

# Six Town Housing

Bury Metropolitan  
Borough Council  
February 2009



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# Arm's Length Management Organisation (ALMO) Inspections

- 1 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.
- 2 Within the Audit Commission, the Housing Inspectorate inspects and monitors the performance of a number of bodies and services. These include local authority housing departments, local authorities administering Supporting People programmes, arm's length management organisations (ALMOs) and housing associations. Our key lines of enquiry (KLOEs) set out the main issues which we consider when forming our judgements on the quality of services. The KLOEs can be found on the Audit Commission's website at [www.audit-commission.gov.uk/housing](http://www.audit-commission.gov.uk/housing).
- 3 This inspection has been carried out by the Housing Inspectorate using powers under section 10 of the Local Government Act 1999 and is in line with the Audit Commission's strategic regulation principles. In broad terms, these principles look to minimise the burden of regulation while maximising its impact. To meet these principles this inspection:
  - is proportionate to risk and the performance of the Council/ALMO;
  - judges the quality of the service for service users and the value for money of the service;
  - promotes further improvements in the service; and
  - has cost no more than is necessary to safeguard the public interest.
- 4 This service was inspected as part of the Government's arms length housing management initiative, which encourages councils to set up ALMOs to manage, maintain and improve their housing stock. The Government decided that councils pursuing this option can secure additional capital funding if the new arms length body has received at least a 'good' rating from the Audit Commission's Housing Inspectorate.
- 5 An ALMO is a company set up by a local authority to manage and improve all or part of its housing stock. The local authority remains the landlord and tenants remain secure tenants of the authority. An ALMO does not trade for profit, and is managed by a board of directors comprising Council nominees, elected tenants/leaseholders and independents.
- 6 The Housing Inspectorate has published additional guidance for ALMO inspections, as follows.
  - 'ALMO Inspections and the delivery of excellent housing management services' (March 2003).
  - 'Learning from the first housing ALMOs' (May 2003).

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# Summary

- 7 Six Town Housing (STH) provides a good housing service with excellent prospects for improvement.
- 8 STH is a customer focused organisation. All services are easy to access and STH provides good quality advice and information to service users in a range of formats. Residents are increasingly involved in managing and developing services in a wide range of ways. STH listens to, and learns from, customer feedback. Tenant satisfaction is high and is improving for most services. There is a corporate commitment to respecting diversity. A wide range of effective housing support and benefit advice is given to vulnerable tenants.
- 9 Tenants' homes are improved to a high standard. The repair service is customer focused and performance on gas servicing is high. Estates are well managed and the appearance is good. STH has a firm approach to tackling anti-social behaviour, increasingly balanced with preventative work. All parts of the organisation contribute to improving the value for money of services, and significant efficiency savings are being made. A new home improvement agency is starting to improve the speed and quality of aids and adaptations across all tenures in Bury.
- 10 A number of areas require further improvement. A strategic approach to energy efficiency, sustainable homes and environmental issues is still developing. STH does not routinely evaluate the impact of its work on community sustainability. Performance on re-letting empty homes, answering telephones and complaints is comparatively weak.
- 11 Rent collection and arrears recovery is improving but is not meeting targets. Leaseholders are not fully engaged about repairs and improvement works. The recently transferred repair service is being modernised but still makes a financial loss. STH does not routinely use benchmarking information to target improvement on high cost/low quality services.
- 12 Services will continue to improve. STH has a good track record of improving services that give real benefits to customers. Joint working with partners contributes to wider community initiatives. Feedback is used to improve what matters most to customers. Effective leadership is provided by the Board and senior management. The approach to improvement planning, performance management and human resources is strong. Financial and risk management is robust.
- 13 There are a few barriers to improvement. Some service improvements are new and it is too soon to identify outcomes. Improvement demonstrated by key performance indicators is mixed. Improvement plans lack measurable targets and outcomes. Parts of the organisation are not yet fully representative of the local community.

# Scoring the service

14 We have assessed Six Town Housing as providing a 'good', two-star service that has excellent prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

**Figure 1 Scoring chart<sup>1</sup>**

	<b>Prospects for improvement?</b>					'a good service that has excellent prospects for improvement'
Excellent					<b>A good service?</b>	
Promising						
Uncertain						
Poor						
	Poor	Fair ★	Good ★★	Excellent ★★★		

Source: Audit Commission

15 We found the service to be good because it has a range of strengths including:

- a strong corporate approach to customer care which is embedded throughout the organisation and reflected in easy access to services;
- a high level of customer satisfaction with most services;
- information for customers is comprehensive, clear and written in plain language, includes standards for most services and is available in a range of formats to meet preferred means of communication;
- residents are routinely involved in developing services in a range of ways;
- a strong corporate commitment to diversity and equal opportunities;
- a broad range of housing support is given to vulnerable tenants;

<sup>1</sup> 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.

- high quality gas servicing and home improvement, making 88 per cent of homes decent;
- customer focused repairs and aids and adaptations services;
- a focus on customers in managing empty homes through accompanied viewings and new tenant visits;
- high quality benefit advice and housing support services, with a range of rent payment options;
- effective tenancy management services and tackling anti-social behaviour, with a positive balance between prevention, support and enforcement;
- the quality of estate management and the appearance of estates is good;
- performance administering Right to Buy services is effective; and
- a culture of value for money is increasingly embedded, making significant efficiency savings.

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

- performance on responding to complaints and answering telephone calls on time is not strong;
- the make-up of organisation does not fully reflect the local community, and STH does not monitor all services by diversity;
- a strategic approach to energy efficiency, sustainability and environmental issues is still developing, and STH does not routinely measure the impact of its initiatives;
- the repair service makes a loss and has some inefficient working practices, including too many emergency and urgent repairs and poor performance collecting repair recharges;
- rent collection and arrears recovery performance is improving but is not meeting targets;
- profiling of tenants in rent arrears is not used to target support and benefit take-up advice;
- leaseholders are not fully engaged about repairs and improvement works and are not given the opportunity to use STH contractors; and
- using data on the cost and quality of individual services to routinely target improvement with high cost / low quality services is under developed.

## Scoring the service

17 The service has excellent prospects for improvement because:

- it has a strong track record of improving services with clear customer benefits;
- staff and customer feedback is used to improve services;
- effective leadership is provided by the Board and senior officers and governance arrangements are sound;
- service improvement planning is robust with objectives integrated through service plans and personal targets;
- performance management is strong, focusing attention on areas that matter to customers;
- financial and risk management is robust;
- human resource management and staff communication is effective; and
- strategic and operational partnerships with the Council and other organisations contribute to improved community sustainability.

18 However, there are a number of barriers to improvement. These include:

- some strategies and initiatives, such as positive work by the home improvement agency, are new and have not fully delivered clear benefits to customers;
- improvement demonstrated by key performance indicators is mixed;
- ICT systems are not fully integrated;
- improvement plans lack measurable targets and outcomes; and
- feedback from all sources is not systematically collated to fully apply learning.

# Recommendations

- 19 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 costs<sup>2</sup> and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the organisation shares the findings of this report with the ALMO Board, the local authority and customers; and takes action to address all weaknesses identified in the report. The inspection team makes the following recommendations.

## Recommendation

**R1** Strengthen the focus on customers, and performance on meeting the diverse needs of the community, by:

- reviewing the handling of customer complaints and answering telephone calls to ensure realistic targets are routinely met;
- using tenants' profile data to tailor services to meet identified needs, and automatically send information in the appropriate format;
- using data on tenants in rent arrears to target specific benefit advice to meet identified needs;
- agreeing with the Council, in consultation with tenants, plans for the future use of sheltered schemes, ensuring that all schemes are DDA compliant;
- agreeing with the Council effective arrangements for getting speedy occupational therapist assessments, and making sure that service standards for people requiring aids and adaptations are clear and challenging;
- developing plans and targets to ensure staff, tenant groups and the Board represent communities they serve; and
- monitoring performance and access to all services by all relevant diversity strands.

20 The expected benefits of this recommendation are:

- improvement in the quality of services, as experienced by customers;
- fair access to all services;
- safe access for vulnerable people to sheltered schemes; and
- increasing customer satisfaction.

<sup>2</sup> 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

- 21 The implementation of this recommendation will have high impact with medium costs. This should be implemented by July 2009, with sheltered schemes complying with DDA requirements by December 2009.

### Recommendation

**R2** Improve information on the costs of services and improve the value for money of services by:

- ensuring that robust cost and quality data is gathered for all services areas, is compared with top performers, and is used to target action and resources to maximise improvement with high cost / low quality areas;
- ensuring the repair and maintenance service does not make a loss and provides value for money; and
- developing and implementing a strategy to redirect expenditure from response repairs to more planned repairs, including ways to reduce the high levels of emergency and urgent repairs .

- 22 The expected benefits of this recommendation are:

- efficiency savings and better value for money of services; and
- better decision-making based on a greater understanding of the cost and quality of services.

- 23 The implementation of this recommendation will have medium impact with medium costs. This should be implemented by July 2009, with ensuring the value for money of the repairs and maintenance service by March 2010.

### Recommendation

**R3** Strengthen performance management, improvement planning and organisational capacity by:

- ensuring that challenging service standards are agreed with customers for remaining service areas, and taking action to ensure performance is monitored and managed on meeting all targets;
- developing measurable targets and outcomes for all service plans;
- monitoring and managing the quality of employee reviews;
- systematically collating all sources of feedback, learning from good practice and applying improved methods across the organisation;
- ensuring ICT systems are up-to-date, and are fully integrated to support service improvement and performance management; and
- building on the positive relationship with the Council to ensure effective joint working and reviewing the future of the organisation with customers, tenants and other stakeholders.

- 24** The expected benefits of this recommendation are:
- higher standards and services matching top performers;
  - being able to measure the success of plans;
  - greater capacity through better use of ICT; and
  - a fit for purpose organisation best placed to meet the future needs of tenants and the local community.
- 25** The implementation of this recommendation will have high impact with medium costs. This should be implemented by July 2009, with the future of STH being reviewed by March 2010.

### Recommendation

**R4** Address all other weaknesses identified in this report, particularly by:

- integrating robust energy efficiency, environmental and sustainable homes strategies in the asset management strategy;
- developing a sustainability model to integrate investment programmes with housing management and estate based activities; evaluating and reporting on the impact of activities;
- reviewing arrangements and improving performance on rent collection, arrears recovery and re-letting empty homes in line with good practice to meet challenging, but realistic targets; and
- reviewing with leaseholders, leasehold management services, including offering the opportunity to use STH's contractors, in line with good practice;

- 26** The expected benefits of this recommendation are:
- improved services and customer satisfaction;
  - more sustainable communities and more carbon free homes;
  - more income collected to deliver services;
- 27** The implementation of this recommendation will have medium impact with medium costs. This should be implemented by July 2009.
- 28** We would like to thank the staff of Six Town Housing and Bury Metropolitan Borough Council who made us welcome and who met our requests efficiently and courteously.
- Dates of inspection: 17 November to 26 November 2008

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# Report

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## Context

### The locality

- 29** Bury lies in the north of the Greater Manchester city region and is a mix of urban and rural landscapes. The borough contains six very different townships, with villages in the north around Ramsbottom and Tottington, the market town of Bury, the residential area of Radcliffe, and Prestwich and Whitefield in the south. Each township has different characteristics that local people are keen to preserve. It is an area of contrasts, encompassing areas of prosperity and pockets of deprivation, with 9 of the borough's 120 Super Output Areas (SOAs) within the 10 per cent most deprived nationally.
- 30** Bury is the fourth smallest metropolitan borough nationally. It is home to 182,900 people (mid 2006 estimate) and this number continues to grow. Some 9.3 per cent of the population are from black and minority ethnic communities (BME). The Pakistani community within Bury has doubled in size since 1991 and now stands at 3 per cent. Over 3 per cent are from minority white groups. The area has the seventh largest Jewish community in the country, and the largest in the North West. Projections show that Bury can expect to be home to 195,000 people by 2025 with more than 25 per cent of residents aged 60 plus (exceeding for the first time the number of children and young people).
- 31** Bury's proximity to Manchester and good road and rail links result in over 48 per cent of residents commuting to work out of the borough. At around 2 per cent, Bury has one of the lowest unemployment rates in Greater Manchester. Currently 88 per cent of council homes meet the decent homes standard. Over 75 per cent of properties are owner occupied and average house prices have recently fallen to £131,000.
- 32** Despite the relative affluence of the Borough (it is the 122 most deprived in England<sup>3</sup>) there are pockets of deprivation and inequality. Worklessness, lower incomes, homelessness and long term health conditions are much higher than the borough average in areas such as East Bury and Radcliffe. Much of Bury's traditional textiles, paper making and machine manufacturing industries have been lost. In the local economy 50 per cent of people are employed in service industries and 25 per cent in manufacturing.
- 33** Deprivation is reflected in the health of local people. Life expectancy averages 75.8 years for men and 80.3 years for women (compared to 77.3 and 81.4 years nationally). Crime levels are low when compared to other Greater Manchester authorities but relatively high when compared to Bury's Crime and Disorder Reduction Partnership family where it ranks as 10 out of 15.

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<sup>3</sup> Indices of multiple deprivation 2007, rank of average score

## The Council

- 34** The Council has 51 councillors, of whom 26 are Conservatives, 16 are Labour and nine are Liberal Democrats. The Conservative Party took overall control of the Council in 2008. A cabinet decision-making structure is in operation with a Leader and nine Executive Members. The Executive Member for Learning Skills, Employment and Housing has responsibility for both the Council's Strategic Housing Unit (SHU) and Six Town Housing (STH).
- 35** At officer level, the Council is organised into four departments under the Chief Executive. There are approximately 8,600 staff. The departmental heads (the Deputy Chief Executive and three Executive Directors) come together with the Assistant Chief Executive, Director of Finance and E-Government, Director of Personnel and Director of Legal and Democratic Services to make up the Council's Management Board.
- 36** The Local Strategic Partnership (LSP) operates under the branding of 'Team Bury'. The Bury community strategy 2008 to 2018 incorporates the existing sustainable community strategy. Team Bury operates through its executive which is supported by a Public Service Board, Third Sector Partnership and eight thematic partnerships. Six local area partnerships replaced area boards in April 2007 and have been created to promote engagement and partnership at the local township level.
- 37** The Audit Commission judged Bury Council to be a good, three star, council following a comprehensive performance assessment in June 2008.

## The service

- 38** The Council established an Arm's Length Management Organisation (ALMO) called Six Town Housing (STH) in April 2005. It provides housing management services to 8,016 council homes. STH receives a management fee in 2008/09 of £13,051,900 to deliver services on behalf of the Council. It manages the Housing Revenue Account on behalf of the Council, and a £18,534,122 capital programme. It employs approximately 231 staff to deliver services from an office in Bury town centre.
- 39** The ALMO Board consists of seven tenants, five council nominees and five independents. The Board is supported by a number of committees: neighbourhood services, corporate services, technical services and audit and standards.
- 40** The functions delegated to STH are broadly as follows.
- Rent collection and arrears recovery, including welfare benefits advice.
  - Tenant and resident involvement.
  - Tenancy managements and dealing with anti-social behaviour.
  - Estate management and caretaking.
  - Leaseholder and right to buy services.
  - Responsive repairs.
  - Aids and adaptations through a Home Improvement Agency.
  - Planned and capital improvement schemes.

## Report

- 41 The functions retained by the Council include:
- Overall housing strategy and enabling.
  - Determining policies on lettings and anti-social behaviour (in consultation with the ALMO) and rent setting.
  - Managing the Supporting People programme and providing the warden service to sheltered properties.
  - Homelessness, general housing advice.
  - Allocations and administration of the housing register.
- 42 In January 2006, the Audit Commission reported that STH provided a good, two star service, with promising prospects for improvement. That assessment enabled Bury to access additional supported borrowing to bring its homes up to the decent homes standard.

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# How good is the service?

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## What has the service aimed to achieve?

43 Team Bury, the Local Strategic Partnership, sets out its vision in the Bury community strategy 2008 to 2018 as:

**‘we want the borough of Bury to be a great place in which to live, work, visit and study’.**

44 It has the following nine ambitions.

- The place to live in Greater Manchester.
- Area where people feel safe and secure.
- Healthiest borough in the North West.
- Popular visitor destination.
- Premier retail town in the North of Greater Manchester.
- Centre of excellence for education and training in the North West.
- Each township thriving.
- Area with first class services.
- Quality jobs for Bury people.

45 It has based an action plan around the following five key themes.

- Safe, strong and confident communities.
- Children and young people.
- Healthier communities and vulnerable people.
- Thriving communities and transport.
- Quality services.

## How good is the service?

- 46 Six Town Housing's vision is 'great communities, excellent services, inspiring people'. Its business objectives are:
- to provide excellent services to all our customers;
  - to improve the quality and condition of our customers' homes;
  - to create safe neighbourhoods, where people want to live;
  - to value, develop and support our staff;
  - to help our customers make informed choices about where to live;
  - to provide suitable housing and support to vulnerable customers; and
  - to ensure the business continues to be viable in the long term through the adoption of robust governance arrangements, financial controls and risk management systems.

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

### Access and customer care

- 47 In 2005/06, we found that access and customer care had more strengths than weaknesses. Challenging service standards had been agreed with tenants and a new suite of service leaflets had been published. However, some developments were very new and not well embedded. These included the new complaints system, the customer suggestions scheme and monitoring service standards. The overall approach to customer satisfaction measurement was not comprehensive.
- 48 In this inspection, we found that strengths outweigh weaknesses. Six Town Housing (STH) demonstrates a strong customer focused culture. It is generally easy to access services and customer satisfaction is high. Good quality information includes service standards for most services. Service users are increasingly involved in developing services. Feedback is routinely used to improve services. Performance in answering telephone calls and responding to complaints is below target.
- 49 A strong corporate approach to customer care is embedded throughout the organisation. The communication toolkit and customer excellence charter provide comprehensive guidance for staff. Staff have received customer care training and service users are treated with respect. Staff are knowledgeable, professional, helpful and wear identification badges. Services focus on the needs of customers.

- 50** It is generally easy for people to access services. They can do this at STH's office, council customer information points (CIPs), by telephone, email or through the website. A freephone at CIPs provides links to STH for more detailed advice. A dedicated freephone telephone line and contact centre deal with repairs. Reception facilities in STH's office are welcoming, well managed, and are suitable for visitors with different needs. This includes level access, private interview rooms, minicom and audio loops. Office facilities comply with DDA<sup>4</sup> requirements. Interpreter and translation services are available and information is available in other formats such as large print, Braille and audio tape. As a result, satisfaction of customers contacting STH is high. The 2008 annual survey shows that 88 per cent of customers say staff are helpful, 80 per cent that staff are able to deal with their enquiry, and 73 per cent are satisfied with the final outcome.
- 51** Office and call centre opening hours are clearly displayed and publicised. A trial period of longer opening hours was reviewed following consultation with users. Customers prefer a high level of service during 'nine to five' office hours, rather than having more limited cover over a longer period. Customers can get general advice through the wider opening hours of council CIPs. Bury Council provides out-of-hours and emergency services to STH, covering mainly repairs and incidents of anti-social behaviour. Non-emergencies are recorded and passed to STH the next day.
- 52** Published information is comprehensive, clear and written in plain language. The corporate style is professional and informative. The comprehensive tenant handbook and service standards have been reviewed with tenants and four new service standards published. The new tenant handbook is loose leaf and easy to update. Service standards cover most services (asset management and adaptations are being developed) and have challenging targets. The quarterly tenant newsletter 'news from six' is excellent and provides information about service developments, resident participation initiatives and performance. All literature and website information is agreed with tenant groups, and service standards were awarded the Crystal Mark for clarity by the Plain English Campaign. STH signposts customers to other agencies where appropriate. As a result 82 per cent of tenants say STH is good at keeping them informed.
- 53** Regular reports are presented to EMT and the Board about service access. Tenants, staff and peer organisations are involved in mystery shopping organised by the Council's strategic housing unit (SHU). However, STH has been slow monitor performance on meeting individual service standards; this was a weakness at the last inspection. This is needed to ensure that standards are met and that poor performance is identified and improved.

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<sup>4</sup> DDA - Disability Discrimination Acts 1995 and 2005.

## How good is the service?

- 54** The new customer complaints and compliments system is robust. It has recently been reviewed with tenants and is well publicised. Leaflets are available in all offices and advice is given in the tenants' handbook, leaflets and website. The two stage procedure is challenging. Stage one complaints are to be answered by the service manager in ten days, and stage two by the Chief Executive in ten days. Reports are presented to the executive management team (EMT), the Board and tenants. Procedures dealing with customer complaints are followed satisfactorily. The complaints learning log is used to improve services, for example providing whole bathroom replacements. Action is taken to learn from feedback and improve services.
- 55** However, performance on dealing with complaints is weak. New procedures are not fully embedded and only 41 per cent (year to November 2008) of cases are completed within 10 days (target 65 per cent). A further 20 per cent are completed within the policy 'needing more time' category (target 30 per cent). Despite weak performance, satisfaction of customers with the overall process when making a complaint is positive. Respondents for the July to September 2008 give an average score of 8.8 out of 10.
- 56** STH gets and uses feedback from service users in a wide range of ways to continually improve services. General satisfaction is measured by an annual STATUS<sup>5</sup> tenant survey and routinely for individual services through a rolling programme of vision management system (VMS) surveys<sup>6</sup>. This provides a standardised way of measuring satisfaction. Dissatisfaction is followed up through rectification notices to service managers to help learn from feedback. In addition, monthly repairs satisfaction is measured through telephone surveys. The VMS survey of customers accessing services show high levels of satisfaction at 8.53 overall. The overall framework ensures residents have ample opportunities to influence services.
- 57** Overall tenant satisfaction is high and improving. Annual surveys show it increased from 79 per cent in 2007 to 86 per cent in October 2008. This compares to the best performing metropolitan councils. Satisfaction of BME groups increased from only 67 per cent in 2007 to 87 per cent in 2008. This followed action by STH to understand and address the previous year's dissatisfaction. Satisfaction with the contact centre is high, from the lowest score of 8.13 (scored out of 10 by VMS) for speed answering calls to the highest score of 8.89 for staff being polite and helpful.
- 58** Service users are thoroughly engaged in reviewing services. This is fully covered in the section on 'resident involvement'. STH seeks to engage hard-to-reach groups (particularly BME and younger people). Declining satisfaction with opportunities to participate in decision-making and management is unexpected; falling from 61 per cent in 2007 to 47 per cent in 2008. However, robust comparison is limited by the 2008 STATUS survey requiring an additional 'no opinion' category, which 25 per cent of respondents selected. There are many examples of STH making changes in response to feedback from residents. This includes getting more information from the asset team to help deal with more enquiries at first contact and reduce the time spent by asset team dealing with basic enquiries. Effective involvement ensures services are based on what residents want.

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<sup>5</sup> STATUS - Standardised Tenant Satisfaction Survey.

<sup>6</sup> Vision Management System (VMS): a performance management tool that uses customer satisfaction levels to improve services. Customers who have recently used a service rate performance in key areas from one to ten.

- 59 The website is satisfactory. Information is generally comprehensive and is accessible in different formats. Information includes service standards, recent customer survey results and performance data. Users can pay rent and view accounts online, use a housing benefit calculator, make complaints and report repairs. Tenants cannot however directly order, or make an appointment for a repair. It is generally easy to navigate and access services online.
- 60 Performance by the contact centres is improving but is below target. STH effectively monitors performance answering calls. Comprehensive training ensures good quality advice is given. This means that 74 per cent of calls are dealt with at the first contact (October 2008) - increasing from 51 per cent in January. However, 9 per cent of calls to the contact centre are abandoned (target 5 per cent) and only 68 per cent of calls are answered within 20 seconds (target 80 per cent). The repair helpdesk was taken over in April 2008 and although performance is improving it is still weak, with only 43 per cent of calls answered within 20 seconds and 21 per cent of calls abandoned. Responding to customer feedback, STH focuses on providing a high quality service, rather than answering more calls, more quickly. However, this contributes to longer calls and some customers not getting through.
- 61 STH has not fully reviewed how customers can best access services. It has not carried out a detailed 'cost benefit analysis' of CIPs. Keeping a separate repairs contact centre (transferred from the Council in April 2008) may not make the best use of resources. STH's office is quite difficult to reach from the town centre through an underpass. These issues are recognised by STH and are being addressed through a planned office move. A vision for a new customer access strategy is currently being consulted on. An action plan will be developed based on what customer most want out of the service. This will ensure that it directly responds to users priorities.
- 62 Summary findings of feedback from all sources are not collated, compared and analysed. For example, feedback from meetings with tenant and focus groups, repair posts inspections, new tenant visits and mystery shopping. This would help to identify and tackle common problems more systematically across STH.
- 63 There are some other weaknesses with accessing services, as follows.
- Not all key STH leaflets are displayed in CIPs.
  - The tenant handbook does not include repairs diagnostic advice.
  - Service users cannot access some services, such as making arrangements to clear rent arrears, after 5pm.

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### Diversity

- 64 In 2005/06, we found that weaknesses outweighed strengths in diversity. Although there was some positive practice, in general STH's approach to diversity lacked strategic context, direction and prioritisation.

## How good is the service?

- 65** In this inspection, we found that there are more strengths than weaknesses. STH demonstrates a clear commitment to diversity. The strategic framework provides a firm basis for developing equitable housing services. Information on the profile of tenants is starting to be used to tailor services to individual needs. STH works with partners and provides help for vulnerable customers. It increasingly works with hard-to-reach groups. The organisation is not representative of the local community at all levels. Some strategies and initiatives are new and have not yet delivered benefits for customers.
- 66** STH demonstrates a clear commitment to diversity. STH has a relatively new, but strong strategic framework. The equality and diversity strategy is robust, underpinned by a comprehensive corporate equality action plan. The strategy includes equality schemes covering each of seven diversity strands. The production of equality impact assessments (EIA) is timetabled over three years, facilitated by a robust EIA toolkit. Nine EIA's on new policies have led to changes, such as recruitment procedures including working interviews for the long term unemployed. Actions arising from EIAs are included in relevant service improvement plans. However, EIAs have not yet been done for individual service areas (five services are included in year one). Ownership and promotion of the equality strategy is driven by board and director champions. There is a comprehensive mandatory training programme for tenants, staff and board members. Eighty seven per cent of staff have had equality and diversity training. This strategic approach ensures that diverse needs are recognised and catered for.
- 67** STH drives improvement with its approach to equality and diversity. Progress is reported at each board meeting and all reports include diversity implications. STH has self-assessed the organisation at level two of the ESLG<sup>7</sup> and has a clear plan to achieve level three by 2010. This appears unchallenging, but it follows consultation and recognises that STH was not even at level one when the ALMO was formed. STH has also self-assessed that it does not meet the CRE code of practice<sup>8</sup>, and has robust plans to address gaps. Equality and diversity is becoming embedded throughout the organisation, with all personal and service improvement plans including diversity requirements. Progress is robustly managed by an equality action group that includes board members, partners, council representatives and tenants.
- 68** STH understands the diverse needs of users. It knows the profile of 87 per cent of tenants and how it compares to the wider community. Staff are starting to tailor services to meet individual requirements. STH also knows the profile of resident groups. The ICT system 'flags' requirements for vulnerable customers and their preferred means of communication. Customer profile data is not yet fully utilised but this is developing. Surveys of sheltered housing tenants are sent in large print and newsletters are sent by email to three tenants who requested it. Some teams are not aware how to fully access and use data. The ICT system does not automatically produce letters in a preferred format, such as large print. STH is expecting to do this early in 2009. Until the database is used effectively customers may not always be contacted in ways that suit their specific requirements.

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<sup>7</sup> ESLG: Equality Standard for Local Government.

<sup>8</sup> CRE: Commission for Racial Equality - Code of practice on racial equality in housing 2006.

- 69** STH helps customers to access services and information. STH uses a number of providers for interpretation and translation services. They have been used 36 times this year, compared to only four times two years ago. The key community languages are Polish, Farsi, Urdu, Arabic, Chinese/Cantonese and French. Signing facilities are also available. The website is accessible and all documents/leaflets include language straplines. Service users can get information and advice in formats that suit them.
- 70** A range of services support vulnerable customers. STH provides support for customers on low incomes, including furniture, affordable loans and low cost home insurance. The caretaking service helps vulnerable people move into new homes. The new and expanding home improvement agency (HIA) work provides aids and adaptations across all tenures. This work helps people to live independently in their homes and helps to sustain local communities.
- 71** STH works with the wider community to support people with diverse needs. It makes sure people know how to access a range of services through posters, newsletters, service standards, training for residents groups and other joint ventures with partners. It produces equality newsletters and promotes tenant conference and repairs consultation events. STH works with partners and contractors to provide employment and training opportunities for young people, ex-offenders and people with disabilities. This includes six apprenticeships.
- 72** STH works with partners to effectively tackle hate crime and harassment. STH's main office is a hate crime reporting centre. It is easy to report incidents and the number of reported hate crimes increased from 31 cases in 2006/07 to 49 in 2007/08. Legal action was taken against one perpetrator, and warnings/mediation given to others. There is a comprehensive sanctuary scheme (eight referrals to date) and a strong approach to dealing with domestic abuse. This protects vulnerable people.
- 73** STH increasingly works with hard-to-reach groups, particularly young people and BME groups, but recognises that more needs to be done. Engagement with these groups is considered later. The 2008 survey shows an increase in tenant satisfaction in the BME community. The percentage satisfied with STH's overall service has increased to 87 per cent from 67 per cent in 2007, and is now higher than 85 per cent satisfaction with white tenants. The number of respondents was small (but statistically valid), but 6.6 per cent were from BME groups. Engaging with diverse groups helps to address causes of dissatisfaction, and ensures that their needs are identified and catered for.
- 74** STH deals proactively with the challenges of an increasingly older population. A recent board report identified growing needs, gaps with existing services and how these could be addressed. The asset management strategy will be further developed to look at the need for lifetime homes. Plans will be integrated with the Council's 'housing strategy for older people', that is currently being developed. STH is influencing and shaping future service development.

## How good is the service?

- 75** The profile of some parts of the organisation is not representative of the local community. Only 2.9 per cent of all staff say they are from BME groups against a target of 6 per cent. STH monitors, and regularly reports on, the overall staff profile by gender, ethnicity, disability, sexual orientation, religion and age. However, this is not generally broken down by area of work or grade. A high levels of staff 'prefer not to say' (32 per cent BME, 43 per cent sexual orientation, 33 per cent disability and 40 per cent by religion). Action has been taken to help address under representation of the BME community on the Board. Robust and comprehensive information is needed to target action to redress areas of disadvantage.
- 76** STH does not monitor access to all services by diversity strands. Arrangements to address this are in hand. Managers are being trained in January 2009 on a comprehensive equality and diversity performance monitoring framework, ready for implementation from 2009/10. This is needed to help demonstrate fair and equal access to all services.
- 77** There are other weaknesses in the approach to diversity, as follows.
- The equality and diversity action plan lacks specific targets to ensure all levels and parts of the organisation reflect the local community.
  - VMS satisfaction surveys do not yet break down responses by sexual orientation.
  - STH is not compliant with the provisions of DDA for sheltered housing schemes (this is covered under 'stock investment').
  - STH is not robustly monitoring and managing resident groups' compliance with diversity requirements. Positively, it has started to receive monthly performance data from key investment partners.

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## Stock investment and asset management

### Capital improvement, planned and cyclical maintenance, major repair works

- 78** In 2005/06, we found that weaknesses outweighed strengths in this service. Stock condition information was sound, the delivery of schemes on the ground worked well and a robust approach to procurement was developing. However, the approach to asset management planning was underdeveloped, there was no published programme beyond April 2006 and the sustainability of older persons' accommodation had yet to be fully tested.
- 79** In this inspection, we found that strengths significantly outweigh weaknesses. STH has a strong strategic approach to investment planning and 88 per cent of homes are decent. Programmes are published, work is customer focused and homes are improved to a high standard. Partnering is starting to deliver efficiency savings and there is evidence of areas becoming more sustainable. Planned programmes are comprehensive. A strategic approach to environmental work, energy efficiency and area sustainability is not fully developed however. The future of sheltered schemes is uncertain and they are not compliant with DDA requirements.

- 80** The strategic approach to stock investment planning is sound. The asset management strategy is generally comprehensive, based on a robust understanding of stock condition and priorities for improvement. An ongoing programme adds to the 60 per cent of stock that has been surveyed. STH has a good understanding of its 180 non-traditional properties. A programme of work and regular evaluation protects the long term sustainability of these homes. The future of garage sites is currently being reviewed with the Council. STH closely monitors progress of the strategy and programmes with partners, resident representatives and the Board. This directs stock investment in line with corporate priorities and objectives.
- 81** STH is compliant with asbestos regulations. A detailed asbestos register contains details on 4,486 properties. Information is shared with staff and partners. Repair orders 'flag' the existence of asbestos. Staff have been trained and advisory information for residents is due for publication. This approach protects the health and safety of residents, staff and contractors during building work.
- 82** Homes are improved to a high standard in line with tenant preferences. A higher Bury Standard has been reviewed with tenants, addressing issues raised in resident feedback. This includes providing mains powered smoke detectors, extractor fans and installing electric showers over the bath (if tenants provide the shower). The Bury Standard and decent homes programme is published on the website and in newsletters. Tenants understand what improvements they will get and when.
- 83** Capital programmes are effectively managed. STH successfully tackled reasons for previous annual slippages in the programme. The 2008/09 programme is likely to be within budget and to plan. A low number of tenant refusals (only 38 since 2000) are addressed during void work, or will be done at the end of the programme. Over 88 per cent of homes are already 'decent' and STH is on target to make all homes decent by 2010. Work promised to tenants is delivered when expected.
- 84** Investment partners are selected with tenants using modern procurement methods. Several special interest groups (including tenants, partners and board members) share expertise to improve programme delivery and support for residents. Pre-commencement and handover arrangements have been amended to address common issues. Contractors also support community initiatives, such as working with the Probation service and Youth Offending Teams to employ ex-offenders on a painting programme. A wide range of performance indicators (PIs) are starting to be used to share learning and improve performance. Effective joint working ensures that improvement work delivers value for money and benefits local communities.

## How good is the service?

- 85** Investment programmes are customer focused. Communication and support for tenants during improvement work is very strong. Close working between staff, partners and residents produces high quality information, including a comprehensive brochure 'keeping you in touch'. A wide range of choice is given to tenants including kitchen design layout, colours and finishes. Tenants are closely involved with all stages of work. A recent event was attended by over 400 residents, helping to choose components and see examples of trade work in progress. Residents get a high level of support during work by both STH staff and the partners' resident liaison officers. Help includes providing respite facilities during work and an occupational therapist is engaged to ensure that any need for aids and adaptations is integrated with improvement work. This reduces inconvenience and ensures homes are improved in line with tenant expectations. Tenant satisfaction is high at over 96 per cent.
- 86** A comprehensive planned maintenance programme has been implemented in 2008/09 to tackle previous slippage. Extra resources have been invested to catch-up on the cyclical painting programme (an additional 700 properties in this year's programme). Digital TV changeover is on track for October 2009 and this work has won a national award as best practice. Programmes include ten year electrical testing, Legionella testing, lift maintenance, and tackling problems with garages and open spaces. Joint work with the Fire and Rescue Service installs battery smoke alarms; pending mains operated systems during decent homes work. Planned work maintains homes and estates, reducing the need for responsive repairs.
- 87** The strategic approach to environmental programmes, energy efficiency and area sustainability is positive, but is not yet fully developed. An annual budget of £125,000 is used to redesign car parking and landscaped areas in line with resident priorities. This complements improvement programmes, improves the environment and removes anti-social behaviour 'hotspots'. Waste from programmes is recycled, with performance ranging from 77 per cent to 92 per cent between partners. STH is a partner in the Council's affordable warmth strategy, carrying out several initiatives to make homes more energy efficient. This includes providing loft and cavity wall insulation, installing central heating and boiler replacements, as well as providing advice on heating. Energy performance certificates (EPCs) and free energy efficient light bulbs are given to all new tenants. The SAP<sup>9</sup> rating of 67 for homes is the median for metropolitan councils in 2007/08. This 'reduces' to a rating of 62 when the higher 2005 rating system is applied in 2008/09 (it would still be 67 based on the 'old' rating). Without a strategic approach, STH is not targeting work at homes, and vulnerable tenants who would benefit most.
- 88** STH has a wide range of data from annual estate profiling, but lacks a robust sustainability model to integrate investment programmes with other neighbourhood initiatives. Significant evidence demonstrates that local areas are becoming more sustainable. The Bent Hill estate had one of the highest void turnover rates in 2006 at 12 per cent. By 2008 this had reduced to 6 per cent; the percentage of ASB cases reduced from 16 per cent to 11 per cent; average length of tenancy increased from six to ten years and satisfaction with the condition of property increased from 59 per cent to 74 per cent. STH is developing a sustainability model to help ensure that investment is targeted to maximise community sustainability and protect investment.

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<sup>9</sup> SAP - standard assessment procedure: a way to measure energy efficiency

- 89 The long term future use of some sheltered schemes is uncertain. Investment plans have been delayed since November 2006 while the Council considers strategic options, in line with adult care proposals and an integrated strategy for older people. Pending this work, the Council has delayed approving work to comply with DDA requirements. STH has a costed work plan of £476,692, and work has just been approved for two sheltered schemes (out of 18) that are least at risk. Detailed option appraisal affects nine schemes. Positively, individual tenants can still receive aids and adaptations to their homes. Residents are kept informed of the situation. Decent homes work will be done at the end of the programme when a council approach has been agreed. Delay breaches statutory requirements and means that vulnerable older people may be at risk.
- 90 There are some other weaknesses as follows.
- The asset management strategy lacks a SMART action plan with measurable outcomes.
  - ICT systems are not fully integrated.
  - STH lacks a formal strategy to redirect expenditure from response to planned maintenance. It uses a range of measures to reduce the number repairs (such as batching planned repairs), but the current planned:response expenditure ratio is only 29:71 compared to guidance of 60:40. More planned, and less responsive repairs makes the best use of resources.

### Responsive repairs

- 91 In 2005/06, we found that strengths outweighed weaknesses in the responsive repairs service. The service was customer focused and accessible and performance in carrying out emergency and urgent repairs was high; however, performance on non-urgent repairs was weak.
- 92 In this inspection, we found that strengths continue to outweigh weaknesses. The repair service is now provided by STH and performance is steadily improving. The service is customer focused with most repairs done by appointment and completed at the first visit. Performance completing routine repairs on time is weak however, and there are too many emergency and urgent repairs.
- 93 The restructured response repairs service provides a more effective customer focused service. The loss making council in-house repairs and maintenance team transferred into STH in April 2008, to provide an integrated stock investment service for tenants, and to improve value for money. There are already signs of improvement.

## How good is the service?

- 94** The response repair service is customer focused. Tenants are closely involved in monitoring performance and developing services. It is easy to report repairs including by a dedicated freephone number. Comprehensive information in a handbook, on the website and in newsletters ensures that tenants know what they are entitled to. A high level of appointments, 89 per cent to October 2008, are made and kept. This is reinforced by over 90 per cent tenants saying that repairs are done quickly. Job orders include 'alerts' to highlight individual tenant needs. Additional repairs can be done if they can be completed within a half hour. Over 80 per cent of all tenants in the tenant survey are satisfied with the repair service. Satisfaction with recently completed repairs in October 2008 is even higher at 97 per cent. Eighty six per cent are 'very satisfied', a significant increase from 71 per cent June 2008. New working arrangements are already having a positive impact.
- 95** New arrangements are starting to improve the effectiveness of responsive repairs. All operatives use PDAs<sup>10</sup> to receive and update work orders in real time. The ICT system allows work to be allocated by geographical area and trade. Fifty five per cent of operatives are multi-skilled. Staff carry imprest stock in their vans and use purchase cards to buy additional materials without returning to the depot. They can start work from home. There is a very low level of disrepair claims (only 12 cases in the last few years). These arrangements ensure that 80 per cent of gas repairs and 91 per cent of general repairs are completed at the first visit.
- 96** Performance on completing repairs within agreed timescales is mixed but improving. Performance is routinely reported to tenants in reception areas and in newsletters. The following table shows that performance on completing emergency and urgent repairs on time is positive, and may be under-stated due to teething problems with PDA reporting. Performance on completing routine repairs on time is weak at 91 per cent in the year to October 2008. However, performance is improving, from 87 per cent last year, as new procedures are embedded. The average time to complete non-urgent repairs has improved from 25 days in 2006/07 to 22 days (year to November 2008) but is still weak. Tenants are waiting too long for non-urgent repairs to be done

**Table 1 Performance completing repairs on time**

	2006/07	2007/08	2008/09 to October 2008 (target)	October 2008
Emergency repairs	99%	98%	98% (99%)	99%
Urgent	95%	97%	96% (99%)	97%
Routine	91%	87%	91%	91%
Average time to complete routine repairs	25 days	23 days	22 days (16)	22 days

Source: STH performance data

<sup>10</sup> PDA: A personal digital assistant is a handheld computer

- 97** Repair priorities are very challenging. Targets of two hours, two days and five/ten days for emergency, urgent and routine repairs respectively, are currently being reviewed with tenants. Unrealistic targets contribute to weak performance.
- 98** Too many repairs are emergency or urgent repairs. In the year to October 2008, 8 per cent of all repairs were emergencies and 41 per cent were urgent repairs. This compares to good practice of 10 per cent and 20 per cent respectively. A high level of emergency and urgent repairs is expensive and does not give value for money.
- 99** There are still several inefficient working practices with the repair service. It relies too much on subcontractors (22 per cent of response repairs). They use hourly rates and STH has not compared the quality and costs between contractors and the in-house team. STH do too many pre-inspections (13 per cent) and post inspections are done on an ad hoc basis and are not routinely recorded into the database. It does not use diagnostic software to help ensure that repairs are ordered accurately (a system is approved for implementation by the end of 2008/09).
- 100** There are other weaknesses with the repair service, as follows.
- STH cannot demonstrate the consistency and effectiveness of operatives offering, and undertaking, additional repairs.
  - Performance by the Council recovering repair recharges is ineffective.
  - There is no handyperson service to carry out low level jobs on estates.

### Empty (void) property repairs

- 101** In 2005/06, we found that weaknesses outweighed strengths in this service. The standard of empty properties ready for letting was generally high, although the standard of cleaning was inadequate. Performance times for re-letting empty properties were poor and had deteriorated.
- 102** In this inspection, we found that strengths outweigh weaknesses. The management of empty homes is increasingly effective. Empty homes are repaired to a satisfactory standard. STH provides good support to new tenants. Performance has improved but new procedures have not yet led to a significant reduction in average re-let times.
- 103** The management of empty homes is generally sound. A dedicated voids team, with overall responsibility for all parts of the service, is starting to deliver sustained improvement. A whole systems review involved customers reviewing working arrangements, the quality of empty homes and support for new tenants. Positive features include: pre-void visits; a new tenant visit within six weeks; accompanied viewings (including while being repaired); updating applicant information on behalf of the Council; quicker targets to respond to offers; support for new tenants; and post-letting repair targets. These changes have improved the performance and efficiency of managing empty homes.

## How good is the service?

- 104** Performance is becoming more effective. STH uses a wide range of PIs to measure performance. Average re-let times have improved from 56 days in 2007/08 to 49 days in the year October 2008/09. This is still below the average performance of metropolitan councils in 2007/08 (42 days). Excluding long term sheltered voids improves performance to 41 days. The average time to complete post letting repairs has improved to 4.6 days, addressing a previous area of tenant dissatisfaction. Letting homes more quickly helps people in need find homes, improves the appearance of estates and makes more efficient use of resources.
- 105** STH provides high quality information and support to new tenants. The sign-up process is comprehensive. Thorough pre-affordability interviews ensure that tenants are aware of any benefits, and any other support they may need. A care leaver's protocol provides 12 months support for young people. Caretakers help vulnerable people to move in, and arrangements are made for tenants to take over, fixtures, fittings or furniture left by the last tenant (where appropriate). All offers are by accompanied viewings and 90 per cent of new tenancy visits are completed on time. As a result the percentage of offers that are accepted has increased from 48 per cent in 2007/08 to 58 per cent in October 2008. Forty five per cent of tenants are satisfied with the support given to new tenants and only 7 per cent are dissatisfied (high level of no response/no opinion). This is confirmed a satisfaction level of 8.23 in the VMS survey.
- 106** Empty properties we visited are repaired to a satisfactory standard. STH has recently reviewed a challenging lettable standard with tenants, tackling areas of new tenants' dissatisfaction. Higher standards of cleaning are enforced and additional work is done to clear rubbish, and to maintain gardens prior to a new tenancy. New decorating arrangements ensure that hall, stairs and landings are decorated where necessary. STH is discussing with tenant representatives a 13 per cent discount arranged with a supplier for tenants to buy materials. Staff can order additional repairs during viewings. Higher standards increase the likelihood of applicants accepting offers and new tenants being happy and settled in their homes.
- 107** Better management is starting to deliver efficiency savings. STH has not thoroughly measured savings from improved ways of working, but it has assessed some savings, for example, £13,446 through quicker sign-ups. Reduced expenditure and quicker turnover makes better use of resources.
- 108** Other positive features of managing empty homes include:
- securing empty homes, but avoiding the use of grilles;
  - using 'key safes' to manage access when empty, and
  - 'alerts' on ICT systems ensures the health and safety of staff visiting empty homes.
- 109** The high number of long term empty sheltered homes awaiting a decision by the Council (78) significantly affects void rent loss. The percentage of void rent loss is high at 3.15 per cent (year to September 2008/09), exceeding the outturn of 2.2 per cent 2007/08, and behind the target of 1.9 per cent. The weekly rent loss from 78 sheltered homes is approximately £4,000, and £2,000 for service charges.

**110** There are other weaknesses with empty property management, as follows.

- a repair target of five days to make safe is not challenging (reduced to two days during inspection to match current performance);
- no advice is given to new tenants about the best tariff rates of utility companies, and
- satisfaction of new tenants, and feedback from new tenant visits, is not routinely recorded and used to further improve services.

### Gas servicing

**111** In 2005/06, we found that the approach to gas servicing was strong with few weaknesses. Overall performance was positive and improving, with effective and systematic procedures. Concerted and effective action was being taken to address the small numbers of persistent 'no access' properties. Post-inspection processes were not yet comprehensive, diversity was not addressed in standard communications and a more robust approach to measuring customer satisfaction was needed.

**112** In this inspection, we found that strengths significantly outweigh weaknesses. Access arrangements are effective and performance on completing gas servicing is high. Quality checks and file management are sound. Procedures are customer focused with appointments and clear advice promoting servicing. Servicing smoke detectors is not integrated with gas servicing.

**113** Gas servicing is effective. Over 99 per cent of homes have a valid safety certificate. Only 53 homes lack a current safety certificate. Of these, 60 per cent are overdue by less than three months, with seven cases overdue between six and 12 months. No cases are outstanding over 12 months. Performance is closely managed and the number of outstanding services is routinely reported to the Board. Strong performance helps ensure the health and safety of tenants.

**114** Gas servicing procedures and methods are efficient. A whole systems review has thoroughly reviewed procedures to improve efficiency. The importance of gas servicing is publicised through the tenant handbook, leaflets, in regular newsletters and in the local press to increase awareness. Access arrangements are generally robust. Safety certificates are given to tenants, and all are checked by staff. Gas and electricity safety checks are done in all empty homes. Outstanding gas servicing is 'flagged' on the ICT system to ensure access is arranged if tenants telephone STH. PDAs are used to ensure that records are accurate and in real time. The Council takes legal proceedings to gain access, applying for 42 injunctions in 2007 and serving 22 Notices of Seeking Possession (NoSP). This integrates action with proceedings for anti-social behaviour, rent arrears or other breach of tenancy. It does not use powers under the Environmental Protection Act (EPA), and there is currently over-reliance on using NoSPs. Using the EPA could speed up legal action and reduce the number of cases overdue by over six months. A new contract incorporating even higher standards of working is currently being procured to start in February 2009. Effective procedures mean that heating appliances are safe to use.

## How good is the service?

- 115** Quality checks are satisfactory. The gas servicing contractor checks 5 per cent of services (including strip downs) and STH also checks 5 per cent. Currently there is no external quality check. STH is making appropriate arrangements for changes from CORGI to Capita registration from April 2009. Records are kept electronically facilitating reporting and good file management. As a result the quality of servicing continually improves.
- 116** Gas servicing is customer focused. Orders identify any personal requirements and appointments are offered, including evenings and Saturdays. Feedback is monitored and dissatisfaction is followed up. Satisfaction with gas repairs is high at 96.7 per cent (61 per cent are very satisfied). Satisfaction with gas servicing is on the programme for VMS surveys.
- 117** The final legal stage to gain access for gas servicing is not yet fully effective. The Council provides the legal service and a service level agreement has just been agreed. However, it is not fully operational until STH receive performance information against new standards.
- 118** There are some other weaknesses with gas servicing:
- STH does not check smoke detectors as part of servicing, and
  - Safety certificates are not left with tenants after gas servicing. Contractors say that these are generally posted in seven to 14 days. However, some tenants express dissatisfaction. The new contract requires certificates to be given at the time of service.

## Aids and adaptations

- 119** In 2005/06, we found that the adaptations service delivered to tenants was strong with few weaknesses. Access to the service was good, clear timescales were set and generally met and the service was customer focused. However, monitoring of the service was not yet fully effective and a small number of adaptations were overdue.
- 120** In this inspection, we found that there are more strengths than weaknesses. Providing aids and adaptations through a home improvement agency is improving performance. There is no waiting list for aids and adaptations after occupational therapist (OT) referral. Customer focused help and advice is provided to vulnerable people across all tenures. Jobs are being done more quickly and cost effectively. However, the new service is not fully embedded. People are waiting too long for an OT assessment, and service standards are still being developed.
- 121** The Council recently commissioned a Home Improvement Agency (HIA), which STH successfully set up, to improve the quality of providing aids, adaptations and minor housing repairs to people across all tenures. STH is responsible for the provision of aids and adaptations in the public sector totalling £500,000 a year. Although it is early days - the service was just introduced for STH tenants in July, with the private sector from October - there are early signs of significant improvements. Previously the Council provided the adaptations service. There is no waiting list for aids and adaptations after an occupational therapist (OT) assessment/referral is received. Some 108 minor adaptations were done in the month of July 2008 compared to 70 during July 2007.

- 122** Effective joint working with the Council's disability services team and urban renewal team is developing a customer focused HIA service. STH has regular liaison and monitoring meetings with key agencies. The HIA caseworker provides helpful support, works with the rents team to provide debt and welfare advice, and advises on the likely timescales of work. People receive a resource pack and are signposted to other services where appropriate. The need for adaptations is picked up during decent homes work. The Council's urban renewal team carries out satisfaction surveys, which show high levels of satisfaction (77 cases out of 81 are satisfied).
- 123** The new HIA service is more cost effective and jobs are done quickly. The average cost of work has reduced from £748 (pre HIA April-June 2008/09) to £402 (STH July to September 2008/09). The average cost of grab rails has reduced from £40 to £28. Minor adaptations are done in eight days and disabled facilities adaptations are currently being done in 49 days, ahead of the current 59 days target. People get the help they need more quickly.
- 124** People still wait too long for an OT assessment - even for minor adaptations. Waiting times have recently deteriorated from 12 weeks to 18 weeks. STH is working with the Council to review the adaptation policy, and hopefully address this barrier. Initial findings by a consultant are that OT provision in Bury falls below the national average. Lengthy waits prevent people getting the help they need to live independently in their own homes.
- 125** The HIA is working with the Council and partners to improve the service. This includes developing common service standards between all partners with integrated targets from the beginning to the end of the process. It is developing a range of PIs to manage performance, and improve information for customers. Many existing (inherited) targets for types of adaptations are not challenging - for example, six months for a stair lift. The HIA is already exceeding existing timescales. The Council is currently manually matching people with particular needs to adapted properties. Work is being done to allow automated matching. STH cannot demonstrate that good use is made of recycling aids. So far it has identified £1,000 savings since the HIA service was introduced. Addressing these weaknesses, and developing challenging service standards, will ensure that users know how long it will take to get the help they need.

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### Housing income management

- 126** In 2005/06, we found that weaknesses outweighed strengths. Although performance had generally been sustained and a range of improvements had been implemented, these had not yet resulted in a discernible improvement in some of the overall outcomes for this area of service. Current tenant arrears had been reducing, however, rent collection rates and former tenant arrears had shown limited progress.
- 127** In this inspection, we found that strengths now outweigh weaknesses. A range of payment methods make it easy for customers to pay rent. There is a good range of information and the most cost effective payment methods are promoted. STH provides comprehensive debt and benefit advice. Housing Benefit is paid promptly. Support for vulnerable people helps financial inclusion. Performance in collecting rent and recovering arrears is improving but is still below target. Performance in recovering former tenant arrears and sundry charges is weak.

## How good is the service?

- 128** A dedicated STH team manages rent accounting, income collection, arrears recovery, welfare and debt advice. The Council is responsible for rent setting policy.
- 129** Rent setting arrangements are in line with government rent restructuring policy. The rent setting formula is based on a target rent for each property and includes a right to review. The Council is on target to meet the revised convergence target date of 2016/17. Rent is collected over 50 weeks. Service charges have been disaggregated. In November 2008, 70 per cent of new rent accounts were opened on the first day and 91 per cent by day two. However, STH has no standards for setting up rent accounts and does not routinely monitor and report performance on this. In setting rent levels the Council takes into account the five year projections for the HRA<sup>11</sup> and management fee levels. Delaying the convergence date has offset potential high rent increases.
- 130** A range of helpful information is available to tenants. STH publishes the rent setting policy on the website and in the tenants' handbook. The policy is clearly laid out and easy to understand. Quarterly rent statements are sent to tenants and show service and other charges separately. Up-to-date statements are available online. This helps tenants understand how their rent is set and increased.
- 131** It is easy to pay rent through a wide range of payment methods. STH understands the transaction costs of each, and promotes payment by the most cost effective method. STH publicises ten ways to pay rent, including direct debit; swipe cards for payment at post offices and other outlets; telephone; and payment online. Promotion and incentives has increased the percentage of tenants paying by direct debit to 26 per cent. Ninety six per cent of tenants find it easy to set up a direct debit payment for their rent. STH also promotes payment by telephone and by internet. It calculates annual savings of £2,400 from tenants moving to these methods in the last year. Tenants pay rent at places and times convenient to themselves.
- 132** STH offers incentives to tenants who have a clear rent account, make regular payments to clear their rent account, or pay by direct debit. A quarterly prize draw splits £1,000 into ten prizes ranging from £50 to £350. To enter tenants have to answer questions in an article. The information can be provided in other formats on request but may adversely impact on tenants with literacy or learning issues who may not be able to participate in the draw.
- 133** Satisfaction levels are high. The 2008 tenant survey shows that 67.5 per cent of tenants are satisfied with advice on rent payments (2.5 per cent dissatisfied). Seventy eight per cent of tenants say that rent offers value for money.
- 134** The following table shows that the collection of rent is improving. Cumulate performance for the year to October 2008/09 (96.9 per cent) is still below target, but performance during October achieved target (97.7 per cent). Performance in 2007/08 compares to the worst performing 25 per cent of metropolitan councils. Performance in October 2008 is however, above the average performance of metropolitan councils in 2007/08. Maximising rent collection helps to pay for service improvement.

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<sup>11</sup> HRA - housing revenue account

**Table 2 Performance collecting rent and recovering arrears**

Table header	2006/07	2007/08	2008/09 to October 2008 (target)	October 2008	Mets top 25 per cent 2007/08
Percentage rent collected.	95.8%	96.1% <sup>12</sup>	96.9% (97.5%)	97.7%	98.3%
Current arrears as per cent of rent debit.	3.9%	3.5%	3.2% (2.7%)	3.2%	Not Available
Percentage rent loss through voids.	2.1%	2.2%	3% (1.9%)	3.2%	Not Available
Percentage with >seven weeks arrears gross.	8.5%	7.5%	7% (6%)	7%	3.2%
Current arrears.	£877,176	£816,648	£798,506 (£608,837)	£798,506	Not Available
Former tenant arrears.	£803,678	£780,031	£780,370 (£750,000)	£780,370	Not Available

Source: ST performance data

**135** The rent collection and arrears recovery procedure is generally robust. STH has prioritised improving rent collection and arrears recovery through a 'systems review'. The majority of arrears were around £300, and the review found that staff were not consistently following procedures. New procedures provide a balance between recovery and prevention, focusing on early action. STH encourages a payment culture through thorough pre-tenancy affordability interviews and post letting visits. Advice is given about payment options, housing benefit assessments and other benefit advice for new tenants. All tenants falling into arrears have the option of debt and benefit advice before enforcement action begins. Continuing to collect rent from tenants in arrears during the two rent free weeks reduced arrears by £70,000 in 2007/08. Staff work flexibly to recover rent arrears, and STH is currently trialling early morning and after work contact using debt profiling and tenant profile information. Early and supportive action reduces the risk of tenants falling into arrears.

**136** Performance in recovering current tenant arrears is improving but is still below target. Table 2 shows that arrears have reduced to 3.2 per cent of annual debit from 3.9 per cent in 2006/07, but this is still below the target of 2.7 per cent. Between July and November 2007 arrears increased by £3,000, compared to a reduction of £75,757 in the same period this year. Current arrears have reduced from £866,098 in September 2008 to £798,506 in November. The percentage of tenants with more than seven weeks arrears has also reduced from 8.4 per cent in November 2007 to just fewer than 7 per cent this year. New procedures are having an impact.

<sup>12</sup> The published BVPI of 97.27% is incorrect.

## How good is the service?

- 137** STH closely manages staff performance on recovering rent arrears. Dedicated staff have targets for reducing rent arrears which are closely monitored each week. Detailed reports show staff where and how arrears have reduced. Action is taken to ensure tenants keep to repayment arrangements and court orders.
- 138** Eviction is carried out as a last resort. In 2007/08 STH evicted 40 tenants and 25 during 2008/09 to date. STH is represented at the County Court user group, which is currently addressing delays obtaining court orders following hearings. The Court's pre-action protocol is fully implemented as part of rent arrears procedures. Service standards advise tenants that STH will refer them to appropriate agencies. Vulnerable tenants are helped through liaison with the Council's homeless prevention team, children's services and a central access point to ensure that appropriate support is provided by a range of partners. This helps people to sustain their tenancies.
- 139** Performance recovering former tenant arrears (FTAs) is weak. Total FTAs are high at £780,370 in October 2008, although this is largely made up of historic debts. A service level agreement (SLA) with a debt collection agency is out of date. Performance collecting FTAs was only 10.7 per cent of debt in 2007/08. By October 2008 it was only 5.4 per cent (9.5 per cent cumulative over the last three years), well below target to achieve 13 per cent for 2008/09. A full review is currently being undertaken, including a review of the debt collection agency. Effective collection of FTAs maximises income.
- 140** Writing off bad debts is in line with targets. The percentage of debts written off in 2007/08 was 0.91 per cent against a target of 0.6 per cent. Performance is 0.58 per cent in the year to October 2008/09, against a target of 0.55 per cent. Positively, STH write-on FTAs when previous tenants are traced. Over £23,000 has been added in 2008/09 (to October).
- 141** Performance recovering sundry debts is weak. This includes charges for garden clearances, gas injunctions and repair recharges. STH raises orders for repair recharges but invoices are raised and charges recovered by the Council. Almost £1 million of repair recharges are owed, of which £706,000 is for debts over one year old. All recovered income is retained by the Council. To address this weakness STH and the Council have approved a new charging policy for repair recharges to be implemented from December 2008.
- 142** The Council's corporate debt recovery policy gives low priority to recovering rent arrears. The policy should ensure that action to recover various debts is reasonable and coordinated. A low priority for rent arrears puts tenants at risk of losing their homes. The Council is not helping STH to reduce rent arrears by giving it a low priority.

- 143** STH provides comprehensive debt and benefit advice, helping people who are excluded from mainstream financial services. A clear financial inclusion strategy and action plan directs work. An advice worker, employed by the Citizens Advice Bureau (CAB), is funded by STH through a SLA. There are weekly drop-in sessions and appointments at the Radcliffe CAB. Home visits are arranged for disabled and elderly tenants. Tenants in rent arrears are offered advice. The CAB worker thoroughly assesses total debts and income, advises on priority debts and helps tenants to organise options for non-priority debts. Assistance for customers includes applying for grants and arranging affordable repayment plans. Additional income of £323,328 has been secured for tenants in 2008. This assistance develops tenants' skills to manage household budgets.
- 144** Tenants are given clear information at sign-up about the likely levels of housing benefit (HB) and are referred for more detailed advice about other benefits. Staff and tenants have access to an online HB calculator. Tenants understand their responsibilities and it is easy for tenants to get advice about welfare benefits and managing their debts.
- 145** STH has effective joint working relationships with the Council's HB section. Performance is managed through a clear protocol. HB liaison officers are funded by STH and are dedicated to processing all new claims and change of circumstances applications. Queries are dealt with quickly. New claims are processed in an average 14 days (overall council performance 19 days), which compares to the best performing councils in 2006/07 (27 days). STH is notified when HB ends or changes. This ensures details can be kept up-to-date. Since April a total of £32,634 additional HB has been obtained. Joint working ensures that HB is paid promptly to tenants.
- 146** STH works with other partners to help customers to manage their debts. It has close links with the East Lancs Moneyline (ELML), United Utilities, and Registered Social Landlords through the financial inclusion forum. The advice worker helps tenants to get grants from social funds and utility companies. STH works with the carers' centre to get grants, for example for a washing machine for incontinence sufferers.
- 147** STH refers tenants and leaseholders to ELML for help such as providing preferential furniture loans. The interest rate charged by ELML is higher than banks but lower than local lenders. £172,000 of furniture loans (linked to a carpet and furniture store) has helped 235 people. ELML checks if a bank loan would be more suitable. ELML has also set up 160 savings accounts since 2007.
- 148** Annual debt profiling identifies trends and informs actions to recover debts, but information is not routinely used to target benefit take-up campaigns. Support is not targeted at specific groups of vulnerable tenants or geographical areas. Some people may slip through the net and not receive help getting their full entitlement to benefits.

### Resident involvement

- 149** In 2005/06, we found that strengths outweighed weaknesses in this service area. The approach to resident involvement had developed since a previous inspection and some elements were working very well. However, there was some way to go to ensure that engagement with hard-to-reach groups was effective and to evaluate resident involvement activities to ensure that they were delivering policy objectives and value for money.
- 150** In this inspection, we found that strengths significantly outweigh weaknesses. STH respects residents' views, and resident involvement is effective. Residents are involved in many ways to drive service improvement. STH is increasingly involving hard-to-reach groups. A wider group of residents, who are not part of formal structures, is not yet fully engaged.
- 151** Tenants are routinely consulted on a wide and diverse range of issues. STH holds annual tenant and leaseholder conferences and has clearly laid out criteria for recognising tenant and resident associations (TRAs). The tenant participation (TP) agreement and consultation toolkit provide a solid framework to ensure local people inform improvement priorities.
- 152** STH provides a wide range of opportunities for tenants and leaseholders to get involved. Residents are effectively informed about services and how to be involved through leaflets ('getting involved' and 'making a difference') and newsletters. Publications and the website promote 17 different ways in which residents can get involved. These range from completing questionnaires, attending an annual conference and estate walkabouts, to more formal involvement on TRAs, service based advisory groups, and with board membership. The tenant and resident association consultative committee (TRACC) is the umbrella organisation for TRAs. Tenants are on an editorial team for the tenant newsletter. Over 82 per cent of tenants in the 2008 survey felt that STH kept them informed, down slightly from 86 per cent in 2007. Involving tenants helps to shape services in line with what residents want.
- 153** Tenants and leaseholders are increasingly empowered to help shape improvements. The landlord issues and advisory group (LIAG) plays a key role considering strategic proposals. TRAs are supported by the community involvement team and decide, for example, how local environmental budgets are spent. Tenants influence stock investment programmes. The tenant participation working group monitors the TP agreement, including standards for TRAs, and reviews the TP budget. It is too early to see how effective new local neighbourhood charters are. Tenants influence the strategic direction of STH.
- 154** Residents are involved in decision making at an early stage. For example, the vision for a customer access strategy is being consulted on before using the feedback to develop a strategy. This helps to ensure that priorities will meet customer preferences.

- 155** STH is developing ways to involve under-represented groups, such as BME communities, older people and young people. It is strengthening links with community groups. STH part-funds a young persons' project. A group of young people from one estate interviewed residents and key agencies to explore the causes and impact of anti-social behaviour; a radio interview publicised their project. They are now securing funding to produce a short film and an information pack to use in schools. STH has also set up a BME forum. It encourages BME residents to get involved through door knocking exercises. A BME tenant database is used to canvas the views of BME residents. Young people are setting up their own web page on the STH website, covering things such as handy hints, DIY training courses and information for young pregnant women. The needs of diverse groups are more likely to be catered for.
- 156** STH supports resident involvement. The annual community involvement budget is £230,400. This includes £51,100 to support community initiatives, development and grants to resident organisations. Budgets are reviewed annually with TRAs who can also apply to TRACC for additional support. Expenses are paid to customers who participate, and incentives are used to encourage people to get involved. £146,000 match funding supports tenant led initiatives and local environmental projects. Tenants influence how the money is spent in their community such as with a 'sensory garden', allotment projects, play provisions, gardening projects, lighting projects and parking bays. STH has also raised £160,000 match funding for community improvements through partnerships with play development, Groundwork and local area partnerships. Securing £100,000 lottery funding allowed two projects for play provision. This complements decent homes investment, making estates more popular.
- 157** STH also helps to develop the capacity of local TRAs. Currently, 25 TARAs cover 63 per cent of the stock. A wide range of high quality training helps TRAs to manage their business more effectively.
- 158** Outcomes from resident involvement are routinely fed back to residents. Feedback from walkabouts and other meetings is considered at local TRA meetings, follow-up events, in newsletters and leaflets. A stock investment leaflet 'you said, we did' told residents how residents' views shaped programmes. Telling residents how they have influenced improvement encourages further involvement.
- 159** The relationship between STH and resident groups is positive. Resident representatives feel part of the organisation. Their views are valued and taken into account. Staff resolve issues quickly. Tenants are effectively involved in developing services rather than just used for basic consultation.
- 160** A wider group of residents, who are not part of formal structures, is not yet fully engaged. Despite the opportunities, many tenants are still reluctant to actively get involved, for example with monitoring estates. STH recognises this and is expanding the opportunities for tenants to get more involved, such as by becoming estate monitors, using focus groups and a sampled proportion of services users for future surveys.

## How good is the service?

- 161** Only 47 per cent of tenants are satisfied with opportunities to participate in decision-making and management (only 6.8 per cent are dissatisfied). This has reduced from 61 per cent in 2007. This is disappointing considering the wide range of options open to them. Only 67.5 per cent felt that STH takes account of tenant views, down from 70 per cent in 2007. The preferred method of consultation is by letter (82 per cent) with only 9 per cent identifying open meetings or 12 per cent resident groups. As a result of this STH is reviewing the formal structures to involve more tenants. It is reviewing the TP Agreement, developing a strategy and reviewing the role of formal advisory groups.
- 162** Resident involvement is not yet fully integrated throughout the organisation. Some sections have not fully integrated involvement into their work. All service areas should use the generic tenant participation toolkit to assist consultation with tenants, leaseholders, young people, BME communities, and faith and religious groups. Although the board is kept well informed on service user involvement it lacks local performance indicators to track the impact of resident involvement activity.

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## Tenancy and estate management

### Tenancy Management

- 163** In 2005/06, we found that strengths outweighed weaknesses in the tenancy management service. There were increasingly robust policies and procedures and STH was making use of a wide range of tools and techniques which were starting to demonstrate results. Action on anti-social behaviour (ASB) was robust and appropriate; however, performance monitoring of ASB required improvement.
- 164** In this inspection, we found that strengths outweigh weaknesses. A comprehensive sign-up process ensures that tenants are aware of their rights and responsibilities. STH works with partners to provide a wide range of housing support for new and existing tenants. Information about ASB is clear and STH demonstrates a good balance between prevention, support and enforcement. Customer satisfaction with the ASB service is relatively low and diversionary activities are still developing.
- 165** Clear procedures and information ensure that tenants are aware of their rights and responsibilities. The tenancy sign-up procedure is comprehensive and customer focused. A pre-affordability assessment checks a tenant's entitlement to benefits and ensures that relevant support is available. STH has recently extended this service to offenders due for release from prison. A DVD is currently being produced to provide more information for new tenants. New tenancy visits are done between four and six weeks after moving in. A high percentage of new tenants (82 per cent) are happy with the sign-up process. Positive relationships and support established at an early stage helps to ensure that tenancies are sustained.

- 166** Rights and responsibilities are clearly set out in the tenancy agreement, tenant handbook and service standards. STH has comprehensively reviewed these with tenants for implementation early in 2009. Comprehensive consultation included focus groups, the tenant conference and a questionnaire to every tenant. Both the existing and new tenancy agreement has the right balance between tenants' rights to quiet enjoyment and enforcement action for breaches of responsibility. Changes are outlined in the Christmas tenant newsletter. STH used feedback to include introductory tenancy extensions and demoted tenancies for breaches of agreement.
- 167** Ongoing tenancy management is satisfactory. Regular reports to EMT ensure that performance is monitored and managed. STH makes home visits to tenants where requested, including out-of-hours. This helps people with mobility problems who have difficulty visiting the office. A tenancy reward scheme was unsuccessful. STH carries out pre-termination interviews, arranges (where appropriate) for tenants to leave carpets and fittings, and gets permission to show the new tenants round. These arrangements help manage existing tenancies, and minimise rent loss by sorting out any outstanding rent and re-let properties more quickly.
- 168** STH provides a wide range of housing support for new and existing tenants. Needs are identified at pre-tenancy interviews. However, no single document or leaflet provides advice about the wide range of housing support services. STH has strong links with support agencies making referrals through the central access point (CAP) that coordinates a number of agencies. Multi-agency support helps people with complex issues. A senior officer is a champion for children and adults through a vulnerable persons' protocol. Staff get regular training to keep them up-to-date with changes. A care leaver's agreement with the Council's adult services department identifies potential vulnerable tenants and ensures that services are tailored services to meet specific needs. The 2008 survey shows that 40 per cent of tenants are satisfied with the support provided to vulnerable tenants, with 11 per cent dissatisfied. This helps tenants to successfully maintain their tenancies.
- 169** STH acted quickly to identify and address the reasons for a high level (13 per cent) of failures of introductory tenancies in the first year. Action includes pre-affordability advice and earlier action for rent arrears, extension of furnished tenancies, intervention work and providing other support services. STH deals with known cases of unauthorised occupation quickly. However, it does not systematically visit all homes. It aims to introduce annual visits from March 2009. This will identify unauthorised occupants, other breaches of tenancy and arrange support for tenants.
- 170** STH is clear about the action it will take to tackle ASB. The tenancy agreement, ASB statement and service standards, detail that action will be taken against perpetrators of ASB, domestic abuse and hate crime. Complainants can report ASB in a range of ways; in person, via email, over the phone, by letter or by the website. Policy and procedures have a good balance between prevention, support and enforcement. A satisfactory policy framework ensures that ASB is dealt with by specialist enforcement officers. Joint work with the Council's ASB unit helps to resolve some of the more serious cases. Roles and responsibilities are clear and action is coordinated.

## How good is the service?

- 171** STH signs up to the Respect Standard<sup>13</sup>. It has clear plans to address gaps identified through a robust external assessment. It needs to do more about prevention and diversion, and provide more to support for perpetrators and complainants. A witness support group is planned for March 2009.
- 172** STH use a range of enforcement tools to tackle ASB. For example, in 2007/08 it referred 20 cases for mediation, referred 136 cases to other agencies, issued four acceptable behaviour contracts (ABCs) and one anti-social behaviour order (ASBO), sent 331 advice or warning letters, issued seven injunctions, commenced 37 possession proceedings and carried out seven evictions. It has not yet used demoted tenancies. A name and shame policy, including articles in newspapers, newsletters and leaflets on targeted estates, has contributed to the number of ASB complaints reducing. STH is starting to target repeat offenders, but it is too soon to identify outcomes. STH effectively tackles hate crime. Tackling ASB makes areas more sustainable.
- 173** STH offers a range of support to victims of ASB. It thoroughly investigates reports of ASB, using a robust database to identify any information about vulnerabilities of both complainant and perpetrator. Complainants are supported to give evidence in court. STH reimburses witnesses' expenses and loss of wages. Staff use equipment to provide evidence to support legal proceedings. STH compile statements from tenants and witnesses. It offers help and assistance to perpetrators as well as victims as they may also have multiple needs. Action both supports witnesses and helps to secure remedies for ASB.
- 174** Caseworkers keep complainants informed of progress, although performance is below target due to more cases. There is good and regular contact with victims and perpetrators. A pre-closure letter is sent to all people reporting ASB. STH has dealt with more cases since 2005 (250 additional cases) with the same level of resources. The ASB team meets the target to acknowledge all complaints, and telephone, or visit people reporting hate crime within 24 hours. It aims to interview 75 per cent of all complainants face to face, although performance in October 2008 was only 23 per cent. STH is reviewing the level of resources to meet these challenging targets.
- 175** STH balances enforcement with an increasing range of preventative and diversionary activities. Initiatives are aimed at young people and include referrals to other agencies, mediation services, floating support and match funding for diversionary activities. The project with young people was covered in a previous section. Bury FC is working with young people on one estate. STH, the Council and contractors also work with young people in schools and support fun days during the school holidays. Contractors work with persistent offenders and have created six apprenticeships. Initiatives encourage young people away from crime and back in to employment. STH recognises that more needs to be done on extending diversionary work.

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<sup>13</sup> Respect Standard for Housing Management - Communities and Local Government 2006

- 176** STH has close working relationships with the Council's ASB team and other partners including, the Police, Probation Service, Crime and Disorder Reduction Partnership, and Bury Safe and Strategic Business Group. Bury Council provides out-of-hours and emergency services to STH. In the year to October 2008/09 239 calls about ASB were handled, of which 47 incidents were dealt with by emergency patrols. There is an effective information-sharing protocol in place between the groups. Good links prevent duplication and coordinate complex cases.
- 177** Partnerships are successful at both strategic and operational levels. Outcomes include a sanctuary scheme and target hardening. STH work with vulnerable tenants, fitting extra locks and chains, and securing back gates. Fireproof letterboxes and smoke alarms are provided by the Fire and Rescue Service and fitted by caretakers. This helps to part-fund one caretaker. Target hardening is cost effective, costing an average £52 compared to £4,000 for the cost of a domestic burglary. Target hardening has helped to reduce the number of domestic burglaries. The 2008 tenant survey suggests that drug dealing and use has become less of a problem (since 2006) and that the perception that vandalism and graffiti is a serious/very big problem has decreased.
- 178** Customer satisfaction with the ASB service is quite low. A survey of 840 complainants, young people and BME tenants gave mixed views. An equal number liked the quick response, updates and how the ASB team tackled problems, with others wanting a more proactive service and more services outside of office hours. STH has reviewed the service to address this.
- 179** There are other weaknesses with ASB prevention and enforcement, as follows.
- The annual tenant survey highlighted that tenants are often confused about whom to report ASB to.
  - Take-up with the mediation service is low, and the drop out rate is high.

### Estate Management

- 180** In 2005/06, we found that strengths outweighed weaknesses in the estate management service. The general appearance of estates was well-maintained, clean and tidy and this had been supported through the development of the caretaker role and a more robust approach to monitoring the grounds maintenance SLA. Further work was needed to ensure clarity of service standards, elimination of duplication and staff training.
- 181** In this inspection, we found that strengths significantly outweigh weaknesses. Effective joint working with the Council ensures that estates are maintained to a very high standard. A well established programme of estate inspections responds to residents' concerns. The caretaking service is very comprehensive and supports vulnerable people. Resident satisfaction is high and improving. There are limited recycling facilities on estates.

## How good is the service?

- 182** Estates are maintained to a very high standard. Estate officers and caretakers have a visible presence on estates. A recently reviewed grounds maintenance SLA is robust, with clear standards and a range of performance measures. Box cutting in the SLA ensures that grass cuttings are collected. It is too soon for performance on new PIs to be reported. Good working relationships with council teams ensure that estates are well maintained. Estates are graffiti free, grass and landscaping is well maintained and communal areas are clean and tidy.
- 183** Resident satisfaction with their neighbourhood is strong and improving. The 2008 survey showed that 79 per cent of tenants are satisfied with their neighbourhood as a place to live, increasing from 74 per cent in 2007. Dissatisfaction with vandalism and graffiti has reduced.
- 184** STH has publicised an inclusive programme of regular estate inspections. Service inspectors also carry out estate inspections as part of the mystery shopping programme. Action plans are put in place from the walkabouts and outcomes communicated back to tenants. Caretakers usually attend the estate walkabouts and also monitor the SLA with the Council. Adverse feedback is quickly rectified. Inspections help to identify ASB and environmental issues, which have led to providing security gates and a car park barrier.
- 185** STH's caretaking service is very comprehensive and successful. Caretakers provide a key role in managing estates. Caretakers remove graffiti with a power washing kit. They use photographic evidence of fly-tipping to pass onto the environmental health and ASB teams. Caretakers carry out target hardening work. They undertake fire assessments of properties and advise households on planned escape routes. The Fire and Rescue Service inspect if caretakers raise an issue. Caretakers demonstrate a good understanding of the needs of vulnerable tenants. They do gardening work and help vulnerable tenants with small jobs. There is no charge for this. Support helps vulnerable people and improves the appearance of estates.
- 186** Caretakers are well trained. Seven out of the nine caretakers have completed NVQ level two in caretaking services. Training includes dealing with violence and aggression, child protection, asbestos, fire marshalling, weed killing, first aid and dealing with sharp objects. This ensures estates are safe and well maintained.
- 187** STH is reviewing the caretaking service to develop it further. It intends to introduce a self-funding handyman service with the HIA. Tenants and leaseholders will be charged for using caretakers to help with home and garden maintenance. This will not affect existing essential support for vulnerable people to maintain their tenancies.
- 188** STH proactively ensures that the appearance of estates is good. Local budgets are used to address local environmental concerns, such as tackling areas of poor landscaping and car parking. It publicises and provides free skips and caretakers help tenants with mobility problems to get rid of rubbish. STH organise estate clean-up campaigns with the Probation Service.

**189** There are some weaknesses with estate management, as follows.

- caretakers do not have a full copy of the SLA;
- STH does not provide an effective recycling facility for residents on estates; and
- caretakers regular duties are not publicised to tenants or TRA so that they can effectively monitor the work of the caretakers against an agreed standard.

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### Leasehold management and Right to Buy

**190** In 2005/06, we found that the Right to Buy service was generally robust; however, the leaseholder service was weak. Although improvements had been made to the leaseholder service, these were not well-embedded and the service continued to have considerably more weaknesses than strengths.

**191** In this inspection, we found that strengths and weaknesses are in balance. Leasehold management is improving but is still weak. STH increasingly engages with leaseholders and information for leaseholders is satisfactory. Performance managing Right to Buy (RTB) applications is strong. STH informs leaseholders about major works but does not fully engage with them about repairs and investment work. Performance issuing invoices for services charges and collection is satisfactory.

### Leasehold Management

**192** STH has sought to improve leasehold management. Additional resources have helped the RTB and leaseholder services team to manage the leaseholder accounts for 287 properties and RTB sales. They are based in the financial administration team. This provides a single point of contact for leaseholder issues and queries.

**193** STH increasingly engages and consults with leaseholders through a leaseholder forum and the landlord issues advisory group (LIAG). For example it consults on new service standards, service charges and the provision for major works. The forum meets twice a year, as agreed with leaseholders. Attendance is satisfactory with between 10 and 20 attending meetings. Two leaseholders are on LIAG. This means that services are improved in line with leaseholders' wishes.

**194** A range of information ensures that leaseholders aware of their rights and responsibilities. Information includes a leaseholder handbook and clear service standards. The handbook is clear and well laid out, providing concise information for leaseholders, including service standards. STH is currently developing new procedures and accepts that the leaseholder handbook needs reviewing.

## How good is the service?

- 195** STH consults leaseholders on major works, but the quality and comprehensiveness of Section 20<sup>14</sup> consultation is under developed. Leaseholders were consulted two years ago about the decent homes programme to be delivered through a long term partnering agreement. They were given the opportunity to nominate a suitable contractor. Follow-up letters are sent two months prior to a scheme commencing giving an estimate of costs. Leaseholders are invited to the same consultation events as tenants, where works affect them. Leaseholder attendance is low. Leaseholders have requested more information about future communal block repairs. Positively, there are systems to prevent response repairs being done on leaseholder properties. However, no specific consultation is carried out with leaseholders. Robust advice and information is needed to help leaseholders budget for future expenditure.
- 196** STH's performance on issuing invoices for service charges is improving but is not yet fully effective. STH does not have a local PI to measure performance in issuing invoices on time. Following consultation, the annual charge is billed at the beginning of the year, with an option to pay for major works in instalments (interest is only charged on instalments paid between 12 and 24 months). All final accounts are issued within six months of the end of year. Invoices breakdown all relevant service charges and explain how they are calculated. The service charge reflects the full cost of relevant services, but the management fee of £135 is fixed. STH has not demonstrated that this reflects the true cost of administering the service. The service standard to send an estimate of the year's services charges by June of each year is not challenging. Delays finalising building insurance costs in 2007/08 meant that finalised invoices were not sent out to leaseholders until June. Invoicing leaseholders by the start of the year helps them to budget and maximises the opportunity to pay charges on time.
- 197** Satisfaction of leaseholders is mixed. Overall satisfaction with the service was almost 70 per cent in 2007 (up 15 percentage points from 2005/06). However, satisfaction with opportunities for participation in decision making reduced to 57 per cent in 2007 from 75 per cent in 2006. The latest STATUS survey no longer includes leaseholders. To address this STH is currently doing a specific leaseholder survey. The internal VMS survey in May 2008 showed an average score of 6.9 with the highest being 7.8 for the opportunity to participate in focus groups and management. Lowest satisfaction was 4.95 with 'communal areas cleaning / housing repairs/grass cutting'. Follow up revealed that the main concern was with standards of grass cutting. This has been addressed. Leaseholders are now involved in monitoring contractors.
- 198** The collection of service charges by the Council is satisfactory. The collection rate is relatively low at 91 per cent in 2007/08. This increased to 95 per cent, with an extra 4 per cent collected after April 2008. There is a wide range of payment options, but there is no provision to pay by direct debit (this is being explored). Leaseholders are referred to the advice worker for advice if they have difficulty paying their service charge. A charge is made against the property for future payments, if opting to pay by longer term instalments. A range of payment options and advice helps leaseholders to pay service charges.

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<sup>14</sup> Section 20 of the Commonhold and Leasehold reform Act 2002

**199** There are some other weaknesses with leasehold management, as follows.

- STH only holds profile data on 45 per cent of leaseholders (the current survey, followed up by telephone calls and visits, will address this).
- STH is part of the North West leaseholders' group, but information has just started to be analysed. STH cannot show how the costs and quality of leasehold management compare to others.
- There is no dispute resolution procedure.
- Leaseholders cannot access gas servicing (this is included in the new contract) or other home improvements by decent homes contractors. They are generally advised that it would be more cost effective to do their own.

### Right to Buy

**200** The Council's SHU retains strategic responsibility for housing options and home ownership. There has been a significant reduction in RTB sales, with only 30 applications since April 2008 and nine homes sold by November 2008. This compares with 258 applications and 44 sales by the same time last year.

**201** STH provides helpful information and advice to prospective RTB purchasers. Clear service standards tell prospective buyers what they can expect. A leaflet provides a comprehensive step by step guide, reducing the number of enquiries about the RTB process. A helpful covering letter is included with each valuation letter. STH offer an induction interview to discuss service charges, affordability and other RTB issues. The interview is not compulsory and few people take it up. All potential leaseholders are interviewed. Most people enquiring about RTB do so through a third party agent. To protect tenants a warning letter is sent to all applicants advising them of unscrupulous agents. This led to a high cancellation rate. Good advice and information helps purchasers to understand the advantages and disadvantages of buying before making a decision.

**202** Robust information is provided about the known costs of services and future major works. Energy performance certificates are given with the landlord offer notice. Surveys ensure that future programmes and costs are accurate. This helps to ensure that leaseholders are able to budget to meet their obligations.

**203** STH's performance on managing right to buy applications is strong. A comprehensive right to buy manual helps staff to process applications consistently and efficiently. Valuations for RTB purchases are done quickly by the Council's property services team. This ensures that STH is able to meet all targets for dealing with applications and issuing offer notices on time. The target for completion was reduced from 28 days to 21 days, but timescales have still been met. As a result over 87 per cent of RTB applicants are satisfied with services (first quarter of 2008/09).

**204** There are a few remaining weaknesses. As follows.

- STH does not benchmark on costs and quality and does not know the comparative cost for its RTB service.
- STH has not met the CRE requirement for investigating the level of people withdrawing applications. Information is available but has not been analysed.

## How good is the service?

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### Is the service delivering value for money?

- 205** In 2005/06, we found that weaknesses outweighed strengths in the delivery of value for money. There were many positive examples of STH achieving cost savings and quality improvements at service level and it had started to develop a strategic approach to value for money. However, the overall approach to procurement was underdeveloped and benchmarking was immature and not well understood.
- 206** In this inspection, we found that the approach has improved and strengths outweigh weaknesses. There is a corporate commitment to value for money (VFM) and this is increasingly embedded throughout the organisation. STH has a good understanding of its costs, quality of services and how they compare. Budget and efficiency target setting is generally robust. A comprehensive efficiency model encourages and collates efficiency savings and gains. Procurement is satisfactory and improving. STH is however only starting to systematically target improvement with high cost, low quality services. The current repair service is not yet cost effective.

### How do costs compare?

- 207** STH has a general understanding of its costs and how they compare to the quality of services. It benchmarks VFM through a national benchmarking club, and other groups such as the Northern ALMO heads of finance. Comparisons are mixed. Compared to other metropolitan ALMOs, costs per property are among the highest 25 per cent for overheads, housing management pay and tenancy related activities. Costs are below average for repairs and major works. Performance is above average for overall tenant satisfaction. Costs are high and comparative performance is low in several key areas. These include the percentage of repairs completed on time, re-let times and current rent arrears. STH is working with other ALMOs to get a better understanding of the true cost of overheads. Integrating the in-house repair team within STH has the clear aim to improve its efficiency and the quality of service to tenants. A clear understanding helps to identify areas for improvement.
- 208** Awareness of costs at manager level is positive. Managers have received VFM and budget management training. They are involved in budget setting and have recently undertaken a base budget review. As a result managers own their budgets and are keen to make efficiency gains and savings, at the same time as improving services.
- 209** A systematic approach to redirect resources to tackle high cost/low quality services is still developing. Efficiencies are set aside to contribute to HRA balances and invest in high priority areas. STH used £193,000 of efficiencies in 2007/08 to fund a benefit advice worker and develop the caretaking service. It increasingly uses its understanding of costs to focus improvement on high cost, low performance areas. Benchmarking information and reviews for specific services (such as the recent rent review) is used to re-align services. An organisation-wide pay and grading review in 2008/09 is being done to help ensure STH is able retain high quality staff. However, it is not yet fully evaluating data on cost/quality to systematically inform the VFM strategy. This is needed to tackle areas of inefficiency, invest in strategic priorities and make better use of resources.

### How is value for money managed?

- 210** STH has a strong strategic focus on value for money. It is enshrined in its corporate principles. A VFM culture is becoming embedded throughout the organisation. The VFM strategy provides a sound basis for further improvement. Board Members, staff and tenants have a firm understanding of VFM and efficiency. Training, workshops, and integrating VFM within staff appraisals and monthly performance reviews, help managers to understand how they can improve the VFM of service areas. Frontline staff suggested how mailing procedures and setting up a dedicated telephone line - to deal with staff enquiries during the implementation of PDAs - could save money. All parts of the organisation are contributing to improving VFM and the quality of services.
- 211** Budget and efficiency target setting is generally robust. Managers are supported by dedicated corporate finance staff. The monthly budget monitor provides a sound framework to monitor expenditure against target. This ensures that appropriate corrective action is taken where necessary. All service areas have a 3 per cent corporate efficiency target for 2008/09. Managers preferred an across-the-board target in 2008/09. Base budget reviews identified potential ongoing savings of £119,000. Service area efficiency targets will be reviewed as a VFM culture more clearly shows where future efficiency savings can be targeted.
- 212** A central efficiency model provides a strong strategic approach to measuring efficiency gains. The database is published on the intranet and all staff are encouraged to contribute suggestions for efficiency savings. It records cashable and non-cashable savings as well as progress investigating suggestions and reasons where a suggestion is not pursued. All staff can see where savings have been achieved, and they are encouraged to suggest further opportunities.
- 213** The approach to procurement is satisfactory and improving. Procurement decisions are objective, based on an open and transparent framework. Tenants are closely involved in selecting investment partners. STH has recently agreed a procurement strategy. The strategy focuses improvement on key priorities, such as the partnering framework for the decent homes programme and the repair service. The decent homes programme has only two years to run and it is essential that modern procurement maximises efficiency from investment. However, individual managers are still responsible for procuring relevant goods and services. A corporate approach to this is being developed to ensure greater consistency and maximise savings.
- 214** STH makes significant efficiencies and savings. In 2007/08 it achieved its 2.5 per cent target (1.25 per cent cashable and 1.25 per cent non-cashable) of £321,198 savings. It is already forecasting significant efficiency savings through its new partnering contracts. It estimates savings of £440,000 from GM Procure rebates in 2008/09. Contracts are in the first year and any potential benefits of open book accounting and pain/gain share arrangements will be considered as relationships develop.
- 215** STH has secured some external funding to support investment on improving services, although it accepts this needs further development. STH supported TRAs to secure £146,000 matched funding in 2008/09. The Fire and Rescue Service supports the provision of smoke alarms and this funds an additional caretaker to install them. External funding complements STH's own resources to provide better services.

## How good is the service?

- 216** STH has reviewed its SLAs with the Council and has improved VFM with some key support services. It spends £966,000 on SLAs each year. The grounds maintenance SLA has been thoroughly reviewed and the quality of services improved. STH is investigating a new provider for specialist legal services with four other ALMOs. Overall, STH has not systematically evaluated efficiency savings with all SLAs, but has identified an increase in quality, and added value, in some areas. This includes the efficiency of central stores and the payroll, where the service has improved for the same cost although it now covers 50 per cent more staff. Improved services are being achieved for little or no increased cost.
- 217** Although STH focuses attention in key areas (such as the repair service) the VFM strategy does not explicitly ensure that improvement is focused where it is needed most. It does not clearly assess areas of current strengths and weaknesses, or identify priorities and targets for tackling inefficiencies. Positively, a comprehensive VFM action plan is regularly reviewed and ensures that good progress is made implementing the strategy.
- 218** STH understands that the current repair service is not cost effective. Part of the aim of transferring the service was to end its annual deficit. A comprehensive two-year improvement plan includes an agreement for the Council to underwrite £680,000 deficit (£340,000 a year). The service will be market tested in 2010, after having had the opportunity to become fit for purpose. Existing schedules of rates are not consistently used and STH cannot measure variations. Although STH still lacks a clear understanding of the cost, efficiency and productivity of the service it is robustly addressing problems. The current service is not yet delivering value for money.
- 219** An interim manager is successfully tackling organisational change and introducing modern working methods. STH is confident that the November forecast of a £527,000 deficit for 2008/09 will be contained within the Council's two-year agreement. It is reducing the use of subcontractors, improving the procurement of materials and establishing mobile working. STH has already quantified some savings, such as £50,000 with the stores operation, £66,000 fleet savings and savings from reduced sickness levels. It predicts that the new gas contract will reduce the average annual cost per property for servicing and repairs from £112 to £85 (£216,000 annual saving). It is too soon to see improved outcomes from recent changes.

# What are the prospects for improvement to the service?

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## What is the service track record in delivering improvement?

- 220** In 2005/06, we found that STH had made progress on previous inspection recommendations and on implementing improvements that mattered to customers. However, a small number of areas had not been prioritised for improvement. Progress on performance indicators had generally been positive, although some areas still lagged behind.
- 221** In this inspection, we found that strengths outweigh weaknesses. STH has made good progress tackling previous inspection recommendations and implementing its own improvement plans. Improvements have delivered clear benefits for customers, including vulnerable people. Increased efficiency and value for money has been sustained over the last three years. Improvement on key performance indicators is mixed however. Progress has been slower in some areas and it is too soon to see the impact of some recent strategies and initiatives.
- 222** STH has thoroughly tackled previous inspection recommendations. Progress is detailed in Appendix 2. Improvements tackling STHs approach to diversity has particularly helped vulnerable people. Previous slippage with the capital programme has been addressed, the management of empty homes improved, and risks are now managed effectively. STH has also made good progress delivering its own service improvement plans. Improvements are focusing on the right things.
- 223** STH focuses on improvements that give real benefits for customers, learning from consultation and customer feedback. Customers play a key part in shaping improvements. STH has made 88 per cent of homes decent; provided a more customer focused repair service; agreed new and higher service standards; is successfully tackling anti-social behaviour; is addressing financial inclusion and supports community initiatives. Services are improved in line with what service users want. As a result customer satisfaction is high and is consistently improving.
- 224** There are clear benefits for vulnerable service users. Reception facilities, website improvements and the availability of information in different formats make it easier for vulnerable people to access services. STH is developing good knowledge about tenants and is increasingly able to contact users in different ways to meet their personal preferences. High quality benefit advice services help people maximise their incomes and manage their debts. The new HIA helps people across all tenures to get the adaptations and help that they need to live independently in their homes.

## What are the prospects for improvement to the service?

225 Progress has been weaker in some areas including:

- delays with the Council deciding the long term future of sheltered schemes and carrying out work to comply with DDA requirements; and
- improving rent collection and arrears recovery, particularly former tenant arrears.

226 Sustained improvement in key performance indicators (KPIs) is mixed. Performance is improving in many areas, but is often below target. Performance against BVPIs is detailed in Appendix 1. Just over half of all KPIs show improvement over the last three years. These include tenant satisfaction, the percentage of repairs by appointment, homes made decent and SAP ratings. Other KPIs show an uneven trend over three years, or are consistently not meeting target. These include rent collection and arrears, percentage of voids and void rent loss, average re-let times, and complaints answered within timescales. Previous sections of this report show that performance has generally improved during 2008/09, but STH cannot demonstrate that all services have steadily improved over the last three years.

227 STH does not routinely evaluate and report on the impact of changes, and in other areas it is too early to identify clear outcomes for customers. Annual estate profiles show that estates are improving and becoming more sustainable. But, STH is not routinely measuring, evaluating and reporting on the impact of its work. It is too soon for several new strategies (such as the equality and diversity strategy) and improvements, such as by integrating the repairs team and the work of the HIA, to have made a significant impact. Early signs are encouraging that these changes will have a significant impact.

228 The following table shows that improved efficiency and value for money has been sustained over the last three years:

**Table 3 Efficiency Savings**

Table header	2005/06	2006/07	2007/08	2008/09 (to date)
Cashable savings	£213,000	£417,000	£161,000	£249,000
Non-cashable savings	£153,000	£223,000	£79,000	£139,000

### STH central efficiency model

229 Efficiency savings are routinely identified and recorded in the central efficiency model. Board reports require financial implications to be considered when making decisions. However, outcomes from the review of SLAs with the Council have not been fully evaluated, and efficiencies have not always been targeted at the areas requiring most improvement.

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### How well does the service manage performance?

- 230** In 2005/06, we found that STH had a clear vision for the service that set out the longer-term priorities and objectives. The Chief Executive was driving a new agenda with a focus on Board and staff development, good relationships with other stakeholders, in particular the Council, and a more customer focused approach, with value for money underpinning this. Clear targets had been set for service improvement and STH was engaging with customers to drive these.
- 231** In this inspection, we found that improvement has continued and strengths significantly outweigh weaknesses. STH demonstrates clear vision and leadership in making difficult decisions and taking on new business to improve services for customers. Improvement planning and performance management are strong. Value for money is increasingly embedded throughout the organisation. Budget and risk management is robust. STH is a learning organisation but does not effectively collate feedback from all sources to apply good practice. Plans are generally SMART<sup>15</sup> but actions often lack measurable targets and outcomes.
- 232** STH clearly sets out its vision and what it wants to achieve in its business objectives. Aims are integrated throughout the organisation and reflect national and local priorities. ALMO objectives have clear links to council and wider community objectives. The commitment to improving VFM is guided by the VFM strategy. Objectives are challenging, widely promoted to staff and customers, and are understood throughout the organisation. A comprehensive annual report is sent to tenants and leaseholders. Plans are integrated through service improvement plans and personal targets. Priorities are clear to customers and stakeholders. Staff understand what is expected of them and how they contribute to overall aims.
- 233** STH annually reviews its strategic direction through consultation with staff, tenants and board members. The Board has recently reviewed the ALMO's strategic direction and financial viability post 2010. Over 400 tenants and stakeholders were involved during summer 2008 developing investment priorities. Customer feedback is extensively used to develop plans and strategies. Improvement focuses on what customers want.
- 234** The organisation provides visible and clear leadership. STH has a clear corporate identity which adds to the professional image of the organisation. Billboards promote STH's work in the wider community. Senior managers are easily accessible. Managers have had leadership training. Staff perceive managers as willing to listen and engage with them. Informal networks are complemented by formal briefing, one-to-one meetings, team meetings and annual staff conferences. This helps to develop mutual understanding and respect.
- 235** STH tackles key problems and takes difficult decisions. It has taken on a loss-making repair service and taken robust action to improve leadership of the service. It has introduced a HIA in order to improve a key service to the wider community. Although several areas of concern were highlighted in the February 2008 staff survey, 73 per cent of staff said that change was handled well by their managers, increasing from 63 per cent in 2006. Close consultation with staff, and positive working relationships with trade unions, including listening and reacting to concerns, delivers improvement.

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<sup>15</sup>

SMART: targets that are Specific, Measurable, Approved, Realistic and Timebound

## What are the prospects for improvement to the service?

- 236** The service improvement planning framework is robust. Strong central planning and coordination ensures that teams use their service plans, and whole system reviews, to continually improve services. Service improvement plans are comprehensive with detailed actions, milestones and timescales. A summary of progress is published on the intranet and is managed through personal one-to-one meetings. Action is taken to address slippage and key problems. A series of firm actions has ensured that the repair service action plan is put back on track. Systems methodology ensures that improvement is sustainable. For example, ensuring that high performance on gas servicing is sustained based on robust procedures, rather than periodic, resource-intensive campaigns. This means that plans are delivered effectively and on time.
- 237** SIPs and other supporting plans are generally SMART, but actions often lack measurable targets and outcomes. For example, outcomes such as 'develop an energy efficiency policy' lack clear measures. Actions are not clear about what the potential impact will be on the organisation and customers. Actions are not prioritised to ensure that action focuses on what matters most to both customers and the organisation.
- 238** The performance management culture and framework is very strong. STH recently reviewed how customers are involved in managing performance at a strategic level through LIAG. Performance is closely monitored and managed through individual one-to-one meetings, annual appraisals, team meetings, EMT, board and subcommittee meetings. Performance is reported to tenants and is published on the website. Performance reports measure progress against a range of LPs and targets - agreed with managers and tenants - that are important to customers. Reports are easy to understand and highlight trends and comparison with top performers. Action is taken to address weak performance. Performance clinics are set up to focus on areas identified for improvement (recently for rents, repairs and complaints). STH and the Council use tenants, customers and peer organisations to mystery shop services to help ensure that standards are met consistently.
- 239** The performance management framework helps to drive improvements with efficiency and VFM. Monthly performance reports include a section on VFM measures and the action managers are taking to improve the quality and costs of their service. The central efficiency model records savings and areas for possible improvement. This embeds VFM throughout the organisation and drives efficiency.
- 240** Budget monitoring and management is sound. Monthly monitoring reports are produced for budget holders. EMT and the Board's audit and standards committee scrutinise expenditure against budget. Prompt reports help managers to take timely action. Identified savings through base budget reviews are regularly monitored. For example, the training budget underspend in 2007/08 was used to finance additional training for new repair staff in 2008/09. Effective budget management makes good use of resources and prevents overspending.

## What are the prospects for improvement to the service?

- 241** The approach to risk management is robust. A comprehensive risk register scores potential risks and details what action is being taken to mitigate risks. All teams contribute to the register. The register is reviewed by managers through monthly meetings, and bi-annually with EMT and the audit and standards committee. Action successfully mitigates the level of risks. The identified risk of 'resistance of repairs staff to modernise the service' was reduced from a score of 12 to a residual risk of 8 following training and communication.
- 242** STH regularly benchmarks with other organisations to learn and apply good practice. STH is a member of a national benchmarking club performance improvement group. It uses learning to improve from good practice visits and peer reviews. However, feedback from all sources is not routinely collated to maximise organisational learning.
- 243** STH only has a short term financial plan. It is deliberately short term as STH and the Council develop a clearer understating about key factors. These include the HRA<sup>16</sup> subsidy position, the efficiency of the repair service and other key operating costs. STH estimates that the projected HRA deficit of £803,000 in 2008/09 will reduce to £11,500 in 2009/10, with a surplus of £166,000 in 2010/11. The latest five year projections show that the overall level of HRA balances for the next three years are around £800,000 - in line with the Council's assessed minimum level of balances. Without a medium-term plan STH is not making the best use of current knowledge, and different future scenarios, to plan effectively.
- 244** There are still some weaknesses in performance management, as follows.
- arrangements to monitor performance on meeting new service standards are only just being developed.
  - ICT systems are not fully integrated, and are not being strategically developed to facilitate change, service improvement and improvement with VFM. This is recognised and is being addressed by an ICT user group.

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### Does the service have the capacity to improve?

- 245** In 2005/06, we found that staff morale was high and team building activity following transfer had been effective. STH had effective working relationships with the Council at all levels and there was strong support from the Council for STH to succeed. The financial position of the organisation was sound and a more mature approach to procurement was emerging.
- 246** In this inspection, we found that strengths significantly outweigh weaknesses. Governance arrangements are sound. A strong management team and committed workforce are supported by robust human resource services. STH works closely with the Council and strategic partners, and contributes to broader community initiatives. Internal communication is effective and STH has taken steps to address staff concerns identified in an opinion survey. The quality of staff appraisals is not yet consistent and the profile of parts of the organisation is not fully representative of the local community.

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<sup>16</sup> HRA: Housing Revenue Account

## What are the prospects for improvement to the service?

- 247** STH's staff are professional and have the capacity and capability to deliver improved services. Departmental reorganisation and appointments to EMT has strengthened STH's skills and resources. A professional relationship exists between Board and senior staff. They are enthusiastic and committed to STH and its objectives. Business is managed effectively and efficiently.
- 248** ALMO governance arrangements are generally good. STH is in the third year of a 12 year management agreement. Internal governance arrangements have recently been reviewed and the Board has confidently improved its capacity by delegating more business to its committees. After taking on the repairs and HIA services STH is considering opportunities for further business growth. The Board has a broad range of skills. Members understand their roles and work together inclusively. The Board has good support from officers and a comprehensive training programme covers key areas of business as well as areas for personal development, identified through annual appraisals. This develops the Board's ability to govern STH's business.
- 249** Board meetings are well attended and chaired, with staff presenting thorough presentations and reports. Business focuses on strategic issues. Performance is carefully addressed. The Board challenges performance, such as slippage with the capital programme. Focusing on the right things improves overall services.
- 250** STH takes positive action to ensure that board members are representative of the local community. It invites applications from diverse groups through advertisements and the use of co-optees. Detailed personal specifications seek applications that will address identified gaps in skills. Members can represent a minority group where it is difficult to recruit a member directly, for example an advocate for younger people.
- 251** Governance arrangements with the Council are mainly positive and strong. Positive relationships exist at both strategic and operational levels. Six monthly reports to relevant scrutiny committees ensure that performance and financial monitoring is robust. The Council uses performance information to provide support where needed, but also to require action to address weak performance. However, joint work to agree the future use of sheltered schemes has been slow. Joint working, such as through mystery shopping, tackling ASB and addressing financial inclusion, helps to improve services.
- 252** Occasionally this partnership is strained. For example, the Council's formal notice for the rent service was unexpected by the ALMO. STH was already in the process of a whole system review to improve the service. Serving the notice failed to recognise areas in which the Council's own action contributes to poor performance (vacant sheltered properties and the lack of priority for rent arrears in the corporate debt policy). Unexpected action can undermine the positive relationship.
- 253** A short-term financial plan demonstrates that STH has sufficient resources to deliver planned service improvements, and decent homes by 2010. There is pressure on the HRA as detailed in the previous section. The government review of council housing finance (due 2009) may have a significant impact on the longer-term financial position. STH is currently reviewing its medium and longer-term future, building on its recent positive approach to business growth. It is committed to working with the Council and partners to improving services and local community sustainability.

## What are the prospects for improvement to the service?

- 254** STH has positive relationships with its new stock investment partners. Communication and joint working is strong, with both STH and between partners. The partnership ensures close working at different levels. Partners share good practice and joint working makes good use of resources to improve services.
- 255** STH works closely with the Council and strategic partners. It plays a strategic role in the Bury area, particularly through 'Team Bury' partnerships. All members of EMT represent STH on one of six local area partnerships. The Chief Executive plays a key part on the Public Service Board working with the Police, Fire and Rescue Service and Bury College. STH are also involved with Bury Safe, the Offender Management Board and the Youth Offending Partnership Board. Partnerships have led to savings with target hardening, providing a free book for children under three and information for parents about access to libraries and children's centres at sign-up interviews, providing trainee posts for young people leaving care, and other training and employment initiatives. Integrated working with the Council has improved the appearance of estates. Partnerships support community initiatives and contribute to wider social and economic regeneration.
- 256** Human resource management is sound. A recent 'Investors in People' assessment confirms strong human resources. Comprehensive policies and procedures have recently been reviewed and a solid human resources strategy recognises challenges and what needs to improve. Leadership training and internal support help managers to tackle under performance. Sickness absenteeism has reduced from 15 days per person in 2006/07 to less than 10 days in 2007/08. Staff turnover is only 6.3 per cent. Staff communication is generally effective. Staff are well informed through regular team meetings, one-to-one supervision sessions, monthly Chief Executive sessions, newsletters, briefings and team meetings. Effective communication has helped the in-house repairs team integrate within the organisation.
- 257** The employee review framework is generally effective. Individual training and development needs are identified and personal targets are linked to corporate objectives. Staff training and development is successful. A comprehensive training and development programme provides a wide range of mandatory and vocational training. Sessions are open to board members. The process is monitored centrally to help ensure consistency and provide support to managers where necessary.
- 258** However, some procedures are not yet fully embedded. The quality of completed employee reviews varies considerably. STH is developing a new electronic system to monitor performance on a new competencies based system. The benefits and impact of training is not always evaluated to ensure that training resources are targeted effectively. Some performance reviews give little information about the cost and efficiency of services.
- 259** The February 2008 staff opinion survey identified some significant areas of concern. In particular it showed low satisfaction with receiving praise, STH as employer and provider of services; basic pay; communication and confidence with the senior management team. STH has taken steps to better understand concerns and has taken action to address these, such as through better management training and coaching.

## What are the prospects for improvement to the service?

- 260** There is a commitment to ensure that equality and diversity is embedded within the culture of the organisation. For example the increasing customer profile database and vulnerability 'flag' identifies residents' individual requirements. STH increasingly engages with hard-to-reach groups.
- 261** STH secures inward investment but recognises that more needs to be done. Joint working with partners has secured additional funding from partners to support local initiatives. Match funding is secured to support environmental projects, tenant training and community-led initiatives. Extra resources help to develop benefit advice and financial inclusion initiatives. STH is working with Groundwork to explore potential community capacity and external funding opportunities. It is also liaising with a utility company and housing associations to attract additional funding. Inward investment gives extra capacity to support improved services.
- 262** STH Board members, senior staff, TARAs and contractors are not fully representative of users and the local community. Women are well represented at senior levels in the organisation, but the Board is under-represented by younger people. STH aims to address imbalance to help reflect the views and needs of all parts of the community.

# Appendix 1 – Performance indicators

Bury performance indicators 2005/06 to 2007/08

Performance indicator (BVPI ref)	2005/06	2006/07	2007/08	Mets top 25 per cent 2007/08
63 Average SAP rating.	65	66	67	72.8
66a Percentage rent collected.	95.83	95.82	96.11 <sup>17</sup>	98.3
66b Percentage tenants with > 7 wks arrears (gross).	8	8.48	7.48	3.2
66c Percentage tenants in arrears with NoSP served.	46.83	27.37	37.2	22.3
66d Percentage LA tenants evicted for rent arrears.	0.85	0.51	0.51	0.3
74a Percentage tenants satisfied with overall service.	74	79	79	79.2
75a Percentage tenants satisfied with TP.	72	65	65	75.8
184a LA homes which were non-decent at start of year.	20	17	29	18.8
184b Change in proportion of non-decent homes.	15	19.3	27.8	29.7
212 Average re-let time (days).	54	52	56	32

<sup>17</sup> The published BVPI figure of 97.27 per cent is incorrect.

# Appendix 2 – Previous Inspection Recommendations

Recommendation	Progress
<p><b>Recommendation 1</b></p> <p>Improve the overall approach to diversity by:</p> <ul style="list-style-type: none"> <li>• further developing the draft SMART action plan, consulting on it with users and stakeholders and gaining Board approval;</li> <li>• establishing robust monitoring procedures to ensure implementation; and</li> <li>• undertaking a self assessment against the revised CRE code of practice in rented housing and develop a short-term, time-limited action plan to address gaps.</li> </ul>	<p>Achieved</p>
<p><b>Recommendation 2</b></p> <p>Develop and raise awareness of a longer-term capital programme by:</p> <ul style="list-style-type: none"> <li>• undertaking robust consultation with tenants groups and the wider body of tenants to determine future priorities; and</li> <li>• publishing the programme on the website and more widely.</li> </ul>	<p>Achieved</p>
<p><b>Recommendation 3</b></p> <p>Address the requirement to comply with asbestos regulations by:</p> <ul style="list-style-type: none"> <li>• undertaking a robust asbestos survey; and</li> <li>• developing processes to update the stock condition database with this information and ensure that it is systematically made available to partners and contractors.</li> </ul>	<p>Achieved</p>
<p><b>Recommendation 4</b></p> <p>Take action to reduce empty property turnaround times by:</p> <ul style="list-style-type: none"> <li>• undertaking end-to-end process analysis and re-engineering, identifying areas of duplication, waste, down-time and barriers;</li> <li>• setting challenging targets to increase levels of pre-termination visits; and</li> <li>• working with incoming tenants to develop a more sophisticated approach to determining pre-and post-occupation repairs to enable increased back-to-back lettings.</li> </ul>	<p>Part Achieved</p>

## Appendix 2 – Previous Inspection Recommendations

Recommendation	Progress
<p><b>Recommendation 5</b></p> <p>Improve the approach to allocations by:</p> <ul style="list-style-type: none"> <li>• working with the Council to develop a modern and robust allocations policy that is fit for purpose; and</li> <li>• introducing a more robust approach to pre-allocations.</li> </ul>	Achieved
<p><b>Recommendation 6</b></p> <p>Improve the overall approach to customer satisfaction measurement by:</p> <ul style="list-style-type: none"> <li>• developing corporate guidance, standards and templates;</li> <li>• developing an overall strategy and sampling framework for each area of the service; and</li> <li>• ensuring the results are reviewed and action taken as part of the overall approach to performance management.</li> </ul>	Achieved
<p><b>Recommendation 7</b></p> <p>Develop a more robust approach to risk assessment and risk management by:</p> <ul style="list-style-type: none"> <li>• assessing all risks across the organisation; and</li> <li>• prioritising actions to minimise likelihood of occurrence.</li> </ul>	Achieved

# Appendix 3 – Reality checks undertaken

- 1 Before going on site we reviewed the documents included on our standard document request list and a number of additional documents which the ALMO and stakeholders felt would be helpful in reaching our judgements.
- 2 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. This included interviews and focus groups with a range of people including tenants, leaseholders, a range of staff, board members, key staff and councillors from the Council and partners.
- 3 Reality checks were designed to gather evidence about what it is like to use the service, and to see how well it works. Our reality checks included:
  - visits to estates, empty (void) properties, office reception areas and schemes where improvement work had been undertaken;
  - observation of a board meeting, tenancy sign-up and the customer contact centre; and
  - file checks and mystery shopping of services and the website.

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# Appendix 4 – 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)**

## **Monthly Performance Reviews and value for money**

- 1 The performance framework supports ownership of performance at all levels of the organisation from the Board to individual officer. Monthly performance reviews by managers are extremely comprehensive and include information on value for money, customer profiling and performance measures that matter to customers. Feedback about efficiency savings and the cost of services helps to ensure that VFM is embedded throughout the organisation. Comprehensive information can be used to report performance at a variety of management and governance meetings. Performance clinics focus on areas identified for improvement.

## **Central Efficiency Model**

- 2 A central efficiency model provides a strong strategic approach to measuring efficiency. It is a shared tool, accessible to all staff on the intranet, and it helps to ensure value for money is embedded throughout the organisation. All staff are encouraged to identify efficiencies and good practice. It records all cashable and non-cashable savings, as well as suggested efficiencies to be investigated. It records reasons for ideas which are not deemed efficiencies. This encourages staff to suggest further ideas.

## **Supported Employment Initiatives**

- 3 STH use working interviews to help people from disadvantaged groups, such as people with learning disabilities, or with other employment support needs, to access work experience and work opportunities. It arranges work experience and work opportunities for people via Bury Employment Support and Training and Job Centre Plus.

## **Employment and training opportunities for priority prolific offenders**

- 4 Working with Greater Manchester Procure and Working Ventures UK, Six Town Housing provides work and training for four to six priority prolific offenders on the external painting programme.

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