

Short Notice Inspection

**routine repairs, repairs to empty properties and
gas servicing**

Wulvern Housing

February 2010



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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 current inspection role and remit is set out in sections 41A and 41B of the Audit Commission Act 1998 (as amended by section 109 of the Local Government Act 2003). Provisions contained in the Housing and Regeneration Act 2008 will amend our role and remit in due course, but are not yet in force. Our role 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.

Short notice inspections (SNIs) have been developed to encourage improvements in the performance of housing associations (HAs) at delivering services to their customers – tenants and leaseholders. They focus on the outcomes for residents and work on the basis that associations will concentrate on improving services rather than preparing for an inspection, which could happen at any time.

The scope of each inspection of a housing association, undertaken by the Audit Commission has been agreed in consultation with the Tenant Services Authority. The Tenant Services Authority 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.

The Association

- 1 Wulvern Housing is a charitable Industrial and Provident Society and was established on 10 March 2003 following a stock transfer from Crewe and Nantwich Borough Council. The association owns and manages around 5,000 properties, of which approximately a quarter are sheltered units. The bulk of the association's stock is in Crewe with the remaining 25 per cent in rural villages and the market town of Nantwich. A survey completed five years ago showed that over 50 per cent of the association's tenants are aged 60-years or over compared with 21 per cent in the general population.

- 2 The majority of its homes are of traditional construction built between the wars and in the 1950s, mostly of two and three bedroom family houses and flats for general needs and older persons. There are a small number of non-traditional homes constructed of aluminium and concrete. The Association completed its initial five year programme of catch-up improvements in 2008, at a cost of £40.1 million. The number of properties which meet the decent homes standard as at August 2009 is 97.31 per cent.

The scope of the inspection

- 3 The scope of this inspection focused on the following areas, which have been identified in consultation with the regulator:
 - responsive repairs;
 - voids (repairs to empty properties); and
 - gas servicing.
- 4 The inspection also included an assessment of how Wulvern Housing is addressing three cross-cutting themes: access and customer care, diversity and value for money, within the services included in the inspection's scope.
- 5 We would like to thank the staff of Wulvern Housing who made us welcome and met our requests efficiently and courteously.

Dates of inspection: 28 to 30 July 2009.

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Summary of our findings

- 6 We have assessed the strengths and weaknesses of the service areas included in the scope of the inspection. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Table 1 **Assessment**

How good is the service?	Assessment
• Access and customer care ¹	Strengths and weaknesses are in balance.
• Diversity	Strengths and weaknesses are in balance.
• Value for Money	Weaknesses outweigh strengths.
• Responsive repairs	Strengths and weaknesses are in balance.
• Voids	Weaknesses outweigh strengths.
• Gas servicing	Strengths outweigh weaknesses.

- 7 We have asked Wulvern Housing to consult with its tenants on the findings of this report and on the preparation of an action plan to implement our recommendations.

¹ Access and Customer Care, Diversity and Value for Money are assessed in relation to the service areas inspected only.

How good is the service?

Access and customer care in the service areas inspected

- 8 We found strengths and weaknesses are in balance in this area.
- 9 There are a number of strengths.
- Access to services has been arranged around the expressed preferences of tenants. This has mainly led to the development of a contact centre approach but has also involved the relocation of an area office to a city centre location. It is easy for tenants to contact their landlord.
 - Calls to the association are divided into 'value' and 'failure' calls. Value calls are those where, for example, the association needs to make contact with the tenant. Failure calls are those where the tenants has had to contact the association either because of a service failure such as an appointment not kept. 'Failure' calls are regularly analysed to identify possible service improvements.
 - Publicity and other information is well presented, easy to obtain and understand. Leaflets, forms and newsletters are of a high standard and a tenant's panel approves their clarity. Information is easy to obtain and understand.
 - Wulvern welcomes complaints and they are easy to make. Complaints can be made verbally or in writing and the satisfaction of complainants is gathered. Complaints are analysed on a quarterly basis and any areas for learning identified. Complaints lead to improvements in service and protect vulnerable people.
 - Tenant's satisfaction with services provided by the association is rising. From a low base the latest STATUS survey in December 2008 shows tenant satisfaction rising from 77 to 91 per cent.
- 10 There are a number of weaknesses.
- Customers are not yet fully clear on the standard of service they can expect. The recently developed customer promise sets out quality expectations for customer care and the 'Your Home' leaflet sets out what a new tenant can expect. However, further work on clarifying service expectations is planned for this year. Customers cannot judge services without being given an indication of what to expect.
 - Wulvern does not have a detailed understanding of the quality of their telephone and reception services. For example, they are unaware of the number of calls that are dealt with successfully first time or the number of calls referred on. No records are kept of how long personal callers have to wait before being seen at area offices or how well their query was dealt with.
 - Internet based services need further development. The website is easy to navigate and has clear information, but is underdeveloped with few online interactive services. Services available over the internet are becoming particularly popular amongst diverse groups such as people with disabilities.

How good is the service?

Diversity in the service areas inspected

11 We found strengths and weaknesses are in balance in this area.

12 There are a number of strengths.

- Services are arranged around the specific needs of individual tenants. Repairs are completed when tenants want them and operatives can complete additional works at the request of the tenants. This will lead to high levels of tenant satisfaction.
- Wulvern has recently completed a tenant profiling exercise. The profiling covered seven strands of diversity and around 70 per cent of tenants have supplied details. The information will help to tailor services around tenant's specific needs.
- It is easy for diverse groups to access services. All publicity material is available in different formats and the website has features such as browsealoud. A member of staff speaks several east European languages. Services can be accessed by all members of the community.
- Meeting the needs of people with disabilities has been a priority for Wulvern, due to the profile of its existing and potential customer group. Requests for aids and adaptations are assessed by an in-house Occupational Therapist within two weeks. Minor adaptations are undertaken by the in-house repairs team within ten days and major adaptations are undertaken within three months. Ensuring that vulnerable tenants receive the help they need.

13 There are a number of weaknesses.

- Wulvern does not yet have an understanding of the standard of service received by people from diverse backgrounds. The diversity of complainants or people responding to satisfaction surveys is not recorded. Presently Wulvern are unaware if tenants from diverse backgrounds are more likely to receive a service which leads them to complain or be less satisfied than tenants from other backgrounds.
- Wulvern has responded slowly to the findings of Equality Impact Assessments for services within the scope of the inspection. For example during an assessment of the new re-letting process it was correctly identified that people may have difficulty expressing what they need in their new property. A leaflet explaining what people are entitled to, has been produced but it is not in common usage over five months since the impact assessment.
- Wulvern has only recently collected the diversity details of their tenants. Information on tenant's diversity is not comprehensively supplied to staff that have direct contact with tenants; presently details are manually input onto work tickets. The needs of vulnerable people may not always be met.
- Wulvern does not meet good practice standards such as the CRE code of practice for rented housing¹ or the Tenant Services Authority Good Practice Note 8.

¹ Commission for Racial Equality Code of Practice on Rented Housing

- Compliance with DDA¹ has not been comprehensively established. Not all areas of the association's sheltered schemes are DDA compliant; however some of the work is relatively minor and is included in a programme of soon to be completed works. Presently people with disabilities cannot easily access some areas of Wulvern's accommodation.

Responsive repairs

14 We found strengths and weaknesses are in balance in this area.

15 There are a number of strengths.

- The repairs service has been arranged in a manner to meet tenants' needs. Over 90 per cent of customers are satisfied with the repairs service.
- The average end to end time for the completion of repairs has fallen from 52 days to 10.4 days. Tenant satisfaction with the repairs service is increasing and repairs are completed quickly.
- More repairs are completed on time or when the tenant wants them completing than in previous years. Around 90 per cent of repairs were completed when the tenants asked for it to be completed and latest figures around emergency repairs show a 97 per cent completion rate.

16 There are a number of weaknesses.

- The customer focus of the repairs service needs further developing. Although offered when asked, the choices available for appointment are not well publicised with most tenants being offered only morning or afternoon. This limits customer choice.
- Quality control within the service has a number of gaps. There are few service standards and only around ten per cent of tenants are canvassed on their satisfaction with their repair. Routine quality checks are no longer undertaken on a systematic basis being replaced with the monitoring of repairs which need re-ordering within a six month period. As a result the quality of repairs cannot be assured and tenants cannot make an accurate assessment of the effectiveness of the service.

Voids

17 We found weaknesses outweigh strengths in this area.

18 There are a number of weaknesses.

- The customer focus needs further development. In some voids, the presentation could be improved. Tenants can request additional works but this is not made clear to them. Matching prospective tenants with voids takes too long and they are unclear what standard of finish they can expect in offered properties.
- Re-let times and average void costs have increased since the last inspection. From May 2005 void turnaround averaged 45 days, now it is 50 days and average costs have increased from £2,153 to £2,481.

¹ Disability Discrimination Act

How good is the service?

19 There are a number of strengths.

- The number of empty homes is reducing. In 2007/08 around 3.2 per cent of the stock was void, for the period 2008/09 the number of voids has halved. Void properties can blight an area and attract vandalism.
- Figures indicate that tenancy sustainment is improving. Comparison shows that tenants who left their property in week commencing 13 July 2009 had held their tenancy for an average of 1,157 days, an average of 179 days longer than customers who left their property in a representative week in October 2007. People stay longer in homes they are happy living in.

Gas servicing

20 We found strengths outweigh weaknesses in this area.

21 There are a number of strengths.

- Almost all homes meet gas servicing regulations and appropriate action is taken when easy access is not given. At the end of the 2008 programme 99.98 per cent of homes had a valid gas safety certificate. The importance of gas servicing is promoted in the newsletter, friendly reminder cards are left at the property and an incentive is offered through entry into a monthly prize draw. When necessary, gas guards and legal action are used to ensure services are completed in a timely manner. Wulvern is ensuring the safety of its tenants.
- A full safety service is offered to customers. In addition to servicing the gas boilers, engineers will service any other gas appliances, such as gas fires, free of charge. They will also test smoke alarms and carbon monoxide alarms. Customer satisfaction levels are high.

22 There are a number of weaknesses.

- The approach towards programming gas servicing delivers mixed results. The first appointment for gas servicing is scheduled on or shortly before the certificate expires and any appointments not fulfilled (around 28 per cent of all appointments) result in a certificate that is out of date. The number overdue therefore varies throughout the year and currently 2.29 per cent of properties have overdue gas services; although only one is older than May 2009. The approach accepts that a number of services will become overdue.
- The customer focus of the service needs strengthening. Although appointment choices are available, customers do not know about them unless they ask. The contractors' initial letter advises customers of the day (no time or am/pm) they intend to call. The specific diverse needs of tenants are not passed to contractors and may only come to light when the contractor has passed 'no access' details back to Wulvern.
- Reporting processes for gas servicing are inadequate. Progress on gas servicing is only reported to the Board on an annual basis, leaving them unsure of the performance of a service which they hold corporate responsibility. However, this is robustly monitored, on a daily basis by the Cyclical and Planned Repairs Manager and monthly by the Director.

Value for Money in the service areas inspected¹

23 We found weaknesses outweigh strengths in this area.

24 There are a number of weaknesses.

- A value for money (VFM) approach is only partially embedded within the association's culture. Whilst average repair costs have fallen since the last inspection, void costs have not. A comprehensive approach to VFM would enable the association to spend more on its priorities.
- The value for money of the response repairs and voids service has not been comprehensively established. Comparative studies have shown that costs are broadly consistent with similar organisations and quality measures such as tenant satisfaction and repairs completed first time show an improving service. However, the service has not been market tested and as a result its competitiveness has not been fully established.
- Wulvern does not yet fully understand how its costs and services compare to other organisations. Whilst benchmarking data is used, more work needs to be done to understand the data and to use this to set service improvement priorities for the Association.

25 There are a number of strengths.

- A series of large efficiency gains have been made. Over £2 million in savings have been made since 2007/08 and a series of other efficiency gains have been made in several areas such as gas servicing and reducing the number of operatives.
- There is a focus on planned rather than responsive repairs. Of total repairs expenditure in 2007/08, 76 per cent was on planned repairs. Reducing the level of responsive repairs helps to improve the overall VFM of this service area.

¹ In assessing value for money we are looking at two questions: 'How do costs compare?' and 'How is value for money managed?'

Recommendations

26 To rise to the challenge of continuous improvement, organisations need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the organisation. In addition, we identify the approximate costs¹ and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the 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 Comprehensively embed value for money within the association's culture:

- ensure that a value for money culture is fully embedded at all levels within the association;
- ensure that benchmarking data is used more effectively to fully understand the relationship between the costs and quality of services provided;
- ensure that benchmarking data is used when setting improvement targets for the association; and
- establish why programmed works are not leading to greater reductions in void and repair costs.

The expected benefits of this recommendation are:

- more money for the association to spend on its priorities; and
- greater clarity about the link between service costs and service quality.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by winter 2010.

Recommendation

R2 Improve the customer focus of the association and ensure the Board is kept abreast of all developments:

- ensure all customers have a good understanding of what services the association offers and the standard of service they can expect to receive;
- ensure that telephone and reception services are delivered to a consistently high standard that can be demonstrated to customers; and
- report progress on gas servicing to the Board on a regular basis.

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

The expected benefits of this recommendation are:

- higher levels of satisfaction with the service; and
- services which accommodate customers' diverse needs.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by winter 2010.

Recommendation

R3 Comprehensively address the diverse needs of tenants:

- ensure that all staff and contractors are informed of customer's diverse needs as a matter of routine;
- meet the requirements of good practice guidance such as the CRE code of practice;
- ensure that satisfaction levels amongst diverse groups are broadly comparable to other customers; and
- act in a timely manner on the findings of equality impact assessments and ensure that outcomes for customers can be measured and assessed for effectiveness.

The expected benefits of this recommendation are:

- a better understanding of the service experience of people from diverse backgrounds; and
- more efficient and effective services better tailored to people specific needs.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by winter 2010.

Prospects for improvement

Summary of our findings

27 We have assessed Wulvern Housing as having promising prospects for improvement for the service areas included in the scope of the inspection. Our judgements are based on the evidence obtained during the inspection and are outlined below.

What prospects are there that the services inspected will improve?

What is the track record in delivering improvement in the areas inspected?

28 We found strengths and weaknesses are in balance in this area.

29 There are a number of strengths.

- An impressive programme of improvements has been delivered over the past six years. The programme has been delivered on schedule and with high levels of satisfaction amongst tenants.
- Tenant satisfaction with the service shows recent improvements. From a low base tenant satisfaction with services has increased.
- Services which are important to tenants such as disabled adaptations and the 'active 4 life' have been appropriately resourced. Over half of Wulverns tenants are over 60 and there is a high demand for these services.
- Programmed works have completed in a cost effective manner with good use of modern means of procurement. However, some concerns remain with the value for money of the responsive repairs service.

30 There are a number of weaknesses.

- A number of key performance indicators show deteriorating performance. This includes relet times.
- Recommendations from previous inspection reports have not been comprehensively acted upon. For example targets to deliver value for money across all services have not been set.
- Changes have been made to the manner in which responsive repairs are dealt with without considering how its success or cost implications can be assessed. No means of assessing the effectiveness of the changes has been put in place and there has been no analysis of the cost implications of this approach. It is presently unknown how effective the changes have been.

How well is performance managed in the areas inspected?

31 We found that strengths and weaknesses are in balance in this area.

32 There are a number of strengths.

- An emphasis has been placed on improving service delivery in a manner which has been noticed by tenants. A series of initiatives have been introduced which reflect tenants wishes such as the relocation of an area office and repairs completed when the tenant wants them completing.
- A generally comprehensive action plan to implement the recommendations from judgement one of the report has been prepared. A range of tenants from diverse and 'difficult to reach' groups were involved in drawing up the action plan.
- Performance reports to the Board and Tenants are well laid out and easy to understand. The reports generally give a rounded picture of the performance of the association.
- The Board and Chief Executive have a high profile in the association. The management team has a comprehensive understanding of the issues facing the association and a vision of how they want the association to develop. There is a clear emphasis on improving services.
- Wulvern have shown a willingness to learn from others and implement effective working practices from elsewhere. This has included a multi skilled workforce and empowering staff to complete additional work where necessary.

There are a number of weaknesses.

- Whilst a number of service promises have been developed, further work is needed to embed them with staff and to raise awareness with customers. For example, it is unclear if all customers can express choice when viewing empty properties and the limited range of service promises means tenants cannot make an informed decision on the level of service they receive.
- By using performance measures unique to Wulvern HA, it is difficult for the company to compare and contrast its performance with other housing providers. As a result it is difficult for customers to see how the performance provided to them by Wulvern HA compares to that of other providers.
- Targets are not used as a means to improve performance. Target setting is only used in the most general manner such as to, 'continuously improve performance'.
- The diversity of service users and their levels of satisfaction with the service is not comprehensively recorded. Wulvern are unsure if all sections of the community are using their services and if diverse groups receive a service of a similar standard as that of other users.
- A comprehensive approach to value for money has not been established. Resources and priorities have not been aligned.

Prospects for improvement

Do the areas inspected have capacity to improve?

33 We found that strengths outweigh weaknesses in this area.

34 There are a number of strengths.

- Staff and Board members are appropriately supported and have annual appraisals set against an agreed skills matrix. Other issues such as attendance and training needs are also addressed in performance appraisals.
- The Board has a good understanding of local housing issues and how well the association is placed to deal with them.
- Wulvern have a good relationship with their local authority and other partners and have contributed to regional initiatives such as the choice based lettings scheme and sub regional housing strategy.
- Wulvern has had considerable success in levering in funds from elsewhere and developing partnerships to support the overall objectives of the association.
- Wulvern has shown a willingness to make difficult decisions and to stick to them. Since the association has been formed it has reduced the size of the workforce and has made changes to pay and conditions.

35 There is a weakness.

- IT systems do not meet the needs of a modern housing service. Operatives work schedules are partially manually arranged and the diverse needs of tenants have to be manually entered onto different IT systems. IT systems are not fully effective in helping staff deliver services to customers.

Appendix 1 – 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)

- 1** Tenants are asked when they want a repair to be completed rather than the repair being put into a priority classification and an appointment being arranged around that.
- 2** Calls to the association are divided into 'value' and 'failure' calls. Value calls are those where, for example, the association needs to make contact with the tenant. Failure calls are those where the tenants has had to contact the association either because of a service failure such as an appointment not kept. 'Failure' calls are regularly analysed to identify possible service improvements.

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