In addition, we identify the approximate costs² and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the organisation shares the findings of this report with tenants and board members; and takes action to address 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 customer satisfaction by:

- improving performance on responding to letters and phone calls in line with targets;
- improving consistency of information;
- monitoring and improving the performance of services to residents living outside the borough of Basingstoke and Deane; and
- improving the feedback to residents on estate inspections and walkabouts.

The expected benefits of this recommendation are:

- easier access to the service;
- greater customer understanding of the service; and
- higher levels of customer satisfaction.

The implementation of this recommendation will have high impact with low costs. This should be implemented within nine months of the report being published.

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

Recommendations

Recommendation

R2 Improve the complaints system by:

- reviewing the approach to complaints;
- logging all complaints when they are received;
- improving monitoring arrangements to identify trends and to be more focused on outcomes for customers;
- developing a better approach to learning that applies to all relevant complaints;
- maintaining contact with the complainant until they are satisfied or nothing more can be done; and
- promote the service and report to customers on outcomes and lessons learnt.

The expected benefits of this recommendation are:

- higher levels of satisfaction with complaints;
- an improved service from more lessons learnt from complaints; and
- greater confidence in the complaints system.

The implementation of this recommendation will have high impact with low costs. This should be implemented within nine months of the report being published.

Recommendation

R3 Improve the approach to equality and diversity by:

- developing a comprehensive strategy on equality and diversity;
- improving the action plans with SMART targets with a focus on outputs that residents will notice;
- completing the profile of residents by diversity strand
- ensuring that staff have easy access to details on vulnerability and service needs of all relevant tenants;
- communicating with residents in a format they understand;
- reviewing and strengthening the approach to equality impact assessments; and
- monitoring relevant performance by diversity strand.

The expected benefits of this recommendation are:

- the identification of any barriers to equal access of the service;
- better tailoring of services to meet the needs of vulnerable residents; and
- greater equality of access to services.

The implementation of this recommendation will have high impact with low costs. This should be implemented within one year of the report being published.

Recommendation

R4 Improve the speed of providing major aids and adaptations by:

- working with the councils to review how the service is delivered;
- sharing information with the councils on all aspects of the service;
- developing a more customer focussed service level agreement with the councils;
- publishing service standards for residents on all aspects of this service;
- providing help where necessary for residents accessing the service; and
- making reports available to residents on key aspects of the service.

The expected benefits of this recommendation are:

- greater resident understanding of how the service works;
- a faster service; and
- easier access to the service for vulnerable residents.

The implementation of this recommendation will have medium impact with low costs. This should be implemented within a year of the report being published.

Recommendations

Recommendation

- R5** Improve the value of money for the service by;
- developing an updated value for money strategy;
 - improving the value for money action plan;
 - embedding value for money benchmarking;
 - improving void turnaround;
 - promoting better value rent payment methods; and
 - bringing in more external finance or services to the benefit of residents.

The expected benefits of this recommendation are increased resources to spend on improving services to residents.

The implementation of this recommendation will have medium impact with low costs. This should be implemented within a year of the report being published.

Recommendation

- R6** Improve the use of performance indicators, targets and benchmarking by:
- ensuring that definitions used for performance indicators are appropriate;
 - ensuring that figures used for benchmarking are fully comparable;
 - setting targets that are both challenging and realistic;
 - consistently setting aims and standards with resident input; and
 - indicating benchmarked standards on performance reports.

The expected benefits of this recommendation are:

- better quality of benchmarking;
- greater clarity around standards and what is achievable; and
- more appropriate targets to motivate and guide staff.

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

Recommendation

R7 Improve the approach to environmental sustainability by:

- developing a strategy to address environmental issues, including clear commitments and targets;
- getting advice and help from relevant agencies to inform the strategic approach;
- investigating systems to demonstrate sustainability; and
- publishing progress and results.

The expected benefits of this recommendation are:

- enhanced reputation and respect from residents, staff and stakeholders;
- more efficient use of resources; and
- a greater contribution to the long term sustainability of the environment.

The implementation of this recommendation will have medium impact with low costs. This should be implemented within one year of the publication of this inspection.

- 12** We would like to thank the staff of Kingfisher Housing Association Housing Association who made us welcome and who met our requests efficiently and courteously.

Dates of Inspection: 30 March - 3 April 2009

Report

Context

The locality

- 13** Kingfisher Housing Association (Kingfisher) works mainly in the Borough of Basingstoke and Deane in Hampshire, with some homes in Wiltshire and Berkshire. The Borough covers an area of over 63,000 hectares (245 square miles), over 75 per cent of which is agricultural or land in other non-wooded Greenfield use. A further 15 per cent of the Borough is woodland or forest and less than 8 per cent is built up. 60 per cent of the population lives within the expanded town of Basingstoke.
- 14** The area is prosperous, with the local economy in Basingstoke enjoying an above average representation of growth industries and high technology. In 2007, the area ranked 306th out of 354 local authority areas on the government Index of Deprivation (where 1 is the most deprived). In March 2009 the unemployment rate was 2.5 per cent (compared with a South East average of 2.9 per cent and national average of 4 per cent). However, because of high house prices, demand for affordable housing remains high: in 2007, the average house price to income ratio was 11.8:1 and there were 5,543 households on the Council's waiting list (a 30 per cent increase since 2002). Basingstoke and Deane has been designated a growth area in the draft South East Plan with a requirement to build 18,900 new homes between 2006 and 2026.
- 15** The local population is relatively young but the fastest growing group are the over 60's. White non-British people account for 3.1 per cent of the population and 3.4 per cent are non-white. The largest non-white group is Asian/Asian British at 1.2 per cent, most of whom are Indian.

The Association

- 16** Kingfisher was registered in 1995 to take transfer of 4,500 homes from Basingstoke and Deane Council in north Hampshire. This represented around 50 per cent of the Council's stock. Despite high levels of Right to Buy leading to the loss of over 1,000 homes, Kingfisher's stock has grown since transfer to around 5,000 homes, reflecting its focus on development. Kingfisher manages some 260 leasehold properties and 310 homes are in sheltered schemes. 6 per cent of homes are in eight local authority areas outside Basingstoke and Deane.

- 17 Kingfisher is part of a group called the Wessex Housing Partnership. The Partnership was registered in January 2006 and is the non-asset holding parent for Kingfisher and HVHS (a small, Winchester-based housing association with a focus on supported housing). Kingfisher also has some subsidiary organisations - Kingfisher Homes focuses on speculative development and Halcyon deals with non-social housing activities, such as market and commercial renting. Kingfisher Building Services is a further subsidiary -a joint venture with a building firm established in July 2007 - that provides responsive repairs and maintenance for the group. Kingfisher manages three-quarters of the stock held by the Group.
- 18 In 2007/08 Kingfisher had a turnover of £23 million of which rent receivable on general needs housing was £18 million. Kingfisher made a surplus that year of £4.4 million. The October 2008 Housing Corporation Assessment of the group gave it four green lights. The report notes a commitment to resident involvement, highlights the experienced executive team and the emphasis on staff development.
- 19 The work of the Association is overseen by a Board which comprises three resident members, two councillors and seven independent members.

The service

- 20 Kingfisher has a Managing Director and 60 staff. The Group Chief Executive, Head of Human Resources, Group Finance and Group Development Directors are part of the Wessex Housing Partnership. The Partnership has a Group Board with representatives from the subsidiaries. The Partnership also provides all central, development and planned and cyclical maintenance services to Kingfisher. The June 2008 STATUS survey was completed by 1,958 or 48 per cent of households making it accurate within plus or minus 1.6 per cent. The profile showed the following:
- Age – 38 per cent of respondents are aged 60 or over. Six per cent are aged 16 to 24.
 - Gender – 65 per cent are female.
 - Ethnicity – 94 per cent describe themselves as white British. The largest minorities are White Irish and White Other.
 - Disability – 39 per cent include someone with a longstanding illness, disability or infirmity which limits their daily activities while 6 per cent of households accommodate someone who uses a wheelchair.
 - Sexuality – 81 per cent of tenants are heterosexual (14 per cent prefer not to answer the question).
 - Faith – 61 per cent are Christian, 30 per cent reported no religion (6 per cent preferred not to answer).
 - Employment – 44 per cent of respondent are in employment, 28 per cent are retired, 11 per cent are permanently sick or disabled, 10 per cent are looking after family and home, and 5 per cent are unemployed and available for work.

Report

- Income – 16 per cent of households have a weekly net income of under £100, 33 per cent have between £100 and £199, 21 per cent receive £200 to £299, and 30 per cent have over £300. Forty-nine per cent of households receive Housing Benefit.

The scope

- 21 The inspection covered stock investment and asset management; housing income management; and tenancy and estate management. It also covered the cross-cutting themes of access and customer care, diversity and value for money and prospects for improvement, looking at the track record of the service, arrangements for managing performance and capacity.

How good is the service?

What has the service aimed to achieve?

- 22** Wessex has a vision to be a leading provider of quality homes and residential services within the social housing sector in the South of England. It has a philosophy and management structure that puts residents first and values staff. The named values are honesty, integrity, openness, respect and financial prudence.
- 23** The strategic objectives are:
- high quality services;
 - high quality housing stock;
 - a development programme to provide new affordable homes with a target of 300 new homes each year;
 - a growth strategy to create opportunities to strengthen overall services to residents by adding new members to the Group;
 - high quality centralised services;
 - robust and applicable IT and communication systems;
 - effective people management and development policies and procedures; and
 - a Group Board with a clear role to play in setting overall Group strategy and in monitoring performance against targets across the whole Group.

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

Access and customer care

- 24** Strengths balance weaknesses in this area. Kingfisher shows a commitment to customer care and provides good quality information and a service that is reasonably easy to access. However, while resident involvement is well promoted there is a lack of focus and clarity in this area. The approach to customer care is inconsistent. Performance is not satisfactory against all service standards and complaints management is not robust.
- 25** Kingfisher has a strong corporate commitment to customer care. Customer Services Advisors receive appropriate training and support to deliver front-line services to residents. Team members have monthly performance reviews with their line manager and are clear about their targets and current levels of performance. Team meetings provide regular training, as well as external courses. An online library of customer services information and a weekly newsletter ensure staff have access to information required to deliver effective services. Kingfisher is carrying out various initiatives to improve customer care. The commitment will help resolve issues that arise.

How good is the service?

- 26** Residents have some benefit from accessible and good quality information. Comprehensive service standards are clearly written and those that are measurable are monitored and reported to board quarterly. The quarterly newsletter is clear and engaging and the website is informative and easy to read. Residents can pay rent online, report a repair and download leaflets, newsletters and policies. However translation on the website is limited, it is not easy to see what number to call out of hours and information on performance was only added during the inspection. The December 2008 STATUS³ survey showed that 81 per cent of residents felt that Kingfisher was good at keeping them informed. This performance is in the worst 25 per cent out of 47 in Kingfisher's benchmarking club of similar Southern housing associations but better than average when compared with the 200 landlords looked at by the surveying company. Residents are kept informed.
- 27** The service is easy to access but with some limitations. Kingfisher moved into its main office recently. It is centrally located, welcoming and compatible with the Disability Discrimination Act⁴. The reception has a small children's area, plants are on display and the seating area is satisfactory. In-house surveys show high satisfaction with 100 per cent ratings for four different elements of the service provided by reception. However, the service is only available during standard office hours and the reception area lacks certain facilities. The signs marking Kingfisher offices are hard to see from the street and there is no phone available for tenants to use. There are no posters on display in reception other than the competency framework for staff, no fire exit signs, no baby changing facilities and there are no signs to say that toilets are available. Residents can easily access the service but standards could be higher.
- 28** Kingfisher has a positive approach to resident involvement. Residents benefit from various involvement mechanisms. These include questionnaires and focus groups, a residents' conference and formal consultative forums. These have helped to influence and improve services, for example by approving policies, designing payment cards and selecting contractors. In some blocks Kingfisher consults on the service standard and cost of service charges. Resident satisfaction with opportunities for involvement is improving. The STATUS survey showed 55 per cent satisfaction in 2005 and 62 per cent in 2008 which is just above the 61 per cent median⁵. However, the 2007/08 resident involvement strategy is robust but lacks a clear focus on outcomes and has not been updated in the last two years. Nevertheless, residents do influence service delivery and development.

³ STATUS surveys are standardised resident surveys based on guidance from the National Housing Federation.

⁴ The Disability Discrimination Acts (DDA) 1995 and 2005 aim to end discrimination against disabled people and require that public buildings should be made accessible for people with disabilities

⁵ Median is an average. There are 56 organisations in the survey, if you put the scores in order, the median is the 28th or mid-point score.

- 29** The approach to resident involvement lacks focus and clarity in some areas. The menu of involvement for residents is not comprehensive. Residents are given a two-page document at sign up which is positive. However the approach does not record or promote areas of interest for residents, although this can be picked up in a follow up visit if a resident expresses interest. The option of being involved in particular areas of interest like repairs is only open to a few tenants who want to go to regular meetings; there is no option to be on a mailing list for consultation on such issues. Kingfisher does not publicise the availability of travel expenses well and only some of the involved residents we spoke to knew that funding was available to support their residents group or that training was available. These gaps are a barrier to maximising involvement.
- 30** Customer care is not consistently good. Overall satisfaction is average - the 2008 STATUS survey shows 82 per cent satisfaction compared with the national median of 81 per cent in 2007/08 and the Southern LSVT benchmarking group median of 83 per cent. However satisfaction is lower for those who live further from the office and outside Basingstoke and Deane. Only 71 per cent of these tenants are satisfied with the service. The reason for this has not yet been explored. Most tenants we met said that Kingfisher are not good at contacting them about issues they raise and we found examples of staff not following customer care related procedures. Feedback from estate inspections and walkabouts is also general and does not include performance against targets. Residents cannot rely on a consistent standard of customer care.
- 31** Performance against the key customer facing service standards is not strong. In 2008/09 only 89 per cent of letters were answered in two weeks against a target of 100 per cent and compared with 95 per cent the previous year. Only 80 per cent of calls were answered within the advertised standard of 15 seconds against a target of 95 per cent. However the level of abandoned phone calls has reduced since the introduction of an improved computer system in February 2009. Residents are not receiving the advertised customer service standards.
- 32** Kingfisher lacks a robust complaints and compensation system. Speed of answering is strong with Kingfisher answering 97 per cent of complaints in two weeks and satisfaction with the outcome is satisfactory at 75 per cent. However the satisfaction is based on only 15 returns out of 113 complaints and only 62 per cent of these said they understood the procedure. Monitoring of complaints is not comprehensive, with no data on the number of complaints by diversity strand, the number of complaints upheld or the subject of the complaints. Information on learning from complaints is limited to stage two complaints which only represent 1 in 20 complaints. When residents try to complain to customer service staff, it is an accepted procedure that when busy they can pass the complaint on without logging it and tell the customer that somebody will call them back. Complaints do not have to be replied to in writing which leaves room for confusion. Residents cannot rely on complaints resolving their concerns or leading to improvements.

How good is the service?

Diversity

- 33** Strengths balance weaknesses in this area. The focus on diversity training is strong, multi-agency work on vulnerable tenants is effective and Kingfisher tailors services to meet the needs of some residents. The arrangements to tackle domestic violence are effective and the use of diversity schemes is productive. However, some fundamental drivers are not in place: work on diversity is not guided by a clear vision or actions plans, equality impact assessment is weak, resident profile and vulnerability information is inadequate and the service is not yet compliant with good practice on monitoring set out in the CRE code of practice on racial equality in housing. Residents do not always get communications in the formats they need.
- 34** Kingfisher has a strong focus on improving performance in equality and diversity. The managing director of Kingfisher chairs the 'Challenge Group' of staff volunteers every six weeks with a remit to review and improve working practices and address equality and diversity issues. Kingfisher trains all staff on equality and diversity and trains housing officers on mental health awareness, vulnerable people and domestic violence (although not on other forms of harassment). Diversity is part of the staff competency framework, helping to ensure that diversity is covered in appraisals and personal development reviews. Diversity was covered at the staff conference and was the subject of a Best Value review in 2008/09, identifying areas that Kingfisher needs to address. The culture of the organisation is being changed to ensure that diversity issues are addressed well.
- 35** Multi-agency work on vulnerable tenants is effective. Kingfisher is a member of the vulnerable people's protocol that ensures all support needs are considered as part of a multi-agency approach. The principles of the protocol are referred to in all services, new tenants' support needs are assessed and the partnership work is delivering support well. Where the cause of the anti-social behaviour is linked to a tenant having support issues, the case is assessed under the vulnerable people's protocol, ensuring that relevant support agencies can be involved and give their views. This ensures the response taken against perpetrators is suitable to the individual tenant's circumstance and increases the chance of successful resolution rather than eviction. Vulnerable tenants can rely on their needs being assessed and met.
- 36** Kingfisher successfully meets the diverse needs of some residents:
- Kingfisher spends £75,000 each year on internal redecoration for elderly residents, helping 360 customers over the last three years have their home redecorated.
 - Kingfisher operates a free grass and hedge cutting scheme to maintain the gardens of 749 residents who are elderly or disabled. Satisfaction levels have improved to 99 per cent as a result of Kingfisher responding to feedback from residents, by negotiating into the contract, at no extra cost, a dedicated supervisor from the contractor for the scheme.
 - Where a resident has a visual impairment, the Association fits Braille or other suitable controls to the boiler and thermostat. Those with a hearing impairment who cannot hear the click get a light.

- One tenant who was involved in a continuing anti-social behaviour case had Asperger's, a form of autism. Kingfisher teamed up with social services and another housing association which also had a tenant with Asperger's and now provides supported housing for both in one house. This provides value for money and effective support to maintain their tenancies.
- Kingfisher has organised tenancy training to households at risk of losing their tenancy, as well as making use of floating support from Supporting People funding.
- The 'Here to Help' schemes help vulnerable tenants. As well as improving thermal comfort and providing benefit advice, the project signposts people with disabilities to relevant charities.
- The approach to collecting debts from former tenants is sensitive to individual needs. Staff use information held centrally on the tenant and where support referrals are in place or vulnerability is identified, they contact the relevant support agency. The debt manager also works with the tenancy support officer to ensure customers receive benefit advice to maximise their income.

Some residents with diverse needs benefit from Kingfisher tailoring an approach around their particular needs.

- 37** The arrangements to tackle domestic violence are effective. A clear leaflet sets out what constitutes harassment and details the service standards that residents can expect. The domestic violence procedure is victim-centred and provides access to a wide range of external agencies. In partnership with another housing association, Kingfisher provides a five-bedroom property as a refuge to help victims of domestic violence. Performance on the outreach element of the service, which involves work in Kingfisher properties, will be subject to performance testing from April 2009. However Kingfisher does not receive enough performance monitoring about its residents that use the refuge as this is left to the Supporting People team in the Council. Reports of race hate crime are rare in the area. Victims of domestic violence are supported well.
- 38** Kingfisher follows good practice on equality schemes. The disability equality scheme is an effective document covering 2007 to 2010. It sets out the issues to be tackled, the actions required, expected outcomes, lines of responsibility and quarterly targets. There are a challenging number and range of actions within the action plan. Targets are mainly specific and measurable, although there is a focus on processes rather than outcomes for residents. The document incorporates the views of disabled residents on existing panels and the board and a local disability group reviewed a draft. However, no wider consultation took place with residents. The gender equality scheme has similar strengths. Good quality plans mean that disability and gender equality issues are more likely to be addressed satisfactorily.
- 39** Kingfisher lacks a robust vision for what it seeks to achieve for diverse residents and how it will achieve it. No diversity strategy is in place and the equality and diversity policy is not satisfactory - it lacks detail and does not provide a robust framework to support and direct the diversity agenda. It did not use proper customer profile data to assess its aims and residents were not involved in developing it. These weaknesses do not help to clarify the priorities around diversity.

How good is the service?

- 40 The equality and diversity action plans for 2007/08 and 2008/09 are weak. Targets lack challenge - for example there are no outward facing harassment and domestic violence targets. Many of the targets are to complete a process that will not deliver service improvements without further actions. Kingfisher recognises the need for an overarching strategy which will then help develop a new policy and action plan. This was the subject of the 2007/08 Best Value review but progress on its recommendations has been slow. Actions planned to address diversity are not being developed with a robust service planning framework.
- 41 Equality impact assessments are weak. Kingfisher has started to carry out equality impact assessments to see if any of their policies might have a negative impact on diversity. However it has only started on those for allocations and income collection. The process did not go beyond the first stage of screening and it decided that both areas could not affect people differently because of their age, disability, ethnicity, faith, gender or sexuality. This seems unlikely and if true would be poor practice. For example, some applicants will need to be housed because their age or disability gives them a higher priority than others and others may need particular support through each process. The approach to assessing the impact of policies on equalities needs to be strengthened to drive improvement and ensure diversity issues are properly addressed.
- 42 Staff lack information about the profile and diverse needs of customers. Kingfisher only holds information on about 25 per cent of service users and this is in a format that is not easy for staff to access. The computer system includes a basic flagging system to identify the vulnerability details held but the details are currently held on a standalone spreadsheet. The new computer system can store more detailed and specific information but it has not been uploaded yet. The process for collection and storage of information is not robust. The customer profile questionnaire does not allow residents to register a refusal to give their ethnicity. And although they can register a refusal to disclose their sexuality, this refusal will be lost once information is put on computer as the system does not distinguish between a refusal and no information. Kingfisher cannot plan and meet all the diverse needs of residents because of the lack of available information.
- 43 Monitoring of services by diversity is limited. The STATUS survey does provide a breakdown of responses by some diversity strands and shows that some categories of tenant have lower levels of satisfaction. However Kingfisher does not identify if some groups of residents are subjected to higher levels of anti-social behaviour or whether the rent arrears policy is implemented fairly. This prevents Kingfisher from identifying any potential problems and responding to them and is not compliant with the CRE code of practice on racial equality in housing.

- 44 Residents do not consistently receive communication in a format that they can understand. Managers believe staff respond in a consistent way and rely on staff knowing tenants needs and responding to them, with no checking systems in place. Our checks looked at various cases from the vulnerability database, including cases where residents were blind or partially sighted or 'spoke only Russian'. Staff were unable to find evidence of any letters to these tenants in an alternative format or notes on their files about responding appropriately. The large print database only results in the newsletter going out in large print or audio, rather than all items. Residents who have registered their needs sometimes get important information in a format they cannot read.
- 45 Performance against the objectives of the vulnerable peoples' protocol is not effectively measured or communicated to staff and customers. This is despite the protocol having clear and challenging measures of success, including a reduction in the number of NOSP's, evictions and anti-social behaviour. It requires partner organisations to show how the ethos of the protocol influences daily processes but this has not been done. Kingfisher does not know how effective the Protocol is.

Stock investment and asset management

Capital improvement, planned and cyclical maintenance, major repair works

- 46 This is an area of strength. Homes are in good condition and the asset management strategy is useful and based on reliable stock condition data. Residents are well informed and consulted about works, the quality of works is high, safety testing is comprehensive and the approach to asbestos is satisfactory.
- 47 Homes are in good condition. The average SAP rating is 73 which is level with the best 25 per cent of housing associations nationally. 98 per cent of homes meet the Decent Homes Standard, which is also in line with the best 25 per cent of associations. The 2008 STATUS survey shows that 82 per cent of tenants are satisfied with their property. This is in line with the best 30 per cent of over 200 social landlords surveyed by the same organisation. However it is level with the worst 25 per cent of 46 associations in Kingfisher's benchmarking club of Southern housing associations. But tenants do benefit from homes in satisfactory condition.
- 48 Stock condition data is reliable. An external company carried out a 20 per cent sample survey including internal areas in 2005. Since then an in-house surveyor has followed the methodology and brought the number of surveyed properties up to 55 per cent. Of the rest, 35 per cent are cloned, 4 per cent have standard life⁶ applied and Kingfisher lacks information on 6 per cent because of lack of access. Staff keep information up-to-date on a database when they renew components although they have to enter data manually as there is no connection with the repairs module. Accurate data helps to ensure that works are prioritised appropriately.

⁶ Where the landlord knows when a component like a kitchen or roof was last replaced, it can apply 'standard life' calculations which involve planning to replace the component according after a standard set period.

How good is the service?

- 49 Kingfisher benefits from a useful asset management strategy. It covers 2008/13 although it has already been updated, for example with higher loft insulation standards. It sets down standards and includes option appraisals for assessing the level of investment required against the demand for the property. Each property is classified as red, amber or green according to the level of investment required. The strategy states how residents will be involved, has an action plan and is reviewed yearly. However ambitions beyond the Decent Homes Standard are limited to extra loft insulation although there are plans to consult residents on a new improved standard. The strategy ensures that properties can meet the Decent Homes Standard by 2010 and beyond.
- 50 Tenants are well informed about major works. The website has leaflets that outline works until 2013. For each street, tenants can see eight types of major works and what year each if any of these works are taking place. This five year programme was agreed with residents. Another leaflet describes what standards Kingfisher works to. Before works start, tenants receive tailored information in pre-start packs and an individual contact point before and during works. The project surveyor visits tenants daily during works. A potentially difficult process is made easier for tenants as they are kept fully informed and can plan ahead.
- 51 Kingfisher consults residents well about works and involves them in letting new contracts. A property and contracts forum includes nine residents and meets six times a year to oversee contracts. The forum checked the major works plans and agreed average renewal dates to enable whole streets to get the work done at the same time. Using 200 tenant responses to a questionnaire and an exhibition, the forum members also decided on the kitchen and bathroom specifications and manufacturer. They also set out the choices for individual households when receiving refurbishments and agree relevant policies, such as installing electric fires after removing back boilers. This consultation helps ensure that works are responsive to tenants' needs.
- 52 The quality of the major works is high and feedback on this is used appropriately. Kingfisher charts nine questions against four different types of major works. For Kitchens and bathrooms tenant satisfaction ranged between 92 and 96 per cent for all nine questions. Staff use the feedback at monthly site meetings with the contractor to help improve performance. In 2008/09 Kingfisher fitted all 222 kitchens and bathrooms within two weeks. Residents benefit from high standards for major works.
- 53 Kingfisher delivers cyclical and planned works to a high standard. It charts nine questions against five different types of planned and cyclical works. Most of the 45 indicators show between 95 and 100 per cent satisfaction ratings and only 4 showed below 90 per cent. These were for issues around the notice period, the contractor keeping to the programme and supervision of contractor staff. However for cyclical decorations the figures are not reliable as only 5 per cent of 875 tenants replied to the questionnaire. The cyclical decorations and boiler replacement contractors offer residents flexibility on appointment times. A resident who is a retired painter and decorator provides a tenant inspection service for the cyclical decoration service. Residents benefit from convenient and high quality works.

- 54** Safety testing is comprehensive and recently an innovative approach has improved value for money and convenience for residents. Electrical, gas, fire, lifts and water tanks are all checked. A new contract has just started for a 'housing health and safety check'. This contract is mainly for gas inspections but also includes, smoke and carbon monoxide alarm tests, type 1 asbestos tests, water monitoring, PAT⁷ tests, stopcock testing and identifying unreported repairs. This means that residents are only disturbed once a year for different tests and Kingfisher gains £200,000 each year by moving six contracts into one. The contractor was so impressed with the idea that it is training up all its operatives to enable it to sell the idea to other clients. Homes are being kept safe.
- 55** The approach to asbestos is satisfactory. Staff have carried out type two⁸ sampling surveys to all communal areas and 68 per cent of domestic properties, a further 24 per cent have been cloned leaving 8 per cent not surveyed. Residents are well informed. A useful asbestos leaflet is available on the website. Where there is asbestos, Kingfisher sends residents a letter describing its presence and location and what approach the Association is taking to each separate occurrence. This is followed up by an annual reminder letter. Where a property has asbestos this is flagged up as a warning on works orders and contractors can look up the details as they all have live access to the asbestos database. There are plans to add the details to the order in future. Kingfisher has trained the responsive repairs operatives on asbestos which has proved useful. A quality improvement forum that includes tenants has carried out various initiatives, including reviewing the text of communications. The danger from asbestos is minimised.
- 56** The ratio of planned to responsive repairs is satisfactory. Kingfisher spends twice as much on planned and major works than it does on responsive works. This increases efficiency as works cost less when they are carried out in a planned way.

Responsive repairs

- 57** Strengths balance weaknesses in this area. Satisfaction is reasonable and the approach to contracting the service is flexible and effective. Security issues are responded to quickly and some appropriate processes are in place. However urgent and emergency repairs are not completed fast, performance monitoring is not comprehensive and there is no appointment system.
- 58** Satisfaction with the service is reasonable. The STATUS survey for 2008 shows 78 per cent satisfaction. This is just above the national median of 77 per cent and in the top 30 per cent for over 200 organisations reviewed by the survey company. However it is below the 81 per cent median for Kingfisher's own LSVT benchmarking club with 62 associations involved. Satisfaction with individual repairs is high at 97 per cent and based on a 25 per cent response rate. The figures have been independently verified. However satisfaction is lower for the six per cent of tenants living outside the Basingstoke and Deane area; Kingfisher no longer monitors performance for these tenants. Tenants rate the service they receive reasonably well.

⁷ Portable Appliance Testing. The Electricity at Work Regulations require a regular programme of testing of portable electric appliances owned by the landlord (mainly at sheltered schemes)

⁸ Type 2 surveys are those that explore the presence of asbestos without disturbing it.

How good is the service?

- 59** Kingfisher has shown a flexible and effective approach to maintenance contracting:
- A few years ago most of the work was done by a single contractor. Kingfisher set a part of the contractor up as a subsidiary owning a 63 per cent share. This saved money on VAT and led to a consistent improvement in the service by. External independent checks showed that the price was competitive and Kingfisher avoided the expense of going out to tender.
 - When the market changed in the recession, Kingfisher put the service out to tender. An external bid won bringing both lower costs and service improvements. The operatives will move to the new contractor so the knowledge of the stock and the familiarity that tenants value will be retained.
 - The contract is monitored by a group including residents that were involved in developing the specification.
 - The subsidiary still trades so Kingfisher has an exit strategy should the new contract go wrong.

Residents benefit from service improvements arising from this approach.

- 60** Kingfisher responds positively and quickly when security issues arise. Residents do raise concerns around security and there are many examples of Kingfisher installing more locks and lockable communal doors and gates to address this. In 2008/09 141 new doors were installed. Tenants can rely on security concerns being addressed.
- 61** Kingfisher has suitable processes in place to monitor delivery and recoup costs. Where appropriate Kingfisher charges tenants for the cost of repairs - for example, it charged £30,800 and collected £28,600 in the first nine months of 2008/09. Variation levels are low at 3.3 per cent, meeting the target of less than 5 per cent. Appropriate procedures help to maintain and improve the quality of the service.
- 62** Performance is below average for completing the more important repairs on time. Emergency repairs should be completed in 24 hours and only 96.6 per cent were completed in this timescale in 2008/09, which is a below average when compared with the 2007/08 figures for the benchmarking club. Urgent repairs should be completed in a week and performance was 95 per cent which is also below average. However across all repair priorities, 96.5 per cent of repairs were completed on time which is above average. Routine repairs should be completed in four weeks and performance is 96 per cent which is better than average.
- 63** Performance monitoring is not fully comprehensive. Kingfisher does monitor some important issues quarterly, such as repairs on time, satisfaction, budget figures and pre and post inspection targets. However, the monthly meeting with the contractor does not always have up-to-date figures available for the meeting. The figures available to the meeting are numbers not percentages and give with no indication of progress over time. Limitations in monitoring systems do not help to support improvement.
- 64** Residents lack a responsive appointment system. Tenants have to wait for the contractor to phone them and make an appointment which is a cause of tenant dissatisfaction. Appointments will be available from the first call when the new contract starts in May. But at present, tenants find the lack of appointments inconvenient.

Void repairs

- 65** Strengths and weaknesses are in balance. Voids are let to a high standard resulting in high satisfaction. Tenancies are terminated well, vulnerable tenants' needs are considered and tenants have been involved to successfully improve standards. However the time taken to relet properties is slow and the method for collecting new tenants' views does not match best practice.
- 66** Kingfisher sets standards for voids which results in high levels of satisfaction among new tenants:
- The void standard is usually given to tenants when viewing the property. However some new tenants we spoke to said they did not receive it until sign up and it does not include standards for floor coverings in kitchens and bathrooms or for kitchen work surfaces.
 - In 2008/09 65 tenants (15 per cent) responded to the survey and of these 96 per cent were satisfied with cleanliness of the property, 91 per cent with the condition and 84 per cent with the condition of the garden.
 - New tenants are made to feel at home with a comprehensive welcome pack of light bulbs, tea, coffee, washing up liquid, toilet rolls and so on.

Tenants start off their tenancy with a positive impression which helps the relationship with their landlord.

- 67** Kingfisher has positive approach to terminating tenancies. Staff carry out pre-termination visits where possible. They give tenants a comprehensive letter setting out their obligations and make a check out appointment to hand in keys and discuss issues with the housing officer. The letter lists standards for each room and warns them of recharges. Where these standards are not met, the tenant is charged, with 28 tenants charged in the past 8 months. Loss of resources due to the neglect of the outgoing tenants is minimised.
- 68** The needs of elderly and vulnerable tenants are taken into account in an appropriate way. These tenants benefit from a higher standard of decoration instead of being given decoration vouchers when they or their families are not able to decorate. Vulnerable tenants are not left to live in worse conditions than other tenants.
- 69** Tenants have been involved in a successful review that has improved the effectiveness of the service. A quality improvement forum involving tenants met before the contract was re-tendered in 2007. The forum set out a number of new standards including:
- the welcome pack;
 - a professional deep clean;
 - better standards for the garden with excessive growth cut back;
 - asbestos testing;
 - the introduction of pre-termination visits;
 - training for staff leading to more consistent standards;
 - a two-stage gas safety process reflecting good practice;

How good is the service?

- Energy Performance Certificates for the new tenants; and
- accompanied viewings for all lettings and holding them before the previous tenant leaves where appropriate.

The work of the Forum has resulted in higher satisfaction and faster void turnaround.

- 70** However, performance at re-letting voids remains weak. It took Kingfisher an average of 39 days to relet empty properties in 2007/08 which is in line with the worst 25 per cent of housing associations in the benchmark group. In 2008/09 average relet time was slower at 40 days. Slow void turnaround wastes resources.
- 71** The approach to collecting satisfaction information from tenants is not recommended practice. The figures are collected by staff asking questions and filling in the form for tenants during the settling visit about four weeks after the tenancy starts. The questionnaire includes various questions that relate to the performance of the staff member filling in the form. This approach was introduced to improve the low return rate but has only led to feedback on about 20 per cent of lettings. However tenants might want to start their tenancy on the right note by giving the housing officer the answer that they want. The reliability of the responses will not be so robust in these circumstances.

Gas servicing

- 72** This is an area of strength. Performance in carrying out annual gas servicing on time is strong and the service is delivered to a high standard. Residents are well informed, appropriate policies are in place and the new contract is innovative, offering both enhanced customer service and better value for money.
- 73** Performance on gas servicing is strong. At 31 March 2009 only 30 properties did not have a valid gas certificate while 99.4 per cent of properties did. The most over due certificate was less than eight weeks late. This helps keep tenants safe.
- 74** The service is carried out to a high standard with appropriate checks in place. Satisfaction with the gas servicing is strong. In 2008/09 12 per cent of tenants responded to the survey with 98.8 per cent of them registering satisfaction. The quality of the gas servicing is checked appropriately with independent gas auditors carrying out invasive checks of five per cent of services at a cost of £48 a time.
- 75** Kingfisher informs and involves residents well. The importance of gas safety issues is well publicised through the tenants' newsletter, in a well written leaflet and on a television monitor in the office reception area. Kingfisher writes to leaseholders and shared owners twice a year to remind them of their responsibilities to service their gas appliances. Leaseholders are not offered access to the gas servicing contract at present although they will be soon after the new contract starts on 1 April 2009. A quality improvement forum for gas includes two resident board members, two other residents and the contractor. It monitors the service and makes recommendations for improvement. Residents understand the importance of gas servicing and their concerns and suggestions are addressed.

- 76** Appropriate policies are in place. Kingfisher takes appropriate action to respond to residents sleeping in a room with a gas appliance. The boiler is serviced, a carbon monoxide detector is installed and, if the arrangement is due to go on for more than three months, a boiler is installed elsewhere. Kingfisher also installs interruption devises to encourage tenants to allow a service to take place. This helps keep tenants safe.
- 77** The new contract now in place is innovative and improving customer care. The contract started on 1 April 2009 and offers flexible appointments where the previous one did not. Tenants are told they can have appointments between 8 am and 8 pm on weekdays and from 8 am to 1 pm on Saturdays. The contract provides a three star gas service which covers the cost of the labour and parts of repairing boilers and the annual gas servicing. In addition it include testing of asbestos, smoke alarms, carbon monoxide detectors, water systems and any electric appliance owned by Kingfisher. Customers receive a text message and landline voice message to say when the operative is on his way from the previous job. If parts are needed the operative can find out when they will be available and make a new appointment while still on site. Tenants now benefit from increased value for money and customer care.

Aids and adaptation

- 78** There is a balance of strengths and weaknesses in this area. The monitoring and performance of minor adaptations is adequate and there are arrangements in place to promote value for money and make good use of adapted homes. However information for residents is limited, the service for those who need works for over £500 is slow and Kingfisher's does not do enough to ensure the delivery of higher cost works is satisfactory. Limited budget provision made available does not allow Kingfisher to address some weaknesses within the service.
- 79** The monitoring and performance reporting of minor aids and adaptations is adequate. For works worth under £500 there are three priority categories: one week, two weeks and four weeks. Performance on completing works on time for each of these is recorded along with satisfaction and average cost. In 2008/09 there were 159 of these jobs in total with 94 per cent carried out on time, 96 per cent satisfaction and average cost of £166. However the time taken is measured from the point of Kingfisher ordering the work, not from the tenant asking, so the full picture is not shown from a tenant perspective. Tenants sometimes ask the Council for the service first and there is no protocol in place for sharing the necessary information. However, residents needing minor aids and adaptations are generally getting a satisfactory service.
- 80** Value for money is maintained by a number of satisfactory practices:
- Kingfisher successfully negotiated extended warrantees on major equipment purchased by the councils from one to five years at no extra cost. After five years Kingfisher takes over the maintenance. Kingfisher does not systematically service this equipment; however it is negotiating a programme for routine maintenance and servicing once the extended five-year warranty has expired.
 - Kingfisher puts water softeners on all new shower installations prolonging their life expectancy and so reducing future maintenance requirements and inconvenience to residents.

How good is the service?

- Appropriate contractors are used, with day-to-day maintenance contractors carrying out the majority of adaptations and specialist contractors used where appropriate, for example for stair lift maintenance. Contractors quote for the more technical work.

Budgets go further due to appropriate action to promote value for money.

- 81** Kingfisher runs an effective aids and adaptations register which helps with lettings and recycling. The register shows all the properties with major aids and adaptations, such as showers and stair lifts. The councils get reliable information on empty properties and a council occupational therapist visits these voids and puts them forward for appropriate applicants. If there are no takers the equipment is recycled where possible. Recycled equipment is usually used by the council rather than Kingfisher.
- 82** Kingfisher addresses disability needs appropriately when carrying out major works. Before getting a new kitchen or bathroom, tenants are asked about relevant needs. Walk in showers and other adaptations have been installed as part of the major works programme. The standard design brief anticipates needs by using lever taps as standard to prevent the need to replace taps as tenants' needs change. This is more convenient for residents and can save money in the long run.
- 83** The budget is adequate for the limited aims of the Association. In 2008/09 the budget for works under £500 was £42,000. This is enough to ensure there is no waiting list. However the £500 limit has been in place for 15 years which means that Kingfisher no longer funds items that it used to. By restricting the use of the budget, Kingfisher has provided sufficient funding to meet its limited aims but money is not available to address weaknesses in the overall service.
- 84** Kingfisher takes appropriate action to link different needs. The tenancy support officer is responsible for managing the aids and adaptations programme and he links applications to claims for Disability Living Allowance and Pensions Service reviews.
- 85** Residents receive limited information about the aids and adaptations service. A leaflet has been devised with residents who have experienced aids and adaptations work but it is not yet available on the website. The information in the tenants' handbook is brief and it sets out no standards. It says that the council can provide a grant and provides contact details at the council but gives no indication that the Association might assist in this process. The repairs leaflet says that customers will have the process explained to them within ten days of asking for a service and that work worth under £500 will be done within one month. Residents do not know what to expect and so cannot hold Kingfisher or the councils to account.

- 86** Residents who need work costing over £500 get a service that is slow with limited support from Kingfisher. It is seen as the councils' responsibility to provide the service and the residents' responsibility to chase it up. Kingfisher does not try to share performance data with each council or record its own performance data. The waiting list to see an occupational therapist where the problem is not critical is around eight months (not critical might mean unable to bathe at home). For critical ones the wait is four to six weeks. Kingfisher has not looked at funding an occupational therapist itself. After the assessment it can take six months or more to apply for the grant and get the works done. Residents have to choose the contractor themselves and manage the process, chasing up any delays themselves. The process can take a year or more. Some vulnerable residents will live in difficult conditions for a long time.
- 87** Kingfisher has not provided adequate help for residents who need but cannot afford aids and adaptations. Work under £500 is provided free to all. The work over £500 is strictly means tested by the councils according to a criteria set down nationally. While this passports most social housing tenants through the system, Kingfisher is looking at providing more help for tenants who do not qualify for support are living without adaptations due to their limited finances. In the past few months Kingfisher implemented a new procedure to contribute up to the value of £500 towards the cost of aids and adaptations where residents do not qualify for financial assistance. Some residents have started to benefit but others have been turned down over the past two years and Kingfisher only knows who some of them are. As a result some of Kingfisher's vulnerable residents will be living in homes that do not meet their needs.
- 88** The delivery and performance reporting of larger adaptations are not adequate. The information is limited to the number of successful applications made and how long Kingfisher takes to approve councils carrying out the works. In 2007/08 Kingfisher replied to 82 per cent of these in the unchallenging target of 10 days. Figures for 2008/09 kept by staff show that it took an average of 6 months for major adaptations to be done after works were ordered with the longest taking 18 months, with only 27 jobs carried out. The service level agreements in place fail to address all aspects of service to the customer addressing only issues around approval and certification of work. Kingfisher's failure to monitor the service and liaising with councils to improve it does not promote a customer-focussed approach.

Housing income management

- 89** Strengths balance weaknesses in this area. Kingfisher consults on service charges and is sensitive to the needs of vulnerable tenants while collecting the rent. It provides income and debt advice services and collects former tenant arrears well. However performance on collecting rent and arrears is poor, there is no analysis for reasons of non-payment and no incentives to pay the rent. Information about rent accounts is clear although information about rent payment methods is not. Residents have a flexible range of methods for paying the rent but cost effective methods have not been effectively promoted.

How good is the service?

- 90 Kingfisher provides residents with clear and regular information about their rent accounts. Service standards for rent collection are set out in a leaflet to residents and annual rent letters provide information on increases in rent and give advice on assistance for residents struggling with payments. Kingfisher creates separate accounts for rent, court cost, sundry debts and garages. STATUS survey results show 77 per cent of tenants are satisfied with the advice they receive on rent payments. A recent small scale survey found 97 per cent of customers are satisfied with the service. Residents have the information to understand and manage their accounts.
- 91 The range of payment methods is satisfactory but information to residents is conflicting and cost effective methods have not been successfully promoted. Tenants can pay at post offices using a payment card, at shops displaying the PayPoint logo, by direct debit, standing order, online, by phone. However the website, leaflet and tenants handbook all miss out some of these options and none of them mention the two dates in the month when direct debits are collected. Consultation on payment methods did not go beyond a small group of tenants. The majority pay at the post office which is the most expensive method at 55 pence for each payment. Kingfisher has not promoted cheaper methods such as direct debit well, although firm plans are in place to update communications and promote direct debits shortly. Residents have a choice of payment methods if they can access the right information but payments are not as cost effective to Kingfisher as they could be.
- 92 Kingfisher has had some limited success in consulting residents about service charges for individual blocks. Consultation has led to changes with tenants in one sheltered scheme agreeing to pay more to have their windows cleaned more often. In another they asked for less gardening at reduced costs. This approach is not widespread though. Some residents benefit from influencing the service received.
- 93 Staff are responsive to the needs of vulnerable tenants while focusing on arrears collection. Staff have targets to respond to arrears cases within two weeks and there is a separate team that responds to low level arrears at an early stage and makes referrals for residents needing additional support with their tenancy. A system of escalation letters is in place, and examples viewed on site demonstrated that this process had been suspended where appropriate to ensure some tenants get additional support. Kingfisher responded to comments received in a survey by adding explanatory text to arrears letters on how outstanding benefit could be contributing to arrears levels shown. Appropriate action is taken when tenants are in arrears.
- 94 Kingfisher works well with the housing benefit department at Basingstoke. Housing officers are authorised to verify housing benefit claims which speeds up the payment of the benefit. They calculate probable benefit entitlement to tenants through software systems. The council aims to process all new claims within 34 days which is only average performance. The target for processing verified claims is 4 days but in practice these are only processed 25 per cent more quickly. A service level agreement exists but it is out of date and no performance monitoring takes place. Kingfisher uses a liaison spreadsheet which is responded to weekly by the benefits section and urgent cases are fast tracked. Kingfisher can request that one of the Council's welfare resettlement officers visit residents at home to advise on benefits and signpost to other relevant agencies. However Kingfisher does not keep figures on how often this is done. Housing benefit claims are processed satisfactorily.

- 95 Kingfisher provides tenants with opportunities to maximise their income and receive debt advice:
- A tenancy support officer assists tenants and has secured an additional £40,000 of benefits for tenants over the last two years.
 - Kingfisher purchases specialist debt advice from the Basingstoke Citizens' Advice Bureau. An informal and ineffective arrangement existed before 2009 in which quarterly referrals fell from 46 to 12. Kingfisher now jointly pays for a full time specialist advisor with another housing association. This provision is monitored and has provided valuable support, securing an increased income for 12 tenants in 2 months. The advisor has also provided help and advice on domestic abuse, engaging with employers and creditors and signposting to other services. However while the help is thorough and holistic, the numbers of tenants being helped remains relatively small due to the resources available and is only available to tenants living in the borough.
 - Kingfisher provides funding for an East Hants District Council debt advisor and has helped set up a credit union in Basingstoke which is due to be launched in April 2009.
 - The 'Here to Help' scheme provides benefit advice as part of a package involving thermal insulation and energy advice.

Most tenants can access the help and advice that they need.

- 96 Former tenant arrears recovery is carried out well with a strong and improving performance. In 2007/08 Kingfisher wrote off 0.14 per cent of the rent roll which is a performance in line with the best 25 per cent of housing associations in the benchmarking club. Kingfisher can only use performance figures that combine former tenant arrears with other sundry debts like repair and void recharges. However the performance in for these debts is reasonable. The new computer system will be able to extract more accurate data (including housing benefit overpayments) which has the potential to improve performance. Collecting debts provides more income to spend on the service.
- 97 Rent collection performance is weak. At the end of March 2009 current tenant arrears were 3.9 per cent. Performance is getting worse as arrears are rising; they were 3.7 per cent in March 2008. In 2008/09 the collection rate was 98 per cent and 0.37 per cent of tenants were evicted both of which are worse than average compared to the previous year's benchmark. However there has been a recent improvement in performance following a dip in the last six months of 2008 and nine per cent of tenants had a current Notice of Seeking Possession which is better than average and almost half the number from the previous year. The failure to collect rent successfully reduces available resources and puts vulnerable tenants in a more difficult position.
- 98 Rent arrears collection procedures are not informed or shaped by any analysis of reasons for non payment. Kingfisher recognises this weakness and has set up a quality improvement forum to help address this. Without understanding the reasons for arrears Kingfisher cannot target collection processes in the most effective way.

How good is the service?

- 99 Kingfisher does not provide any incentive to encourage residents to keep rent accounts clear of debt. Although this approach was discussed and rejected by tenants some time ago, it has not been discussed recently. Kingfisher does not know if an incentive scheme would improve rent collection rates but it is being reviewed again through the organisation's Rents and Business Forum.

Tenancy and estate management

- 100 Strengths balance weaknesses in this area. Kingfisher helps tenants maintain tenancies well and the anti-social behaviour (ASB) policies are effective and well understood by staff. Appropriate preventative measures are in place. Kingfisher uses an appropriate range of tools and partnerships to tackle anti-social behaviour and communal and external areas are well maintained. However customer satisfaction is low, customers are not always kept well informed about the progress of their case, the monitoring of ASB and estate inspections is limited and residents are not involved in setting priorities or in service design.

Tenancy management and dealing with anti-social behaviour

- 101 Effective tenancy sustainment measures support new and existing tenants. Tenants benefit from an appropriate start to their tenancy with a well written tenancy agreement and comprehensive information. Ninety-eight per cent of new tenants benefit from a settling in visit within the first six weeks of the tenancy. For a small number of tenants who have difficulty maintaining their tenancy, tenancy training is available and seven tenants have benefited from this since October 2008. Tenancy sustainment is aided by Kingfisher's activities.
- 102 An effective policy, knowledgeable staff and a dedicated tenancy enforcement officer enable an appropriate response to ASB. The policy and procedures for staff and service standards for tenants are well set out with a traffic light system for prioritising work. Staff understand the policies well and use the flow chart and traffic light system to help deliver consistent responses to ASB cases. The vulnerable people's protocol ensures support agency involvement to help prevent tenancy failure and the perpetrator intervention programme helps to tackle the causes of ASB. Processes are effective.
- 103 Kingfisher uses some appropriate preventative measures. The Association pays £25,000 each year towards the community warden service which covers all areas where the Association has stock in Basingstoke and Deane. The service obtained a distinction in the national warden quality standard, with the third highest national score. Kingfisher staff also work with primary and secondary schools to discuss the impact of ASB and to set up activities with older residents to promote community cohesion. Multi-agency schemes, such as the crime reduction and environment week, are held with help from Kingfisher in areas of high ASB. Outside of Basingstoke and Deane, Kingfisher helps fund events organised by the police such as paint-balling. However Kingfisher does not measure the inputs, outputs and outcomes of these activities well. Diversionary and preventative activities help to reduce ASB.

104 Kingfisher use and has access to an appropriate range of tools and partnerships to tackle anti-social behaviour:

- In 2008/09 the Association used four anti-social behaviour contracts, six notices seeking possession, one eviction, four section 21 notices on starter tenancies and referrals to mediation as tools to reduce ASB.
- The ASB procedure details how anti-social behaviour orders (ASBOs), parenting orders, closure orders and demotion of tenancies could be used in response to ASB but these have not been employed to date.
- Kingfisher works with the southern area housing association resident auditors (SAHARA) which consists of residents from a partnership of landlords. The SAHARA group has made assessments of the ASB services Kingfisher provides.
- Information on ASB is shared with the neighbourhood tasking meetings and other local agencies.
- The landlords' crime and nuisance group is helpful for informal benchmarking.
- Aiming to meet the six areas of the Government's Respect agenda has led to good progress in five areas with the weakest area being empowering residents and ongoing engagement.
- A dedicated tenancy enforcement officer helps Kingfisher develop skills and expertise on ASB. The officer meets with each housing officer every six weeks to review all their ASB cases. He also provides internal training sessions and aims to ensure a consistent and timely response is provided to ASB.
- Partnership working with two other associations ensures effective support for victims of domestic violence.
- The use of Starter Tenancies helps to focus new tenants on the requirements to keep to the tenancy agreement.

The tools and partnerships provide Kingfisher with flexibility and expertise to respond appropriately to different types of ASB.

105 Customer satisfaction with Kingfisher's response to ASB is low. Of the 1,958 tenants who participated in the STATUS survey, 12 per cent had reported ASB in the previous 12 months. Of these, only 48 per cent found staff helpful, 41 per cent found staff unable to deal with the problem and only 36 per cent found it easy to get hold of the right person. Thirty per cent were satisfied with how they were kept informed. Kingfisher has not managed to successfully monitor satisfaction with the handling of individual cases so staff lack information on which to improve service delivery. Kingfisher's ASB service is failing to meet the expectations of over half of its tenants.

106 Customers are not always kept well informed about the progress of their case. The SAHARA audit stated that staff keep complainants informed every few weeks. However a file check found that this was not the case. Staff acknowledged that closure letters are not always sent to the complainant when the case is closed, so they do not know how the case concluded. Being kept informed is a high priority of tenants experiencing from ASB and it is not always met.

How good is the service?

- 107** The monitoring of performance on ASB is limited. The traffic light monitoring system focuses on the time taken for staff to contact the accused perpetrator of the case. However, Kingfisher lacks monitoring of other tasks, such as keeping the complainant regularly informed and concluding cases, and it has insufficient information on the effectiveness of the domestic violence partnership service. The Board receives a performance report with a breakdown of ASB activities but there is no analysis of trends in lower level ASB. SAHARA provided an assessment of the service but that is not ongoing monthly monitoring. Without adequate monitoring, management do not know whether procedures are carried out to agreed timescales and whether performance is improving over time. This limits ability to improve the service.
- 108** The design and delivery of ASB services fail to involve residents effectively. Residents hear about responses to ASB through the newsletter and residents involved in SAHARA have assessed the service. However Kingfisher did not consult with residents on the service standards developed for this service area or what issues should be monitored. The traffic light system relied only on input from tenant board members. A quality improvement forum is planned on ASB services which will involve residents in the future. Without better resident involvement Kingfisher cannot be sure that activities are prioritised according to residents needs.
- 109** Out of hours reporting for ASB is limited. Residents can contact the police in serious circumstances at night or at the weekends though liaison with the police means that Kingfisher will be informed the following day. Kingfisher says tenants can contact relevant staff about ASB out of hours through the out of hours number. However this service is only advertised as a repairs hotline for out of hours emergencies. Residents will not know that they can contact Kingfisher out of hours when faced with serious ASB problems.
- 110** Front line staff lack knowledge on dealing with hate crimes. Such incidents are not common and some years there are none. However there were three cases of racial or other harassment and two homophobic incidents in 2008/09. Equality and diversity training has covered the negative impact of racism but only as a small part of a larger course. Training has been provided for domestic violence in response to around 15 cases each year. Dealing with racist or homophobic harassment is more effective where staff fully understand the issues.

Estate Management

- 111** Kingfisher maintains communal and external areas well. Estates that we saw were clean and litter free with good grounds maintenance and no problems with cars, dog fouling or graffiti. The caretaking services to flats are effective. Caretakers clean, carry out maintenance work and explain the utility arrangements in their block and flat to new tenants. A survey in January 2009 shows that 89 per cent of residents are satisfied with the caretaking service. The STATUS survey showed that 47 per cent of tenants found parking a big problem which is in line with the worst 10 per cent of landlords. However most properties are houses on streets maintained by the council where they make up a small proportion of residents. Where Kingfisher is responsible for the service, standards are maintained.

112 The estate inspection process is adequate but lacks proper monitoring systems. Areas are inspected regularly with tenants invited to join in four times a year - 98.5 per cent of inspections in 2008/09 took place as planned. Staff are aware of how to report issues of abandoned vehicles, satellite dishes and infestations to the Council's environmental health department. However they do not monitor performance on behalf of their residents. The scope of inspections vary between areas as the characteristics change, so not all estates can be judged by the same list of standards. However where characteristics are the same there is no standard marking system to assess the standards experienced by different tenants. As a result Kingfisher cannot monitor whether standards are improving or getting worse over time and which areas have the highest and lowest standards. This limits ability to prioritise resources and drive forward improvement.

Is the service delivering value for money?

113 Strengths and weaknesses are in balance in this area. Kingfisher has a robust approach to procurement and new contracts have made significant improvements in value for money. The culture and processes are improving, savings have been achieved and plans are in place for future improvement. However costs are higher than average in areas where performance is average or below average, the value for money strategy lacks detail and focus, benchmarking is not yet embedded and success at leveraging in external resources is limited.

How do costs compare?

114 Kingfisher management costs are higher in most categories when compared to its peer group of landlords and this extra cost is not reflected in improved performance. It is part of the Southern LSVT benchmarking club of 65 landlords. This has a system for comparing a variety of landlord costs. For 2007/08 Kingfisher's IT cost £67 per property, which is close to the worst 25 per cent and personnel costs £33.6 per property which is in line with the worst 10 per cent. Core housing management costs per property for 2007/08 were £573, slightly above the £563 median. These housing management costs are made up as follows:

- major and cyclical repairs management cost £62, in line with the best 25 per cent and performance is strong;
- responsive repairs management cost £121, which is higher than average while performance is not above average;
- lettings cost £38, which is higher than average while relet times are weak;
- tenancy and estate management cost £163, which is higher than average while performance is not above average;
- rent collection and accounting costs £38 which is higher than average;
- empty property management cost £51, which is on the border of being in the worst 25 per cent while relet times are weak; and
- rent arrears cost £100, in line with the worst 25 per cent while arrears are also in the worst 25 per cent.

How good is the service?

115 The cost of the group structure is heavy for its size and what it delivers compared to others. This is demonstrated by the £150,000 that Kingfisher predicts it can save each year by amalgamating Kingfisher and HVHS.

116 Some costs compare more favourably:

- spend per property on void repairs was £87, just short of being in the best 25 per cent; and
- spend per property on responsive repairs was £372 which is median.

How is value for money managed?

117 Kingfisher has a robust approach to procurement that is effective in improving both quality and value for money. All contracts and purchases are market tested and no contract is over three years old. Residents are involved in all contract specifications and tendering for customer facing services. The Association adopts a 60:40 cost and quality split when evaluating tenders. The mixed use of subsidiaries and external contractors has been imaginative and market sensitive. The Kingfisher subsidiaries have helped provide income and additional capacity. The section on responsive repairs above describes how effective this has been. In 21 months Kingfisher Building Services generated approximately £270,000 in income for Kingfisher while being externally validated as providing value for money at that time. Kingfisher delivered improvements by changing this approach in response to changes in the market. Value for money has been maximised through the procurement process.

118 New contracts have generated significant improvements in value for money. The table below shows over £750,000 in savings a year from recent contracts. In general the contracts have improved quality or outputs as well as reducing costs. This enables extra money to be spent on other priorities.

Table 1 Value for money gains from recent contracts

| Contract | previous contract value per year | 2009/10 value per year | Approx savings per year | Savings per property per year | Some of the benefits for residents |
|------------------------------|--|------------------------|-------------------------|-------------------------------|--|
| Responsive repairs | £2,000,000 | £2,006,000 | £-150,000 ⁹ | £-28.40 | Appointment system |
| Cyclical decoration | £400,000 | £328,000 | £72,000 | £13.63 | Higher resident satisfaction |
| Home health and safety check | individually priced checks £1,370,000 | £696,000 | £674,000 | £127.63 | Only one visit in a year, extra asbestos and water check |

⁹ In 2008/09 an estimated £268,000 of profit was gift aided to Kingfisher from KBS. However the new KBS bid was more expensive so the bid was lost. All the figures in the table were supplied by Kingfisher and have not been verified.

| Contract | previous contract value per year | 2009/10 value per year | Approx savings per year | Savings per property per year | Some of the benefits for residents |
|-----------------------|----------------------------------|------------------------|-------------------------|-------------------------------|------------------------------------|
| Kitchen and bathrooms | £1,532,000 | £1,440,000 | £92,000 | £17.42 | Over bath showers and mixer taps |
| Door replacement | £130,000 | £100,000 | £30,000 | £5.68 | More doors replaced each year |
| Cladding replacement | £200,000 | £160,000 | £40,000 | £7.57 | More done each year |
| Total | £5,632,000 | £4,732,000 | £758,000 | £143.53 | |

- 119** An appropriate approach to financial management has successfully revealed errors in income collection. Kingfisher was not collecting the full cost of services as costs were not correctly apportioned to properties. By carrying out a careful review staff found a £30,000 error in service charges. The increased charges will be phased in over three years. An improved approach to financial management has increased income and led to a fairer distribution of charges.
- 120** Kingfisher is successfully introducing a culture that is focused on value for money. Each team maintains an efficiency spreadsheet that records non cashable efficiencies and this is discussed regularly at team meetings. These spreadsheets and initiatives are discussed at operational management team meetings, although there is no formal system for sharing good initiatives. All managers and team leaders have received value for money training and further training is included in the April to September 2009 training programme. An improved awareness from staff helps the organisation to improve value for money.
- 121** Kingfisher has successfully improved the value for money of the service in a number of ways:
- A new funding facility for £200m was secured in 2008 at a lower interest rate despite the difficulties of borrowing new money at the time. This will save the Association around £200,000 each year. The average cost of borrowing had previously been in line with the worst 25 per cent of the benchmark group.
 - Rent loss due to empty properties in 2007/08 was 0.8 per cent of the rent roll which is on the border of being in line with the best 25 per cent. This represents a saving of £74,000 compared to the void loss if performance had been in line with the average.
 - The new computer system will provide better functionality while costing £10,000 less per year to use and maintain. More activities can be carried out live and online. This has led to significant improvements in telephone handling with the time to answer calls and the number of calls abandoning both being cut by half over a six week period to April 2009.

How good is the service?

- Halcyon, the market cost and commercial property arm of the Wessex group, made an operating profit of £109,000 over two years.
- The telephone system was replaced in 2008 saving £10,000 on maintenance and providing free support for the first year.
- The appointment of a learning and development officer in 2008 has saved £10,000 by delivering training internally instead of using an external provider and negotiating various better contracts which saved even greater sums.
- Payroll services have been brought back in-house saving £5k pa.

122 However, the value for money strategy is out of date and lacking in detail and focus. It is a document of six sides of paper. It sets out possible approaches to benchmarking but does not specify which of the 11 comparisons are considered most significant. It sets out various costs, challenges and one line objectives but does not make clear how these will be addressed. It does not mention procurement or culture; it has no targets and makes no mention of resident involvement, monitoring of services or improving standards. The value for money action plan is not SMART¹⁰; it just lists questions, sources of data and areas for improvement, target dates and responsible officers. It is not clear how the action plan flows from the strategy. Many of the areas for improvement are not specific or measurable. There is a lack of alignment between the procurement and the value for money strategies. The strategy is not a successful tool for driving improvement.

123 Value for money benchmarking is not well embedded at Kingfisher. Costs and value for money comparisons became available in late 2008 for both landlord services and telephone services. Senior managers have looked at the results and acknowledge that costs are higher than average and have prioritised improving this in 2009/10. However teams and front line managers do not know how their service compares by cost or quality. Kingfisher has an anti-social behaviour database that can record costs and benchmark against standard performance indicators but this exercise has not been carried out. Benchmarking is most effective where all services are benchmarked and staff fully understand the cost and quality of the service they are providing.

124 Kingfisher has only accessed a limited amount of external resources. For reasons of lack of expertise and experience in this field, the Association has not levered in the volumes of funding to improve services that other organisations have done. There are only small examples of success:

- The 'Here to Help' scheme enabled the Association to distribute 20,000 free low energy light bulbs worth £10,000 to residents and provided grants for home insulation worth £50,000 in 2008/09 and £150,000 in 2009/10. Tenants also benefit from a free hour long benefit maximisation interview.
- Kingfisher accessed external grants to insulation for plant rooms. The grant was worth £16,000 and will save £17,000 per year on resident's bills.

¹⁰ SMART: specific, measurable, agreed, realistic and time-bound. This usually refers to targets in improvement plans

125 The recession is reducing the efficiency of the business. Kingfisher built more shared ownership units than there is demand for in the present property market. This is costing Kingfisher about £160,000 per year in interest payments on unsold shared ownership units. This sum is reducing as properties are let out. Kingfisher is not in danger of being in breach of loan covenants.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 126** Strengths and weaknesses are in balance in this area. Kingfisher has implemented a series of successful changes, satisfaction is improving and performance indicators show improvement on balance. Value for money is improving, with new contracts providing a better service. However the pace of improvement is relatively slow with only two indicators showing notable improvement and lack of sufficient progress in some key areas where the service is weaker.
- 127** Kingfisher has shown that it can change and adapt in different ways. Over the past three years it set up a successful group structure with HVHS, developed and improved a successful in house repairs service, moved office and moved to a new computer system. All these changes have been successfully carried out, demonstrating that the Association can plan and implement change and improvement well.
- 128** Kingfisher has on the whole successfully completed various improvement plans. In 2007/08 an examination of the Audit Commission key lines of enquiry led to action plans which were carried out. However some actions did not have specific measures making it hard to assess whether they have been successfully carried out. The service improvement plan 2008/09 was mainly completed with less than 10 per cent getting a red light. Similarly the operational work plan was mainly completed. Some items were not done effectively. For example training front line staff on language line was listed as completed. However several staff who had received the training could not explain how to access the service. Kingfisher has shown that on balance it can carry out plans well.
- 129** The new phone and computer system are leading to an improved service. In September 2008 a new phone system was installed followed by new landlord computer software in February 2009. The old phone system went to the engaged signal if calls could not be answered immediately but now there is a queuing system. The old computer system was too slow to use while on the phone so staff took repairs orders down on paper and transferred the information to the computer later, limiting the amount of time they could take calls. In contrast, staff can now track previous calls and responses and offer a better service. The figures have started to improve recently. The abandonment rate was seven per cent in the six months to March 2009. It got worse for a while when the new computer was implemented but in the 4 weeks to 17 April it fell to 3.5 per cent. The number of calls answered per week has also gone up by 50 per cent since 2007/08.

What are the prospects for improvement to the service?

- 130** Customer satisfaction with services has improved. Between 2005 and 2008 overall satisfaction increased from 79 per cent to 82 per cent. Similar increases were recorded for homes and communications. Some increases were more significant such as satisfaction with the neighbourhood (up from 67 per cent to 78 per cent) and satisfaction with staff service (up from 55 per cent to 70 per cent). Some ratings went down such as satisfaction with the repairs service, which reduced from 80 per cent to 78 per cent. Satisfaction with voids increased by two to three percentage points in 2008/09 following a review.
- 131** Satisfaction with property management is improving. Tenants living out of the main borough of Basingstoke and Deane have seen a significant improvement in the repairs service. In the summer of 2006 the contractor for this service was changed and the work given to the main contractor. The previous contractor was only carrying out 57 per cent of repairs within the target time. The overall satisfaction is now 98 per cent. However it is a weakness that out of borough performance is not measured anymore since the STATUS survey shows that these tenants are less content with the overall service. Satisfaction with the kitchen and bathroom replacement programme has also improved. In 2005/06 and 2006/07 satisfaction was 89 to 90 per cent. In 2007/08 and 2008/09 satisfaction was 94 to 95 per cent.
- 132** Performance indicators show a modest improvement. The table below shows Kingfishers own preferred key indicators. Five show improvement, two are worse and two show no real movement.

Table 2 Improvements in performance indicators

| Indicator | 2006/07 | 2007/08 | 2008/09 | Improve? |
|--|---------------|---------|---------|----------|
| Homes vacant and available to let | 0.55% | 0.6% | 0.5% | → same |
| Average re-let time in days | 29 | 39 | 40 | ↓ worse |
| Void loss | not available | 0.68% | 0.66% | → same |
| Current arrears | 2.29% | 2.41% | 2.89% | ↓ worse |
| Repairs done on time | 92.5% | 95% | 97% | ↑ better |
| Satisfied with repairs | 97% | 97% | 98% | ↑ better |
| Gas certificates in place | 98.3% | 99.3% | 99.4% | ↑ better |
| Complaints within timescales | 91% | 97% | 97% | ↑ better |
| Telephone calls answered within target | 91% | 89% | 84% | ↓ worse |

What are the prospects for improvement to the service?

- 133** In a number of areas service improvement has not been strong. For example there are weaknesses in investigating and addressing lower resident satisfaction for those not living in Basingstoke and Deane, meeting customer care targets and dealing with complaints. The lack of vision on diversity has also hampered effective improvement, with ineffective equality impact assessments, lack of information on the tenant profile, lack of diversity monitoring and monitoring of services to vulnerable residents not providing the basic needed to drive change. Kingfisher has not yet tried to address the slow speed for residents needing aids and adaptations costing over £500 while performance on rent arrears is deteriorating while payment methods remain expensive. Kingfisher needs to make improvements in weaker areas to make a more significant impact on the quality of the service.
- 134** Value of money is improving. Kingfisher has set up a series of new contracts that will save over £600,000 a year as well as delivering improvements in services. Other savings have been achieved, in particular a reduction in the interest charged for borrowing money. The group reported to the Housing Corporation net annual cashable efficiency savings of £734,000 for 2005 - 2008. Kingfisher has more money available for investment in new properties and service improvement.
- 135** The new contracts are delivering improvements in service and performance. The new responsive repairs contract provides a proper appointment system with advertised evening and weekend slots. It has project management and quality control accreditation and the contractor should bring new experience, ideas and good practice from elsewhere. The operatives are being TUPEd over so the knowledge of the stock and tenants is kept which is valued by the tenants. The contract has a local labour requirement and will increase the use of apprenticeships, provide training workshops for residents and staff on decorating and minor repairs and allow residents to report repair requirements via the Kingfisher website. The benefits of the gas and cyclical decorations contract have been outlined above in the relevant sections of the report.

How well does the service manage performance?

- 136** Strengths outweigh weaknesses in this area. Kingfisher has a clear set of aims and has plans in place to address service weaknesses. Kingfisher benefits from some positive improvement systems, the Board provides effective leadership, the culture is open and suitably focused and structures for learning are in place. Resident involvement in setting priorities is adequate. However some aspects of the service planning and performance monitoring framework need improvement - for example, the quality of action plans are mixed, the focus on outcomes is not fully developed, and some targets are not challenging. The approach to benchmarking is underdeveloped and the approach to environmental sustainability is weak.

Aims, plans and improvement systems

- 137** Kingfisher has a clear set of aims and plans to guide progress. The group-wide business plan 2007/10 sets out a vision, values and eight strategic objectives. Each of these strategic objectives has its own vision and priorities and around half a dozen main actions for both year one and year two. The Kingfisher service improvement plan structure follows the eight objectives and expands on the actions. The Kingfisher teamwork plan looks at a different set of actions for each team. Clarity of aims helps staff and stakeholders focus on common objectives.
- 138** Kingfisher is suitably involved in shaping the strategic objectives of its home borough. The managing director is the chair of the housing partnership board that forms part of the Local Strategic Partnership (LSP). The board has successfully persuaded the LSP to give greater priority to housing. Kingfisher is more likely to address the needs of the wider community through its involvement with partnership structures.
- 139** Kingfisher is aware of and has suitable plans to address many of the key service weaknesses. As shown through the report, many of the weaknesses identified are matched by improvement plans. For example plans are in place to produce a new equality and diversity strategy, to monitor high value (£500 plus) aids and adaptation service more closely and to obtain better returns on satisfaction surveys. Services will improve as weaknesses are identified and addressed.
- 140** Despite weaknesses in the value for money strategy, plans are in place to make value for money savings in the future:
- The group amalgamation with Sovereign is anticipated to save £1 million each year by 2012 against the Wessex Group's current costs.
 - The amalgamation of Kingfisher with HVHS into a single housing association is anticipated to save £150,000 each year on overheads.
 - Staff costs will come down as the new computer system is rolled out. Staff were seconded into developing the computer system and so costs will reduce by around £40,000 a year when the staffing returns to normal. In addition the computer will deliver staffing efficiencies estimated to be around £80,000 per year.
 - Residents will get a reduction in service charges when the process for testing communal facilities like emergency lighting and water temperature come in house. The posts have been out to advert and £45,000 a year will be saved.
- 141** Resident involvement in setting priorities is adequate but not strong. Kingfisher benefits from regular feedback surveys and residents groups to gather opinions. At the residents' conference a session asked residents to consider various priorities. However the draft priorities in the annual plan are not put to a wider resident audience to allow them to respond with their views. Kingfisher has no mailing group that residents can ask to be part of to be consulted on key issues. Priorities reflect the broad concerns of some (but not all) residents.

What are the prospects for improvement to the service?

- 142 The quality of the action plans is mixed. The team workplan is well laid out and SMART - for example, recruiting new staff to reduce low level arrears by 25 per cent (51 per cent reduction achieved) and to increase the percentage of blocks that have tenants involved in estate inspection. However the service improvement plan is not always SMART and lacks outcome focused measures. It has some positive planned outcomes for residents such as a debt referral service with the CAB and establishing a credit union. However the outcomes cited are frequently processes like 'action plan in place' or they lack measures. The success of plans cannot be assessed well if targets are not measurable.
- 143 The focus on environmental sustainability is weak. In the business plan there is a reference to environmental sustainability under human resources and recognition that some action on this is necessary to obtain development grants. It does not appear as a challenge in the analysis of the external environment. The procurement strategy declares a commitment to values around environmental impact and sustainability. However Kingfisher lacks a framework of clear goals, measures and targets in this area. The outcomes are limited to using efficient lighting and recycling paper in the office. Kingfisher is not geared up to meet the wider environmental challenges that businesses face.
- 144 Kingfisher benefits from various productive and appropriate systems for improvement:
- Quality improvement forums involve a mix of tenants and staff focusing over a period on actions required to improve services. These have covered voids, estate services, gas, asbestos, and arrears and have led to improvements particularly in voids and estate services.
 - The challenge group of staff volunteers, chaired by the managing director, meets every six weeks with a remit to review and improve working practices.
 - The internal audit process highlights areas for improvement against good practice elsewhere. Kingfisher takes these seriously and responds to them, helping to drive improvement.
- 145 Some reviews are not carried out comprehensively.
- The best value review programme is prioritised by benchmarking costs, performance data and resident views. However the equality and diversity review produced more work for the following year rather than effective strategies and service improvements. The quality of the aids and adaptations service is not strong after the review of 'adapting services to meet the needs of increasingly elderly and/or disabled tenants'.
 - Not all changes are reviewed adequately. The voids review put in place changes to reduce the cost of clearing up voids where tenants leave them damaged or dirty. However this was not followed up with an assessment to see if it led to a reduction in recharges or void costs. However other outcomes like satisfaction, re-let time and refusal rates were assessed.

Reviews without comprehensive aims and fully monitored outcomes are less likely to be successful.

Leadership and culture

- 146** The Board is well supported and provides effective leadership. Appropriate processes are in place such as job descriptions, a code of conduct, annual appraisals, and 360 degree assessments. A number of training events take place throughout the year where all Board Members are invited to attend. Board members who do not make a strong contribution are challenged and this has led to some deciding to resign. The Board has been decisive on occasions, deciding how to progress on mergers and pushing forward issues around IT and facilities. It has shown flexibility in changing strategies and structures in response to changing markets. However the board is not always kept well informed. On the issue of rent increases in 2009, the Board were not aware of all the flexibilities at their disposal for reducing the rent increase for the majority of tenants who live in houses and bungalows. The Board is well placed to continue to drive improvement.
- 147** Kingfisher has an appropriate culture that is open and both customer and improvement focused. The quality improvement forums are effective in emphasising the importance of customer focus and customers are consulted in a number of ways about both large and small issues. Staff and managers are open and comfortable when talking about areas where improvements are required and responsive to ideas for improvement. When we pointed out there was no baby changing facility in the toilets, the appropriate equipment was bought the next day. Staff interviewed indicated that managers were approachable and they felt happy to voice their opinions.
- 148** Kingfisher has not fully developed systems of quality assurance. It employs some positive ways of checking progress through performance indicators, satisfaction surveys, resident inspectors and quality improvement frameworks. However it is only beginning to employ spot checking, as in the voids process to see that procedures are being followed. We found assumptions made about tenants who are known to need Braille or large print assuming that they were getting their communications in an appropriate format. We saw over reliance on one view, such as that provided by SAHARA, when we found three sources of information pointing to different conclusions. Areas of weakness can be identified better with more systems of quality assurance.

Performance management and learning

- 149** Effective performance management arrangements are in place. Regular team and one to one meetings ensure staff are aware of their performance targets and priorities. The performance indicator reports, tracker tools, performance briefs and performance cards are up to date and in an easy to understand format for staff. Staff interviewed understood their targets and were motivated to pursue them.
- 150** Performance monitoring and benchmarking is mixed. Kingfisher uses a relatively comprehensive set of performance reports for quarterly monitoring. However some figures are missing or misleading. The quarterly reports lack information on value for money and benchmarking. The figure on time taken to relet empty properties includes new build. This measure used is not a good indicator of performance and has hidden from staff the fact that performance is deteriorating. Kingfisher's understanding of performance is reduced by missing or inappropriate information.

What are the prospects for improvement to the service?

151 Kingfisher lacks a clear, consistent and challenging approach to target setting:

- For all categories of responsive repair the target is to complete 95 per cent in the advertised timescale. For emergency repairs, performance has been better than this for the past three years and the target is in line with the worst performing 25 per cent of organisations in the benchmarking group. This is despite Kingfisher's decision to set targets are in line with the best 25 per cent.
- The rent arrears target has been 2.7 per cent since April 2007 despite a performance of 2.3 per cent for the year before and 2.4 per cent the year after. Kingfisher is using benchmarking figures for gross arrears including Housing Benefit debt to compare performance with its own net arrears. This has resulted in a misleadingly positive view of performance.
- The target of evicting less than 0.44 per cent of tenants each year for rent arrears is in line with the worst performing 25 per cent of associations in the benchmarking group.
- The performance reports do not provide benchmarking information so the board and other users of the reports do not have a clear view of comparative performance.

Challenging targets and valid benchmarking can help improve performance.

152 Kingfisher is mainly successful at learning internally. Staff ideas for efficiency and improvement are encouraged through a suggestions scheme on the intranet. Over the past two years, nine staff have won awards worth between £10 and £100 for the ideas they put forward. Kingfisher uses opportunities to learn from resident surveys and involvement structures. Lessons are also learnt internally from subsidiaries, for example, the market rented sector sets out very clear standards required for the return of the deposit. However Information on learning from complaints is limited to stage two complaints which only represent 1 in 20 complaints. Staff receive regular but not comprehensive information on how to improve performance.

153 Staff regularly visit other organisations to learn how to improve services. When choosing a computer system, staff visited associations in Richmond and Bath. For the new appointment system Hartlepool was visited to view the system in operation. Staff went to West Kent and took away ideas that led to service improvements in gas safety. During the estate management review staff consulted Western Challenge. Staff have visited two local housing associations to learn from their complaints procedure, although they were not chosen for the quality of their service. Other regular discussions are had with other local landlords like Sentinel and Sovereign as issues arise. Kingfisher also uses benchmarking and toolkits to develop the service. Improvements are more likely to be delivered because of learning from others.

Does the service have the capacity to improve?

- 154** Strengths outweigh weaknesses in this area. Capacity is enhanced by the positive approach to working with partners, effective new computer systems and robust human resource management. Staff have appropriate training, their morale is high, subsidiaries provide important benefits and finances are strong. However, some managers lack a strategic outlook and Kingfisher is not yet leveraging in the full range of external resources that it could access.
- 155** Kingfisher benefits from working in partnership and access to expertise from specialists. For example Stonham provides tenancy training and short term housing, Downland runs the refuge and provides expertise on domestic violence, residential homes and Asperger's. Southern and Two Saints provide floating support. Contractors spoke positively about the staff attitude at Kingfisher, with its partnership culture of mutual support being compared favourably with the approach taken by some other landlords in the area. Close partnership working and access to expertise helps the Association deal with new and challenging issues.
- 156** New computer systems are developing and improving the organisation's capacity. The old system required staff to take repairs down on paper and copy them to the system after a phone call. Now it can be done live and staff have access to greater information about previous enquiries, speeding up transactions. The full potential of the systems have not been realised yet - for example the information on customers profiles and vulnerabilities have not been loaded. But when fully populated, staff will be able to access information about residents and the services they receive. It will provide specific and easily identified alerts on a range of areas such as vulnerability, whether there is an ongoing ASB case and communication preferences. The system is compatible with HVHS and Sovereign and so will continue to be effective following the proposed mergers. Effective computer systems enhance customer service and efficiency.
- 157** Some front line managers are knowledgeable about their service areas but need a stronger strategic outlook. Most understand their team's targets and performance. They share the Kingfisher values, are customer focused, supportive of resident involvement and have some understanding of the broader picture through the corporate planning process. However some do not link their roles to the wider objectives of the organisation. Strategies do not exist in some service areas and managers generally lack information on comparative performance and costs. Managers are able to carry out their own role effectively but are limited in their contribution to wider objectives and sometimes lack the tools needed to drive improvement.

What are the prospects for improvement to the service?

158 Kingfisher benefits from robust Human Resource (HR) management. For example, the Association:

- has had Investors In People¹¹ accreditation since 1999 and has recently been re-accredited under the new standard. Preparing for it has led to greater consistency in performance management processes.
- deals appropriately with under performing staff; in 2008 four members of staff left as a result of capability processes.
- has dealt well with recruitment and retention in a difficult environment. Basingstoke has the 3rd lowest unemployment rate of all local authorities in the country making recruitment difficult. The salary structure and methods of recruitment are flexible while pay levels and packages are regularly reviewed.
- takes personal development reviews (PDRs) seriously with 98 per cent completed by April 2009.
- manages sickness well, with exit interviews, occupational health referrals, phased returns and close monitoring. The figures are not good with 6 per cent sickness against an average of 4.6 per cent. However more than half of this is due to the long term absence of two people.

Effective Human resource management has increased the capacity of the Association.

159 Staff have appropriate training opportunities. On average staff receive 4.7 training days per year and staff spoke positively of training opportunities. All staff have received customer service training within the last year. The PDRs keep track of individual development needs effectively and HR keeps appropriate records of past training. The training has enhanced the capacity of staff.

160 Staff morale and motivation is high. Staff are committed to delivering continuous improvement in their roles. They have engaged with the changes such as new structures and computers. Kingfisher is lacking an up-to-date staff satisfaction survey, so managers do not know what the key issues they need to address to boost morale. However motivation seems positive and a survey is planned for April 2009. High morale and motivation help improve services.

161 The group subsidiaries have provided valuable benefits. The additional commercial arms have both provided extra income and helped to defray the costs of a top heavy structure. Kingfisher Building Services, the repairs and contracting arm, has been a valuable asset, providing good value when repair contracts were expensive. It continues to boost the capacity of Kingfisher as it serves as an exit strategy from the responsive repairs contractor should that contract go wrong or become less competitive.

¹¹ Investors in People is a national standard for the training and development of people in the workplace.

What are the prospects for improvement to the service?

- 162** Kingfisher has the necessary resources to withstand the recession and invest in improvements. A new funding facility for £200 million was secured in 2008 providing up to £60 million to support the new build programme. The balance sheet is strong and has improved by £32 million over the past 3 years. Latest scenario testing shows that property prices need to fall by 45 per cent before they impact significantly on the development capacity which would be the first area to suffer remedial actions. In the meantime, as the section on value for money above shows, there are over £2 million a year of savings coming on line over the next few years. Kingfisher has the financial capacity to invest in improved services.
- 163** However Kingfisher has had limited success in levering in external funding. This is shown in the section on value for money above. Kingfisher is not yet maximising the capacity to use external funding to enhance services and residents living conditions.

Appendix 1 – Performance indicators

This is the standard performance table produced by the Tenants Services Authority

| PERFORMANCE INDICATORS | Result | Result | National average | National quartile 1 | National median | National quartile 3 | National 10th centile | National 90th centile |
|---|--------|--------|------------------|---------------------|-----------------|---------------------|-----------------------|-----------------------|
| | 2007 | 2008 | 2008 statistics | | | | | |
| Asset condition PIs (Source: RSR, owned dwellings) | | | | | | | | |
| % Social housing stock failing the Decent Home Standard | 3.3 | 1.8 | 10.9 | 1.8 | 4.9 | 11.5 | 0.0 | 23.5 |
| Average SAP rating of self-contained General needs dwellings | 72.0 | 73.0 | 68.0 | 72.0 | 67.5 | 64.0 | 76.5 | 60.8 |
| Void PI (Source RSR, owned dwellings) | | | | | | | | |
| % Social housing rental dwellings vacant at 31 March | 0.5 | 0.9 | 2.4 | 1.2 | 1.9 | 2.9 | 0.7 | 4.2 |
| Managing stock PIs | | | | | | | | |
| Average days to relet all managed social housing dwellings (Source: CORE recorded by those RSLs that own stock) | 29.2 | 38.9 | 40.2 | 26.0 | 35.5 | 47.3 | 20.1 | 61.6 |
| % Social housing current tenant rent arrears(Source: accounts returns) | 3.3 | 4.0% | 5.0 | 3.2 | 4.4 | 6.1 | 2.2 | 8.5 |
| General Needs Tenant satisfaction PIs (source RSR, recorded by those that manage general needs dwellings) | | | | | | | | |
| %Tenant satisfaction with overall service | 78.8 | 78.8 | 79.5 | 85.0 | 80.8 | 75.0 | 89.0 | 69.0 |
| %Tenant satisfaction with opportunities for participation | 55.0 | 55.0 | 60.8 | 67.0 | 60.0 | 53.2 | 75.6 | 48.6 |
| %Tenant satisfaction with repairs & maintenance service | 78.1 | 78.1 | 75.5 | 82.4 | 76.8 | 69.4 | 86.2 | 63.0 |
| %Tenant satisfaction with the quality of newly built homes | NA | 95.0 | 85.8 | 92.4 | 85.5 | 80.0 | 97.0 | 75.2 |

Appendix 2 – Reality checks undertaken

- 1 When we went on-site we carried out a number of different checks, building on the work described above, in order to get a full picture of how good the service is. These on-site reality checks were designed to gather evidence about what it is like to use the service and to see how well it works. Our reality checks included:
 - focus groups with staff, tenants and contractors;
 - interviews with staff and partners;
 - viewing property improvements and repairs;
 - inspection of ready to let properties;
 - shadowing staff carrying out their activities;
 - observation at customer contact centre;
 - estate inspections;
 - tour of the housing stock:
 - talking to tenants;
 - observation of tenancy settling in visits;
 - various file checks;
 - review of Housing Association’s website and leaflets; and
 - mystery shopping.

Appendix 3 – Positive practice

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

The housing health and safety check

- 1** A new contract has just started for a ‘housing health and safety check’. This contract is mainly for gas inspections but also includes, smoke and carbon monoxide alarm tests, type 1 asbestos tests, water monitoring, PAT tests, stop cock easing/testing and identifying unreported repairs. This means that residents are only disturbed once a year for different tests and Kingfisher gains £200,000 each year by moving six contracts into one.

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