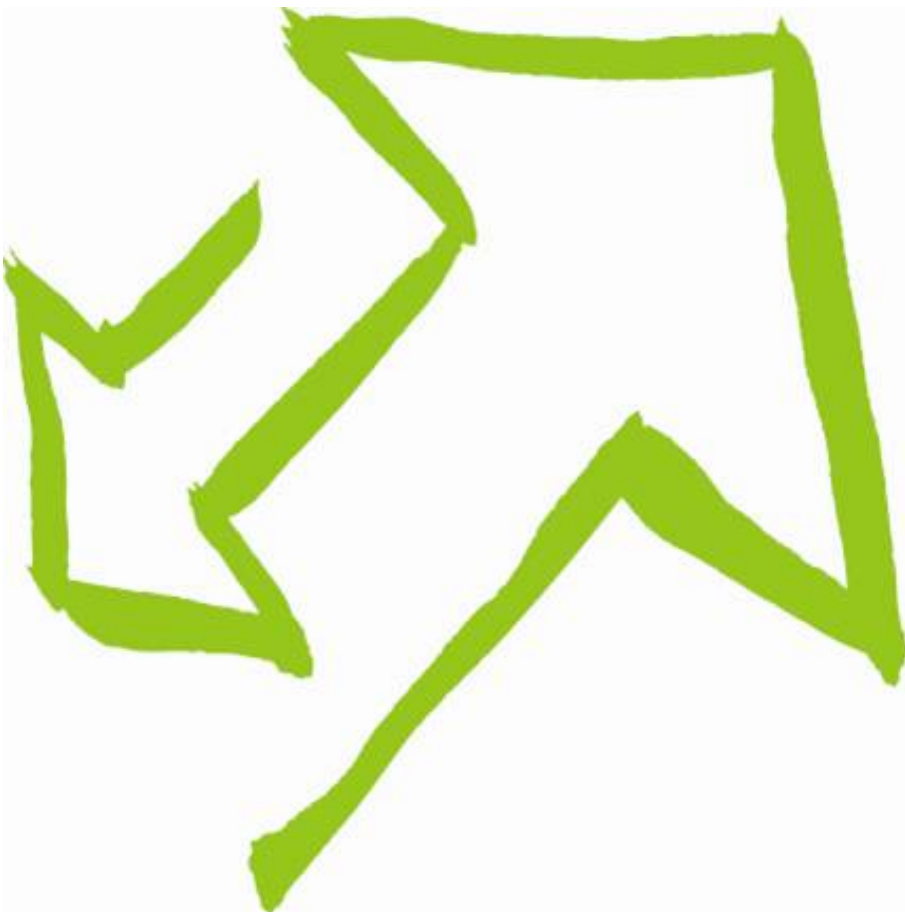


ALMO

Re-inspection

Nottingham City Homes Ltd

January 2009



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Arm's Length Management Organisation (ALMO) Inspections

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

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

This inspection has been carried out by the Housing Inspectorate using powers under section 10 of the Local Government Act 1999 and is in line with the Audit Commission's strategic regulation principles. In broad terms, these principles look to minimise the burden of regulation while maximising its impact. To meet these principles this inspection:

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

This service was inspected as part of the Government's arms length housing management initiative, which encourages councils to set up ALMOs to manage, maintain and improve their housing stock. The Government decided that councils pursuing this option can secure additional capital funding if the new arms length body has received at least a 'good' rating from the Audit Commission's Housing Inspectorate.

An ALMO is a company set up by a local authority to manage and improve all or part of its housing stock. The local authority remains the landlord and tenants remain secure tenants of the authority. An ALMO does not trade for profit, and is managed by a board of directors comprising Council nominees, elected tenants/leaseholders and independents.

The Housing Inspectorate has published additional guidance for ALMO inspections:

- 'ALMO Inspections and the delivery of excellent housing management services' (March 2003); and
- 'Learning from the first housing ALMOs' (May 2003).

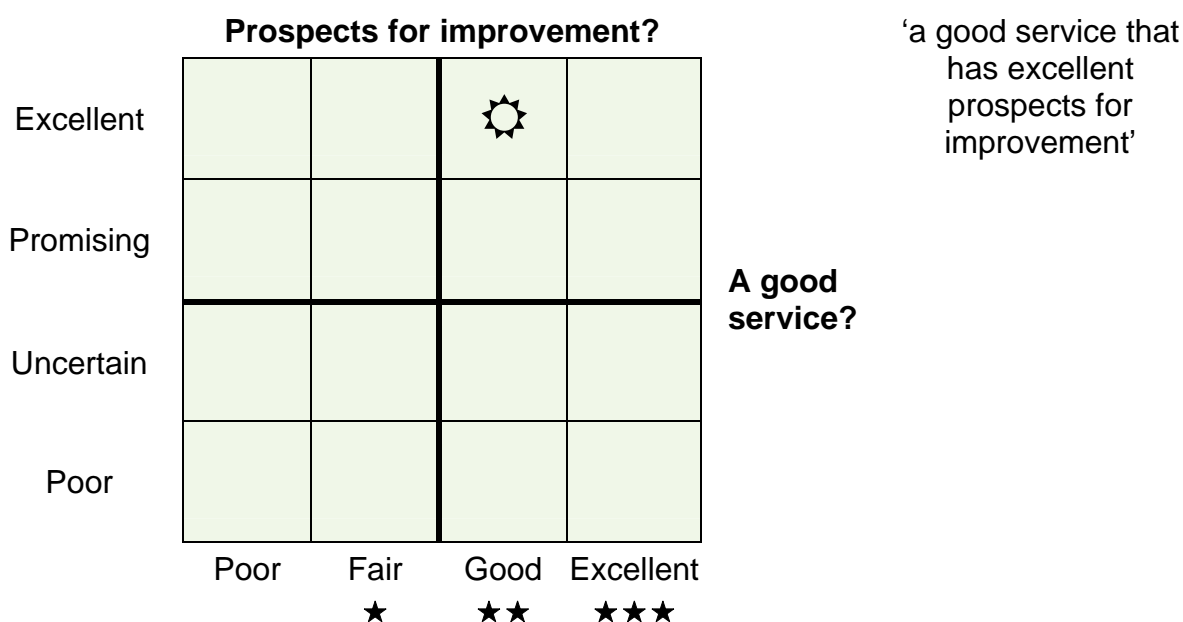
Summary

- 1 Nottingham City Homes is providing a good, two-star service which has excellent prospects for improvement.
- 2 Staff at all levels show a strong focus on customers when delivering services and those services are shaped and influenced by involved tenants and leaseholders. Services are generally easy to access and the range of customer information is comprehensive and of good quality.
- 3 NCH is making positive use of information on customers' needs and preferences to inform the way it delivers services. There is also a strong focus on identifying and meeting the needs of more vulnerable customers.
- 4 Tenants have been closely involved in shaping the way in which the investment programme is being planned and delivered. NCH is meeting its responsibilities to carry out annual gas safety checks to homes with gas appliances. Tenants with disabilities needing adaptations to their homes receive these quickly.
- 5 Anti-social behaviour (ASB) is effectively tackled and the standard of housing estates and communal areas in flats is high and improving. Homes are effectively allocated with choice available for customers through the HomeLink choice based lettings scheme. NCH is also achieving good value for money for its customers in a number of services through greater efficiencies and good procurement decisions.
- 6 Some areas require improvement. Some customers experience delays when contacting the repairs call centre. Not all services have had a full assessment to show that access to them is fair and equal. There are no opportunities for tenants with disabilities to self-refer for minor adaptations such as grab rails.
- 7 A high number of customers are refusing offers of housing and so some homes are empty for longer than necessary. Common areas in sheltered housing schemes have not yet been assessed to see if they meet the needs of people with disabilities.
- 8 NCH has successfully addressed weaknesses identified in the last inspection and also strengthened its governance, structure and successfully changed the culture of the organisation. At the same time, it has improved existing services and developed new services. There is a strong focus on managing performance and service users play an important role in monitoring service quality. Partnership working is effective and is supporting service delivery with improved outcomes for service users.
- 9 Performance, while improving, remains among the poorer performers in some service areas. Progress in moving some aspects of equality and diversity forward has been slow and there are some gaps in performance monitoring activity. However, the progress made to date, NCH's strong self-awareness and the fact that key weaknesses are included in improvement plans indicates that the prospects for further improvement are excellent.

Scoring the service

10 We have assessed Nottingham City Homes 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 chart¹



Source: Audit Commission

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

- staff and craft workers show a strong customer focus in delivering services;
- involved tenants and leaseholders are shaping services in a range of ways;
- services are easy to access through a range of methods;
- a comprehensive range of good quality customer information, including an interactive website, has been developed with customers;
- service standards have been agreed with customers and are generally met;
- customer feedback is welcomed and used to improve services;
- information on customers' needs and preferences is used to tailor services to individual requirements;
- there is a strong focus on meeting the needs of more vulnerable customers;

¹ The scoring chart displays performance in two dimensions. The horizontal axis shows how good the service or function is now, on a scale ranging from no stars for a service that is poor (at the left-hand end) to three stars for an excellent service (right-hand end). The vertical axis shows the improvement prospects of the service, also on a four-point scale.

- tenants have informed the way in which the investment programme is being planned and delivered;
- there are clear plans in place to improve homes to a standard which exceeds the Decent Homes Standard by 2013;
- performance on annual gas safety checks is strong;
- the homes of tenants with disabilities are adapted quickly;
- anti-social behaviour (ASB) is effectively tackled;
- the standard of housing estates and communal areas is high and improving;
- the HomeLink choice based lettings scheme is providing choice to customers and allocations are comprehensively and effectively checked ensuring that homes are allocated appropriately; and
- older people are receiving a customer focused service through the sheltered housing and community alarm service.

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

- some customers experience delays when contacting the repairs call centre;
- some services have not had a full assessment to show that access is fair and equal;
- some customers have not been informed if their homes are affected by asbestos;
- some non-urgent repairs are not completed within the stated target times;
- there are no opportunities for tenants with disabilities to self-refer for minor adaptations such as grab rails;
- customer satisfaction with opportunities to participate is low at 59 per cent when compared to similar organisations;
- a high number of customers are refusing offers of housing which is increasing the length of time that homes are empty;
- common areas in sheltered housing schemes have not yet been assessed to see if they meet the needs of people with disabilities; and
- communication with leaseholders on planned improvements and repairs to communal areas is not effective.

13 The service has excellent prospects for improvement because:

- substantial changes and improvements have been made in the way that the organisation is governed and structured and also in its culture;
- existing services have been improved and new services developed;
- performance is improving against most key indicators;
- NCH's mission, vision and values are clear and supported by a range of good quality plans and strategies;
- the focus on performance management is strong with service users playing a key role in monitoring service quality;

Scoring the service

- NCH is open to external challenge and is self-aware; and
- partnership working is effective and supporting service delivery with improved outcomes for service users.

14 However, there are some weaknesses. These include:

- performance in some areas, while improving, remains among the poorer performers;
- progress in moving some aspects of equality and diversity forward has been slower; and
- there are some gaps in performance monitoring activity.

Recommendations

- 15 To rise to the challenge of continuous improvement, organisations need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the organisation. In addition, we identify the approximate costs² and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. The inspection team makes the following recommendations.

Recommendation	
R1	Ensure that tenants and leaseholders whose homes may be affected by asbestos are provided with guidance on its possible location and the likely risks posed within three months of the report publication.
R2	<p>Increase customer focus by:</p> <ul style="list-style-type: none"> • taking steps to improve the speed with which the repairs call centre responds to calls; • establishing arrangements for tenants to self-refer for minor adaptations without the need to undergo an occupational therapist assessment; • ensuring that all relevant services undergo comprehensive equality impact assessments and that any weaknesses identified are reported and addressed; and • ensuring that leaseholders receive comprehensive information on planned improvements affecting the blocks in which they live and on repairs undertaken to communal areas.

The expected benefits of this recommendation are:

- improved outcomes for service users;
- increased customer satisfaction; and
- evidence of fair and equal access to services with any barriers identified addressed.

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

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

Recommendations

Recommendation

- R3** Improve the approach to performance monitoring and management by:
- developing a protocol with the Council's Streetscene service to provide a formal structure to deal effectively with any potential service shortfalls; and
 - ensuring that outcomes of all services are effectively monitored and evaluated to inform future service delivery.

The expected benefits of this recommendation are:

- effective use of resources; and
- continued improvements in services to customers.

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

Recommendations

R4 Fully implement the actions contained in existing service improvement plans and strategy action plans including completion of the review of the sheltered housing service, the review of the Council's current allocations policy and the implementation of efficient working practices within the responsive repairs service.

R5 Take action to address all other weaknesses identified in this report and report on the findings to the Nottingham City Homes board, Nottingham City Council, residents and key stakeholders.

- 16** We would like to thank the staff of Nottingham City Homes and Nottingham City Homes Ltd who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 17 to 28 November 2008

Report

Context

The locality

- 17 Nottingham is a unitary council in the East Midlands and one of eight designated 'core cities' in the UK. It has a population of 288,700³.
- 18 Nottingham is England's fifth most successful area in terms of economic output but the twelfth most deprived⁴. Nearly a third of the city's residents live in super output areas (SOAs) that are within the 10 per cent most deprived in England and 60 per cent live in SOAs within the 20 per cent most deprived. Around 71 per cent of council-owned homes are in wards which are among the 10 per cent most deprived in the country.
- 19 Nottingham has a high proportion of people of working age but is a low wage, low skill level economy with significant issues of worklessness and social exclusion. Both the proportions of older people and under-15s are lower than regional and national averages, though the city has high numbers of young people because of the student population at its two universities. Nineteen per cent of the City's residents are from black and minority ethnic (BME) communities. African Caribbean, Pakistani and Indian communities are the largest groups, and 3.2 per cent are of dual heritage. There are also significant numbers of more recently arrived workers from Eastern Europe.
- 20 The City employment rate is 63.3 per cent, compared with the English average of 74.4 per cent. The proportion of the working age population claiming Job Seekers Allowance was 4.3 per cent in November 2008 compared to a national rate of 2.8 per cent and 2.7 per cent for the East Midlands. The figure for people of working age with no qualifications is 17.4 per cent compared with the English average 12.8 per cent (APS December 2007.)

The Council

- 21 The Council has 55 members with 42 Labour seats, 7 Conservative and 6 Liberal Democrat. The Executive Board includes the leader and deputy leader of the Council, who each hold a portfolio and seven additional portfolio holders. The portfolio holder for Neighbourhood Regeneration currently covers housing issues.
- 22 The Council employs 10,800 full time equivalent staff. The net revenue budget for 2007/08 was £236 million. It is also managing major external funding for neighbourhood renewal of over £14 million in 2006/07.
- 23 In its Comprehensive Performance Assessment (CPA) in 2007, the Audit Commission assessed Nottingham as a two star council which was improving adequately.

³ Mid year estimate 2007

⁴ Indices of multiple deprivation 2007 - rank of average rank

Report

The service

- 24** The Council owned and managed 29,008 homes in the city, and a further 263 homes located outside the city boundary at 31 March 2008. It has 1,049 leaseholders. Around 10,700 council homes were built before 1945 and 2,503 homes are sheltered properties for older people.
- 25** There are currently 14,159 applicants on the housing register and the recent housing needs survey estimated an additional 280 new affordable homes are required each year.
- 26** The Council established an Arm's Length Management Organisation (ALMO) called Nottingham City Homes (NCH) on 1 April 2005. The ALMO has delegated responsibility for providing housing management and maintenance services, receiving a management fee of £33 million in 2008/09. It manages the Council's £19.1 million budget for repairs and £23.2 million capital programme budget. It employs 1,115 staff to deliver the service.
- 27** The ALMO board consists of five tenants/ leaseholders, three councillors and four independent members. There are three sub-committees: performance and regulatory, human resources and audit.
- 28** The functions delegated to NCH can be summarised as:
- estate management and caretaking;
 - tenancy support; tenancy management, including the enforcement of tenancy conditions;
 - rent and charges collection, arrears pursuance and debt counselling, recovery of HB overpayments, former tenants' arrears and garage arrears;
 - leasehold management;
 - repairs and maintenance of the stock, developing and implementing major works programmes;
 - managing lettings, voids and under-occupation;
 - consulting and informing tenants on issues relating to service delivery, including the development of a tenant Compact between tenants and NCH;
 - promoting tenant participation, including involving tenants in monitoring and reviewing service standards;
 - environmental protection and improvement (within the curtilage of tenanted and leasehold properties);
 - management of the homeless families' hostel; and
 - community alarm and out-of-hours enquiries.
- 29** The functions retained by the Council include:
- setting and changing policies, including rents, allocations, anti-social behaviour, homelessness;
 - setting rent levels;

- prevention of homelessness;
 - housing strategy;
 - Supporting People: strategy, commissioning and contract management;
 - Housing Revenue Account Business Planning and accounting; revenue and capital budget setting;
 - neighbourhood regeneration;
 - sustaining and developing partnerships;
 - overall investment and procurement strategy;
 - monitoring performance of NCH and agreeing the management fee;
 - discharging the Council's obligations under the terms of the Management Agreement;
 - Housing Benefit service;
 - CCTV management and operations; and
 - the Adaptations Agency.
- 30 In March 2006, the Audit Commission reported that NCH provided a fair, one star service, but with uncertain prospects for improvement. When the standards of NCH meet Government criteria, the Council will receive additional Supported Borrowing to bring its homes up to the Decent Homes Standard.

How good is the service?

What has the service aimed to achieve?

- 31** Nottingham City Council's 2008-2011 Council Plan sets out its six highest priorities.
- Help make Nottingham one of the UK's top three Science Cities with local people benefiting directly from the new jobs that will be created.
 - Help ensure that people feel safe, and that their property and relatives are safe, in their homes and neighbourhoods, wherever they live.
 - Make Nottingham England's cleanest big city.
 - Dramatically improve quality of life in our neighbourhoods by investing in schools, leisure facilities and regeneration, creating communities with a mix of skills, levels of income of types of homes.
 - Raise the aspirations and attainment of all Nottingham people starting with the very youngest and excluding no-one.
 - Ensuring that we work from appropriate buildings that maximise the effectiveness of our employees, the benefits of inter-department and partnership working and improve access and satisfaction for our customers.
- 32** Nottingham City Homes has a mission 'to deliver excellent services'. Its vision is 'Homes and places where people want to live' supported by seven core values:
- tell the truth;
 - keep promises;
 - be fair;
 - respect the individual;
 - work as one team;
 - encourage fresh thinking; and
 - strive for the best.
- 33** Within its ten year strategy, NCH has identified key areas for development as:
- achieving excellent services in the next two years;
 - fully implementing our customer focus strategy and accommodation plan to realise the vision of a customer services centre together with a full range of access points to our services;
 - delivering the Decent Homes programme and continuing to shape our repairs service around the needs of our customers;

- playing a significant role in shaping places specifically by expanding our estate management role including, for example, caretaking services, tenancy management activities including tackling anti-social behaviour, racial harassment and domestic violence;
- develop our role of facilitating tenant and leaseholder involvement to fully contribute to the community empowerment agenda as part of neighbourhood management;
- play a full role in the transforming neighbourhoods agenda, including as partners in the new local housing company and establishing pre-qualification status for building new homes;
- supporting the ambition of the wider partnership to address the scale and nature of worklessness including through our role as a large local employer;
- strengthening our partnerships to bring together resources, experience and expertise to maximise our ability to respond to these challenges;
- delivering our services more efficiently and improving value for money across all areas through full engagement with employees and stakeholders; and
- responding to the challenges of climate change by developing an environmental sustainability strategy.

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

Access and customer care

- 34** In 2006, we found that weaknesses outweighed strengths. There was low customer satisfaction with access to services and an inconsistent approach to customer care. NCH had not improved the customer care and access at its area housing offices, despite a reorganisation of this service.
- 35** In this inspection, we found that strengths now outweigh weaknesses. The corporate focus on access and customer care is strong and it is easy to access services. Customer information is of good quality, a comprehensive range of service standards are in place and customer feedback is actively encouraged and used to improve services. However, some customers experience delays in getting through to the repair call centre.
- 36** NCH has a strong corporate focus on access and customer care. This is underpinned by a clear, comprehensive customer focus strategy which addresses key issues raised by customers and which links to a sound communication and marketing plan for the service. This is providing focus for continued improvement in this area.
- 37** Staff, including craft workers, show a strong and genuine commitment to customer care. This has been supported by NCH's 'Let's Make a Difference' programme which was designed to deliver organisational culture change and increase focus on customer care and equality and diversity. Staff show a willingness to work beyond their defined job roles to meet customers' needs and this is providing a more responsive service.

How good is the service?

- 38** It is easy to access services through a range of methods. NCH provides a network of very good quality area offices which are accessible to people who have disabilities, a city centre housing service centre, call centres for rents and repairs, a well-developed, easy to use and interactive website, free text messaging and extended hours and weekend appointments for many services. This is helping customers to access the services they need in a way that is most convenient for them.
- 39** The Rents Call Centre is generally providing a responsive service to customers. In 2007/08, 95 per cent of calls were answered and, of these, 72.6 per cent were answered within 18 seconds increasing to 95.7 per cent and 76.1 per cent respectively in the second quarter of 2008/09. While the speed of call handling is falling short of the 80 per cent target, the volume of calls has increased by 800-900 per month, with no extra staff resources, as the centre takes calls for rent account managers to free them up to spend more time on home visits. Calls are also managed to ensure that more routine matters are passed to administration staff which is freeing up operators to deal with more complex calls such as agreeing repayment plans with tenants.
- 40** NCH provides a comprehensive range of good quality information about services which has been developed with customers. This includes a wide range of service information leaflets, handbooks for tenants, leaseholders and repairs, an informative monthly newsletter which is specific to the areas in which people live and information provided on the website. Information is attractively presented, written in clear language, approved by NCH's customer communications panel and available in a range of formats and relevant community languages. Customers are well informed about the services available.
- 41** NCH has developed a clear set of service standards with its customers. These are monitored through a range of methods, including 'mystery shopping' by customers, and standards are generally met. Performance is widely publicised with the exception of repairs performance which is only reported to involved tenants and leaseholders although NCH is now working to address this gap. Overall customers can be clear about the level of service they can expect from NCH.
- 42** NCH actively seeks customers' feedback on their experience of services through a wide variety of methods. This includes formal structures for tenant and leaseholder involvement including a range of service forums, NCH's comments, compliments and complaints process, and satisfaction surveys for all services. Feedback is used well to improve and shape services and regular 'you said, we did' up-dates in the monthly newsletter show customers how their views have had an impact. This demonstrates that customers' views are valued.
- 43** NCH uses a systematic and robust methodology to manage customer feedback and provide customer focus. The approach used is challenging as it makes it more difficult to achieve high approval ratings from service users. It also ensures that dissatisfaction is acted on as 'rectification notices' are generated ensuring that customers receive a personal response if they have given a low score. This is supporting NCH's drive for improvement and providing customer focus.

- 44 The approach to complaints is effective and well-developed. The process is clear and well publicised with a challenging response target of five days which was met in 97.2 per cent of cases in the first six months of 2008/09. Customers receive good quality responses to their complaints and learning points are captured to inform service improvement. Satisfaction is monitored once a complaint has been concluded and, while the overall score was relatively low at 5.75 out of 10 in September 2008, there had been month on month improvement and higher satisfaction with the process. Overall, customer complaints are leading to improvement.
- 45 Customers' satisfaction with NCH services is generally increasing although it is higher in some areas than others. The 2008 STATUS survey showed that satisfaction with the overall service had increased from 62 per cent in 2007 to 69 per cent. Ongoing satisfaction surveys for individual service areas showed that, in September 2008, satisfaction ranged from the 5.75 out of 10 for complaints mentioned above, to 7.18 for new tenants, 8.4 for ASB and 8.99 for gas servicing⁵. While the picture is mixed, NCH is effectively capturing customers' views and using them to drive improvement.
- 46 Performance information shows that some customers have difficulty accessing the repairs call centre. Overall call answering performance is significantly below target at 49 per cent for the second quarter of 2008/09 against a target to answer 75 per cent of calls in 18 seconds. Around five per cent of calls were abandoned in 2007/08 and around eight per cent between June and October 2008. While steps are taken to address this, some customers are not receiving a responsive service.
- 47 While a number of services are available out of office hours, including repairs reporting and rent arrears advice, area housing offices still work to standard day time opening hours. Although the housing service centre is now piloting extended opening hours in the evening and at weekends, customers who may benefit from visiting their area office at more convenient times are not able to do so.

Diversity

- 48 In 2006, we found that weaknesses outweighed strengths. Although there was a corporate focus on equalities and a very clear stance that harassment would not be tolerated, there was a lack of understanding of diversity issues and a lack of leadership in developing a service able to understand and respond to customers' needs. There were few outcomes in terms of ensuring that the service could respond to the differing needs of tenants.
- 49 In this inspection, we found that strengths now outweigh weaknesses. NCH understands its customer profile and is tailoring services to meet individual needs. It has a strong focus on equality and diversity supported by external challenge from two active diversity forums. The needs of vulnerable service users are effectively identified and NCH is working to support tenants into work. However, work on equality impact assessments to demonstrate fair and equal access to services is currently underdeveloped in some service areas.

⁵ NCH uses a challenging satisfaction survey methodology where customers are asked to score the service from 1-10 in 10 areas rather than indicate that they are satisfied/ dissatisfied. This approach makes it harder to get high approval scores.

How good is the service?

- 50** NCH has a well developed understanding of its customers. Good progress has been made in collecting customer profile information with all tenants and leaseholders asked to provide information through a survey with any gaps picked up during their contact with NCH, such as when reporting repairs, and for all new tenants when homes are let. This has resulted in information across each of the six diversity strands of ethnicity, gender, age, disability, sexual orientation and faith with, for example, ethnicity known for 84 per cent of customers and 22 per cent of customers having declared a disability. Progress in gathering the remaining information is monitored monthly by the executive management team with areas to target identified. Information gathered is also compared against Census data and the STATUS survey with anomalies explored. This is enabling NCH to develop and deliver services which meet different needs.
- 51** NCH is making effective use of customer profile information, which is readily available to all staff through the IT system, to inform service delivery. There are many examples of individual needs being met across all services including the way improvement work is carried out in sheltered housing and the support given to vulnerable people experiencing or perpetrating ASB. NCH understands its local context and has been mindful of relatively low literacy levels when developing printed information. This has informed the development of arrears letters and calling cards which include 'traffic lights' to alert tenants to the need to get in touch. Services are tailored to meet customers' different needs.
- 52** The focus on equality and diversity is strong. This is supported by a sound strategic approach and structures to take forward work in this area including board member champions for disability and BME issues, who are also part of a high level equality and diversity steering group providing leadership for this area, a staff equality and diversity champions group and an equality and diversity theme within the 'Let's Make a Difference' programme mentioned earlier.
- 53** Specialist forums are providing positive external challenge. The BME forum and the disability forum, Homes 4 Us, meet NCH monthly to discuss issues and inform service and policy development. Both forums were involved in developing the equality and diversity policy and the position statements for the diversity strands. The BME forum is active in seeking to improve the representation of the workforce and identifies concerns about access to housing and, in particular, housing areas, by BME groups. The changes made to letting properties where adaptations are needed, so that they are carried out when the property is empty, were as a result of discussions with Homes 4 Us. The forum has also brought about greater understanding and changes in repair working practices, for example, in ensuring power supplies are not turned off in properties where residents need this for medical equipment.
- 54** NCH complies with key equality guidance. It has assessed that it complies with the Commission for Racial Equality's Code of Practice on Racial Equality in Housing. Following a self-assessment it has established that it meets the criteria in the Code and has used the assessment to identify areas for further improvement. This has been reported to the executive management team and a report will be provided to the Board and BME forum by March 2009.

- 55** There is a strong focus on identifying and meeting the needs of vulnerable customers. Vulnerability assessments are carried out at a number of points of contact with customers including the pre-tenancy stage, on new tenant visits, and at key stages in the arrears recovery process. This is captured on the IT system and flagged up when the tenancy details are accessed. Where the need for additional support is identified, housing staff make referrals to the local floating support service. A multi-agency vulnerable persons' panel provides a coordinated approach to meeting needs. This is reducing the risk of tenancies failing for vulnerable people.
- 56** NCH deals sensitively with cases of racial harassment, hate crime, and domestic violence. This is supported by clear policies and procedures, specific service standards and partnership working including the vulnerable persons' panel to manage specific cases. A sanctuary scheme is in place for people experiencing domestic violence and staff are trained to help them to respond effectively. This is providing an appropriate and coordinated approach.
- 57** NCH is engaging with harder to reach groups. This includes work in schools by the property services team, work with Gypsies and Travellers who are settled in homes managed by NCH and with the Asian community through the Rahnama project. This is enabling wider promotion of NCH's services including the Homelink choice based lettings service and a better understanding of needs and aspirations.
- 58** NCH is actively contributing to the worklessness agenda in a range of ways. Job seeking is discussed with new tenants at sign-up. The 'One in a Million' programme is providing an apprenticeship for every million pounds invested in the Decent Homes programme and job opportunities with NCH are advertised in the tenants' newsletter. It is also working with local colleges to run courses to help residents to become ready for work. This is helping to develop and promote sustainable communities.
- 59** NCH is taking action to ensure that the board, involved tenants and the workforce is representative of the community it serves. This is actively monitored and, while the board is broadly representative of the wider community, NCH recognises the need to keep this under review. While the workforce is generally representative, there are lower proportions of women and BME groups in property services and in top management positions. This is being addressed in property services through the apprenticeship schemes which aim for all recruits to come from within the City with 20 per cent coming from BME communities. It is also working with schools to encourage girls to apply and a recent initiative with an external agency is offering painting and decorating training to women who are homeless. BME staff are supported to take part in an externally facilitated leadership programme for BME housing professionals and NCH has been awarded 'two ticks' under the Jobcentre Plus 'Positive about Disabled People' scheme. Overall, this is supporting NCH in its work to reflect the makeup of the local community.

How good is the service?

- 60 Progress has been slower in some areas. While an ambitious target has been set to reach level five of the Equality Standard for Local Government by 2011, NCH is currently only at level two which is not sufficiently advanced given the organisation's operating context. Linked to this, a number of equality impact assessments (EIAs) are still at an early stage. Although the allocations EIA was thorough resulting in a comprehensive service improvement plan, other services have not yet reached this stage. A number of services carried out stage one EIAs in 2006 and, since then, a toolkit has been developed and training provided to managers. Further stage one assessments have been completed recently and a draft programme has been developed to carry out stage two assessments where these are needed. While these are due to be completed by March 2009 to reach level three of the Equality Standard, NCH cannot currently demonstrate fair and equal access to all services.
- 61 While offices which are open to the public meet the requirements of the Disability Discrimination Act, the common areas of sheltered housing schemes have not yet been assessed. Although this is due to be completed by February 2009, NCH cannot currently demonstrate that schemes are accessible for people who have disabilities.
- 62 While NCH is monitoring the diversity of contractors' workforces and has required their operatives to undertake NCH's diversity training programme, it has not yet acted on the outcomes of monitoring activity. It cannot yet demonstrate that its contractors' workforces are representative of the local community profile.

Stock investment and asset management

Capital improvement, planned and cyclical maintenance, major repair works

- 63 In 2006, we found that weaknesses outweighed strengths. Although modern partnerships had been agreed to deliver the improvement programme, NCH lacked the technical capacity to take the partnerships forward effectively. There was a repairs and maintenance strategy, but it had yet to adequately address bringing homes up to the Decent Homes Standard and confirmed investment plans were not agreed beyond the current year. There had been insufficient control of major works and budgets and recent programmes had not been delivered to schedule and had been underspent.
- 64 In this inspection, we found that strengths outweigh weaknesses. Tenants and leaseholders have shaped and informed investment priorities, choices and contractor selection. The investment programme is well managed, is delivered with a high level of customer care and tenants are involved in ongoing contract monitoring. NCH has a sound understanding of the condition of the homes it manages and its asset management strategy provides a framework for investment. However, the long term sustainability of some stock has not yet been assessed or addressed and health and safety is not yet fully developed in all areas.

- 65 The asset management strategy sets clear priorities and provides a framework for investment. It sets out how Decent Homes will be delivered along with sustainable homes and estates, energy efficiency and lifetime homes and is based on component lifecycles over a 30-year period. The strategy makes explicit links to the Council's strategic frameworks for regeneration which are being developed in close liaison with NCH through the joint asset management group. The asset management strategy has informed more cost effective programming and added value by using modern procurement practices in selecting investment partners, with tenants and leaseholders at the heart of decision making.
- 66 NCH has taken steps to ensure the longer term sustainability of homes with low energy efficiency levels and those built using non-traditional methods. By targeting installation of wall and loft insulation towards homes with the lowest energy efficiency levels, the number with a standard assessment process (SAP) rating of less than 30 points has reduced from 1,222 to 125 and the average SAP level for the whole stock, at 71 points, is above average when compared to similar organisations. Homes built using non-traditional methods have been addressed through a combination of selective demolition, decommissioning or extensive refurbishment with further programmes anticipated. This is helping to ensure that the homes managed by NCH meet future needs and expectations.
- 67 NCH, tenants and leaseholders have demonstrated their longer term ambitions for homes in the city by developing the 'Nottingham Standard'. This exceeds the Decent Homes Standard by including elements such as Secure by Design features, environmental works, energy efficiency measures, fitting energy efficient light bulbs under the 'Shine a Light' scheme and using smaller lavatory cisterns to save water. This is meeting residents' aspirations and supports sustainability principles.
- 68 NCH has a sound understanding of the condition of the homes it manages. It currently holds full stock condition information for 21 per cent of homes. The approach to collecting further information is robust with all homes having a full survey, including type two asbestos surveys and a Housing Health and Safety Rating System assessment, before investment work begins to enable programmes to be refined and funding reallocated as necessary. Appropriate data validation checks are also undertaken. This is ensuring that the investment programme is based on sound assumptions.
- 69 The risks associated with asbestos are managed effectively. The policy and procedure are sound. Data on the presence and location of asbestos, captured through surveys and cloned across the stock, is held on a database which is accessible to external contractors and details are also flagged on responsive repair job tickets. This is ensuring safe working practices when carrying out work in tenants' homes.

How good is the service?

- 70** NCH is not currently providing guidance information to all tenants and leaseholders whose homes are affected by asbestos. While NCH will have completed 100 per cent of stock condition surveys by 2010 and copies of the results of type two surveys with explanatory notes are provided to tenants, where cloned information exists, it has not been provided to tenants whose homes are not in the current improvement programme. While NCH has indicated that it intends to do this from January 2009, a lack of awareness about the issues relating to asbestos in their homes potentially poses a risk for some residents. NCH recognises that this is a weakness and is working to address this.
- 71** The investment programme is being delivered in line with tenants' and leaseholders' wishes. They have shaped the priorities for the programme, the way in which work is packaged and phased across the city, contractor selection and product specification and choice, with work currently taking place on kitchen components. This is ensuring that the programme reflects tenants' preferences and aspirations.
- 72** The delivery of the investment programme is effectively managed. Sound monitoring and control, with tenant and leaseholder involvement, ensures that work is completed on time, within agreed budgets and to a high standard. Customer satisfaction is generally high with a rolling average of 7.66 out of 10 up to September 2008.
- 73** The investment programme includes a high level of customer care, particularly for more vulnerable people. Individual needs are assessed and captured at an early stage in the process. The 'Helping Hands' service provides reassurance, practical help and support to tenants whose homes are undergoing work with particular care taken with older people and those who have disabilities. This includes help with packing, moving furniture and respite care if needed. If tenants with disabilities need adaptations, these are done as part of Decent Homes work following an assessment by a dedicated occupational therapist. This is minimising disturbance and inconvenience for tenants.
- 74** An appropriate range of planned and cyclical maintenance programmes are in place. This includes a planned fencing programme, external and communal area painting, guttering and rainwater goods maintenance, servicing of smoke alarms and carbon monoxide detectors, servicing of lifts, door entry systems, electrical installations and appliances, water testing and treatment and asbestos management. This is ensuring the ongoing maintenance of components and services.
- 75** The approach to some aspects of health and safety is not yet fully developed. Health and Safety Executive alerts on issues relating to back boilers and scalding risk are dealt with on a reactive basis, through stock condition surveys before the investment programme, and checks on empty properties. However, there is no proactive programme of checks based on known stock component information. This means that some properties which may be affected will not be dealt with until they become empty or until they are surveyed as part of the improvement programme.

- 76** Some aspects of the strategic approach to asset management are still developing. There are issues about the accessibility and longer term sustainability of the sheltered housing stock. After a slow start, a programme of accessibility assessments is underway and due to be completed in February 2009 with issues identified feeding into the asset management plan. Some work has been done on a scheme by scheme basis with some decommissioned but there is no overarching, long term vision for the service and how it fits with the wider approach to asset management. The longer term sustainability of some homes is not yet assured.

Responsive repairs

- 77** In 2006, we found that weaknesses outweighed strengths, although the service had improved for tenants. The service had undergone significant change over the last year which had resulted in an improved service for customers.
- 78** In this inspection, we found that strengths and weaknesses are balanced. It is easy to report repairs and work is generally completed to a high standard. However, performance on completing repairs within target timescales is mixed and the level of emergency repairs is high.
- 79** To provide context, the responsive repairs service is provided by NCH's in-house property services team which won the contract following a full market testing exercise. The contract began in July 2008.
- 80** It is easy for customers to access the repairs service. The well publicised repairs call centre is open 24 hours a day, 365 days of the year. Appointments are offered at the first point of contact and include Saturday mornings. Customers can also report repairs online with diagnostic software to support this. In 2007/08, 96 per cent of appointments made were kept and 95.5 per cent during the first six months of 2008/09.
- 81** Work is generally completed to a high standard. There are sound arrangements in place to monitor the quality of completed repairs with a ten per cent targeted sample of post-inspections taking place. Craft workers are required to return and remedy any shortfall in quality without additional pay. Customer satisfaction is high overall and increased from 7.4 out of 10 in July 2008 to 8.13 in August 2008 after the new contract began.
- 82** There is a focus on completing repairs in one visit. Craft workers are able to vary orders to complete minor additional work and vans carry the stock needed to make best use of time. This contributed to 85 per cent of repairs being completed in one visit in July 2008 which rose to 95 per cent in September 2008. This is providing a better service for customers and improved value for money.
- 83** Performance on completing repairs within target times is mixed, as shown in the table below. The stated target for emergency (which includes urgent) repairs has been exceeded to date in 2008/09. However, performance on routine repairs is well below the published target although a 15-day completion target is challenging. Some customers are not receiving a prompt service in line with published targets.

How good is the service?

Table 1 Responsive repairs performance

	Performance 2007/08	2007/08 target	Performance April- November 2008	2008/09 target
Emergency repairs (including urgent) - attend within 4 hours and complete within 3 days	97.04%	98.00%	99.51%	98%
Routine repairs - complete within 15 days	96.38%	97%	90.44%	97%

Source: Nottingham City Homes Performance Report April to October 2008

- 84** The level of repairs completed as emergencies is high. This represents around 28 per cent of all repairs but also includes urgent repairs as NCH classifies repairs as either emergency or routine. While NCH has done some work to analyse the background to this, and has introduced scripts for call handlers and diagnostic aids for tenants, there is more to do to establish whether the level of emergency repairs is justified and making efficient and effective use of resources.
- 85** Tenants are not made aware of their Right to Repair. This is not covered in the 2008 repairs handbook or included on routine repair receipts. Tenants are therefore unaware of the action they can take if the service provided does not meet acceptable standards. NCH has acknowledged this weakness and is taking steps to address it.

Empty (void) property repairs

- 86** In 2006, we found that there were significant weaknesses and very few strengths. Although a new re-let standard had been agreed with tenants, this was not challenging. New void procedures had been introduced but performance targets were not being achieved. There was inadequate financial control of void repairs.
- 87** In this inspection, we found that strengths outweigh weaknesses. NCH has substantially reduced the number of vacant lettable homes and is working to let homes more quickly and to a higher standard. However, some new tenants have expressed dissatisfaction with the condition of their new home.
- 88** NCH has taken steps to greatly reduce the number of vacant lettable homes. Performance in this area has received intense scrutiny from NCH management, the Board and involved tenants. By October 2008 this had reduced from a high of 1,050 to 427 lettable voids which, at less than 1.5 per cent of stock, compares favourably with strongly performing peers. This has led to increased rental income of £766,000 and an improved local environment.

- 89 While the average time taken to re-let vacant homes appears high, the underlying picture is more positive. The 2007/08 average was reported as 63.7 days against a target of 45 days and performance to the end of October 2008 showed an average of 51.4 days against a target of 30. However, these figures include the letting of a number of long-term empty homes, as described above, which skews the overall picture. When these lettings are taken out, the average re-let time was 35.5 days in October 2008. Although this represents only median performance compared to peers, there is a clear focus on improving performance in this area.
- 90 NCH has responded positively to reduce the time that people wait to move into a new home. It has created a combined voids and allocations team, and pulled together representatives from all teams which have an impact for a monthly meeting to explore performance and how to improve it. This is helped by breaking down the voids process into component stages, each with a target date, which is carefully analysed in terms of impact and outcomes from action taken. This is contributing to improved performance.
- 91 Vacant homes are repaired to an agreed standard. A lettable standard has been developed with involved tenants and post-inspections take place to ensure that the standard is met with NCH's tenant inspectors also undertaking sample checks. Our own reality checks showed that voids inspected met the standard.
- 92 There are some positive elements of choice for new tenants. Where possible, choice is offered on the style and colours of any Decent Homes improvements. New tenants are given the chance to retain fixtures and fittings if they are in good condition and are also able to choose whether to move in before repairs or improvements begin. A decoration voucher scheme is in place which has been reviewed and will shortly be replaced by a more customer focused points/catalogue scheme. This is helping to meet tenants' different preferences, needs and circumstances.
- 93 NCH provides a comprehensive welcome pack for new tenants. This was developed in consultation with service users and includes a range of useful information including a copy of the energy performance certificate, details of the investment programme and, following customer feedback, basic items such as refuse sacks.
- 94 Some new tenants are expressing dissatisfaction with the condition of their new home. At the end of September 2008, while satisfaction with condition scored an average of 7.18, the lowest scores related to condition of home when keys were received, arrangements for completing outstanding repairs, the cleanliness of the property when offered, and how customers rated the external appearance of the property and shared areas. A quality improvement group has developed an action plan to address these issues through void specification, post inspections, and repairs completion checks at settling in visits. However, these measures have not yet had an impact.

Gas servicing

- 95 In 2006, we found that there had been significant improvements to gas servicing and strengths outweighed weaknesses. Procedures had been revised and performance was at a high level compared to other organisations.
- 96 In this inspection, we found that strengths significantly outweigh weaknesses. Performance is strong, the programme is well organised and legal duties are fulfilled.

How good is the service?

- 97** Performance on gas safety checks and servicing is strong. At mid-November 2008 only seven out of 24,760 homes, or 0.03 per cent, with gas had a service outstanding, of which six were less than a month out of date and the other between one and three months out of date, with appropriate action being taken in each case. Scrutiny is strong with performance included in NCH's suite of indicators which are reported to senior management, the board and stakeholders. The 214 homes with solid fuel heating are serviced annually with carbon monoxide detectors fitted and gas servicing is offered to leaseholders at cost. Legal duties are being met.
- 98** The gas safety and servicing programme is well managed. It is organised over a ten month cycle so that action to gain access can begin before the current certificate lapses. The importance of gas safety checks is widely publicised to tenants and letters have been reviewed with service users to make them clearer and include a 'traffic light' rating to emphasise the importance of making contact for checks to be done. The IT system flags overdue services so that staff can make appointments when tenants make contact on other matters. Early evening and weekend appointments are customer focused and contribute to NCH's success in this area. The 'no access' procedure is clear with appropriate methods used to gain access. NCH's overall approach is effective with only 169 cases going through the no access process in 2007/08 and very high customer satisfaction with a rolling average of 8.99 in 2008/09 and a score of 9.18 in September 2008.
- 99** NCH is evaluating the effectiveness of its 'no access' procedure through weekly monitoring. Performance reports show the percentage of appointments where access was gained at first, second, third and fourth time of access which shows that, since procedures were revised at the beginning of October 2008, there has been a decreasing need to progress to the latter stages of the procedure. There are some tools in use, such as the quarterly prize draw, or use of lock stickers, which have not yet been separately evaluated. However, the current monitoring provides sufficient overview to enable NCH to monitor trends in access and take further action if necessary to gain access.
- 100** Quality is assured in servicing arrangements. The programme is managed by a dedicated CORGI qualified engineer with work undertaken by appropriately trained and qualified engineers. Targeted, risk assessed sample checks are carried out on 10 per cent of completed work with further random sample checks on the completeness and quality of safety certificates. Records and safety certificates are well maintained. This is supporting NCH's effective approach in this important area.
- 101** Effective procedures are in place for situations where, through ill health or disability, tenants sleep in rooms which have unvented gas appliances. Cases identified have a safety check followed by further safety check and service at six months with a carbon monoxide detector fitted. After two years of six monthly checks and services, the arrangement is deemed to be permanent and discussions held to explore other options. From January 2009 this will be reduced to 12 months supported by quarterly checks and services with ventilation upgrades where necessary. This minimises health and safety risks for vulnerable tenants.
- 102** Value is added to the servicing programme. Homewatch alarms are serviced and smoke detectors are tested with batteries replaced at the same time as other servicing takes place. This is customer focused and provides good value for money.

103 Although only in draft form, the gas safety and servicing service standard has some positive features. It includes a stage by stage pictorial guide for customers on what will happen when an operative calls, and what NCH expects of customers such as credit on meters and appliances switched off one hour prior to appointment.

Aids and adaptations

104 In 2006, we found that strengths outweighed weaknesses. There were high levels of satisfaction with the service but the partnerships with other key stakeholders were weak and NCH did not have any effective monitoring procedures in place.

105 In this inspection, we found that strengths continue to outweigh weaknesses. Adaptations work is completed quickly and customer satisfaction is high. The Council and NCH work well together to provide the service. Adaptations are also carried out through the Decent Homes programme. However, the whole customer experience is not measured and there is no provision for customers to self-refer for minor works.

106 To provide context, the aids and adaptations service for Council tenants is provided through a partnership between the Council and NCH. The budget is determined, held and managed by the Council with NCH carrying out the work in a contractor role.

107 The aids and adaptations service is widely publicised. There is a good range of clear information about the service with signposting to a single point of access provided by the Council's occupational therapist (OT) service. Customers can be clear about how to access the service.

108 There is effective liaison between the Council and NCH to provide the service. Operational meetings take place every two months to discuss individual cases and needs. These include disability housing advisors to ensure that best use is made of properties which have already been adapted. The meetings are also used to develop improvements such as new targets for completion times based on a prioritisation system. This approach is also supported by operational meetings between craft workers, surveyors, OTs and medical rehousing officers. This helps to ensure a consistent and coordinated approach.

109 Adaptations are completed quickly and to a high standard. The majority of work is completed within 20 working days with fast-track arrangements for work which does not need any specialist design. Work is carried out by multi-skilled crafts people which also speeds up the process. Annual comparison with ALMO peers shows that NCH is the fastest with cost and customer satisfaction also comparing favourably. NCH's monitoring shows a rolling average satisfaction level of 8.8 out of 10 for work completed during the first seven months of 2008/09.

110 It is positive that tenants' adaptation needs are being met through the Decent Homes investment programme. Potential needs are identified at an early stage and a full assessment is then carried out by a dedicated OT. Any adaptations needed are then installed at the same time that other work is done. This minimises inconvenience for tenants and provides value for money.

How good is the service?

- 111** Partnership working is benefiting customers. A preventative adaptations scheme has been jointly developed by the PCT, the Council and NCH to provide minor adaptations funded by the PCT. No assessment is required and people are able to self refer to this free service which currently has a two week waiting list. The scheme has been promoted widely with dedicated information leaflets and targeted talks to faith and BME community groups as monitoring information has highlighted a lower than expected level of take up. NCH has also recently commissioned a handyperson service provided by Age Concern although it is too early to evaluate the impact of this. Overall, this is providing enhanced services for more vulnerable tenants.
- 112** Effective use is made of adapted homes and adaptation equipment. Adaptations are collected and re-used across all tenures to meet priority needs. In 2007/08, 33 per cent of installations of stairlifts, hoists and vertical lifts used recycled adaptations. Other examples include the use of modular ramps, which are also recycled, and the use of modular extensions. This is supported by stock information which records the location of completed adaptations and effective matching of adapted homes to housing applicants who would benefit from them with OT input. This minimises the length of time that customers have to wait for work to be done and provides effective use of resources.
- 113** Performance management in this area is underdeveloped. While the time taken to complete work is monitored, there is no monitoring of the length of time the process takes from the point that the need was first expressed through to the need being met. The whole customer experience is not captured and opportunities to improve and speed up the service are being missed.
- 114** The approach to minor works lacks customer focus. All requests for adaptations must be channelled through the Council's OT service as the single point of contact. While this brings some consistency of approach, it means that customers face delays while their needs are assessed for a routine adaptation, such as a grab rail, which could be carried out as a routine repair following self-referral.

Housing income management

- 115** In 2006, we found that, while the management and collection of rent arrears was improving, they were not under control and weaknesses still outweighed strengths. There were problems with staffing capacity and resources, vulnerable tenants needing support to manage their rent were not always identified effectively and there was a high level of notices seeking possession for non payment of rent. Value for money within arrears recovery had not been effectively analysed and relationships with advice providers were underdeveloped, apart from the debt advice project in St Ann's.
- 116** In this inspection, we found that strengths now outweigh weaknesses. The service is customer focused and it is easy to make payments. There is a strong focus on financial inclusion and there has been sustained and significant improvement in rent and arrears collection. Money advice is readily available. However, while improving, the level of evictions and the proportion of tenants who have been served notice seeking possession remain high.

- 117** The service is customer focused. Service users are shaping improvements through the tenant rent panel and have informed a range of improvements including the introduction of 'traffic light' style warnings on arrears letters to alert tenants to the need to make contact and the introduction of additional Direct Debit dates. There is a good range of clear information on rent matters, developed with service users, including quarterly statements. Access has been improved by extending the rent call centre opening hours and through free text messaging. Satisfaction with the rent service is high with a rolling average score of 7.22 out of 10 for the first five months of 2008/09.
- 118** It is easy for tenants to make rent payments. A full range of payment options is available with targeted promotion of Direct Debit as the most cost effective method with tenants choosing this entered into a monthly prize draw. The number of tenants paying by Direct Debit has increased from 2,751 in April 2007 to 4,122 in November 2008 which is 40 per cent of the 10,222 tenants whose rent is not wholly covered by Housing Benefit. The number of Direct Debit payment dates has also increased from two to four per month. This is increasing choice for tenants.
- 119** The service has a comprehensive business plan and debt strategy. The debt strategy has been revised and expanded to include how NCH will collect leaseholder service charges, rechargeable repairs and former tenant arrears. This provides a useful framework for all housing income management activity.
- 120** NCH is promoting a rent payment culture. This is supported by a rents marketing plan which includes a themed poster campaign promoting the importance of paying rent. Tenants with rent arrears are encouraged to pay during rent free weeks through text messages and other publicity. This generated an additional £65,000 income during the August rent free week.
- 121** The relationship with the Council's Housing Benefit (HB) team is sound. It is supported by a joint protocol and regular liaison meetings. NCH hosts monthly HB surgeries in its offices with take-up monitored. Staff have access to the HB IT system to track progress on claims and a dedicated point of contact within the HB service to ensure continuity. The majority of rent account managers are authorised to verify income details with the remainder due to be trained to do so by January 2009. Joint work is also taking place to improve and stream-line systems and processes. Overall, this is ensuring that delays in processing tenants' HB claims are minimised.
- 122** There has been significant and sustained improvement in performance on rent collection and arrears recovery. By way of context, rent collection increased from 86 per cent in March 2003 to 96.23 per cent in March 2008 with 96.6 per cent collected at the end of October 2008. In-year collection of rent and rent arrears combined has increased from 99.36 per cent in March 2008 to 100.14 per cent to the end of November 2008 with four consecutive months of collection rates exceeding 100 per cent. This is increasing resources for service delivery in a challenging local context.

How good is the service?

- 123** Customer profile information is used well to target resources and prevent rent arrears. This has informed the development of a specific strategy for high rise blocks and a series of patch plans. Although relatively recent, this approach is already having an impact with collection rates in the Radford area increasing from 95.67 per cent in November 2007 to 98.28 per cent in November 2008. Analysis also showed that some new tenants were accruing debts in the early weeks of their tenancy. The introduction of measures such as vulnerability checks at sign-up stage and visits by financial inclusion officers have helped to reduce the number of tenants with less than seven weeks arrears by 508 in October 2008 compared to the same period in 2007.
- 124** Steps are taken to identify vulnerable tenants to ensure that rent arrears action is sensitive and proportionate. Checks are carried out at tenancy commencement, prior to court action and at warrant stage using a scoring mechanism with a high score triggering a referral for floating support. Staff also liaise closely with social care to check if they have any involvement with vulnerable households with rent arrears. This is helping to take a tailored and sensitive approach to tenants who have rent arrears.
- 125** The arrangements for securing possession hearings in the County Court are working well. NCH has a positive relationship with the Court and staff attend twice yearly court user group meetings. Following a successful pilot NCH is moving towards entering cases for bulk hearings on a geographical basis and on a four-weekly cycle which brings consistency, a more targeted approach and better use of staff resources. Use of the online possession claims services has brought efficiencies in working practices and savings of £100 per case.
- 126** The focus on promoting financial inclusion is strong. There are good links with the credit union which is widely promoted. This is reinforced by NCH's offer to double the value of the Direct Debit and clear rent account prize draws if winners invest the sums with the credit union for three months. The November 2008 tenant newsletter included a 'Money Matters' magazine which provided information on door-step lending, benefits and other issues. A low cost home contents insurance scheme is actively promoted and taken up by 3,378, or 11.6 per cent, of tenants. The website includes an online benefits calculator and links to other sources of advice on benefits. A recent financial inclusion roadshow with 26 partner agencies provided advice to 250 visitors. A draft strategy, which has been to the tenant rent panel, is due to go to the Board in January 2009 and provides a sound framework for the ALMO's ongoing work in this area. This is important activity in an operating context of considerable deprivation.
- 127** Financial inclusion officers are providing a positive service to new and existing tenants. Following a risk assessment, contact is made with around 80 per cent of new tenants within the first week of their tenancy to explain the importance of paying rent, to encourage tenants to get in touch if they have difficulty paying, to advise about the credit union, the home insurance scheme and discuss any debts the tenant may already have. More intensive work is done with vulnerable new tenants and with existing tenants who are having financial difficulties. This is helping tenants to avoid accruing rent arrears and other debts.

- 128** Good quality money advice is readily available. A service level agreement is in place for St Ann's Advice Centre to provide advice to tenants referred by NCH. This includes online appointment booking and regular monitoring meetings to assess the outcomes of referrals. Of 884 clients seen in 2007/08, help was provided to manage £2.28 million in debt, £227,000 in rent arrears was dealt with, 220 payment plans set up and £139,810 was secured in benefits and grants. A protocol is also in place with other advice providers with contact arrangements well publicised to tenants. A useful self-help debt guide has also been developed for tenants who would prefer to deal with debt themselves. Rent account managers make proactive contact with tenants who are maintaining regular payments towards their arrears to offer assistance with any other debts they may have. Overall NCH is ensuring that help is available for those who need it.
- 129** There is increased focus on former tenant arrears (FTAs). Pre-termination visits are used to discuss any arrears and, while the impact of this has not yet been assessed, the amount passing into FTAs is less than in previous years. A multi-track system tailors action taken to the reason for the FTAs which allows a more sensitive approach. An external collection agency, jointly procured with the Council, has been used for the past three years with payment only made if debt is recovered. This has collected £70,000 so far. Staff within the rents call centre are also used to trace and chase FTAs, supported by a tracing package. A target has been set for an 8 per cent reduction in FTAs in 2008/09 with 5.05 per cent achieved to October 2008 and with a reduction of £218,000 when compared to October 2007.
- 130** There is a clear write-off policy with appropriate delegation and half yearly reporting to the Policy and Performance Committee. Write-offs previously only took place towards the end of the financial year but quarterly write-offs have now been introduced. This helps to provide a true picture of recoverable debt.
- 131** While performance is showing sustained improvement across all indicators, some areas remain poorly performing when compared to NCH's ALMO peers. The proportion of tenants with seven or more weeks of rent arrears was high at 9.09 per cent at the end of 2007/08 although this has fallen to 8.82 per cent in October 2008. The proportion of tenants to whom notices seeking possession have been served is very high at 27.93 per cent in March 2008 and 27.05 per cent in October 2008. The proportion of evictions, while reducing, also remains high at 1.07 per cent at the end of March 2008 and 0.95 per cent in October 2008. While this needs to be viewed in the context of concerted action to address longstanding arrears, there is work to do to reach the performance levels of the best performing ALMOs.
- 132** NCH cannot demonstrate that its fortnightly door to door rent collection service is providing value for money. Currently the service is provided to 712 tenants, or 7 per cent of tenants who do not have all of their rent covered by HB, who are considered to be vulnerable bringing in £658,000 per annum at an average cost of £3.77 per transaction with a total service cost of £45,384 per annum. A service review is currently underway, looking at both value for money and health and safety, and is due to be reported to the board in January 2009.

How good is the service?

133 The collection rate for rechargeable repairs is low. Responsibility for collection lies with the Council with around 28 per cent recovered. While NCH is currently reviewing the process with a view to bringing the function in-house, resources are not currently maximised in this area.

Resident involvement

134 In 2006, we found that weaknesses outweighed strengths. There had been a number of positive developments and more resources had been dedicated to supporting participation. A tenant inspection team had been developed with a remit of scrutinising services. However we found that satisfaction with opportunities for involvement was low, the structures for tenants' involvement were still unclear and there was no agreed constitution or protocols in place to guide the various forums. There was no choice for tenants to pick the level of participation they wanted and training for tenants was underdeveloped. The scrutiny role of the various forums had been undermined by the lack of transparency of the responses they received.

135 In this inspection, we found that strengths outweigh weaknesses. Tenants and leaseholders can be involved in a range of different ways which are well promoted. Resident involvement is well resourced with a wide range of outcomes. However, some initiatives are relatively recent, such as the new tenants' resource centre, and so tenants' satisfaction with opportunities for involvement remains low.

136 There is a wide range of ways in which residents can be involved in shaping and improving services and the number of involved customers is growing. There are currently 2,200 people or around 7 per cent of customers on NCH's involvement database. Opportunities for involvement in strategic and operational issues include:

- taking part in written and telephone surveys as part of the Home Panel;
- checking the quality of estates, vacant homes and area offices through the tenant inspector scheme;
- quality checking printed information through the customer communication panel;
- shaping and monitoring the rents, repairs and anti-social behaviour services and the investment programme through dedicated panels and forums;
- the leaseholder forum;
- the BME and Homes 4 Us forums;
- membership of a network of tenant and resident associations across the city;
- membership of area panels;
- the tenant and leaseholder congress which provides a link between the board and the other involvement mechanisms; and
- membership of the NCH board.

- 137** Opportunities for involvement are promoted and accessible to customers. A recently revised and comprehensive tenant and leaseholder participation compact sets out the methods of participation and establishes a set of agreed standards for information, consultation and involvement. A useful booklet sets out the range of involvement, it is included in the tenant newsletter and in the tenant handbook, there is good coverage on the website and also a DVD. Customers can express an interest in getting involved in a range of ways including calling the involvement hotline, email and text message. Customers can be clear about how they can be involved.
- 138** Resident involvement is well resourced. There is a dedicated tenant and leaseholder involvement team to support the range of participation and consultation activities. Staff throughout the organisation and at all levels support the various resident involvement meetings. Responsibility for supporting local tenants' associations lies with local housing staff, with support from the specialist central team, and staff have performance targets to improve involvement. NCH has an annual budget of £383,300 in 2008/09 to spend on resident involvement and the tenant and leaseholder training and capacity building programme. In addition, NCH has very recently opened a city centre tenants' resource centre to further support involved customers. Customers are receiving support to become involved.
- 139** There is a wide range of outcomes from resident involvement including:
- attractive and clearly written information on all services;
 - service standards for all services;
 - 'traffic lighting' of rent arrears and gas servicing letters;
 - significant improvements in the quality of estates through the tenant inspector scheme;
 - a Decent Homes investment programme and choices which reflects tenants' preferences and priorities;
 - selection of the responsive repairs service provider with savings achieved;
 - an improved standard of repairs in vacant homes; and
 - changes to the way in which adaptations are carried out in empty homes.
- 140** NCH is proactively tackling lower levels of customer satisfaction with opportunities to participate. Regular 'you said, we did' publicity in the tenants' newsletter reports the positive impact of involvement, and this is supported by a recently improved leaflet promoting involvement, along with briefings to staff and involved customers. A focus to work with BME communities has helped to raise the BME customer satisfaction rates to match those of non-BME customers. This should support the positive direction of travel already achieved.
- 141** There have been value for money improvements in the approach to resident involvement. The number of dedicated resident involvement staff has reduced while improving the integration and local support for involvement. Efficiency gains have been secured through the collective procurement of training and consultants. These measures have generated savings that are available to be reinvested in services.

How good is the service?

142 Although opportunities to participate are provided, the recent STATUS survey showed only 59 per cent of customers are satisfied with opportunities to participate in decision making. Although this has increased from 40 per cent in the previous survey, it does not compare well and means that a significant proportion of customers wish to have more opportunities to participate or are unaware of the opportunities that already exist. NCH recognises that this is an issue and is using a range of methods to reach the performance levels of the top 25 per cent of organisations by March 2010.

Tenancy and estate management

Tenancy management

- 143** In 2006, we found that strengths outweighed weaknesses although some of the weaknesses were significant. NCH had an effective partnership approach with the police to deal with crime and ASB. The patch management approach to providing tenancy services was seen as positive by residents and partners. However, we found a lack of focusing resources on areas and customers where the need was greater and the quality of tenancy files was weak. Tenancy agreements had not been reviewed recently and welcome visits were not always carried out.
- 144** In this inspection, we found that strengths significantly outweigh weaknesses. Tenancy management is effective with a focus on tenancy sustainment. There is a strong focus on preventing ASB with an effective approach supported by strong partnership working and effective use of a range of measures.
- 145** Effective arrangements are in place to manage tenancies. Performance measures for tenancy and estate management, including service standards, are in place and are regularly scrutinised. Ongoing tenancy management is through the tenancy and estate management team, with housing patch managers responsible for managing tenancies within a geographical area, supported by training. This assists in the provision of a consistent service to customers.
- 146** There is a focus on tenancy sustainment. NCH visits new tenants to ensure they understand their rights and responsibilities and to identify support where it is required. Introductory tenancies are used for all new tenants, with a post-letting visit after four weeks to identify any issues and a nine month review. NCH monitors the percentage of new tenancies lasting longer than 12 months during the previous 24-month period, and performance for October 2008 was 87.42 per cent compared to 77.82 per cent in 2007/08. Floating support for vulnerable tenants is provided by an external organisation, funded through the Supporting People programme. There is additional support provided through a family intervention project. NCH now undertakes early intervention to change behaviour, such as through injunctions and acceptable behaviour contracts (ABCs), with eviction as a last resort. This reduces the risk of tenancies failing.

- 147** NCH works with the Council's new neighbourhood management service to ensure there is a partnership approach to jointly tackling neighbourhood issues and to promote community cohesion. NCH attends a range of council-run meetings and events in neighbourhoods, such as area committees, neighbourhood action teams and 'Your Choice, Your Voice' events to jointly address shared issues. At an operational level, NCH and neighbourhood managers jointly tackle issues like ASB and target resources to cohesion events. This helps to ensure frontline staff are supported in dealing with local neighbourhood issues affecting all residents and not just NCH customers.
- 148** There is currently no tenants' incentive scheme in place to reward customers who fully comply with their tenancy conditions. However, a scheme has been identified in the service improvement plan for tenancy and estate management for 2009/10.
- 149** NCH is focused on preventing ASB. It has an up to date ASB strategy that provides clear direction to its work with an appropriate balance between prevention and enforcement. Responsibilities towards neighbours and NCH's approach to ASB are explained in sign-up interviews and during the new tenant visits taking place four weeks into the tenancy. NCH is involved in a range of diversionary schemes to help prevent ASB, particularly through the joint weeks of action in partnership with the Police and other relevant agencies. This includes getting school children to make-over the garden at a sheltered scheme that children had previously damaged. The window replacement programme was prioritised in areas experiencing the highest levels of burglaries. This approach helps prevent incidents of ASB.
- 150** The Respect Standard is integrated into NCH's work on ASB. It has signed up to the standard and is responsible for delivering key tasks within the Nottingham Respect Partnership action plan, which are integrated into the NCH approach to ASB. This enables NCH to contribute towards delivering the standard.
- 151** There is effective support for staff dealing with ASB. There are comprehensive, user friendly procedures with clear guidance on early intervention, enforcement remedies for ASB cases and the approach to witness support. Action plans are devised with victims and witnesses and are used to target remedial action by NCH and other relevant partners. A dedicated ASB coordinator is available to support staff and provide expert advice. In addition, NCH facilitates a monthly ASB case review panel to assist housing staff to progress cases that have not been resolved within three months, which has legal representation. This helps to ensure a consistent service is provided to customers.
- 152** A range of remedies are appropriately used to help resolve ASB. This includes joint visits by housing staff and the Police to remind perpetrators of their responsibilities as set out within the tenancy agreement; injunctions where breaches can swiftly be referred back to the court, with 57 orders made between April and September 2008; use of introductory and demoted tenancies; and referrals to Nottingham Mediation service to help resolve some neighbour disputes at an early stage, with 27 cases referred in 2008/09 to the end of September. Performance on case closure shows that in September 2008, 53.3 per cent of ASB cases were resolved on the first intervention. NCH is effectively using its powers to tackle ASB.

How good is the service?

- 153** NCH provides effective support to victims, witnesses and perpetrators of ASB. NCH works in partnership with Community Protection and Victim Support to agree a support package for victims and witnesses, for example, regular contact or a pre-court visit. NCH works with perpetrators to help them amend their behaviour and uses mediation, ABCs and its family intervention project to assist them in doing this. Staff have received specific training on how to support vulnerable perpetrators and NCH uses the Vulnerable Persons Panel and the Multi-agency Risk Assessment Conference to ensure a relevant and effective support is provided by a range of agencies. This helps to prevent further incidents of ASB.
- 154** Effective partnership working is supporting NCH's approach to ASB. It is an active participant in partnership working with the Council, the Police and other agencies to address ASB hotspots. This is coordinated through various strategic and operational meetings and supported by information sharing protocols. Nottingham has been declared 'Respect' area in recognition of its work with partners in tackling crime and ASB. The Respect partnership supports work to address ASB with NCH as significant partner. Recent joint action has included 'weeks of action' throughout the city taking a mixed approach to enforcement and prevention, including diversionary activity for young people. NCH has also been involved in the planning of a major Police operation against class A drug dealers across the city. NCH is supported by the Police and the Council through both its community protection and neighbourhood management teams with enforcement action taken. This helps to maintain safer communities and target resources more effectively.
- 155** NCH is generally meeting its stated targets for customer contact for ASB, domestic violence, harassment and racial harassment. Between April and October 2008, 94.6 per cent of ASB cases that required a response were visited within the five working day target and all domestic violence, harassment and racial harassment cases that required a response were visited to within one day during the same period. Customer satisfaction is generally high with a rolling average of 6.8 between June and the end of October 2008.
- 156** ASB success is effectively publicised. Regular newsletter and local press articles feature anonymised case studies of enforcement action taken. This includes joint work with other agencies, such as the recent Operation Mojave carried out with the Police and the Council to deal with drug houses. This helps to reassure residents that action will be taken to address ASB reported to NCH and sends a clear message on NCH's stance on this issues.
- 157** NCH has responded positively to a low level of customer satisfaction with reporting ASB. This has now been expanded to include a 24 hour reporting line and access through the website. However, NCH has yet to assess the effectiveness of the differing reporting methods and therefore cannot currently demonstrate this is meeting customer expectations.

Estate management

- 158** In 2006, we found that strengths outweighed weaknesses. Estates were generally clean and tidy and caretakers were working well. However estate inspections were not fully effective, void properties were not always dealt with in accordance with procedures and there were no policies and procedures for dealing with hard to let properties.
- 159** In this inspection, we found that strengths continue to outweigh weaknesses. The standard of estates is high and improving and NCH's caretaking team is providing an effective service.
- 160** To provide context, the grounds maintenance element of the service is funded, managed and provided by the Council's Streetscene team and NCH has no formal responsibilities in this area.
- 161** The standard of estates is generally high and improving. Reality checks revealed estates that were neat, tidy and well-kept with no abandoned vehicles or rubbish being dumped. NCH operates a scheme which provides help with gardening to more vulnerable tenants up to twice a year. NCH has a quarterly programme of well publicised estate inspections which involve staff, customers and partners, such as the Council and the Police, with action is taken as a result. In addition, tenant inspectors regularly assess the quality of estates against an agreed star rating system. This shows all 39 estates are now maintained to a high standard. The condition of estates helps to create attractive and more sustainable communities.
- 162** NCH's caretaking team is providing an effective service responding to a range of issues affecting low and high rise blocks. Caretakers work closely with housing staff to clear gardens and remove rubbish from empty properties, remove graffiti, participate in weeks of action to tackle ASB, provide an on site service at the weekend, accompany housing staff on accompanied viewings and quarterly estate inspections, and assist customers moving from temporary accommodation to a permanent home. This support provides a flexible and local response to residents of blocks managed by NCH.
- 163** While grounds maintenance standards are currently high and liaison and relationships around service delivery are effective, there are no formal standards or protocols to deal effectively with any shortfall in the service provided by the Streetscene team. While NCH and its tenant inspectors have been championing improved standards in this area, there is no formal basis for this.

Allocations and lettings

- 164** In 2006, we found that there were many areas of very poor practice within the allocations process. The allocation policy lacked accountability; it was neither demonstrably fair nor effectively controlled. Neither the formal nor informal policies were properly followed and there was an inadequate audit trail. This had led to inappropriate lettings. There was inadequate information provided to applicants and the allocations process was complicated and difficult to understand. No efforts were made to make it easier for applicants who did not read English or who required information in different formats. The allocations process was lengthy and did not help to relet properties promptly.
- 165** In this inspection, we found that strengths and weaknesses are balanced. The serious weaknesses identified in the previous inspection have been addressed. Customers are offered choice through a well publicised HomeLink choice based lettings system and this, along with a clear allocations policy, is providing a fair and transparent system for allocating homes. Allocations are comprehensively and effectively scrutinised to ensure that they are done fairly. There is good support for customers who need help to use the HomeLink system and arrangements to ensure ongoing support for customers in their new homes if this is required. However, the housing register, although being reviewed, is not yet fully up to date and some areas of allocations are not effectively addressed through the Council's allocations policy. Offer refusal rates are high and are increasing average letting times.
- 166** The Council's allocations policy is clear and understandable and based on a banding system. This is supported by clear and comprehensive guidelines for staff and a booklet for customers explaining the policy. An appeals system is in place for customers who are not happy with the band in which they are placed. The allocations policy is supported by an annual lettings plan which sets quotas for the number of allocations to each band. The approach is open and transparent with customers able to see how individual properties are let.
- 167** Scrutiny of the allocations process is comprehensive and effective. Lettings of properties are closely and systematically monitored with a clear audit trail to demonstrate that they have been made in accordance with the agreed policy. Senior managers, and board members on the performance and regulatory committee, receive regular performance reports on the allocations system. This is ensuring that allocations are made fairly and appropriately.
- 168** There are appropriate arrangements in place to deal with cases which cannot be dealt with through the allocations policy. An allocations panel considers cases which may need to be awarded additional priority or made offers out of turn due to the urgency of housing need or other circumstances. The panel's decisions and any lettings made in this way are scrutinised by senior managers and reported to the board to ensure that proper and appropriate decisions are being made.

- 169** NCH has a well established choice based lettings scheme in place known as HomeLink. The service is well publicised and operates from a well situated property shop with online bidding facilities available there and in area offices. Customers are also able to make multiple bids. It is offering choice to customers and allowing an open and transparent approach to the allocation and letting of Council homes in the city.
- 170** There is a strong focus on supporting vulnerable customers to use HomeLink. Customer needs are identified through a comprehensive needs assessment framework and appropriate support provided. This varies from HomeLink support officers having a one-off discussion explaining how HomeLink works, to ongoing support to customers to help them bid for properties. There are about 70 customers currently where the HomeLink support officers have proxy bids and to whom property lists are sent weekly. HomeLink support officers also work with a range of support agencies whose clients need help to access HomeLink. If applicants who are identified as vulnerable are not bidding for properties they are contacted and given more support if they need it. The assessment framework also ensures that floating support is available if necessary once the tenancy starts. This is ensuring that vulnerable people are able to access the service and move successfully into their new home.
- 171** There is effective joint working between NCH and the Council to meet housing needs. The housing register and the allocations policy help to support the prevention of homelessness, by ensuring that homeless households have choice but are also housed in a timely manner. Joint working and the allocation policy are also helping vulnerable people in supported housing to move on to more independent living in their own tenancies. Flexibility is built into the system through the quota system for different categories of lettings. This is agreed annually but regularly reviewed at monthly meetings between the Council and NCH, to ensure that it is continuing to meet the objectives of the service.
- 172** Properties are let efficiently through HomeLink with a focus on minimising the time that homes are empty. Pre-termination visits are carried out within the first two weeks of the notice period. An exit survey is done and the process for ending the tenancy and any recharges are explained. Information and photographs are taken and properties are advertised for letting two weeks before the tenancy ends. There is a target to make offers within 48 hours of the bidding cycle ending and this is achieved for about 89 per cent of properties and usually 100 per cent where there are eligible bids. Accompanied viewings are carried out as soon as possible after the keys are received, provided the property is safe to view. As soon as the property is passed as ready to let a further accompanied viewing is offered followed by the sign up. These processes are helping to minimise re-let times.

How good is the service?

- 173** The lettings process is customer focused. Information and help with Housing Benefit and rent information is given at the first accompanied viewing and a vulnerability check list is completed in line with the needs assessment framework described above. Comprehensive information is given at the sign up with a variety of leaflets, and information on any future improvement works to the home. An explanation of rights and responsibilities under the tenancy agreement is given and a welcome pack of essential items including bin liners. The sign up is offered at the customer's choice of location, including their existing home, although most are at the new property. New tenants remain the responsibility of the lettings team for the first two weeks of their tenancy to ensure continuity in sorting out any outstanding repairs or other issues in relation to rents or benefits. After this they are given the contact details for their housing patch officer who carries out a new tenant visit after four weeks. This is helping provide a smooth and consistent service for new tenants.
- 174** NCH has had some success in tackling difficult to let homes, and a low demand strategy has been developed for a longer term approach. Difficult to let homes are now restricted to a few sheltered schemes, with currently 20 properties empty for more than six months. To encourage take up of these properties there has been open days, show homes and incentives offered such as choice of new kitchen and carpets. A marketing strategy is being developed with a particular aim of advertising to encourage take up from the BME communities. The low demand strategy is aimed at identifying sustainability in the longer term especially in relation to sheltered housing and the changing accommodation needs of older people, which will inform future asset management decisions. This approach is tackling issues of letability at both a strategic and operational level.
- 175** The housing register has not been regularly reviewed. While a review is now underway, applicants' housing needs and preferences have not been annually reviewed and updated, resulting in a number of households on the register who no longer require housing. The review is allowing a number of cases to be closed and the exercise is on track to be completed in January 2009 as programmed, after which a rolling annual programme of reviews will be introduced. In the meantime the effectiveness of the lettings system is potentially hindered by housing application information which is not completely accurate.
- 176** The Council's allocations policy is lacking in some areas. Local and sensitive lettings policies cover 23 per cent of the stock and, while these clearly play a role in contributing to wider community and sustainability objectives, they have not been regularly reviewed to assess their impact. The allocation policy does not adequately prioritise or incentivise transfer applicants who are under-occupying homes which could be freed up for families in housing need. Cases currently considered by the allocations panel could also be minimised by being more adequately covered by the policy. These issues are included as areas to address in a joint action plan between the Council and NCH and progress is being made in implementing these. However, currently they detract from the effectiveness of the policy in meeting housing needs in the most effective way.

- 177** A high rate of refusals on offers of accommodation is having a negative impact on average re-let times. The level of refusals was at 30 per cent of all offers in September 2008, which was slightly higher than the refusal rate in April 2008. This is high, particularly given that lettings are made through the choice based lettings system, and a number of refusals are made at the sign up stage having a greater impact on relet times. Work to address the high rate of refusals is underway, for example, developing improved information for customers to help inform their bid choices, and this is beginning to have an impact with refusals reducing over recent months.
- 178** While there is a strong focus on supporting vulnerable customers, the approach to measuring the outcomes of this is under developed. While it is clear that valuable support is provided there are few tangible measures which enable the impact of support work to be assessed. For example, the number of visitors to any surgeries held by support workers, the average number of people receiving support and how many vulnerable people have been helped to move and settle into their new homes. NCH has recognised that it needs to develop outcome measures for the service and is starting to work on these.

Supported Housing

- 179** In 2006, we found that strengths outweighed weaknesses. NCH was delivering a sheltered housing service that was still in the process of being modernised with a number of low demand properties decommissioned in a sympathetic manner. The warden service had been reconfigured and they, together with the call alarm service, provided an efficient and caring service. NCH also provided an effective service of floating support, through its START team, to young people from diverse cultures, single people and couples, families and refugees granted leave to remain in the UK. This was effective in maintaining tenancies.
- 180** In this inspection, we found that strengths and weaknesses are balanced. Supported housing services provide good customer care and are valued highly by service users. However, the sheltered housing service is traditional and the strategic approach to the physical condition of sheltered housing is not fully developed.
- 181** By way of context, NCH's supported housing services include 2,100 homes in 63 schemes managed by a sheltered housing manager and organised around nine teams of scheme managers in five patches each with a sheltered housing patch manager; the Nottingham on Call (NOC) service with 13,000 connections, 2,000 of which are dispersed alarms, and 300 telecare installations; and a hostel for homeless households.

How good is the service?

- 182** Sheltered housing scheme managers show good customer care in delivering their services. Support planning is effective with needs reviewed every six months or sooner if needs change. Daily visits are made to all residents unless they have requested otherwise, but on a more informal basis scheme managers make themselves available in the communal lounge first thing in the morning. Scheme managers enable and encourage a range of social activities in and outside the scheme, and arrange for speakers to come in to talk about issues such as pharmacy or diet needs. Schemes are providing a supportive environment which is promoting independent living and customer satisfaction is generally high with 84 per cent satisfaction in the last annual survey and a score of 7.99 in October 2008.
- 183** The performance of the NOC service is exceeding industry standards for this area. The service is Telecare Services Association accredited and sets its performance targets in line with their recommended good practice. This suggests that 80 per cent of calls should be answered in 30 seconds and 98 per cent in 60 seconds. NOC generally achieves well above the 80 per cent target with performance in the high 90s and usually reaches 100 per cent overall. The targets for fitting care alarms from the date of request are seven days and 24 hours for a hospital discharge and this is generally met. Performance is monitored on a monthly basis and shared with the team with 'real time' call information available. Customer satisfaction is high at 99.6 per cent in the last annual survey.
- 184** NCH is effectively supporting homeless families through the Highwood House Hostel. This provides 27 units of self contained accommodation and housing related support. Residents are able to move on to permanent accommodation quickly through HomeLink and help is given to families who are deemed intentionally homeless to find accommodation in the private sector. The scheme works with a number of other partners to provide opportunities and support for residents with the local college offering courses from the scheme and a development project running an after school and Saturday morning club. This is providing positive outcomes for people at a difficult time in their lives.
- 185** Service users are influencing supported housing services. Sheltered housing residents and telecare customers are involved in regular forum meetings which consider a range of topics such as the recent improvements to how support plans are developed. Involvement of sheltered housing residents is also encouraged through monthly scheme meetings and by scheme inspections. Action taken is fed back to residents so they can see the difference they have made. Satisfaction surveys also provide ongoing feedback with, for example, grounds maintenance and grass cutting issues being addressed as a result. Feedback from Highwood House residents is used extensively to improve the service and facilities with a number of ideas from residents implemented such as a prayer room and new furniture for communal areas. Customers' views are welcomed and acted on.

- 186** Sheltered housing services are promoted to increase awareness and interest. This includes positive work to reach out to people from BME communities. The service has visited an Indian day centre in one area and followed this up with an open day in a nearby sheltered scheme offering refreshments which were culturally appropriate. This led to one member of the community moving into the scheme, some attending the lunch club in the scheme and a number taking up the NOC alarm service. Following the success of this initiative, there are plans to extend this approach to other areas. A marketing and communication plan is also developing a number of activities to promote sheltered housing services including radio coverage and events in shopping areas. This is helping to increase take-up of sheltered housing.
- 187** There is good joint working and coordination between NCH, the Council and the Supporting People team to review services for older people and develop a strategic approach. An older persons accommodation strategy has been developed in the context of the Council's Older Persons Strategy 2007-2017, which sets out the vision for the service in meeting existing and future housing needs. This is being supported by reviews of supported housing services. One is being carried out by the Council taking account of the future Supporting People programme and the regeneration proposals for the City, and one by NCH around the delivery of its supported housing service. Residents are currently being consulted on how they would like to see the service develop. The findings from these reviews, due to be concluded by March 2009, will feed into the Older Persons Strategy and strengthen the strategic approach to the service. However, until the reviews are completed the strategic approach overall is still underdeveloped in terms of how the service is currently positioned and where it should be moving to.
- 188** The long-term strategic approach to asset management of the stock is also underdeveloped. Steps have been taken to deal with individual, outdated sheltered housing schemes. Seven schemes were decommissioned prior to 2005 and, since then, one scheme has been emptied and decommissioned as part of the Council's regeneration proposals, another scheme is being transferred to a housing association for development into an extra care scheme and there are proposals to decommission a further scheme. These decisions are taken in the context of wider regeneration proposals, demand issues and the location and facilities of schemes, but are not yet part of a wider strategic approach the stock, which would provide a more robust framework for decisions on the future of sheltered housing provision.
- 189** The common areas of sheltered housing schemes have not been assessed as to whether they are accessible to residents and visitors and that they comply with the requirements of the Disability Discrimination Act. Assessments have started and are due for completion by February 2009, with any work identified to improve access being fed into the investment plan for next year. At the moment NCH cannot show that it is complying with current legislation.

How good is the service?

- 190** The sheltered housing service, while valued by residents, does not reflect modern practices. Scheme managers work standard office hours and are responsible for providing housing related support to residents as part of the Supporting People contract, and for managing the scheme buildings, which includes the cleaning of communal areas. NCH recognises that the service needs modernising, and needs to be well placed to secure Supporting People contracts in future and this is being addressed through the current review.
- 191** The care alarm service requires modernisation. The majority of alarm systems are hard wired and so are linked to the property although there is a programme to replace all of these by 2010. However, this does restrict flexibility in the service and some properties are let with alarms to tenants who do not need these. Telecare is beginning to expand but is still under developed compared to a number of other organisations.
- 192** There are some gaps in services which NCH plans to address but which many other organisations have in place. This includes initiatives and guidelines for accelerated repair priorities for older or vulnerable residents, or use of a show flat to promote telecare technology. However, these issues are included in the service improvement plan.

Leasehold management

- 193** In 2006, we found that strengths outweighed weaknesses although some of the weaknesses were significant. There was no overall strategy for leaseholder services although there was a developing focus on leaseholders with an established Leaseholder Forum. Information to leaseholders had improved and a Leaseholder Handbook was about to be issued.
- 194** In this inspection, we found that strengths and weaknesses were balanced. There is a clear focus on leasehold management issues. There is a good range of information developed with service users and service charges have been comprehensively reviewed. However, the management charge is a fixed percentage and has not been reviewed for some time, issues around communal repairs are not well communicated and future investment plans are not shared with leaseholders to help them to prepare for the costs.
- 195** There is a clear focus on leasehold management issues. A dedicated leasehold team is providing a consistent approach and frontline staff have been trained to handle leasehold matters. Section 20 notices are handled effectively, supported by the use of flags on the IT system. A well established leaseholder forum is shaping service improvements including producing leaseholder information, service standards and monitoring the quality of communal areas. This is ensuring that leaseholders have as high a profile as other service users.
- 196** A good range of information is available, all of which has been developed with service users. This includes a quarterly leaseholder newsletter, a dedicated handbook, webpages, service standards and guidance on service charges and understanding the lease. There is also an advice service for prospective leaseholders and settling in visits for new leaseholders to raise awareness about the services available. Customers are well informed.

- 197** A comprehensive and wide ranging review of service charges has been completed with service user involvement. Feedback from customers through the satisfaction monitoring system, particularly on repairs, informed the process. Charges are now broken down into component elements providing greater focus on actual charges and quality of service. Customers can be clear about the services they are paying for and judge whether they are providing value for money.
- 198** NCH is minimising queries about service charges. This has been achieved through the inspection of completed repair work against an agreed standard, which had been the main cause of complaints and enquiries; increased accuracy; the introduction of surgeries; and the availability of a dedicated team to resolve any questions at an early stage. This is providing an effective service with no cases referred to the Leasehold Valuation Tribunal to date. The number of service charge queries is reducing with 120 received in 2007/08 compared to 170 in the previous year.
- 199** NCH offers leaseholders the opportunity to buy-in to additional services not covered by the lease or service charge. This includes responsive repairs and gas servicing, all of which are offered at cost price. Leaseholders can also opt into the home contents insurance scheme, to the Council's building insurance scheme and they also have access to money advice services. This is providing positive, enhanced services.
- 200** NCH cannot demonstrate that its management charge is set at either a fair or an economic level. The management charge is a fixed percentage which has not been reviewed for some time. The 15 per cent charge was originally based on officer time within the Council. NCH has recognised this as an area to review, and has already started exploring practice in other organisations before developing options with the leaseholder forum to consult more widely on. However, NCH cannot currently demonstrate that the costs of service provision are being met or that the charge is fair and reasonable.
- 201** Some parts of the service lack customer focus. Leaseholders do not receive any information on the likely maintenance needs of their homes, for example, an annual schedule of five year maintenance needs. This is an important gap given that there is no sinking fund apart from provision for lift maintenance. Leaseholders are unable to predict or plan for future maintenance costs.
- 202** Issues around communal repairs are not well communicated and this is a source of some dissatisfaction for leaseholders. Although communal repairs are included in service charge statements, there is no mechanism to inform residents that a communal repair has been reported, scheduled or completed. Customers therefore cannot judge whether the charge made was warranted or reasonable.
- 203** It is unclear whether the payment options for major works costs are adequate. There is no sinking fund or Direct Debit payment option. There is general information about loans available from the Council but it is not clear if these arrangements have been reviewed to consider the likely increase in leaseholders requesting help as the scale and pace of the Decent Homes programme increases.

How good is the service?

204 There is no formal dispute resolution policy and procedure. While leaseholders can progress concerns through NCH's complaints system or, if the matter is eligible, have recourse to the Leasehold Valuation Tribunal, there is a lack of a formal mechanism to deal with the specialist nature of leasehold disputes although NCH has plans to address this.

Is the service delivering value for money?

205 In 2006, we found that weaknesses outweighed strengths. There was no sustained focus on value for money or an embedded culture. There was limited examination of service costs or benchmarking against other similar services and there had been limited value for money assessments of large parts of the service. Budgetary controls were weak with both large overspends and under spends. While there was increased performance on the collection of rent and rent arrears and this was increasing revenue, this was countered by the rent revenue lost due to the poor performance on re-letting. However, although there were no agreed value for money or procurement strategies, plans to develop modern procurement were well advanced for the capital programme, with partnership agreements agreed with five external contractors.

206 In this inspection, we found that strengths outweigh weaknesses. NCH is actively comparing its services with its peers and is using the findings to good effect. The focus on value for money is strong and supported by effective procurement. A range of efficiency savings and gains have been achieved. Effective partnerships are adding value. However, benchmarking activity is less well developed in some service areas, the value for money of some services has not yet been evaluated and NCH cannot yet demonstrate that all service level agreements with the Council are providing value for money.

How do costs compare?

207 NCH is actively comparing its main services with other ALMOs in metropolitan areas, which include a number of very strong performers. In 2007/08 NCH was positioned among the top performers on core costs, major and cyclical works spend per property and the percentage of repairs completed on time. However, in the remaining areas such as tenant satisfaction overall and with opportunities for decision making, current tenant arrears and average re-let times, NCH was either below average or among the poorer performers. While costs are higher in some areas, such as voids and rent arrears, this is as a result of a conscious decision to invest in poorer performing services, to improve them. Increased focus and resources for these areas has led to significantly improved performance and increased value for money as outlined in previous sections.

208 Benchmarking information is used effectively to challenge costs. For example, benchmarking of the lettings team showed that costs in delivering the service were high and performance was weak in comparison to others. However, action has been taken with some restructuring of staff and more accurate cost information with an appropriate apportionment of costs to the Council for the elements of the service for which they are responsible. Costs of letting per property have reduced from £46 in 2006/07 to £25 in 2007/08.

209 Benchmarking activity is less well developed in some service areas. Some comparison of leasehold management costs has taken place and this has informed learning but this has not fully considered cost, performance, quality and context. Similarly, there has been comparison of resident involvement costs, which are low compared to others, but work in this area is still at an early stage.

How is value for money managed?

210 There is a strong focus on value for money which is embedded in NCH's organisational culture. This is supported by a comprehensive value of money and efficiency strategy and action plan. Value for money is part of induction training and is made relevant to staff through examples such as the importance of right first time and work scheduling for operatives. Staff conferences and weekly team briefs also include value for money issues such as reducing the number of voids and reducing sickness absence and discussions also take place with residents through the involvement structure so everyone is aware of the contribution they can make.

211 NCH's comprehensive procurement strategy is supported by a clear action plan, which is annually revised to retain a focus on delivering improvements in value for money. The action plan contains specific objectives and tasks linked to strategic objectives. Areas which have been successfully delivered include setting up a dedicated procurement team, reviewing company tender and contract rules, prioritised procurement activity and production of a guidance booklet for inductions. This is providing a sound framework for procurement activity.

212 Effective application of modern procurement methods, with service users closely involved, is leading to cashable efficiencies and more efficient ways of working. Examples include setting up a framework agreement to draw down specialist expertise, for example, for stock condition surveys; procurement of kitchen units through an e-auction which resulted in a saving of £3.231 million; use of consortia purchasing, for example, decommissioning care alarms via NHS procurement arrangements, stationery and automated postage with a minimum 50 per cent saving, and purchase of protective equipment for craft workers through a housing consortium. Partnering arrangements are in place for the existing improvement programme, and the approach to partnering is assessed by risk and volume to ensure that it represents the right procurement solution.

213 Traditional procurement methods have been used to good effect where appropriate. A recent example is the procurement of new fleet vehicles. Previous arrangements were not providing value for money with performance on servicing and maintenance adversely impacting on the capacity and standard of service delivery due to high levels of breakdowns. A comprehensive specification was developed to address known weaknesses, and included extras such as tracker devices, racking and satellite navigation. Procurement via OJEU has saved approximately £383,000 per annum or £1.6 million over the life of the contract, while delivering an improved specification.

How good is the service?

- 214** Procurement practice reflects consideration of environmental issues and recycling from the viewpoint of sustainability and cost effectiveness. Examples include recycling glass and plastic from the upvc window programme, and replacing timber windows with plastic to minimise maintenance costs. Costs have been saved on removal of sawdust from the depot by installing an extraction unit and supplying it as animal bedding to local farms; and the fleet is capable of running on 30 per cent biofuel, for which cost and supply negotiations are underway.
- 215** Efficiency savings have been delivered through the annual efficiency statement with £1.787 million achieved in 2007/08 and a further £7.5 million forecast for 2008/09. Savings in addition to those already mentioned above include reduced use of agency and sub-contract labour; savings within the window and heating programme; and savings following the review of the caretaking service with the service expanded. The market testing of the repairs service is projected to save £1.923 million in 2008/09. This is all maximising resources for service delivery and improvement.
- 216** Effective use of IT is supporting more efficient working practices. This is supporting the use and management of data on stock condition and asbestos, investment programme delivery, store management and the management of section 20 notices for leaseholders.
- 217** Well developed partnership working is adding value. This includes working with housing associations through the HomeLink service which is generating income and multi-agency work on ASB. The One in a Million Programme and fully funded apprenticeships with a local college are also ensuring that stock investment is bringing benefits to the wider community.
- 218** External funding, and contributions in kind, has been levered in from a range of sources. This includes funding for energy efficiency measures from a utility provider, £40,000 from the Council for resident involvement training, with support given to TARAs to access funding streams. Income is also generated by providing Nottingham on Call services to non-Council tenants, and by providing the ASB hotline and out of hours services on behalf of the Council. The latest community alarm technology has been provided free by the supplier in return for NCH acting as an exemplar to others. Free training on a range of topics and from a range of sources has also been secured. This is all adding value to NCH's work.
- 219** It is not yet clear if all service level agreements (SLAs) with the Council are providing value for money. This should have been reviewed within one year of the ALMO going live. The Council is not currently able to break down the costs of central services such as IT, finance and legal services which are provided to NCH under SLAs. While work is currently taking place to address this, the ALMO cannot yet demonstrate that all the services it is buying from the Council provide value for money.
- 220** There are some gaps in the evaluation of value for money in service delivery. Caretaking week-end work is expensive as is door to door rent collection and business cases have not yet been made for these. Leasehold management and resident involvement have also not yet undergone a full value for money evaluation. So value for money is not assured in all service areas.

221 Some service areas are not yet maximising value for money through efficient working practices. This includes sheltered housing, the limited extent of mobile working, an underdeveloped approach to multi-skilling for responsive repairs and the continuing bonus system for craft workers which, while output based, does not reflect modern practice. While NCH has plans to address these issues, it is not currently maximising value for money.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 222** In 2006, we found that although services had improved for customers in some areas, there were still significant areas of the service that had not improved.
- 223** In this inspection, we found that strengths outweigh weaknesses. Substantial changes and improvements have been made in organisational governance, structure and culture. At the same time, existing services have been improved and new services developed. Performance is improving against most key indicators although some remain among the poorer performers. Progress in moving some aspects of equality and diversity forward has been slow and, despite significant efficiency savings and an improved approach to value for money, it is difficult for NCH to show sustained improvement in value for money over the last three years.
- 224** Substantial changes and improvement have been delivered in line with NCH's 2007 Foundation Plan which has been recognised by partners and key stakeholders. The Foundation Plan was developed to drive far reaching changes in organisational governance, structure and culture and also the improvements needed to take NCH forward and improve outcomes for service users. This has been supported by the successful delivery of the 'Let's Make a Difference' organisational change programme designed to strengthen the focus on customers. This has led to improved outcomes for service users in key areas and partners and key stakeholders have also commented positively on the noticeable change in culture and improved working relationships and outcomes.
- 225** NCH has made good progress against the recommendations contained in the 2006 inspection report. Of 42 recommendations made, 34 are entirely complete with good progress made on completing the remaining eight. This has resulted in improved outcomes for service users. Full details of progress against those recommendations can be found in Appendix 2.
- 226** At the same time as delivering major organisational change, NCH has also delivered customer facing improvements across all the services we inspected. This includes improvements to existing services and the development of new ones as follows.
- A comprehensive range of good quality information about services, including the website and service standards, all developed with service users.
 - Improved and increased access methods.
 - An effective complaints process with complaints handled more quickly.
 - The gathering of comprehensive information about individual customers' needs and preferences enabling services to be tailored to individual needs.

What are the prospects for improvement to the service?

- More and clearer opportunities for service users to shape and influence services.
- The launch of the HomeLink choice based lettings scheme.
- The development and launch of the financial inclusion officer service.
- Fewer vacant homes and homes which are re-let more quickly.
- Support for vulnerable customers across all services.
- An improved and extended caretaking service.
- Improved handling of ASB.

227 Overall, the direction of travel is positive on most performance indicators. This includes improvements in customer satisfaction, rent and arrears collection, the number of vacant homes, the speed of complaints handling, and the speed of completing routine repairs and aids and adaptations. Service users are receiving more responsive services and resources for service delivery are increased.

228 However, some indicators, though improving, are doing so from a very low base and so remain among the poorer performing organisations. The level of evictions, while reducing, remains high when compared to peers. Similarly, the proportion of tenants to whom notice seeking possession has been served and void rent loss are also high.

229 While there have been substantial improvements in the area of equality and diversity, progress in moving some aspects forward has been slower. NCH is currently only at level two of the Equality Standard for Local Government and, linked to this, a number of equality impact assessments have not been completed. While the assessment for the allocations and HomeLink service was thorough, other services have yet to reach this stage. NCH recognises the need to improve in this area and has plans in place to do so.

230 While the overall approach to value for money has improved and there is a recent track-record of efficiency savings, NCH cannot demonstrate sustained improvements in value for money over the last three years due to a lack of comparative data. Efficiency savings of £1.787 million were achieved in 2007/08, with further substantial savings projected for 2008/09, but there is no data available for 2005/06 or 2006/07.

How well does the service manage performance?

231 In 2006, we found that while there was a system of performance monitoring in place, this was not always giving robust and accurate information (for instance with repairs, voids and allocations) and the Company was not using performance information effectively to develop service improvements.

232 In this inspection, we found that strengths significantly outweigh weaknesses. The mission, vision and values are clear and supported by a range of good quality plans and strategies. The focus on performance management is strong and supported by a clear and comprehensive framework with service users playing a key role in monitoring service quality. NCH is open to external challenge and is self-aware. It values and acts on customer feedback. However, there are some gaps in performance monitoring activity and target setting is not strong in all areas.

What are the prospects for improvement to the service?

- 233** NCH has established a clear mission, vision and values. These were developed in close consultation with stakeholders and their delivery is supported by a comprehensive delivery plan and service plans which reflect SMART (specific, measurable, agreed, realistic and time-based) principles. These are well publicised across the organisation and staff are clear about their contribution to their delivery.
- 234** Key strategies are in place and are of good quality. These cover the main areas of service delivery and include an ambitious Ten Year Strategy. All are supported by SMART action plans and provide the direction needed to bring about further service improvements.
- 235** Comprehensive service improvement plans (SIPs) are in place for all service areas inspected and address the majority of weaknesses identified during our inspection. Planned improvements and reviews covered by SIPs include pre-tenancy workshops for new tenants; the office accommodation plan; improvements to the efficiency of the responsive repairs service; improvements to sheltered housing and leasehold services; and the establishment of an integrated customer contact centre. Progress against SIPs and the delivery plan are reported monthly to the executive management team and to the policy and resources committee and the board, with the performance team requiring evidence of progress and completeness of actions. This is providing focus for ongoing improvement activity.
- 236** Business and financial planning are well integrated. The planning cycle is continuous with budgets approved in January each year and review beginning in June. Tenants, stakeholders and staff are involved in discussions about priorities which includes a consultation day linking the draft delivery plan and the budget together. The final budget and the delivery plan are then discussed and approved by the ALMO Board at the same time. This is ensuring that resources are in place to deliver the actions contained in strategies and plans.
- 237** There is a strong focus on performance management supported by a clear and comprehensive framework. Targets are generally challenging and aiming for performance among the top 25 per cent of organisations. Performance against key indicators and service standards is reported to appropriate levels at regular intervals with the format and coverage tailored according to the audience. This includes comprehensive reports which include trend data and benchmarking information which go to the executive management team, the policy and resources committee, the Council, staff and tenants. The framework includes arrangements for regular one to one meetings with staff and annual development reviews and all staff we met were clear about their goals and targets.
- 238** While the framework is strong, there are some gaps in performance monitoring activity. NCH is not currently monitoring the whole customer experience of the aids and adaptations service and monitoring of the handyperson scheme, caretaking service and tenants and leaseholder involvement is not yet fully embedded.
- 239** Target setting is not strong in all areas. The timescales for void repairs is based on the value of work rather than the volume. While this target was set by the Council rather than the ALMO, it does not provide enough challenge for or focus on reducing the overall re-let times for vacant homes.

What are the prospects for improvement to the service?

- 240** Customers play an important role in monitoring the quality of services. This includes discussion of performance at the tenant and leaseholder conference, area panels and other service specific forums. Following consultation with tenants, information on performance against ten key indicators is displayed in area offices and in the tenants' newsletter. The tenant inspection scheme is also placing customers at the heart of performance monitoring through estate inspections and mystery shopping. This is ensuring that the customer experience of services is captured.
- 241** Board members are prepared to challenge policies and initiatives to ensure that services are delivered appropriately. There was concern with the introduction of HomeLink that vulnerable customers could be disadvantaged and there was a clear steer from the Board to ensure that adequate arrangements were in place to provide support for vulnerable customers to allow them to access homes through the scheme. The Board has also focused on ensuring that the service level agreements with the Council are tackled and now has an agreed position on how this is to be progressed.
- 242** NCH is developing improvement clinics to take a more holistic approach to performance monitoring. This will draw together information from the satisfaction monitoring system, comments, compliments and complaints and ISO 9000 on a quarterly basis to build a complete picture of the customer experience. This has already taken place on the Decent Homes programme, is being used to drive improvement in average relet times and work is now underway on rents.
- 243** NCH has successfully sought external accreditation to support its improvement activity. It has been awarded ISO 9000 for both property services and the housing management service and this is seen as a key driver for the organisation in ensuring consistency of service which will in turn bring improvements for customers.
- 244** The relationship between the Council and the ALMO is one of mutual confidence. The relationship had deteriorated in the wake of the last inspection and the Council took action to address performance issues by setting up a performance board to which the ALMO was accountable. As the relationship and performance improved the board was disbanded in 2007 and replaced with a partnership board of Council and NCH officers as a focus for coordination and discussion. In addition to this, there are arrangements for monitoring performance and discussing issues of mutual concern at appropriate levels and frequency. This is ensuring that there is effective communication and challenge where needed.
- 245** Leadership has been shown and difficult decisions have been taken. This includes the review of governance arrangements, the market testing of the responsive repairs service and the closure of the joinery shop. This has increased the effectiveness and efficiency of the organisation.
- 246** The approach to risk management is sound and has been strengthened. Following an internal audit which highlighted weaknesses, the approach was reviewed with a comprehensive risk management framework approved by the Board in May 2008. The corporate risk register is reviewed and reported to the audit committee quarterly and departmental risk registers are monitored on a rolling programme. Key risks are identified and managed.

What are the prospects for improvement to the service?

- 247** NCH is open to external challenge and is self-aware. This includes undergoing Investors in People assessment, a mock inspection in 2007, Telecare Service Association code of practice accreditation, ISO 9000 accreditation and the involvement of stakeholders and partners in the development of the pre-inspection self-assessment. NCH also responded very positively to on-site inspection feedback with a number of changes implemented immediately. This self-awareness is reflected in the quality of NCH's SIPs and bodes well for future improvement.
- 248** NCH has shown that it welcomes and acts on customer feedback. This includes improvements to the rent statement and an increase in the number of Direct Debit dates; to the welcome pack for new tenants; to the caretaking service; and to supported housing services. This is ensuring that services reflect customer needs and aspirations.
- 249** NCH shows a strong commitment to learning from its peers. It has a service level agreement with Bolton at Home for mentoring to inform the development of resident involvement in monitoring service delivery. It developed the One in a Million scheme having looked at the approach of other organisations and adopted its methodology for ongoing customer satisfaction monitoring having looked at other ALMOs. Outcomes are improving as a result.

Does the service have the capacity to improve?

- 250** In 2006, we found that NCH had key gaps in skills, competencies and capacity at both the senior and middle management level and NCH had failed to challenge why its own staff at a senior and middle management level were unable to effectively manage day to day services and develop improvement plans for areas of poorly performing services.
- 251** In this inspection, we found that strengths significantly outweigh weaknesses. Staff are customer focused and restructuring has increased capacity. The board is operating effectively. IT is supporting service delivery with investment planned to enhance this further. Partnership working is effective and delivering improved outcomes for service users.
- 252** Staff at all levels show customer focus, commitment and enthusiasm. Staff we met indicated that they felt valued, supported, well informed, listened to and encouraged to make suggestions for improvement. This contributes to NCH's capacity for improvement.
- 253** NCH has an established and experienced management team. The team, which has been assembled since February 2007, brings a range of skills and expertise along with experience of delivering high quality services.
- 254** An organisational restructuring has increased capacity. This includes creating a specialist team of staff to focus on income collection issues; bringing allocations and voids staff together to provide a coordinated approach; and restructuring of tenant and leaseholder involvement caretaking and lettings. This has improved performance, particularly on income collection and voids.

What are the prospects for improvement to the service?

- 255** The Board is operating effectively. Board members contribute a range of experience and skills, work well together and show enthusiasm for the role and a commitment to improving outcomes for service users. All board members have been appraised by the board chair and this has identified training needs which will be met through a training programme tailored to individual needs. Board members each have a development handbook which includes their training and development records and a forward plan of forthcoming training opportunities. Board members are encouraged to join in with staff and tenant training sessions, including the Let's Make a Difference programme, which is providing value for money. This is equipping the board to operate effectively.
- 256** Human resources practices are supporting the business with a comprehensive approach to managing sickness absence. Policies and procedures are in place with managers trained in implementing these. Support is available to help staff return to work after longer term sickness and there is access to an occupational health service. Sickness absence reports are issued to all service areas and monitored by the executive management team and reported to the Board. Sickness levels remain high in comparison to other ALMOs but have reduced from 15.23 days in 2007/08 to 12.37 days year to date, which is just short of the target of 12 days set for this year.
- 257** The approach to training and development is comprehensive and supporting business needs. Training needs are identified by working with managers around strategies and plans to identify the skills needed to deliver these and individual training needs are identified through the performance appraisal system. This information is pulled together and priorities for training are agreed in discussion with managers, and the outcomes expected from the training identified. This is developed into the annual learning and development plan which captures the training planned for the following year under themed areas with the projected costs and likely time scales for delivery. Professional training for individuals is also supported provided it meets business needs. This is equipping staff to deliver services.
- 258** Staff surveys are effectively used to assess progress in meeting objectives and identifying areas for future improvement. The most recent survey in July 2008 has shown that progress has been made in a number of areas with 88 per cent of staff saying they understand the vision and aims of the organisation and 62 per cent saying there is effective communication. These areas compare well with two and three star ALMOs. Where issues are identified or comparison is less favourable to others this is fed into an action plan with progress monitored by the employee care group and the equality and diversity champions group, and reported to the Board. The actions taken are fed back to all staff. Examples of this include the introduction of an employees' handbook focused on training and development.
- 259** A medium-term financial plan is in place which ensures that resources are following agreed priorities. Resources are in place to deliver the improvements identified in SIPs and action plans.

What are the prospects for improvement to the service?

- 260** IT is generally supporting service delivery and investment in this area is increasing in recognition of its impact on value for money and efficient working methods. The investment of £654,000 in 2008/09 has delivered improvements through the purchase of an asset management upgrade and interface with the housing management system, ASB software, extension of SMS text messaging and the choice based lettings system. Budget provision is significantly higher for 2009/10 at £1.36 million, including a £1 million spend to save bid, focused on further enhancements to the choice based lettings system, hardware replacement, electronic document management and investment in customer relationship management technology and telephony for the integrated call centre.
- 261** IT is not currently supporting all functions. This includes leasehold management service charge recovery and choice based lettings, with staff having to work with five systems. However, these issues are addressed by the improvement plans outlined above.
- 262** Effective partnership working is increasing capacity to deliver services and adding value. This includes strategic partnering to deliver the investment programme, work with St Ann's Advice Centre to deliver money advice, the multi-agency approach to ASB and provision of support to vulnerable tenants. This is all ensuring better outcomes for service users.
- 263** NCH's use of modern procurement methods is building capacity through cashable efficiencies and more efficient ways of working. Use of framework agreements, procurement consortia and strategic partnering are delivering savings and also reducing the inefficiency inherent in traditional tendering and purchasing practices.

Appendix 1 – Performance indicators

Table 1 Nottingham performance 2005/06 to 2007/08

Performance indicator (BVPI ref)	2005/06	2006/07	2007/08	Unitaries top 25 per cent 2007/08	NCH quartile position
63 Average SAP rating	71	71	72	73	2
66a Percentage rent collected	95.91	95.5	96.23	98.63	4
66b Percentage tenants with > 7 wks arrears (gross)	11.13	10.6	9.1	-	-
66c Percentage tenants in arrears with NoSP served	31.34	22.92	27.9	-	-
66d Percentage LA tenants evicted for rent arrears	1.52	1.28	1.07	-	-
74a Percentage tenants satisfied with overall service	-	-	69	-	-
75a Percentage tenants satisfied with TP	-	-	59	-	-
184a LA homes which were non-decent at start of year	36	36	34	9	3
184b Change in proportion of non-decent homes	1.1	8.2	9.6	32.2	3
212 Average re-let time (days)	79	72	64	-	-

Appendix 2 – Previous recommendations

Table 1 Recommendations from inspection in 2006

Recommendation	Progress
R1 Improve the capacity, skills and competency of senior and middle management staff by:	
<ul style="list-style-type: none"> • undertaking a thorough competency review of all senior and middle managers; 	Complete
<ul style="list-style-type: none"> • ensuring that the capability procedures are robust enough to tackle poor performance effectively; and 	Complete
<ul style="list-style-type: none"> • effectively challenge the ongoing use of consultants to support poor management. 	Complete
R2 Improve access to services and standards of customer care by:	
<ul style="list-style-type: none"> • introducing a customer focus strategy and action in consultation with residents that is SMART;I 	Complete
<ul style="list-style-type: none"> • ensuring leaflets, policies and surveys are relevant to all customers and consistently include strap lines in different languages and formats making it clear what the contents are; 	Complete
<ul style="list-style-type: none"> • review arrangements and facilities at area housing offices to provide a consistently high customer service; 	Complete
<ul style="list-style-type: none"> • ensuring all offices are fully DDA compliant and that the service is able to respond to customers with sensory impairments; 	Complete
<ul style="list-style-type: none"> • improving the performance and monitoring of communication with customers via call centres; 	Complete
<ul style="list-style-type: none"> • ensuring that the complaints procedure is consistently applied and effectively responds to the needs of residents. Improve the awareness of the complaints procedure; and 	Complete
<ul style="list-style-type: none"> • develop and publicise a clear policy on aids and adaptations and monitoring progress on requests. 	Mostly complete

Appendix 2 – Previous recommendations

Recommendation	Progress
R3 Improve access to all services for residents with diverse needs by:	
<ul style="list-style-type: none"> developing systems to accurately capture information and knowledge on the vulnerability and diverse needs of residents; 	Complete
<ul style="list-style-type: none"> thoroughly appraise all services to ensure that they are able to respond effectively to the diverse needs of tenants; 	Partly complete
<ul style="list-style-type: none"> ensuring that Board members and senior staff have training in delivering services to diverse communities; 	Complete
<ul style="list-style-type: none"> developing and implementing a SMART Diversity Strategy action plan in consultation with customers and community groups; 	Complete
<ul style="list-style-type: none"> developing community cohesion practices and policies with residents and key partners; 	Partly complete
<ul style="list-style-type: none"> ensuring there are challenging targets in place for lettings and allocations for tenants with diverse needs, which are monitored and reported on; and 	Complete
<ul style="list-style-type: none"> ensuring that there are targets in place to develop a workforce that is representative of Nottingham's communities, which are monitored and reported on. 	Complete
R4 Reduce the time taken to re-let vacant homes by:	
<ul style="list-style-type: none"> undertaking a whole systems analysis to identify accurate the inefficiencies in the current process; 	Complete
<ul style="list-style-type: none"> developing new re-let procedures in consultation with residents that have more challenging targets; 	Complete
<ul style="list-style-type: none"> ensuring that repairs to vacant homes are completed within challenging target times; 	Partly complete
<ul style="list-style-type: none"> improving the range of performance information about void management, including analysis of the reason for refusals; and 	Complete
<ul style="list-style-type: none"> developing long-term options for stock which is consistently hard-to-let or not fit for purpose. 	Complete

Appendix 2 – Previous recommendations

Recommendation	Progress
R5 Improve the way properties are allocated by:	
<ul style="list-style-type: none"> ensuring there is a clear and understandable allocations policy that easily understood by customers; 	Complete
<ul style="list-style-type: none"> introducing choice for customers; 	Complete
<ul style="list-style-type: none"> improving information for customers on choice and waiting lists; 	Complete
<ul style="list-style-type: none"> ensuring ethnicity and diversity of lettings is systematically recorded and monitored; 	Complete
<ul style="list-style-type: none"> ensuring there is a demonstrably fair and accountable allocations policy and that this is effectively monitored to ensure that it is adhered to; and 	Complete
<ul style="list-style-type: none"> ensuring a choice-based lettings scheme is introduced. 	Complete
R6 Strengthen the approach to performance monitoring and management by:	
<ul style="list-style-type: none"> developing more robust monitoring arrangements for all key service areas, including repairs and telephone contact with call centres; 	Complete
<ul style="list-style-type: none"> ensuring that all service standards are routinely monitored and performance is reported to customers and the Boards; 	Mostly complete
<ul style="list-style-type: none"> improving the quality and timeliness of rents performance information; and 	Complete
<ul style="list-style-type: none"> routinely presenting information on central services costs and performance to the Board. 	Complete
R7 Strengthen the approach to efficiency and value for money by:	
<ul style="list-style-type: none"> implementing SMART Value for Money and Procurement Strategies in consultation with customers; 	Complete
<ul style="list-style-type: none"> developing systems for analysis of unit costs and external benchmarking against external organisations for all services; 	Mostly complete
<ul style="list-style-type: none"> ensuring accurate budgetary control of maintenance and capital works programmes; 	Complete
<ul style="list-style-type: none"> promoting and introducing multi-skills training for operatives within the Building Works Unit; and 	Partly complete
<ul style="list-style-type: none"> reviewing Service Level Agreements for services provided by the City Council to ensure they provide value for money. 	Partly complete

Appendix 2 – Previous recommendations

Recommendation	Progress
R8 Strengthen the capacity and expertise of Board members and tenant representatives by:	
<ul style="list-style-type: none"> reviewing the skills and training needs of Board Members and the Tenants' Forum and develop individual training plans; and 	Complete
<ul style="list-style-type: none"> ensuring that the Board and Tenants' Forum receive accurate and timely information about the performance of services. 	Complete
R9 Strengthen the approach to service and improvement planning by:	
<ul style="list-style-type: none"> ensuring that all service reviews fully reflect Best Value principles; 	Complete
<ul style="list-style-type: none"> ensuring that all service and improvement plans are SMART; and 	Complete
<ul style="list-style-type: none"> routinely benchmarking costs and quality with comparable organisations. 	Complete

Source: Audit Commission March 2006

Appendix 3 – Reality checks undertaken

- 1 When we went on-site we carried out a number of different checks, building on the work described above, in order to get a full picture of how good the service is. These on-site reality checks were designed to gather evidence about what it is like to use the service and to see how well it works. Our reality checks included:
 - a review of key documents including NCH's self-assessment and performance reports;
 - mystery shopping of area offices and the housing service centre;
 - a review of NCH's website;
 - a review of complaints;
 - a review of allocations and ASB files and gas safety certificates;
 - a tour of key parts of the city;
 - visits to high rise blocks and some sheltered schemes;
 - inspection of vacant, ready to let homes;
 - visits to tenants whose homes had received improvement work;
 - interviews with Council and ALMO staff, councillors, board members and other stakeholders;
 - focus groups with frontline staff, crafts people, tenants, leaseholders and partner agencies; and
 - observation of meetings including the ALMO board, tenant forum meetings and an area panel meeting.

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)

Gas safety where tenants are sleeping in rooms with unvented appliances

- 1 Nottingham City Homes has effective procedures in place for situations where, through ill health or disability, tenants sleep in rooms which have unvented gas appliances. Cases identified have a safety check followed by further safety check and service at six months with a carbon monoxide detector fitted. After two years of six monthly checks and services, the arrangement is deemed to be permanent and discussions held to explore other options. From January 2009 this will be reduced to 12 months supported by quarterly checks and services with ventilation upgrades where necessary. This minimises health and safety risks for vulnerable tenants.

'Traffic light' arrears letters and calling cards

- 2 Following feedback from service users, Nottingham City Homes has developed 'traffic light' style arrears letters and calling cards with green, amber and red lights used to communicate the seriousness of the issue and the urgency with which the customer needs to get in touch. This has helped to simplify messages in a context where around 20 per cent of local people have some reading difficulties.

Promotion of credit union

- 3 Nottingham City Homes is reinforcing its promotion of the local credit union by offering to double the value of the monthly Direct Debit and clear rent account £50 prize draws if the winners invest the sums with the credit union for three months.

Support for customers to access choice based lettings scheme

- 4 Nottingham City Homes has a strong focus on supporting vulnerable customers to use its HomeLink choice based lettings service. Customer needs are identified through a comprehensive needs assessment framework and appropriate support provided. This varies from HomeLink support officers having a one-off discussion explaining how HomeLink works, to ongoing support to customers to help them bid for properties. There are about 70 customers currently where the HomeLink support officers have proxy bids and to whom property lists are sent weekly. HomeLink support officers also work with a range of support agencies whose clients need help to access HomeLink. If applicants who are identified as vulnerable are not bidding for properties they are contacted and given more support if they need it. The assessment framework also ensures that floating support is available if necessary once the tenancy starts. This is ensuring that vulnerable people are able to access the service and move successfully into their new home.

Appendix 4 – Positive practice

Promotion of sheltered housing to black and minority ethnic (BME) communities

- 5 Nottingham City Homes is actively promoting its sheltered housing services to BME communities to increase awareness and interest. It has visited an Indian day centre in one area and followed this up with an open day in a nearby sheltered scheme offering refreshments which were culturally appropriate. This led to one member of the community moving into the scheme, some attending the lunch club in the scheme and a number taking up the Nottingham on Call alarm service. Following the success of this initiative, there are plans to extend this approach to other areas. A marketing and communication plan is also developing a number of activities to promote sheltered housing services including radio coverage and events in shopping areas. This is helping to increase take-up of sheltered housing.

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