

Gloucester City Homes

Gloucester City Council

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For further information on the work of the Commission please contact:

Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ

Tel: 020 7828 1212 Fax: 020 7976 6187 Textphone (minicom): 020 7630 0421

www.audit-commission.gov.uk

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Arms 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, arms 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).

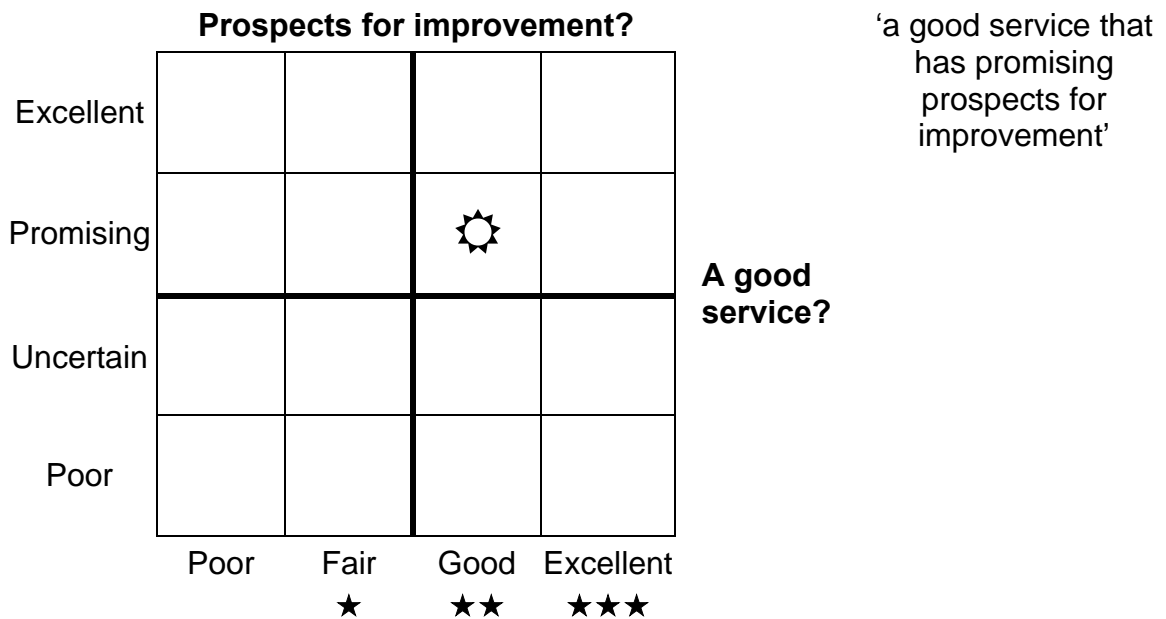
Summary

- 1 Gloucester City Homes (GCH) provides a good service which has promising prospects for improvement.
- 2 GCH is a customer-focused organisation that tailors its services to meet customers' needs. Access to services and information and advice is good. Communication is strong and residents are involved in shaping and monitoring services. Equality and diversity has a clear corporate lead.
- 3 Investment decisions are based on a strong understanding of the stock, Performance in completing repairs, re-letting empty homes and carrying out annual gas safety checks is good and satisfaction with repairs and maintenance work is generally high.
- 4 Estates are well maintained and tenancy management and enforcement action is generally effective. Sheltered housing schemes and homeownership services are well managed. GCH is becoming increasingly effective in collecting rent. There is a positive relationship between cost and quality, and a culture of managing value for money is developing with some good examples of delivering significant efficiencies.
- 5 However, further improvement is required in some areas. Some major works including work to meet decent homes targets have had not been completed. Asbestos management is not sufficiently robust. Visits to new tenants are not always carried out and steps to prevent rent arrears are not yet being maximised. Some remedies for tackling anti-social behaviour are not used contributing to relatively low levels of tenant satisfaction in this area. Procurement remains an area for improvement.
- 6 GCH benefits from a clear and realistic vision that reflects local and national priorities, effective leadership from the Board and senior managers, strong performance management arrangements and high-quality future plans. Capacity has been enhanced through restructuring of services and ensuring resources are targeted at priority areas. Human resources and financial management is strong. The track record of improvement is good. GCH has made improvements that are delivering direct and highly visible benefits to residents. Trends in customer satisfaction are positive and there are some good examples of improving value for money.
- 7 However, there are some barriers to improvement. Performance indicators show a mixed track record of improvement and there are weaknesses in managing contractor performance. Target setting is not robust and some performance reports are overly complex. Capacity is reduced by high sickness levels and weaknesses in the IT system.

Scoring the service

- 8 We have assessed Gloucester City Homes is providing a 'good'/two-star service that has promising prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Figure 1 Scoring chart¹



Source: Audit Commission

- 9 We found the service to be good because it has a range of strengths including:
- access to services and information and advice is good, there is a customer-focused approach to service delivery with services tailored to meet customers' needs;
 - GCH has a clear corporate lead on equality and diversity and the organisation is making a positive contribution to social inclusion;
 - investment decisions are based on a strong understanding of the condition of the stock and satisfaction with major works is high;
 - performance in completing repairs within target times is good and satisfaction has significantly improved and is now good;
 - empty properties are relet quickly;
 - annual gas safety checks are carried out effectively;
 - effective methods are used to recover current and former tenant rent arrears;

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.

8 Gloucester City Homes | Scoring the service

- resident involvement is being used to shape and monitor services;
- tenancy management and enforcement action is broadly effective;
- an estate services team provides a responsive, flexible and high profile service which helps ensure that estates are well maintained;
- sheltered housing schemes and homeownership services are effectively managed; and
- there is a positive relationship between cost and quality and a value for money culture is developing with some good examples of improvements in value for money.

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

- access to services outside of standard hours is limited and information was not readily available about GCH services at key access points in the city including the council's reception;
- visits to new tenants are not always carried out;
- equality impact assessments have not been carried out on all policies and procedures;
- some major works including works to meet decent homes targets have had not been completed;
- asbestos management is not sufficiently robust;
- the relet standard for empty properties is not sufficiently detailed and tenants are not involved in monitoring compliance with the standard;
- steps to prevent rent arrears are not yet fully effective;
- some remedies for tackling anti-social behaviour are not being used contributing to relatively low levels of tenant satisfaction in this area and the impact of mechanisms used are not measured; and
- procurement remains an area for improvement.

11 The service has promising prospects for improvement because:

- GCH has made improvements that are delivering direct and highly visible benefits to residents;
- trends in customer satisfaction are positive and there are some good examples of improving value for money;
- the organisation has a clear and realistic vision that reflects local and national priorities;
- GCH shows a high degree of self-awareness, an openness to learning and is using customer feedback to improve services;
- there is a strong approach to performance management and high-quality future plans;
- leadership from the Board and Executive is effective;

- capacity has been enhanced through restructuring of services and ensuring resources are targeted at priority areas;
- human resources planning is effective and training and development is used to enhance management;
- support service costs are being robustly challenged and appropriate arrangements are in place for management of the HRA; and
- governance arrangements are broadly effective.

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

- performance indicators show a mixed track record of improvement;
- there are weaknesses in managing contractor performance;
- target setting is not robust long-term performance targets have not been agreed with the Council;
- some performance reports are overly complex; and
- capacity is reduced by high sickness levels and weaknesses in the IT system.

Recommendations

- 13 To rise to the challenge of continuous improvement, organisations need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the organisation. In addition, we identify the approximate costs² and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the organisation shares the findings of this report with the ALMO Board, the local authority and customers and takes action to address all weaknesses identified in the report. The inspection team makes the following recommendations.

Recommendation

R1 Strengthen performance management by:

- *ensuring that long-term performance targets are agreed with the Council;*
- *reviewing with the Council the system for reporting performance ensuring that it is transparent and easy to understand;*
- *implementing robust performance management arrangements with the maintenance contractor which includes the provision of high-quality data on key aspects of performance; and*
- *ensuring that the impact and outcomes of all recently introduced strategies are measured.*

The expected benefits of this recommendation are:

- improved accountability;
- more robust budget management; and
- improved use of performance reports to monitor service delivery.

The implementation of this recommendation will have high impact with low costs. This should be implemented by December 2007.

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.

Recommendation

R2 Strengthen customer focus by:

- *reviewing service standards with customers to ensure they all include measurable targets and address omissions identified in this report;*
- *ensuring that new tenancy visits occur in accordance with policy and that there is a system for measuring compliance and the outcome from these visits;*
- *developing more specific relet standards and involving tenants in monitoring compliance;*
- *exploring ways to broaden the availability of services outside of core working hours;*
- *ensuring information about GCH is available in all key access points; and*
- *reviewing the approach to the provision of support to vulnerable people and ensuring that this approach is clearly explained to customers.*

The expected benefits of this recommendation are:

- greater accountability to customers;
- increased customer satisfaction; and
- wider access to services.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by December 2007.

Recommendation

R3 Strengthen the focus on equality and diversity by:

- *undertaking a systematic review of all policies, procedures and strategies to measure their impact on equality;*
- *becoming more involved in the Council's corporate equality group;*
- *making use of data collected on customer profiling to tailor services; and*
- *developing plans to ensure that the Board and senior managers are representative of the communities they serve.*

The expected benefits of this recommendation are:

- more responsive services which more closely meet the needs of the local population.

The implementation of this recommendation will have high impact with low costs. This should be implemented by December 2007.

Recommendation

R4 Improve service delivery by :

- ensuring that asbestos management procedures are effectively applied, that a single database is easily accessible by all relevant parties and that customers are informed of any risk of asbestos; and*
- ensuring a full programme of legionella testing is implemented.*

The expected benefits of this recommendation are:

- improved health and safety; and
- a clear understanding of the operation of the contractor.

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

Recommendation

R5 Strengthen the governance arrangements by :

- reviewing the size of the Board;*
- introducing succession planning; and*
- ensuring that the Board focuses on strategic rather than operational issues.*

The expected benefits of this recommendation are:

- more effective strategic management of the organisation.

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

Recommendation

R6 Strengthen the approach to value for money by:

- maximising all opportunities to prevent rent arrears arising;*
- reviewing with the contractor the approach to specifying and paying for repairs services to ensure opportunities for rationalisation and efficiencies are maximised; and*
- introducing performance reports which clearly measure the cost of individual services against the quality of provision.*

The expected benefits of this recommendation are:

- improved income collection; and
- more effective use of resources.

The implementation of this recommendation will have high impact with low costs. This should be implemented by December 2007.

- 14 We would like to thank the staff of Gloucester City Homes and Gloucester City Council who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 26 March to 5 April 2007

Regional contact details

Audit Commission

3-6 Blenheim Court

Lustleigh close

Matford Business Park

Exeter EX2 8PW

Telephone: 01392 315657

Fax: 01392 428383

www.audit-commission.gov.uk

Report

Context

The locality

- 15 The city of Gloucester is the administrative centre for the county of Gloucestershire. Covering an area of 15.64 square miles, Gloucester is the most densely populated district in Gloucestershire - there are 111,300 people³ living in the city giving a population density of over 27.6 persons per hectare. The main employment sectors are in public administration, education and health, distribution, hotels and restaurants, banking, finance, insurance and manufacturing. Housing affordability in Gloucester is an issue with the average property price in the city being 7.5 times the average family income.
- 16 The area has a comparatively young population - 21.5 per cent are under 16 compared with 19.8 per cent nationally, and 17.4 per cent are over retirement age compared with 18.4 per cent nationally. Gloucester is a multi-cultural city and a centre for asylum seekers. Approximately 9.9 per cent of the population is accounted for by black and other minority ethnic (BME) groups, compared with an English average of 13.5 per cent, which are concentrated in certain wards. The three main minority groups are Asian/Asian British (the largest group at 37.2 per cent of the BME population), Black/Black British and Mixed/Chinese. Along with other districts in the county, Gloucester has seen a substantial increase in the number of migrant workers, particularly from countries recently admitted to the EU.
- 17 Gloucester City ranks 157th⁴ out of 354 local authorities in the government's indices of deprivation with two wards being in the 10 per cent most deprived in the country. Unemployment in the city is equal to the national average (3.4 per cent) but the area has the highest concentration in the county of people who have been unemployed for over of 12 months.

The Council

- 18 The Council is controlled by a minority Conservative administration. There are 36 councillors: 16 Conservative, 12 Liberal Democrats and 8 Labour. It adopted a cabinet structure in 2001 with an executive of six councillors, each being responsible for a portfolio of services. The housing service falls under the 'Housing and Health' portfolio. Decisions within the portfolio areas are overseen by the five scrutiny and review committees and a scrutiny panel.

³ Office of National Statistics mid-point 2005.

⁴ Index of Multiple Deprivation 2004, rank of average rank.

The service

- 19** There are 4,739 properties owned by the Council that provides housing for 10 per cent of the city's population. There are five main estates with the largest, Matson, containing one quarter of the Council's housing stock. There are 223 leasehold dwellings, 357 tenancies for older persons in 14 sheltered housing schemes and 67 shared ownership schemes. Approximately 22 per cent of the stock is of a non-traditional construction.
- 20** The Council established an Arm's Length Management Organisation (ALMO) called Gloucester City Homes (GCH) in December 2005. The ALMO has delegated responsibility for providing housing management and maintenance services, receiving a management fee for this service. It manages the Council's £12.25 million revenue budget and a capital programme of £3.9 million.
- 21** The functions delegated to the ALMO can be summarised as:
- stock investment decisions and repairs ordering;
 - rent collection, dealing with arrears, debt counselling;
 - the verification of Housing Benefits applications from Council tenants which are received at the Gloucester City Homes' office, rather than at the Council office;
 - consulting and informing tenants on matters which are the ALMO's responsibility;
 - promoting tenant participation, including involving tenants in monitoring and reviewing service standards;
 - enforcement of tenancy conditions;
 - similar functions for leaseholders;
 - managing lettings, voids and under-occupation;
 - estate management, caretaking and services under the Supporting People programme;
 - the administration of the Right to Buy scheme; and
 - the Lifelink community alarm system, which serves the sheltered housing stock, elderly persons units and scattered individual alarms in both Council and private stock.
- 22** The functions retained by the Council include:
- overall housing strategy and enabling;
 - determining policies on lettings and anti-social behaviour (in consultation with the ALMO) and rents;
 - managing the Supporting People programme;
 - homelessness, general housing advice; and
 - administration of the Housing Register.

- 23 The positive outcome of this inspection means that the Council will receive additional Supported Borrowing of up to £19.323 million as part of the initial agreed funding and may be allowed to seek up to a total of £40.17 million if the ALMO progresses well. However, all future ALMO funding allocations for 2008/09 onwards are being considered in the context of the current Comprehensive Spending Review. CLG will be continuing discussions with all ALMOs as it seeks to achieve the best use of resources across the whole ALMO programme in the years up to 2010 and beyond.
- 24 The ALMO is managed by a board that is made up of five tenants, one leaseholder, six council nominees and six independents. There are currently three vacancies. The day-to-day running of the company is delegated to an executive management team. The ALMO currently employs 80 staff.
- 25 In 2005, the Audit Commission inspected Gloucester's Landlord Services and judged it to provide a poor, zero-star service, with promising prospects for improvement.

How good is the service?

What has the service aimed to achieve?

- 26** As a result of below average general levels of satisfaction with Council services (reflected in its Comprehensive Performance Assessment (CPA) rating of fair in 2004), the Council developed a strategy for improvement in the period 2005 to 2008 (called 'Blueprint for Change') which sets three priorities:
- service reviews to explore new ways of delivery;
 - a financial strategy to put the Council on a stable footing; and
 - a focus on three key priorities (streetcare, regeneration, and efficiency and effectiveness). A set of high level performance indicators, supported by a range of targets are in place to monitor progress against these priorities.
- 27** The City Council has the following key aims:
- a safe and clean city;
 - a prosperous modern city, protecting its heritage;
 - a city for leisure and culture;
 - a city with good housing and health; and
 - an effective and well run city council.
- 28** Gloucester City Homes mission is:
- 'To provide a better quality of life to every tenant and leaseholder of Gloucester City Homes by delivering exceptional services and providing decent homes in successful communities.'*
- 29** Its vision is:
- 'To be a first class social housing agency, delivering modern, efficient, high quality customer-focused services so that we can provide an excellent quality of life for our tenants and leaseholders in their homes and their community.'*
- 30** The delivery plan sets out six strategic objectives for the organisation which are underpinned by the values of Pride, Quality, Integrity and Innovation. Its strategic objectives are:
- compliance with the Decent Homes standard by 2010;
 - high quality, easily accessed, customer-driven services leading to improved satisfaction with resident involvement at the heart of what we do;
 - improving the quality of life on our estates through sustainability and regeneration;

- working to reduce incidents of anti-social behaviour and the fear of crime;
- developing modern, effective and efficient services with sound financial management; and
- improving responsiveness and reliability through a well-trained and motivated workforce.

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

Access and customer care

- 31** Strengths outweigh weaknesses in relation to access and customer care. Access arrangements have been transformed since GCH was established. It is easy for customers to access services through GCH's new offices or by telephone. The organisation is responsive to customers enquires. The website is informative and interactive, allowing customers to report repairs and pay rent online. Communication with customers is strong. The tenants' handbook and a range of leaflets provide comprehensive information about services and the standards expected. The organisation has successfully developed a new identity. Effective use is made of the complaints procedure to improve services. However, access to services outside of standard working hours is limited. Information about GCH was not available in some key locations and the one stop shop at Matson was not DDA compliant. Visits to new tenants are not consistently effective.
- 32** It is easy for customers to access GCH services. Service delivery has been redesigned with a focus on centralisation, consistency and reliability. A Customer Services Team acts as the first point of contact for all enquires. There is a central reception in the new offices which are within walking distance of the city centre and council offices. The reception area is welcoming and customer-friendly with informative displays. Use is made of a TV screen to communicate information. Information leaflets are displayed and interview facilities are available. Children's play facilities are provided. The offices meet the mobility requirements of the DDA. Services can also be accessed at a 'One Stop shop' in Matson and monthly surgeries are held at a resource centre in Podsmead. However, office opening hours are limited to 9.00am to 5.00pm on weekdays.
- 33** Effective use is made of modern telephone technology. Customers can access services via a single, free 0800 telephone number. The number is well publicised in leaflets and on the fleet of maintenance vans which are highly visible in the city. Telephone calls are answered promptly and courteously by a team of customer services officers. GCH is meeting its target to answer 95 per cent of calls. A clear recorded message provides callers with a menu of options, including direct access to the maintenance contractor's call centre. A contact management system is used to monitor performance in handling telephone calls.

- 34** Complaints are dealt with in a positive way. A revised compliments, comments and complaints policy is widely publicised in leaflets, on notice boards and on the website. An electronic recording system is backed up by strong manual records. All complainants are sent a feedback form when the complaint is closed. Recent performance reports show that all complaints are being dealt with within the target time of five days. GCH operates a compensation scheme and use is made of this. Seventeen payments totalling £1,654 having been made during 2006/07. An inconsistency between the complaints policy and letters sent to complainants which was identified during the inspection has since been addressed.
- 35** The website provides a useful point of access. The site is easy to find from search engines and easy to navigate. There is an audio facility and the size of text can be increased. It is designed in a way which makes it easy to find the information required. It has helpful information on a wide range of current issues including forthcoming estate walkabouts and resident involvement events. It is possible to make rent payments and report repairs online.
- 36** Service standards make it clear what customers can expect. Service standards have been developed for all key areas of service. These standards are well publicised through leaflets, and are contained within the tenants' handbook and are on the website. The service standards were developed in consultation with customers. GCH is beginning to make use of mystery shopping exercises with tenants having carried out two exercises to measure compliance with standards.
- 37** Communication with customers is strong. A communications strategy sets out how the organisation provides information to its customers. Central to this is a quarterly newsletter entitled Tenants' Times. This publication is informative and easy to read. A comprehensive suite of information leaflets and a clear tenants' handbook which is available in both paper and electronic copies, provide helpful information about services. For example, a series of rent advice leaflets cover advice on paying rent and service charges and where to get help if in arrears. Leaflets are laid out clearly and written in plain language. This information is explained well to new tenants at the time of the sign-up interview. Use is made of a wide range of customer satisfaction surveys to gauge opinions. Comprehensive reports are prepared on the results of surveys and these include a commentary on action taken as a direct response to survey results.
- 38** The organisation is using branding to help develop a new identity. The company's logo is becoming recognised across the city. It is positioned on the maintenance contractor's vans and the Estate Services vehicles. The Estate Service workers wear a uniform. This is helping to demonstrate to local people that a new organisation has been established to manage the housing stock.

- 39 Centralisation of services has ensured that the organisation is responsive to customers enquires. Closure of small, dispersed offices and the establishment of specialist teams based in one office has meant that callers can now get a quick response to their queries. Previously area offices were too small to provide a responsive service. A duty officer approach means that there is always someone available in the office to provide advice and support. At the same time, by requiring officers to undertake a minimum number of home visits per week (20 in the case of the rent team), GCH is now providing a visible service on the Council's housing estates. Tenants were involved in the decision to close area offices through the Rethinking Services Delivery review.
- 40 Access to services outside of the standard working hours is limited. When the offices are closed telephone calls are directed to the out-of hours call centre run by the maintenance contractor. This service is run remotely from Birmingham. Although it responds positively to urgent repairs requests, its response to other enquires is limited to only passing on messages when the offices are next open. Calls from sheltered housing schemes are directed to a call centre in a neighbouring district. There is some informal extended hours working for example members of the rents team work outside of office hours however, this is carried out on a voluntary basis and does not form part of the formal service offered. The repairs contractor now offers Saturday morning appointments although the availability of this service is not yet publicised in the tenants' handbook.
- 41 Information about GCH was not available in some key locations. At the time of the inspection, there was no information about GCH in either the reception area of the Council's main offices or the service point at the Podsmead neighbourhood project office. Although in both cases this has now been resolved, it is a concern that systematic checks were not in place to ensure clear sign-posting to housing services from these important access points.
- 42 The Matson One stop shop is not fully DDA compliant as it does not have an automatic door entry system and it would be difficult for anyone with mobility problems to gain access through the doors if unaccompanied. People in wheelchairs would find it difficult to access the services offered at this office. This failure to meet the requirements of the DDA had not been identified prior to the inspection but work has since been carried out to make the offices comply with the legislation.
- 43 Visits to new tenants are not effective. A service standard to visit new tenants within 20 working days is not being met. In practice visits are taking place up to 12 weeks after the tenancy commences. This does not provide for the level of support that new tenants expect. It means that the relationship between the new tenant and the landlord is not established as well as it could be. An opportunity to resolve early problems in the tenancy on issues such as rent payments and repairs is being missed. This weakness is now being addressed with appointments for follow-up visits now being made at the time of the sign-up interview.

- 44 Overall satisfaction with services is mixed. The latest Status survey (December 2006) showed that 74 per cent of tenants were satisfied with the overall service. The same survey found that only 63 per cent were satisfied with the overall outcome of their contact with GCH. Other results were more positive. 85 per cent said GCH takes their views into account. GCH also commissions a wide range of other customer surveys using two independent companies. These surveys generally indicate higher levels of satisfaction than the Status survey. For example an independent survey carried out in January 2007 found that 93 per cent found it easy to contact GCH and 98 per cent were satisfied with staff courtesy.

Diversity

- 45 Strengths outweigh weaknesses on equality and diversity issues. Equality and diversity is given a clear corporate lead and awareness of diversity issues is high. Progress has been made on undertaking impact assessments and the organisation has an increasing understanding of the profile of its customers. Services are tailored to meet customers' needs. The organisation is making a positive contribution to social inclusion. However, service standards for equality and diversity are not measurable. There has not yet been a systematic check of all services to make them accessible in a consistent way.
- 46 GCH has a clear corporate lead on equality and diversity issues. The equalities scheme, policy statement and equalities action plan provide a clear direction. A system of diversity champions within each section and on the Board ensures that equality and diversity issues are considered both in operational and policy matters. A cross-organisational Equalities Forum has been established to oversee the implementation of the equality action plan. Tenants are made aware of these priorities through publicity on the website and via the tenants' newsletter. Policies and procedures are in place to ensure that issues relating to domestic abuse and hate crimes are addressed. The organisation complies with the CRE code for rented housing.
- 47 Performance reports enable the Board to exercise clear and consistent leadership on diversity issues. Performance reports to the Board and Executive Management Team have a separate section listing diversity related performance indicators. All reports to the Board include a section on the impact of the recommendations on equality and diversity issues. There are good, well set out diversity monitoring reports for employment. Diversity information is recorded on key performance issues for example satisfaction with the repairs service is monitored by age, gender and ethnicity. This is enabling GCH to ensure services do not discriminate against any particular groups.

- 48 GCH is not fully representative of the community. Positively, employees reflect the local community: 9.5 per cent of employees are from BME communities compared to 7.5 per cent for the city. But women are under represented at first line management level. Only 25 per cent of first line managers are women compared to 75 per cent of the workforce as a whole. The responsive maintenance contractor does not employ any female operatives. There are currently no BME Board members.
- 49 Awareness of diversity issues is high in the organisation. Diversity and equalities training has been provided to staff and board members. Imaginative methods have been used to deliver training including the use of an interactive theatre-based approach. Annual training is provided for all staff and board members, additional courses are run every six months to ensure that new staff receive the same level of training.
- 50 Progress has been made on undertaking impact assessments. Service level impact assessments were carried out in August 2006 and were used to identify actions in the Equalities Action Plan. Draft impact assessments have been carried out for some policies including compensation, training and decorations for people with disabilities. Managers have been trained to write and develop impact assessments. Impact assessments of all policies are due to be completed by September 2007.
- 51 The organisation has an increasing understanding of the profile of its customers. Diversity information is currently held on 56 per cent of customers. Targets have been set to increase this to 80 per cent by March 2008. This information is comprehensive, although a third of respondents have not provided information on their sexuality. Information is collected on all members of the household. The diversity database is accessible by all members of staff and is used to enable home visits, lettings, and the provision of written information to be informed by tenants' needs. It is however a weakness that the maintenance contractor's IT system does not include this information.
- 52 Services are tailored to meet customers' needs. All leaflets include a strap line stating that the documents can be made available in a range of translations and formats. The organisation is responsive to changing customer profiles and has recently started to make documents available in Eastern European languages. In one sheltered housing scheme where around one third of the residents are Muslim, the scheme manager and neighbourhood management officer are making regular use of a translation service to assist them with communications. Translators for the most regularly used community languages are available within five days, but for languages like Gujarati a quicker response, inside 48 hours is usual. There is however, some inconsistency in the approach to translations for example rent increase letters are routinely translated into other languages but rent statements are not.

- 53** The organisation is making a positive contribution to social inclusion. It has developed its own social inclusion strategy. It is participating in local employment initiatives. For example it participates in a project with the maintenance contractor to work with Job Centre Plus, Community Counts, the White City Neighbourhood Project and Learn Direct to provide traineeships and apprenticeships for tenants. Valuable work is being undertaken to engage with young people, including helping facilitate the provision of a youth shelter. GCH also takes steps to engage with hard to reach groups. It works in partnership with the Council and the neighbourhood partnerships and projects to support and participate in local fun days. It took part in the City Gay Pride Event in August 2006.
- 54** Survey data is used to monitor the effectiveness of the organisation's approach to equality and diversity. For example diversity information about ASB complainants is collected and reported on by age, gender and ethnicity, allowing the organisation to understand in more detail which of its customers are suffering from this problem and to take appropriate action.
- 55** Contractors are monitored on their approach to equality. Contractors are required to comply with GCH's Equality Scheme as part of the tendering process. Ongoing compliance is monitored as the contractors are required to provide information annually on a range of issues including the profile of the workforce.
- 56** Service standards for equality and diversity are not measurable. Although the tenants' handbook explains the organisation's commitment to equality and diversity it does not provide explicit service standards. For example it states that information will be made available in a range of languages but it does not say how long it will take to provide translations. Since the inspection the service standards have been amended to take account of this although they have still to be included in the tenants' handbook.
- 57** GCH does not formally participate in the Council's strategic approach to equality and diversity. It is not specifically a part of the GCC Equality standard or Disability Equality Scheme strategies and does not participate in the Council's equality steering group. This means that an opportunity is being missed to develop a shared strategic approach. Given that the Council is currently at level 1 of the Equality Standard there is significant scope for joint working in this area.
- 58** There has not yet been a systematic check of all services to make them accessible in a consistent way. Although positive steps are being taken on carrying out impact assessments, until these have been completed, the organisation cannot be sure that its approach to service delivery meets the needs of all its customers in a fair and equitable way.

Stock investment and asset management

Capital improvement, planned and cyclical maintenance, major repair works

- 59 There is a balance of strengths and weaknesses in this area. Investment decisions are based on a strong understanding of the condition of the stock and the approach to investment is based on a clearly set out asset management strategy. Tenants are engaged in the development of programmes and in the selection and monitoring of contractors. Satisfaction levels with major works are high and programmes are well publicised. The physical environment on estates is being improved. A robust selection process has been used to appoint strategic partners to deliver future major works. However, targets to reduce the number of non-decent homes have not been met and higher than anticipated responsive repairs expenditure has had a negative impact on the housing investment programme. There is no cyclical redecoration programme for internal communal areas of blocks and arrangements for dealing with asbestos are not sufficiently robust.
- 60 A comprehensive stock attribute database is used to determine investment programmes. The database contains details of 100 per cent of the external and 57 per cent of the internal attributes of the stock. Information is based on a condition survey undertaken in 2003. It is regularly updated when works are carried out that brings properties up to the DHS, either through programmed, voids or responsive repairs work. The database also provides details of any disabled adaptations to properties. Information held on the database makes it possible to identify where properties do not meet the Health and Housing Safety Rating requirements. The database is accessible to all staff in the asset management section but neighbourhood management staff cannot access the information from their computers. An opportunity is missed to undertake a full stock condition survey when a property is void.
- 61 The company's approach to investment is clearly set out in its asset management strategy. The strategy makes it clear how the organisation will approach a range of issues including the housing investment programme, planned maintenance, new development, procurement, affordable warmth and leasehold improvements. It sets the context in which GCH works and provides clear information about demographics, future housing conditions and housing need and the need to manage changing demand. It links to the wider corporate objectives of the organisation. The strategy has been in draft form for over a year but was formally approved by the Board during the inspection. However, some parts of the document were already out-of-date such as the inclusion of a 2006 SAP rating target and it does not make it clear what the outcomes of the strategy will be.

- 62** The development of the planned maintenance programme has been informed by a range of tenant consultation activities. Central to this was an investment conference held in February 2006 and a series of five roadshows held in October 2006. Postal surveys were also sent to all tenants in December 2006. A second annual investment conference held in March 2007 provided a further opportunity for residents to take part in workshops to identify priorities for improvements to estates. Consultation has had an impact on the shaping of the programme. Feedback from surveys indicated that residents preferred all work carried out in one go, on a road-by-road basis.
- 63** Clear information is provided to residents about future planned works. Future programmed works, including kitchen and bathroom refurbishments, installation of central heating and rewiring have recently been publicised in a detailed street by street programme running from 2008 to 2010. Clear information about future investment is provided in a regular newsletter entitled Home Improvement News. The programme is also publicised on the website.
- 64** There is a clear agreement between GCH and its tenants about how residents are involved in major works programmes. A major works compact sets out what residents can expect from the programme. The compact was agreed with tenants' representatives and sets out a series of service standards. As part of this, tenants have been involved in the development of contracts and evaluation of tenders. They are involved in monitoring the performance of contractors at an individual contract level through Contract Monitoring Groups. A Repairs and Improvement Customer Panel provides an opportunity for residents' views to be reflected in programmed works. Both of the major works contractors delivering the 2006/07 programme employ dedicated customer liaison officers to ensure works are delivered in a customer-focused way.
- 65** Satisfaction levels with major works programmes is high. A recent survey (undertaken 28 to 31 March 2007) showed overall satisfaction of 93 per cent with the quality of the work. 92 per cent were satisfied with the arrangements for carrying out the work and 90 per cent said that the workforce arrived at the agreed time and date. 96 per cent were satisfied with the conduct of the workforce and 90 per cent were satisfied with the way their home was left on completion of the work. A total of 73 responses were received (53.67 per cent return). The survey was undertaken by GCH's Customer Services Team. GCH did not undertake satisfaction surveys while the work was in progress. This means that the results came too late to influence the current contracts.
- 66** A robust selection process has been used to appoint new contractors to deliver the major works programme from 2007/08. A strategic partnership framework has been developed which involves the use of modern procurement principles to deliver works based on an output specification. The works are to be carried out to a newly developed 'Gloucester Standard' which provides improvements above the basic DHS. The standard was developed with tenants and involves higher specifications of thermal insulation and improvements to external areas.

- 67 GCH is taking positive steps to improve the general estate environment. An estate improvement budget is being used to implement improvements. For example investment in the provision of screening of bin areas is beginning to have a noticeable impact on how some areas look. The work demonstrates to local people that GCH is finding solutions to previously unresolved problems and is having an impact on improving the physical environment. GCH is also starting to take some innovative measures to improve energy efficiency. For example two homes have had solar panels fitted. Energy audits have been undertaken on sheltered housing schemes. Energy advice is made available to tenants through a free 0800 telephone number and information leaflets are provided to tenants.
- 68 Steps are being taken to address unsustainable housing. GCH is in the early stages of undertaking an options appraisal on 400 non-traditional dwellings and 200 other 'hard to manage' properties which it considers may not be sustainable. A cost benefit analysis is being undertaken on a 30-year timeframe. It has agreed with the government that spending of £4.5 million will be deferred from the decent homes programme to allow the appraisal to be completed. A project initiation document has been prepared which sets a clear criteria and action plan for the review. Consultants have been engaged to support the process. Council approval is awaited.
- 69 Plant and equipment is maintained in accordance with manufacturers' requirements. Service contracts are in place for a range of equipment. A lift maintenance partner is in place to undertake maintenance and repairs across the stock. An annual contract ensures that electric door entry systems are effectively maintained. Similarly, the testing of fire equipment is subject to an annual maintenance contract.
- 70 Targets to reduce the number of non-decent homes have not been met. The organisation faces a major challenge with 74.12 per cent of the stock non-decent (June 2006). However, a target to reduce this by 8 per cent in 2006/07 was not met. This was partially due to investment being targeted towards tackling single failures to decent homes, in particular boiler replacement. This means that targets to improve the thermal efficiency of homes have been exceeded. The SAP rating was 70 in June 2006 compared to the year end target of 68.
- 71 Some capital expenditure has had to be deferred. The 2006/07 housing investment programme has had to be changed to take account of higher than anticipated expenditure on the responsive repairs budget. Although GCH is on course to spend according to the overall budget of £7.4 million, this has only been possible by cutting some work from the original programme. Boilers which were replaced under the responsive repairs budget have since been capitalised and expenditure coded to the housing investment programme. To accommodate this additional expenditure planned works to renew water tanks (£45,000) and to provide scooter stores in sheltered schemes (£80,000) has been deferred. Inadequate provision of scooter storage was identified as a weakness in the last inspection report.

- 72 There is currently no cyclical programme for internal redecoration of communal areas. Programmes are currently subject to tendering. But the programmes have yet to be the subject of consultation with residents. Delays in tendering the cyclical redecoration programme means that work is likely to commence in late summer. There has been a seven year cyclical redecoration programme: this was terminated during 2006.
- 73 Arrangements for dealing with the risk of asbestos are not sufficiently robust. GCH recognises the risk posed by asbestos and has clear policies for managing this risk. Both GCH and the maintenance contractor's staff have received asbestos awareness training. It has collected information on the presence of asbestos from a range of sources including, a specially commissioned survey of 10 per cent of the stock, from ad hoc surveys carried out where there is an identified risk and all communal areas of flats have been surveyed. However, this information is not currently held in a way that is easy to use. Work is progressing on establishing a single database but it is a significant weakness that the full information is not provided to the maintenance contractor. The database is not linked to responsive repairs ordering systems and the risk of asbestos is not flagged up. Tenants are not informed of the risk of asbestos in their properties even where this is known. It has however publicised the fact it is undertaking surveys in the local media.
- 74 GCH has only partially addressed the risk of Legionella. Tests are undertaken from time to time on the water systems in communal blocks. Testing of a large communal block was being undertaken at the time of the inspection. However, there has been no policy on the frequency or the extent of testing. This has been addressed in the latest draft of the Asset Management Plan but was not included in the draft provided to the Commission prior to the inspection.

Responsive repairs

- 75 There is a balance of strengths and weaknesses in responsive repairs. Performance in completing repairs within target times is good and satisfaction has significantly improved and is now good. It is easy to report repairs. However, there are weaknesses in performance management of the contractor and budget management is weak.
- 76 Reported performance in completing responsive repairs is positive. Responsive repairs are mainly being completed within target times. In February 2007, 98.4 per cent of emergencies were completed within the target time, although the cumulative performance for the year is lower at 91 per cent for the first three quarters of 2006/07. 97 per cent of non-urgent jobs were completed within the 28 day target, the cumulative performance for the first three quarters was 95.5 per cent. However, uncertainty about the number of cancelled jobs means that performance may not be as strong as reported. Most jobs are completed in a single visit by the contractor. In February 2007, 98.7 per cent of urgent (1 day target) jobs and 90 per cent of routine (28 day target) repairs were completed at the first visit.

- 77 Overall customer satisfaction with the repairs service is good. A recent satisfaction survey undertaken in January 2007 found that 83 per cent of tenants reported overall satisfaction. Satisfaction with arrangements for carrying out repairs is lower at 76.6 per cent and only 77 per cent said that the work was effective in resolving the repair problem. 94 per cent rated the attitude of the worker as positive. During the inspection tenants expressed mixed views on the repairs services with most tenants saying that performance had significantly improved. This is illustrated by the fact that the latest Status survey found that 80 per cent of respondents were satisfied with the repairs service.
- 78 It is easy to report repairs. Satisfaction surveys indicate that in January 2007, 84.2 per cent said they found it easy to report a repair. The maintenance contractor has established a call centre at its depot. A team of staff are well trained to diagnose repairs accurately at the first point of contact and are supported by diagnostic software. Clear diagrams in a repairs handbook help tenants to identify the nature of the fault. Appointments are offered and performance reports indicate that appointments were made and kept in 96 per cent of cases, although there is some doubt over the robustness of this information given the uncertainty over the number of cancelled jobs.
- 79 The responsive repairs service is customer-focused. The repairs contractor employs a customer liaison officer specifically to oversee responsive repairs issues. The liaison officers are involved in proactive work such as joining estate walkabouts as well as acting to resolve complaints. Responsive repairs satisfaction surveys are undertaken by an independent contractor. The maintenance contractor is required to act on the findings of the bi-monthly satisfaction surveys. The contractor has two weeks to contact all tenants who make an adverse comment or who score the service below six out of ten.
- 80 The working environment for repairs operatives has been significantly improved. A new depot provides better working conditions for the repairs workforce. Repairs operatives receive a broad range of training. The new contractor has provided training on a wide range of issues including asbestos awareness, customer care and health and safety. This is helping to develop a new culture among the workforce.
- 81 Procedures have recently been introduced to reduce the number of jobs cancelled through lack of access. The contractor is required to make two visits and leave contact details before a job is cancelled. The new procedure requires the operative to ring the call centre to book another appointment and leave a letter giving details. Where the second appointment is not kept the order is referred to GCH on a daily basis for a decision on how further contact should be made.

- 82 There are some key weaknesses in managing and monitoring the performance of the contractor. The relationship between GCH and the new maintenance contractor is not fully effective. Major staff changes at GCH coincided with the letting of the new contract causing difficulties in the establishment of early relationships. The impact of this is illustrated in the difficulty that GCH has in receiving accurate and up-to-date performance and expenditure information. During the first year of the responsive repairs contract there has been inadequate analysis of the reasons for cancelled jobs. GCH identified an apparent problem with a high number of cancelled jobs after the contract had been running for approximately 12 months. Initial reports showed that some 6,170 jobs had been cancelled. However, further analysis by GCH identified that many of these were administrative rather than real cancellations. It now appears that the actual number of cancelled jobs is significantly lower at around 393 for no-access, although the reason for a further 193 was unknown. The lack of routine analysis of cancelled jobs has been exacerbated by the lack of a computer interface between the client and the contractor. Steps were being taken to implement the interface at the time of the inspection, some 12 months after the contract started.
- 83 Responsive repairs budget management has been weak. Weaknesses in invoicing IT means that GCH is not able to monitor repairs expenditure effectively. Plans to install an interface between the contractor and the Council's finance systems have been persistently delayed. There were delays in receiving the first invoice from the contractor which did not arrive until six months after the contract had started. There has been a failure to analyse invoices correctly. This meant that a potential overspend of £414,000 was not identified early enough. The overspend was only avoided by capitalisation of responsive repairs expenditure.
- 84 Approval systems for variation of works are restrictive. Where additional works are required over £75 from the original order this is referred to GCH staff by the supervisor for prior approval. Operatives have authority to carry out up to £75 of additional work per order without reference back to their supervisors. This restricted approach to variations means that work may be delayed while approval is awaited.
- 85 Performance reports provided by the contractor are not sufficiently detailed. The reports do not include information on the number of no-access calls and cancellations made. Reports do not show the number of cases where pre and post inspections are carried out. This makes it difficult for GCH to measure whether the contractor is performing efficiently.

Empty (void) property repairs

- 86 There is a balance of strengths and weaknesses in relation to void repairs and management. Empty homes are relet quickly and work is carried out to a reasonable standard. Roles and responsibilities are clear and performance management is strong. However, the relet standard is not sufficiently clear and some health and safety issues have been overlooked in reletting properties. The cost of repairs is high. Refusal rates have reduced but are still high.

- 87 A systematic review of voids processes has led to the change in performance. Voids policies and procedures are clearly set out and show respective responsibilities in a flow chart format. Voids performance is actively managed. A detailed spreadsheet highlights all stages in the reletting procedure and makes it clear where responsibility lies. Performance is reported to a voids project board every week. There are clear liaison arrangements with all involved parties in the voids process. Effective use is made of key safes to make access to void properties quicker.
- 88 Performance in reletting properties is positive. Unaudited performance reports show that it took an average of 23.14 days to relet properties in the final quarter of 2006/07. This is a significant improvement on the previous year when it took 49 days. Significant progress has been made in reletting long-term void properties. In March 2007 there were 17 void properties: 15 properties with the contractor and two ready for letting. The longest period that any properties have been empty is 21 days.
- 89 Investment in voids repairs has led to a significant reduction in void turn around times and consequently in rent loss. Expenditure on voids has significantly increased from an average £1,000 to £2,468 in the first ten months of 2006/07. This reflects the adoption of a higher relet standard. The higher standard includes for three rooms to be decorated and for clearing of gardens. Voids visited during the inspection were found to be in a reasonable condition. The standard was established in consultation with customers and a copy of the standard is provided to incoming tenants. Voids rent loss has reduced from an average of £8,690 in April 2006 to £5,345 in February 2007. Although the refusal rate has reduced from 67 per cent in the first quarter of 2006/07 to 41 per cent in the 3rd quarter it is still unacceptably high.
- 90 Systems are in place to ensure that the relevant gas and electric safety certificates are in place before a property is let. Positive use is being made of pre-paid meters and 'quantum' cards to ensure sufficient supply is available to carry out tests while properties are empty.
- 91 The voids process is customer-focused. The contractor provides new tenants with a supply of cleaning and other materials. The welcome bucket contains a range of handy items including sponges, clothes pegs and energy efficient light bulbs.
- 92 It is not clear what security measures are applied to void properties. Although minimal use is made of security screening, there is no clear definition on how decisions are taken on where screens will be fitted. Use is not being made of other forms of security such as the use of curtains or lighting.

- 93 There are some weaknesses in the relet standard. The standard does not specify the amount of decoration allowance that is to be paid. Nor does it make it clear that polystyrene ceiling tiles will be removed. This is particularly significant as during the inspection a 'ready to let' void was found to have this potential fire hazard. Similarly, the void standard does not refer to the removal of asbestos. The voids inspection found another property which was to be let with asbestos lining within a garage. There is currently no arrangement for tenants to carry out 'mystery shopping'-type inspections of random void properties to check compliance with the standard.
- 94 The authorisation level of the contract to proceed with work to voids is set too low. The contractor is required to get authorisation from GCH for any job that is likely to exceed £1,000. Given the new relet standard this now applies to almost all properties. This therefore requires a pre-inspection by GCH's surveyor. This is inefficient use of time and does not reflect modern procurement practices.

Gas servicing

- 95 Strengths significantly outweigh weaknesses in gas servicing. Annual gas safety checks are carried out promptly and performance management arrangements are effective. Tenants are provided with comprehensive information about the importance of servicing and access arrangements work well. However, there has been limited use made of satisfaction surveys and targets for undertaking independent audits have only just been set.
- 96 Annual gas safety checks are carried out promptly. Gas servicing performance has been effective throughout the year. In April 2006, 99.5 per cent of properties had a valid safety certificate and by the end of March 2007 this had increased to 99.98 per cent, with the contractor having failed to gain access to just one property. Respective responsibilities for the servicing process are set out within a clear policy document.
- 97 Performance management of gas servicing is effective. Performance reporting on gas servicing has a high profile within the organisation. Weekly reports are presented to a project board every Monday. Liaison arrangements between the ALMO and the contractor are strong. Weekly meetings are held where operational aspects of gaining access are discussed. The contractor employs a tenant liaison officer. This is supported by clear policies and procedures which make it clear who is responsible for each stage of the process.
- 98 Comprehensive information is provided to tenants on the importance of gas servicing. Articles are placed in tenants' newsletters and on the website informing customers of the importance of allowing access. Clear service standards are in place for gas servicing making it easy for customers to understand what to expect. Information is also contained within the tenants' and repairs handbooks. The sign-up procedure ensures that the importance of servicing is emphasised when the safety certificate is handed over.

- 99 It is made easy for tenants to receive a visit from the gas contractor at a convenient time. Eight weeks prior to the service becoming due the contractor writes to tenants to set an appointment. Tenants have an opportunity to choose an appointment time and evening and weekend appointments are made available. The IT systems have a facility to prompt action regarding overdue gas servicing. An automatic flagging system prompts staff to arrange appointments for gas servicing where this is overdue. This applies to both the responsive repairs system operated by the contractor and GCH's own IT systems.
- 100 A broad range of remedies are used to ensure that access is gained for gas servicing. If appointments are persistently missed, properties will be taped up, warning that the property is unsafe. GCH uses legal remedies, particularly injunctions (using the Environmental Protection Act). Housing Benefit are contacted to investigate if there is a case for suspension of benefits on the basis of abandonment. Use is made of inhibitors where there is a record of difficult access. These measures all have a positive impact on reducing the number of properties without valid service certificates.
- 101 Limited use has been made of satisfaction surveys for gas servicing. Satisfaction survey results provided to the inspection team were based on a limited telephone survey of 35 tenants carried out in March 2007. These showed that 89 per cent of respondents were satisfied with the overall service. 94 per cent were satisfied that their home had been left clean and tidy and 97 per cent were satisfied with the politeness of the operative. 90 per cent said that the contractor called when they said they would. The lack of ongoing satisfaction surveys during 2006/07, the limited number of surveys carried out and lack of any reported outcomes from the results of these surveys means that they have limited benefit.
- 102 There is currently not a set target for the percentage of audits on gas servicing performance. A company is currently employed to carry out approximately eight checks per day. Sixty-one checks were carried out in 2006/07. A contract for auditing of 10 per cent of work has recently been let.
- 103 An opportunity is being missed to carry out other work at the same time as the gas service takes place. The contractor is not required to undertake servicing of smoke detectors.
- 104 There is some duplication in record keeping between the contractor and GCH. The two organisations do not share a central database. It is necessary for updated records to be passed from the contractor to GCH by disk every week. All completed CP12 certificates are sent to GCH where they are individually checked off on a separate database before being placed on the house file.

Aids and adaptations

- 105** There are more strengths than weaknesses in relation to disabled adaptations. GCH has acted on the results of a tenants' survey to implement new procedures for undertaking work. It has increased budgets and funded the provision of an occupational therapist. A backlog in assessments has been overcome. Service standards make it clear what tenants can expect from the service but these standards are not challenging. The lack of ongoing satisfaction surveys means that it is not clear whether tenants' perceptions of the service have improved as a result of the changes made.
- 106** Budget provision has been increased to reflect a high demand for disabled adaptations work. The budget for 2006/07 was increased from £230,000 to £290,000 at the half year in response to a higher than anticipated number of adaptations being undertaken. It is estimated that total expenditure will exceed budget provision at about £320,000.
- 107** There is a clear understanding of responsibilities between GCH and its partners. An aids and adaptations budget was agreed in February 2007. This sets out who is responsible for the respective aspects of the service including setting targets for undertaking assessments by the PCT and County Council.
- 108** Long waits for assessments are being addressed. During 2006/07 for major adaptations the average waiting time from receipt of referral to completion of the work was 114 days. To overcome the backlog of referrals assessment was outsourced by the County Council to the PCT. GCH has taken effective action to further resolve this issue by funding an occupational therapist post within the PCT. In March 2007 the average waiting time was reduced to 22 days from 259 days in April 2006. Minor works such as hand rails are carried out promptly through the responsive repairs budget without the need for an assessment.
- 109** Satisfaction surveys have been used to improve services. As a result of a survey undertaken in March 2006 the budget was increased, policies and procedures revised and arrangements for undertaking assessments were changed. However, the frequency of satisfaction surveys is insufficient to analyse trends and to respond to immediate concerns that may be raised by tenants.
- 110** Clear information is provided to tenants about the availability of adaptations but service standards are not challenging. An explanation of the availability of different types of adaptations is contained in a publicity leaflet, the same information is also provided in the tenants' handbook and on the website. This also lists some measurable service standards including the length of wait for an assessment. However, targets are not challenging as tenants can expect to wait six months for an assessment.

Housing income management

- 111 Strengths outweigh weaknesses in income management. There has been a significant reduction in rent arrears. Effective methods are used to recover current and former tenant arrears and incentives are offered to encourage payment. It is easy for tenants to make payments and clear information about the rent account is provided. There are positive relations with Housing Benefit and advice agencies. However, steps to prevent arrears arising are not yet fully effective.
- 112 There has been a significant reduction in rent arrears during 2006/07. The restructuring of the service to create a specialist rent team has had a positive impact on rent collection performance. It has enabled the organisation to focus on this area of activity. As a result, the unaudited year end performance for 2006/07 shows current tenant rent arrears at 1.94 per cent of debit; and a decrease of £89,262 over the year. However, performance in relation to percentage of rent collected from rent owed (BVPI 66a) is less positive. Unaudited performance was 97.84 per cent compared to 97.87 per cent in 2005/06.
- 113 Effective methods have been used to recover arrears. Housing officers are more accessible than previously and work extended hours on a voluntary basis, which includes early evenings and some Saturdays, although these are unofficial and not advertised to tenants. Since November 2006 five 'blitz' days have generated an estimated extra income of approx £38,000. These events are promoted in the local newspaper. Senior managers and staff from other parts of the organisation help the income team on these days.
- 114 Incentives are offered to encourage rent payments. A new prize draw offering a cash incentive for tenants who keep their rent accounts clear was introduced late in 2006, with a first prize of £500. The draw is to be repeated on a quarterly basis from April 2007, with extra prizes.
- 115 The ICT system supports officers in chasing arrears. The IT system in use by the rents team provides staff with a range of standard letters and reports, which can be varied by staff to suit specific tenant's circumstances. The rent system recommends various actions to staff, to help them manage their caseload and ensure that management action to recover arrears complies with approved policies and procedures.
- 116 It is easy for tenants to make rent payments. A wide range of methods are available for tenants to pay their rent, including direct debit (DD), standing order, Pay Point, by telephone and the internet, as well as by cash payments at Post Offices and the Council's cash office. The payment methods are well publicised. Tenants are now being given the opportunity to pay DD on a weekly basis where this is more convenient and the number of payments made by various electronic means has tripled in the past year. So far some 68 tenants are paying by weekly DD, with 301 payments made by internet, 223 by Touchtone and 1,167 by telephone. Credit card payments are only accepted in exceptional circumstances and after advice has been provided. Rent accounts and payment cards are available for new tenants to use from the first date of their tenancy, to prevent an early build up of arrears occurring.

- 117** Clear information is provided about the current rent account position. Rent statements are being sent out quarterly to all tenants and they are also sent out monthly to tenants who owe more than £100. Although tenants cannot yet view their rent account on-line, they are able to request statements via the website. The information in the statements is well laid out and easy to understand, with font size 14 used. However, the statements do not include a breakdown of the service charge element and there is no explanation of the abbreviations used for credits and arrears.
- 118** There are positive relations between GCH and the Council's Housing Benefit service. The relationship between the rent income team and the HB section is underpinned by a new service level agreement, agreed in August 2006 and shortly due for a formal review. Regular meetings take place between managers to review matters and ensure any issues are being tackled. Staff at GCH have on-line access to the Council's HB system on a 'read only' basis and they are able to contact HB staff by phone and email instantly. This means they can easily obtain up-to-date information about tenants' records. This ensures the ALMO's staff have a clearer and more accurate account of their customers' balances, helping GCH to better manage the rent accounts. GCH staff are trained to carry out HB verification.
- 119** The Council's HB team has a current record of processing new claims within 29 days and processing changes of circumstances in under 12 days on average. This is coupled with an accuracy rate of 96.8 per cent. There are effective electronic links between the websites of GCH and the Council, which means the current version of the HB application form is automatically available to visitors of the GCH website. Similarly a HB calculator is available. These links also mean the annual rent increase and changes in the HB payments are automated so tenants do not have to submit new claims or changes of circumstances. A small number of HB applications have been processed within 24 hours of being received.
- 120** GCH offers a reasonably priced household contents insurance scheme for its tenants, which can be paid at the same time as their rent. It costs 17.5 pence per £1,000 of cover per week, with a minimum cover level of £9,000 which is reduced to £6,000 for those aged 65 and over. As an incentive to keep their rent account in credit, the insurance cover can only be renewed if the account is not in arrears on the renewal date.
- 121** GCH works closely with debt advice agencies. There are regular links with advice agencies, including Citizens Advice. Staff make appointments for tenants to be seen by advisors and in some cases have taken tenants to the agencies. A memorandum of understanding with these agencies is being finalised. All rent letters and other correspondence contain contact details for a range of agencies which provide welfare benefits advice and support, but the backs of letters look very 'busy' and might be confusing for some tenants given the large amount of information being provided. Although relations with other agencies are positive, there is a risk that there is an over-reliance on this support and insufficient advice resources available in-house.

- 122** GCH has an accurate understanding of transaction costs. For example DD costs 2 pence per transaction, compared to 41 pence at the Post Office and £1.52 at the cash office. There is some promotion of DD. Almost 750 tenants (equivalent to 17 per cent) are paying their rent by DD which represents a considerable saving to the ALMO. Although this is an increase of only 150 tenants since the last inspection. GCH has not considered the benefits of offering cash incentives for making payments by the most cost effective method.
- 123** There is clear information about how rents and service charges are calculated. This is set out in a leaflet and is explained in the tenants' handbook. Service charges are appropriately applied to reflect actual costs and are broken down into various elements including internal lighting, door entry systems, cleaning and estate services. Where a new cleaning contract was implemented in mid year an explanation of the service charge implications was sent to all tenants.
- 124** Tenant satisfaction with the rent service is generally positive. A survey undertaken in March 2007 showed 95 per cent were satisfied with the available payment options, 89 per cent were satisfied with the service provided, 82 per cent felt their income and expenditure were taken into account when agreeing a repayment plan and 72 per cent found it easy to contact GCH to discuss their rent.
- 125** Steps to prevent rent arrears occurring are not yet fully effective. The use of pre-tenancy appointments to reinforce the importance of paying rent to new tenants is yet to attract widespread use with only 12 per cent of tenants being interviewed since their introduction. The failure to undertake post let visits within the target time of four weeks will also have an impact on this. The number of evictions has not significantly declined with 24 tenants being evicted in 2006/07 compared to 28 in 2005/06 placing GCH among the worst 25 per cent of district councils in terms of this performance indicator. However, the number of legal actions is declining (63 suspended possession orders in 2006/07 compared to 85 in 2005/06). It is too early to measure any outcomes from a homeless prevention protocol introduced in March 2007. (This new protocol reflects the requirements of the pre-court protocol issued by the Department of Constitutional Affairs). An action plan for income maximisation is yet to be agreed with the Council's welfare advice service. GCH does not use profiles of tenants in arrears to target campaigns with specific groups.
- 126** Arrangements are in place for the recovery of former tenant arrears. Collection of former tenant arrears is outsourced to two collection agencies. The rate of collection has increased from £43,661 in 2005/06 to £49,179 in 2006/07. In March 2007 former tenant arrears represented 1.17 per cent of the rent debit (top quartile performance for all ALMOs in 2005/06 was 1.38 per cent). The level of write-offs has decreased from £108,249 in 2005/06 to £94,705 in 2006/07. However, write offs are not carried out evenly in the year, with £37,166 written off in March 2007. Performance reports to the Executive and Board do not show the actual level of outstanding former tenant rent arrears, this makes it difficult to monitor whether collection rates are keeping up with overall levels of arrears.

Resident involvement

- 127** Strengths outweigh weaknesses in resident involvement. GCH has invested in resident involvement and there are now more tenants actively involved and greater tenant involvement in shaping and monitoring services. A broad range of methods are used for resident involvement and the approach is supported by a clear strategy and participation compact. GCH also supports community development initiatives.
- 128** GCH has invested in the promotion of resident involvement. Savings realised from closing area offices have been reinvested into the development of a resident involvement team. Staff resources have been increased from one to three. This is having an impact with the number of residents who are actively involved in various forms of participation or consultation. Numbers have increased significantly from 132 in April 2006 to 330 by March 2007. The active residents come from across the whole housing stock, including the sheltered housing schemes.
- 129** Satisfaction with opportunities to participate are reasonably high. The latest Status survey shows that 85 per cent of tenants think that GCH take their views into account when making decisions. Two-thirds (67 per cent) said that they were satisfied with opportunities for participating in managing and decision-making, an increase from 63 per cent in the previous survey. Only 8 per cent said they were dissatisfied with this.
- 130** There is a clear strategic approach towards resident involvement. The strategy supports GCH's objective of 'Putting residents at the heart of what we do'. The Resident and Community Involvement Strategy and Action Plan sets key objectives such as the launch of new mechanisms for participation. It is supported by a clear and easily understood tenant participation charter.
- 131** Residents engage in service development and delivery in a broad range of ways. There is a menu of options for involvement which include opportunities for both formal and informal engagement. As well as the more usual tenants' and residents' associations there are estate and block representatives (although this is limited to a small proportion of blocks so far), focus groups, editing and writing newsletters, surveys, estate action days, the neighbourhood projects, estate walkabouts, sheltered housing, mystery shopping, tenant testers, project groups the customer/tenant forum and tenants' conferences. Residents are also supported to attend regional and national networks. This has had an impact in shaping the level of service standards provided by GCH and its partners on issues such as cleaning, litter picking and grass cutting and the estate improvement budget is allocated through a process of bidding by local residents groups.

- 132** Resident involvement is having an impact on shaping services. For example the sheltered action group are influencing changes at the schemes, including agreeing changes in the specification for converting bathrooms into walk-in showers and the installation of adaptations. Tenants have been engaged in the procurement of new maintenance contractors, in the development of capital programmes and the monitoring of contractors. This is having a positive impact in delivering customer-focused maintenance services.
- 133** Residents are involved in the monitoring of performance in a range of ways. Performance has been reported to the Tenants' Forum every quarter. From April 2007 a new Customer Forum has been established to replace the existing Tenants' Forum. It will meet every two months and will take on similar responsibilities for performance monitoring as the Forum. Performance reports are easy to understand and include recommendations for improvement. Service standard compliance is monitored through mystery shopping undertaken by tenants. Details of performance monitoring arrangement of the maintenance contractors are provided in the asset management section of this report. A repairs and maintenance customer panel has recently been established to monitor the contractor's performance.
- 134** Residents are engaged in community development. GCH provided financial support to two neighbourhood projects. Matson and Coney Hill neighbourhood project groups have received funding from GCH of £10,000 each this year. The Matson project group employs sixteen staff and focuses on five themes: advice and representation, training and education, youth work, a club for adults with learning disabilities, and community involvement. The Coney Hill partnership also works with the schools and young people, children at risk, parenting skills and family support work. GCH have found the neighbourhood project groups and the three Churches youth club at Matson are a way of getting tenants and younger people on their estates to interact positively with them. Outcomes from increased engagement with young people have included the provision of funding for a youth shelter.
- 135** Opportunities are provided to increase the capacity of involved residents. There are plenty of training and networking opportunities for tenants if they wish to take part. One of the most successful has been computer training courses; these have been particularly popular with the older people.
- 136** The selection of venues for tenants meeting has not always been appropriate. The venue of the recent investment conference did not have parking facilities. This meant that some residents were discouraged from attending.

Tenancy and estate management

Tenancy Management

- 137** Strengths outweigh weaknesses in tenancy management. A specialist team provides a focus on tenancy management. Clear procedures are in place for dealing with anti-social behaviour and a broad range of remedies are used and partnership working is good. GCH is increasingly active in community development work. However, tenant satisfaction with the way GCH deals with anti-social behaviour is relatively low. Use is not being made of introductory or demoted tenancies and there is no out-of-hours service for receiving calls or complaints about ASB.
- 138** A specialist team has been created to focus on tenancy and estate management issues. The Neighbourhood Services Team is responsible for supporting tenancy and community needs. This provides a level of focus and specialism that was previously missing. It allows GCH to become more involved in local community issues.
- 139** There is a focus on tenancy sustainment. It is part of the Neighbourhood Services Team's role to help tenants sustain tenancies. This involves completing a risk assessment form with the tenant at or before the on-site letting, which decides what support the tenant (and the family) need and from whom, this can then be arranged with the appropriate provider. A formal memorandum of understanding is in place with Supporting People floating support service providers. This means that it is possible for GCH staff to arrange support for tenants at the start of the tenancy.
- 140** Clear procedures for dealing with anti-social behaviour are in place. The ASB procedures provide staff at GCH with clear advice and instructions on how to deal with different types of incident and how to use the different intervention tools. It also provides sample standard forms such as incident sheets and witness statements. Staff feel empowered to use their knowledge and experience to provide a flexible response to different situations. Working closely together in the same office allows them to share ideas on how best to respond to different cases.
- 141** There is a reasonably well understood demarcation between the low level ASB cases dealt with by the Neighbourhood Management Officers and the more serious cases by the ASB team. All reports of domestic abuse and hate crime are referred to the ASB team. Similarly the ALMO's ASB team and the Crime and Disorder Reduction Partnership's (CDRP) ASB unit are clear about their respective roles and responsibilities, avoiding overlap and duplication in their work.

- 142** There are good relationships with partners to resolve ASB issues. The relationship between the ASB team and the CDRP ASB unit is underpinned by a service level agreement, which allows the ALMO to refer up to six ASBOs a year to the CDRP team to follow-up. Two staff in the ALMO's team were seconded for part of 2006 to the CDRP ASB unit, giving them a good understanding of their partner's work. There are weekly meetings to discuss individual cases and monthly management meetings review how things are working at a higher level, including the identification of any learning points. The CDRP's ASB unit checks the quality of evidence and will take witness statements as well as checking files to ensure that cases have the best chance of being successfully prosecuted.
- 143** There is a good information sharing between the police and the GCH ASB team, with both parties feeling supported by the other. This is reflective of the co-operative relationship in place. As part of the close working relationship with the police, a number of trainee police officers have been seconded to the ASB team for up to three days at a time, which has given the team extra resources and allowed them to showcase their work to the police.
- 144** GCH uses a broad range of remedies in dealing with ASB. Since June 2006 GCH has agreed 35 acceptable behaviour contracts, served 6 notices of seeking possession and obtained 5 injunctions in its efforts at tackling ASB. There has been just a single eviction which related to case of domestic violence and a single ASBO served in this time. The ASB team have focused on the use of acceptable behaviour contracts (ABCs) in conjunction with other measures, such as support initiatives with partner agencies.
- 145** It is easy for residents to report incidents of ASB and breaches of tenancy conditions during office hours. Residents suffering from ASB are able to contact the service by a wide variety of means, with most complainants using the telephone (78 per cent) or reporting the incident in person (16 per cent). ASB caseworkers are giving vulnerable tenants their contact details and will talk to them out of office hours, as well as taking details of incidents over the phone to avoid the need for all complainants to complete incident forms. Although there is not currently a 24 hour response service, this is being addressed with a new service starting in July 2007.
- 146** Records of tenancy management issues are well maintained. The paper files are well kept and have an ASB control file record sheet at the front to track the information that has been inputted. The files are also kept electronically. The electronic system for recording ASB files is robust. Letters can be generated automatically as can helpful information sheets for people who suffer hate crime or domestic violence. All ASB cases are recorded on the system, by the neighbourhood services team or the ASB team and all of them can access the cases, and the system flags up if procedural steps are not followed within set timescales.
- 147** GCH supports complainants and victims of anti-social behaviour. There is a witness support pack which contains staff contact details, a variety of advice leaflets and the Respect standards, as well as copies of the tenancy conditions relating to ASB, a victim information sheet and an incident sheet. GCH monitors the outcome of ASB complaints.

- 148** Modern technology is being used to tackle problems of anti-social behaviour. A device known as a 'mosquito' has been installed in eight locations including sheltered housing schemes. The mosquitoes emit a high pitched sound which deters young people from congregating. In most cases these have been sited after discussion with the Police and local community. However, there has been no formal review undertaken of their effectiveness although anecdotal reports suggest they are working successfully. Five static CCTV systems are in use.
- 149** GCH and the Council have been active in supporting the Government's Respect agenda. GCH has signed up to the Respect Standard. This has been promoted through high-profile events in the city. A successful bid was made to the CLG Respect taskforce for a family intervention project. The project which is designed to change people's behaviour is shortly to start in Gloucester. This will provide intensive supervision to approx 15 families across the city in the course of the year, of which six to eight will be GCH tenants.
- 150** GCH invests in measures to divert young people from causing anti-social behaviour. GCH supported a group of young people on Matson with their application for funds to build a 'Youth Shelter' on the estate. The group was awarded £10,000 and consultation is underway on possible sites for its location. There are a number of initiatives to engage with young people and undertake a range of diversionary activities, particularly around music-related projects. An exercise which brought older and younger people together was used to challenge stereotypes. There is also work going on in local schools to address the fear of crime and bullying.
- 151** GCH is increasingly active in community development work. The company is becoming a major player in neighbourhood projects. It has established a community investment fund to support this objective.
- 152** Tenants satisfaction with the way GCH deals with anti-social behaviour is relatively low. GCH uses independent telephone surveys of tenants to identify trends in customers' perceptions. Surveys have been undertaken in June and December 2006 and March 2007. Despite the level of activity, there has not been a discernable positive trend. The latest survey of 71 tenants found that overall satisfaction with the service was 51 per cent; a reduction from 56 per cent in June 2006. 58 per cent were satisfied with the timescale for responding to the initial report compared to 53 per cent in June 2006. Satisfaction with the overall timescale for dealing with the case is at 51 per cent, down from 62 per cent in June 2006. Only 52 per cent said that an action plan had been agreed with them and only 51 per cent were satisfied that they were kept up-to-date with progress on the case. Closure of cases appears to be a problem with only 39 per cent saying they were satisfied with the closure process. However, survey forms sent to complainants when a case is closed show a different set of results. These returns show that an average of 71 per cent of ASB complainants are satisfied with the way their complaint was dealt with. 63 per cent are aware of the service standards and of this group 71 per cent think the ASB team are meeting their commitments.

- 153** There has been no use made of introductory or demoted tenancies to encourage good behaviour or tackle anti-social behaviour. The Tenants' Forum were not in favour of these previously, although in principle approval for demoted tenancies was obtained in January 2007 and a consultation exercise is underway. The outcomes will be reported to the new Customer Panel in May. In the meantime preparations have been made for their introduction if they are given approval. Similarly there is little use being made of incentives for good behaviour. Limitations with the current IT system have prevented GCH from developing an incentive scheme.
- 154** GCH has not been making use of professional witnesses. Although there is provision within the organisation's policies and procedures for the use of witnesses, so far there has been no such use made. Professional witnesses are a way of protecting tenants and giving them greater confidence in reporting complaints.
- 155** There is no 'out-of-hours' service for receiving calls or complaints about ASB. Residents who ring GCH's normal telephone number after the office has closed receive a recorded message suggesting that they call the Police or leave a message for the following day. However, a 24-hour specialist support line is to be introduced in July 2007, with funds for the first nine months of operation provided by the Council.
- 156** Limited use is being made of mediation. Although there is an agreement with Citizens Advice to provide this service, little use is currently made of this with only one case having been referred. The tenants handbook lists mediation as a possible course of action but does not explain what it is or how it can be accessed.
- 157** There is an underreporting of anti-social behaviour from ethnic minorities. Only 3 per cent of residents contacting the service about ASB classify themselves as being from an ethnic minority. This is less than half the BME figure for the local population. This under-reporting is being investigated by the Gloucester Race Equality Council.
- 158** Actions taken in some estates have not been replicated across the city. The ASB conference which took place at Matson and the resulting charter for tackling ASB has not been replicated in other parts of the city, despite the interest which has been shown in it. Nor does there appear to have been any public reporting of its impact on ASB in the area. This makes it difficult for tenants and partners to come to a view on how successful it is proving to be.

Estate management

- 159** Strengths outweigh weaknesses in estate management. Housing estates are well maintained. The estate services team provide a responsive, flexible and high profile service. New cleaning and grounds maintenance contracts are effective.
- 160** Housing estates are well maintained. Setting up a team of eight workers has had a significant impact on the appearance of estates. The Estate Services Team respond quickly to remove rubbish and graffiti and provide a high profile on the estates. They use mobile technology to ensure they receive immediate instructions when problems arise. There were no cases of abandoned vehicles or bulky waste items identified during the inspection. One case of non-offensive graffiti was identified by the inspection team and this was promptly removed. Entrances to flatted blocks are mostly kept neat and tidy with litter picks by the estate services team helping to maintain their appearance. 'Hot spots' are given particular attention with more regular visits and sheltered housing schemes receive visits of a minimum of two hours per week.
- 161** The estate services team raises the profile of GCH on the estates. The staff wear an easily identifiable uniform and use liveried vans. They are able to provide general advice to residents. They are equipped with a supply of advice leaflets enabling them to help with enquires on the estates. The role of the team is explained and promoted in tenants' newsletters and on the tenants' calendar. This is a particularly important aspect of the service now that the area offices have been closed.
- 162** The estate services team provides a flexible and responsive resource. The Estate Services team has undertaken a wider range of duties in the past year that has helped keep estates clean and tidy and supported vulnerable tenants. These activities include: 169 occasions when bulky items were removed; 326 gardening jobs; 437 jobs of general assistance; and 73 minor repairs. They also complete many of the smaller work items identified during estate inspections, the walkabouts and by the Estate Champions. Training in basic plumbing and carpentry skills has been provided to the team to assist them.
- 163** GCH is able to act quickly to problems on estates. Estate Services workers identify visible breaches of tenancy conditions and report these to the Neighbourhood Management Officers, as well as reporting any failings in the communal cleaning and grounds maintenance works. They are able to use mobile technology to record photographic evidence and to complete standard forms. These are sent in to the managers responsible for monitoring the services so that action can be taken. The photographic evidence is stored so it can be used in support of enforcement action.

- 164** Arrangements for cleaning and grass cutting on estates are effective. New contracts have been let for estate cleaning and grounds maintenance. The same contractor is employed by the Council and GCH for a variety of street scene and ground maintenance tasks. This joined-up approach means that tasks do not get left undone. A higher specification for grounds maintenance has been agreed taking into account tenants views. Schedules for cleaning and the service standards are posted on estate notice boards. This is important as it means that tenants are able to monitor whether the contractors are meeting their commitments. Tenant forum representatives are highly complimentary of the contractor's work.
- 165** Proactive steps are taken to ensure estates are well maintained. A system of estate champions is used which involves a member of the GCH management team inspecting estates every fortnight (although time-constraints has led to this target not being consistently achieved). Action days and estate walkabouts are held on all estates. These are publicised in advance. Regular use is made of a voluntary group: Action4Employment (A4E) to assist the Estate Services team in their duties and on the estate Action Days. The service provides free labour, with GCH providing tools, material and supervision for the young workers from A4E. The jobs undertaken include hedge cutting, lopping of overgrown trees, painting of railings and garage blocks. The partnership with A4E is developing and future vacancies within the Estate Services team could be filled by workers from A4E.
- 166** Photographs are used to illustrate acceptable standards. The estate services team is provided with a file of photographs which demonstrates what is acceptable and not acceptable on issues such as grounds maintenance. This makes it easy for supervisors to explain the standards that are expected. However, these pictorial standards are not published as formal service standards.
- 167** Steps have been taken to overcome parking problems. GCH provides caravan parks at two locations close to its estates. Providing this secure storage facility improves the appearance of estates by taking caravans off narrow roads and driveways where parking spaces are at a premium.
- 168** Use is made of estate improvement funds to improve the local environment. There are some positive examples of estate improvement funded works, such as security lighting, pavement resurfacing and railings, to address tenants' priorities and which are improving the environment around tenants' homes.

Supported Housing

- 169** Strengths outweigh weaknesses in relation to supported housing. Sheltered housing schemes are well managed and tenants are well supported reflected in high levels of satisfaction. However, supported housing is largely limited to services for older people and it is not clear to what extent support is provided to vulnerable people.

- 170** Sheltered housing schemes are well managed. GCH has received a Supporting People 'Gold Standard' for its management of sheltered housing. All services meet either an A or B standard in the Quality Assessment Framework (QAF). Community Scheme Managers are provided with clear training and guidance. Managers are backed up a 24 hour community alarm service and a team of relief managers. Support plans are in place for all tenants apart from a very small minority who have refused. These are agreed jointly with tenants and other health professionals. However, plans are not currently kept on computers nor are back-up copies held.
- 171** Tenants satisfaction with sheltered housing is high with 90 per cent of tenants expressed satisfaction in the latest survey carried out in June 2006. Sheltered schemes provide a pleasant living environment and effective use is made of communal lounges. Some lounges have internet facilities available. There has been investment in new communal kitchens. One scheme provides a unit of intermediate care to enable the releasing of hospital beds. However there are still some weaknesses in provision: one sheltered scheme has shared bathrooms and scooter stores have not been provided at any developments.
- 172** Clear information is provided about supported housing services. The website provides useful information about the services available from GCH and other agencies. A sheltered housing directory and handbook provides prospective and existing tenants with clear information about available services. Although GCH sign-posts the availability of floating support services it does not monitor how effective these services are in supporting its tenants.
- 173** GCH's approach to supported housing is mainly limited to older people. Although GCH provides sign-posting to other agencies such as floating support providers, the County Council, Gloucester Drug and Alcohol Service and other care-related agencies it does not make it clear to what extent it provides tenancy support services itself. There are no specific service standards setting out how GCH will provide support to vulnerable people or how far it is committed to helping people get an appropriate level of support. This means that tenants may not understand what support is available to them from GCH apart from the explanation given at the tenancy sign-up stage.

Leasehold management and Right to Buy

- 174** Strengths outweigh weaknesses in relation to homeownership services. A specialist team provides a positive service to GCH's homeownership customers. Satisfaction levels are reasonably high. Arrangements for the setting and collecting of service charges are effective. There are positive liaison and consultation arrangements and the quality of information provided is strong. Arrangements for the administration of Right to Buy applications are effective. However, service standards for leaseholders are not comprehensive and performance management arrangements for homeownership are not sufficiently detailed.

- 175** GCH provides a specialist homeownership service to leaseholders, shared owners and Right to Buy applicants. A small homeownership team has been set to manage these areas of operation. Staff are knowledgeable about the specific requirements of managing leaseholder services. GCH is starting to offer additional services to homeowners such as gas servicing and rechargeable repairs. Satisfaction among leaseholders has risen significantly from 69 per cent in June 2006 to 80 per cent in March 2007.
- 176** Arrangements for the setting and collection of leaseholder service charges are effective. Formal certificates of expenditure are sent out in June. These are based on information collected on a spreadsheet itemising individual expenditure. Final bills are sent out by the end of September annually in arrears and in accordance with the requirements of the lease. The management fee has been revised and now reflects the actual cost of providing the service. Leaseholders are reasonably satisfied with the service. The latest survey undertaken in March 2007 gave a satisfaction rating of 80 per cent.
- 177** However, leaseholders are not provided with ongoing reports of repairs expenditure during the year. Although GCH complies with the statutory requirements to consult over large expenditure items, it does not currently keep leaseholders informed on smaller items of expenditure during the year. The current computer system makes this difficult to achieve but leaseholders have asked for itemised repairs expenditure to be sent out every six months and GCH plans to do this when the new IT system is operational. This is important as it gives leaseholders greater awareness of the likely level of the following year's service charge bill.
- 178** At the mid-year stage (March 2007) arrears stood at 7.75 per cent. This is a respectable collection rate. However, service charge collection is not monitored through performance reports to the Executive and there is therefore a risk that problems with recovery of outstanding service charges may not be identified at an early stage.
- 179** Information is provided to leaseholders that is both informative and easy to understand. A leaseholders' handbook provides clear information about rights and responsibilities, repair and maintenance, services charges and other aspects of leasehold management. An annual report for leaseholders was included in the autumn leaseholders' newsletter and a summary of the lease has been produced. Both these documents use plain English to make it easy for leaseholders to understand their obligations.
- 180** There are positive liaison and consultation arrangements with leaseholders. A leaseholders' newsletter is sent to the 247 leaseholders every six months. Leaseholders also receive copies of the Tenant Times and articles of relevance to leaseholders are included. A section of the website covers leaseholder issues. There is a leaseholder forum that meets quarterly with GCH officers, the agenda is set jointly. The forum was actively engaged in developing the service standards. Leaseholders also participate in wider GCH consultative forums.

- 181** There are clear policies and procedures for the management of the leasehold stock. These procedures ensure that the statutory requirements for consultation are undertaken before service charge calculations are made. The procedure for calculating services charges includes a check that service contracts which run over a year have been subject to the Section 20 consultation process.
- 182** Options for payment of service charges are flexible. Leaseholders have all the same options as tenants with the exception of using the Post Office. Although the lease requires that full payment should be made within 28 days of receiving the bill, in reality, leaseholders are given the option of paying in monthly instalments. This is clearly stated in the handbook. There is clear sign posting to various debt advice agencies within the leaseholder publications.
- 183** Arrangements for the administration of RTB applications are effective. 104 applications were received in 2006/07 and 41 properties were sold. Statutory deadlines for completing RTB and Section 125 processes were met in all cases. However, there are no formal performance reports showing whether statutory targets to complete the various stages of the RTB are being met. This means that the Council is unaware whether GCH is fulfilling its commitments under the management agreement in relation to this activity.
- 184** GCH has produced a clear guide about the RTB. The guide explains all aspects of the process and is provided to anyone who makes an enquiry. It sets out the timescales, information about the costs and responsibilities of home ownership and importantly it carries a warning about the risk of exploitation by private companies. GCH has a commitment to meet all RTB applicants and this provides an opportunity to explain the responsibilities of ownership. Officers ensure that applicants are aware of the commitments they are entering into. This helps prevent private companies from misleading tenants.
- 185** GCH provides helpful support to the Council's 60 shared owners. Since taking on this responsibility in 2006 it has developed communications with shared owners and has produced a handbook which answers queries about this form of ownership, explaining what has been purchased, responsibilities under the lease and what to do if selling. GCH undertakes sign-up of new shared owners and collects their rent.
- 186** Service standards for leaseholders are not comprehensive. Service standards have been developed with leaseholders and provide some explanation of the services provided. However, they do not include key information about the timescales for calculating service charges and sending out bills.
- 187** Performance management arrangements for homeownership services are not sufficiently detailed. The executive management team and Board reports and reports to the Council do not include any performance indicators in relation to the service other than levels of customer satisfaction. Processing times for completion of right to buy applications are not monitored. This means that neither the Council nor senior management can be sure that statutory timescales are being met.

Is the service delivering value for money?

- 188 There is a balance of strengths and weaknesses in relation to value for money. Overall there is a positive relationship between cost and quality and a value for money culture is developing. There are some good examples of an improving approach to the management of value for money. The organisation has a good understanding of its costs and significant efficiencies have been delivered through service reviews and market testing and outsourcing that have been reinvested in frontline services. However, the new maintenance contract does not reflect the optimum method of procurement. The strategic approach to procurement is not fully developed and limited use is being made of collective procurement. GCH does not explicitly link costs to levels of performance within its management reports.

How do costs compare?

- 189 There is a developing culture of value for money within the organisation. The organisation has a strong understanding of its costs. Use is being made of benchmarking. The company has identified that it is 29 per cent below average for front line housing management costs but that back office costs are 26 per cent higher than other ALMOs.
- 190 Housing Management costs are around the same as similar organisations. The cost per property for 2005/06 was £16.31 but after adjustment to take account of area it was £14.82. This is between the average and most expensive 25 per cent of district councils. Comparisons with the ALMO group show 'core housing management' costs to be the lowest among a group of 14 peers.
- 191 Overall, there is a positive relationship between costs and quality. While still relatively low, levels of tenants' satisfaction have increased from 64 per cent in 2003/04 to 75 per cent in 2006/07. At the same time the organisation has delivered some significant efficiencies.

How is value for money managed?

- 192 Service reviews have focused on high cost services. The Rethinking Service Delivery project was a major exercise in rationalising service delivery and focusing service development in areas that reflected the organisation's priorities including, income management, resident involvement and the estate services team. As a result of centralising services, closing down area offices and setting up specialist teams, savings of £280,000 have been achieved. Further efficiencies have been identified in terms of support service costs, particularly in legal and IT support provided by the Council where savings of £200,000 are estimated, although these have still to be agreed.
- 193 GCH has made a significant contribution to the Council's Annual Efficiency Statement (AES). Outsourcing of the responsive repairs service resulted in savings of £405,000 in 2006/07. The draft forward looking AES identifies a broad range of savings including efficiencies of £1,023,889 from the strategic partnership agreement for decent homes work.

- 194** Effective use has been made of market testing and outsourcing of some in-house services. The supply of responsive repairs, voids and cyclical maintenance contractors was outsourced to a single company in April 2006. Outsourcing has resulted in a significant reduction in costs. The cost per job has reduced from £126 in 2005/06 to £72 in 2006/07. This is below the peer group average of £88. Similarly, the cost per property has reduced from £544 to £232 during the same period and the average number of jobs per property has reduced from 4.3 to 3.2. Overall savings as a result of outsourcing have been £926,468 in the first year of the contract.
- 195** However, the new maintenance contract does not reflect the best method for procuring repairs and maintenance services. Repairs are costed using a traditional schedule of rates. The same price is charged for work in voids as for day-to-day repairs. Given the scale of voids being repaired there is considerable scope for developing standard specifications and benefiting from economy of scale in this area. Until recently a large number of boilers were being replaced in the most expensive way without the benefit of collective procurement.
- 196** GCH does not recover the costs of rechargeable repairs. A rechargeable repairs policy has only recently been agreed and this has yet to have an impact.
- 197** Efficiencies have been secured in a range of administrative and procurement processes. A reverse auction for office stationery, jointly procured with other councils in Gloucestershire has resulted in savings of approximately £8,500 per year: a 65 per cent saving on previous cost. There have also been a range of smaller savings in other areas including consolidated invoicing from the telephone provider, rent refunds being paid by BACS transfer rather than cheque and renegotiation of sorting arrangements for delivery of mail shots such as the Tenants Times.
- 198** There is a focus on value for money in performance management. Board reports include a range of high-level value for money performance indicators. For example reports identify total cashable and non-cashable savings. This is important as it potentially helps keep a focus on whether the organisation is meeting its AES targets. Other indicators reported under the heading of value for money include: housing management and maintenance costs per property, work days lost through sickness and variance in expenditure against budget. However, these reports do not include targets which makes it difficult to measure whether the organisation is on course to achieve its goals. In addition, GCH does not explicitly link costs to levels of performance within its management reports.
- 199** The HRA Business Plan takes account of the need for long-term efficiencies. The 30 year projection of the HRA identifies that £1.7 million of savings have to be accrued over the next ten years to keep the account viable. The requirement for efficiency savings has been built into the plan with an increase of only 1 per cent supervision and management costs.

- 200** The strategic approach to procurement is not fully developed. There is a clear procedural framework for procurement through the procurement policy. However, the procurement strategy was only approved by the Board in April 2007 during the inspection. The draft strategy addresses identifies responsibilities and the approach to be taken to equalities and training issues. However, it does not define the company's approach to probity (although this is covered in the procurement policy) or centralised procurement and does not have clear links to the business plan.
- 201** Limited use is being made of collective procurement. Collective procurement of energy has resulted in savings of £20,000 in 2006/07. GCH also makes use of the Council's procurement expertise and capacity. But collective procurement has not delivered large scale efficiencies. GCH has chosen not to have a centralised approach to procurement having concluded that it would not be an efficient use of resources for an organisation of its size. Each section is responsible for its own procurement decisions although the Support Services Team oversees control of the procurement process.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 202** There are more strengths than weaknesses in this area. GCH has made improvements that are delivering direct and highly visible benefits to residents and there is a positive track record of responding to previous inspections and external challenge. Trends in customer satisfaction are positive and there are some good examples of improving value for money. Performance indicators show a mixed track record of improvement and these are yet to be sustained over a long period. GCH has made significant investment in 'building blocks' that should lead to improvement but it is too early for many, policies, procedures and strategies to have had real impact.
- 203** Performance indicators show a mixed track record of improvement. Comparisons of performance in 2004/05 and 2005/06 show that the percentage of rent collected improved slightly from 97.94 to 97.87 and that SAP ratings improved significantly from 62 to 70. However, relet times increased from 48 to 49 days. The recent track record is more positive. Unaudited performance figures show that relet times have improved to 23.14 days in the final quarter of 2006/07. While there has been an increase in the rent collected, BVPI 66a (rent collected as a percentage of rent owed) it has remained at 97.84 indicating that sustained improvement has still to be demonstrated in rent collection.
- 204** Trends in customer satisfaction are positive. Tenant satisfaction with the overall service has risen from 64 per cent when the previous survey was carried out in 2003 to 75 per cent in the latest survey (December 2006). Satisfaction with opportunities to participate has increased from 63 to 67 per cent. Satisfaction with leasehold services has increased from 69 to 80 per cent in the last year.
- 205** Service improvements are bringing direct and highly visible benefits to residents. The first part of this report highlights a wide range of improvements that have been made to customer services. Many of these benefits are highly visible and are being noticed by customers. These include the deployment of a team of estate services workers and new maintenance contracts which has led to cleaner estates and the introduction of new access arrangements which has led to calls being answered quicker.
- 206** GCH responded positively to the previous inspection. Recommendations from the last inspection have largely been completed. These have brought improvements in a range of important areas including complaint handling, gas servicing, voids management and the development of service standards. However, some issues raised within the report have still to be addressed; most notably the provision of scooter stores at sheltered schemes and the inclusion of service charge breakdowns on rent statements. A recommendation relating to the monitoring of the performance of the maintenance contractor has not been implemented sufficiently robustly. (See Appendix 2).

- 207 The organisation has a record of responding positively to external challenge. It has successfully achieved several external accreditations including Investors in People, ISO9000 and the Gold Standard for its sheltered housing. It has also acted upon the findings of the peer review carried out in 2006, addressing weaknesses through a robust action plan.
- 208 GCH has made significant investment in 'building blocks' that should lead to improvement but it is too early for many, policies, procedures and strategies to have had real impact. Many of the strategies such as the asset management plan and procurement strategies have only recently been adopted and have therefore not yet had a full impact. Work is taking longer than anticipated to undertake an options appraisal on non-traditional housing. The current work to collect information about tenants profile is not yet being fully used to improve services.

How well does the service manage performance?

- 209 Strengths outweigh weaknesses in this area. GCH has a clear and realistic vision that reflects local and national priorities. Leadership from the Board and Executive is effective, there is a strong approach to performance management and high-quality future plans. GCH shows a high degree of self-awareness, an openness to learning and is using customer feedback to improve services. Internal communication and working relationships across the organisation and with the Council are strong. However, there are weaknesses in managing contractor performance. Target setting is not robust and some performance reports are overly complex.
- 210 GCH has a clear and realistic vision of what it wants to achieve. The five year business plan sets out a clear and achievable vision, mission, aims and values. The strategic and business plan for 2006 to 2011 demonstrates how actions fit into the company's core values. Aims reflect local and national priorities. They are well publicised and staff have a good awareness of how their work contributes to overall objectives. Targets within the delivery plan are realistic yet reasonably challenging.
- 211 Future plans are strong and demonstrate self-awareness. Significant time has been invested during the first year of the company in developing a range of strategies and policies that address the key faced by the organisation. In addition to the Business Plan these include an Equalities Action Plan, HR strategy and Asset Management Plan. These strategies provide clear direction for the future and illustrate GCH's ambition.

- 212** Customer feedback is used to improve services. Comprehensive reports are prepared on the results of satisfaction surveys and these include a commentary on action taken as a direct response to survey results. Robust procedures for monitoring customer feedback are resulting in service improvement. Results are analysed, action plans devised and changes made to services. Feedback gathered from customer surveys, focus groups and analysis of compliments, comments and complaints is closely monitored. For example criticism of the void standard has resulted in copies of the standard being provided to new tenants. This is important as it ensures that senior managers and Board members keep in touch with customer feedback and this helps to shape future service delivery.
- 213** GCH actively seeks out learning from others and has a high level of self-awareness. Examples of learning from others include: the design and tendering of the cleaning contract which was informed by the experience of various other ALMOs and the introduction of the tenants' compact which was influenced by a visit to a similar sized ALMO. Research into other landlords' incentive schemes led to the introduction of a prize draw to reward clear rent accounts and advice was received from other organisations on the development of the terms of reference for the partnering board. The organisation has also demonstrated that it is self-aware and it has learned from weaknesses identified in the peer review and from tenant satisfaction surveys. Action plans are developed to address identified weaknesses.
- 214** There is a strong approach to performance management. There is a clear performance management framework. Progress on achieving targets within the Delivery Plan is closely monitored. Underperformance is effectively managed. Action plans are used to manage under performance utilising Prince 2 methodology. Weekly project boards are held in areas of key weaknesses. The Service and Operations committee receives detailed reports on progress. Monthly management reports to the EMT use critical indicators to highlight performance in areas of greatest importance. This demonstrates that the organisation is committed to continuous improvement.
- 215** Leadership from the Board and Executive is effective. There are strong working relations between the Board and the Executive Management Team. Board members are supportive of the management team. The Board has a reasonable understanding of operational and strategic issues. Board members demonstrate an awareness of issues relating to community development, estate management, investment. Board members have demonstrated that they will take difficult decisions. Examples include the decision to close area offices and it has also taken tough decisions in relation to staff disciplinary matters. It also robustly challenges officers, one example being where a temporary member of staff was given a permanent contract without a formal recruitment process being undertaken.

- 216** GCH has a robust approach to budget management in most areas. Members of the support services team meet with budget holders every month. Expenditure is discussed and any variances from budget challenged. IT systems enable committed expenditure to be identified. Specific housing investment meetings are held every month to review progress on the capital programmes. However, the lack of an interface with the maintenance contractor has made it more difficult to monitor repairs expenditure.
- 217** There are strong working relations between the Chief Executive and the Chairman of the Board. Regular contact is maintained through telephone calls as well as the more formal meetings. The Chair provides support for the Chief Executive and acts as a mentor. Formal appraisal of the Chief Executive is undertaken by the Chairman annually.
- 218** Internal communication is strong. There is a clear briefing process with the Chief Executive producing monthly information bulletins. Frequent informal and formal team meetings are held. All staff meet with their line manager at least once a month. The ALMO holds an annual staff conference and regularly celebrates notable achievements. This has the impact of ensuring that staff are clear about the approach being taken. Communication has been made more effective by bringing all staff together in one office. Annual team days are used in an effective way to cascade GCH's objectives to all staff, develop an understanding of how they impact on the teams work and to facilitate the development of team action plans.
- 219** Risk management is effective. Risk management is monitored by the Audit Committee. A six weekly meeting of the EMT and client officers of the Council is held to review risk management. A business continuity plan is in place. Performance reports use a traffic light system to visibly highlight the level of risk.
- 220** The relationship between the Council and GCH is a positive and supportive one. Regular strategic joint management meetings are held between the Council and GCH. The meetings take place monthly and are attended by the chief executives of the respective organisations and senior board members and councillors. The meetings, which are minuted provide an effective method of keeping both parties informed of current management issues. GCH is able to influence the Council over the nominations it makes for representatives on the Board. However, the Council requires very detailed performance reports from GCH. The level of detail required has an impact on the quality of the monitoring undertaken.
- 221** The Council has demonstrated that it is ambitious for change. The establishment of GCH is consistent with its ambitions to become an enabling council which is set out in its strategic plan. It recognised that it had been providing under-performing housing services and established the ALMO as a mechanism for improving services. It recognises the wider role that GCH is able to play in supporting its strategic aims in areas such as the Respect agenda. It also sees GCH as a model for future arms-length provision in other areas of service delivery.

- 222** GCH recognises that it has a key role to play in the community. It recognises is the important role it can play in developing sustainable communities alongside its delivery of the DHS programmes of works. It has focused initially on access, customer care and service improvement as well as improving its tenants involvement, but sees the need to step up its work on options appraisal and regeneration of the estates.
- 223** Performance management of the maintenance contractor is weak. The first part of this report describes the problems arising from the poor quality of management information provided to GCH by the contractor. The ineffective arrangements for monitoring this key contract have led to weak budget management in this particular area.
- 224** There are weaknesses in target setting. Long-term performance targets have not been agreed with the Council. The Council only sets performance targets for the current year. Targets had not been set for 2007/08 in March 2007. Although the Executive Management Team has recently established five year targets, these are not currently included in the delivery plan and have not been approved by the Board. Performance reports to the Board do not show the target along side current levels of performance making it difficult to see if previously agreed aims will be achieved.
- 225** Performance reports are overly complex. The front pages of the executive performance reports do not contain actual performance figures but show an excessive number of coloured symbols. These symbols are designed to show trends and to warn of underperformance. However, this makes it difficult to find out exactly how well the organisation is performing. Rent arrears are not usually expressed in percentages but in cash terms. This makes it difficult to compare actual performance with others and does not take account of the reducing size of the housing stock.

Does the service have the capacity to improve?

- 226** Strengths outweigh weaknesses in relation to capacity. Capacity has been enhanced through restructuring of services and ensuring resources are targeted at priority areas. Support service costs are being robustly challenged and appropriate arrangements are in place for management of the HRA. Human resources planning is effective, staff morale is high and training and development is used to enhance management capacity. Governance arrangements are broadly effective but there are some weaknesses in the operation of the Board. Staff absence has had an impact on performance in the first half of 2006/07 but is well managed. Current IT systems act as a barrier to improvement but there are plans to address this.

- 227** Changes to staffing structures have increased the capacity of the organisation. The 'Rethinking Service Delivery' review has resulted in staff having more specialist roles. Resources have been reinvested into priority areas. Additional staffing posts have been created in key areas such as estate services, anti-social behaviour management and income management. This approach has allowed neighbourhood officers to focus on carrying out proactive work such as Action Days and tenancy checks. Further staffing resources have been built into the budget to enhance capacity in the areas of IT and surveying where there are currently gaps. Staff are being recruited to fill jobs that are currently undertaken by temporary staff. Of 81 staff, ten (9.1 per cent) are on temporary contracts. GCH is currently recruiting to fill three vacancies and seven new posts.
- 228** Human resources planning is effective. All key HR policies and procedures are in place and have been reviewed. The HR strategy sets out how GCH is aiming to become an employer of choice. It covers all aspects of HR planning including recruitment and retention, training and development, workforce planning, leadership and effective management, communication and promoting equality and diversity. The awarding of Investors in People accreditation provides assurance that GCH is taking a positive approach to the management of human resources.
- 229** Sickness levels are high but are being robustly managed sickness levels averaged 14.42 days for 2006/07: this was largely down to a few long-term sickness cases. Short-term sickness has significantly reduced. Positively, effective absence management processes have now been introduced. Managers have received training on how to manage sickness, and the organisation now responds more quickly to early absenteeism with short-term absence significantly reduced. A 24-hour counselling and help line is available for staff. All staff have been offered health checks.
- 230** Trends in staff morale are positive. A full staff satisfaction survey undertaken shortly after the organisation was established in February 2006 showed some concerns. For example only 65 per cent of employees said that they felt valued but this had increased to 98 per cent by October 2006. The later staff survey also found that satisfaction with working conditions had increased from 72 per cent to 100 per cent and optimism with GCH's future had risen from 69 per cent to 98 per cent. This is supported by comments made to inspectors during a focus group.
- 231** Management capacity is being enhanced. A programme of management training and support is planned targeting middle managers who have a key role in supporting change. This has recently been tendered and it will start with a skills audit. The EMT provide a mentoring role for middle managers and managers accompany front line staff in a supportive capacity during activities like the Action Days and the 'blitz days'. The middle managers are having a training programme specifically designed for their needs. Clear training and development plans are in place and the effectiveness of training is evaluated.

- 232** GCH is taking a robust approach to challenging the level of support costs. A full review of support services has been undertaken. GCH has identified that it can make significant efficiencies in the delivery of IT and legal services. Decisions on who will be the future provider of legal and IT services are due to be made shortly, following discussions with the Council. Support from the leadership of the Council suggests that GCH will be successful in reducing support service costs. The Council leadership is fully supportive of the ALMO. It sees the organisation as a successful part of its overall strategy to moving towards an enabling Council. It is used as a model to demonstrate the benefits of moving other services such as leisure to arms length management.
- 233** GCH has been successful in attracting external funding to supplement existing budgets. Inward investment has been achieved in various areas including £14,000 for the support of victims and witnesses of ASB from national Respect Agenda funding and £4,000 from the County Community Chest fund to carry out improvements to a community resource centre. It has bid to manage 400 new affordable homes as part of the urban regeneration of Gloucester. It is discussing a management agency agreement with a small RSL.
- 234** Appropriate arrangements are in place for the management of the HRA. GCH is responsible for preparation of the budget and this is closely supervised by the Council. The Finance Manager meets with the Council's financial services manager every month and at particular stages such as close down of accounts he will meet with the Director of Resources. The Council's Director of Finance also attends the monthly strategic meeting held between the Council and the ALMO. Increases in the management fee are sufficient to enable GCH to fulfil commitments within the delivery plan. The management fee has been increased from £4.148 million in 2006/07 to £4.242 million in 2007/08 (2.2 per cent increase). The repairs element has increased from £2.933 million to £3.909 million; this takes account of the fact that GCH is becoming the contracting party for contracts that were previously the responsibility of the Council.
- 235** Governance arrangements are broadly effective. The Board has three sub-committees which makes it easier to undertake the large amount of work involved in establishing a new organisation. Board members have a wide range of skills and experience and provide a broad representation of relevant stakeholders although it is a weakness that there are no representatives of BME communities.
- 236** The Board operates effectively. Board members receive clear guidance on governance and procedural issues. A board members handbook provides clear guidance. The handbook holds information on a broad range of subjects including the company's mission, vision and values, memorandum and articles, the management agreement, delivery plan, business plan, governance structure and all the ALMO's key policies and strategies. The memorandum and articles of association and the code of conduct have been reviewed and strengthened. Key changes have included strengthening the process for dealing with non-attendance. Board meetings are chaired effectively with all members being invited to contribute to discussions.

- 237** Formal succession planning arrangements for Board members are not yet in place. GCH hopes to be able to utilise the skills of unsuccessful candidates from the forthcoming tenants' ballot, but without a formal policy on succession planning it is unclear how this may operate and that any process will be fully equitable and transparent.
- 238** There is a clear and innovative method for the election and replacement of board members. Clear policies are in place setting out how board members are recruited. The company has commissioned the Electoral Reform Society to undertake an election process to fill two vacancies for tenant members. Ballot papers are circulated to all tenants and tenants are provided with the option of voting by telephone or on-line if they prefer.
- 239** There are some weaknesses in the operation of the Board. The Board gets involved in operational issues that could be delegated. For example it took decisions on the allocation of minor elements of the overall community cohesion fund. An independent evaluation of the Board in late 2006 identified that the board was reactive. The start of each meeting involves an unnecessary amount of procedural business. With 18 members, the Board is large and this makes it more difficult to make succinct decisions. Perhaps because of the large size of the Board some members make little contribution to debate. All board member appointments have to be approved by the Council. Although the Council has never vetoed an appointment it suggests an unnecessary level of control.
- 240** Staff absences are impacting on performance. Performance in rent collection was affected by the lack of staff in key posts. There has been an over reliance on temporary staff in some key areas; in particular asset management. The lack of key staff in managerial posts at the time that the new repairs contract was let had a negative impact on the establishment of the working relations. Some staffing resources are being deployed in a way which is not sustainable in the long-term. Some relatively senior managers have been depended upon to undertake administrative roles to ensure that performance has not slipped in key areas such as gas servicing.
- 241** Current IT systems are a barrier to improvement. Throughout this report issues have been identified where the IT systems have held back service delivery. This includes, asbestos management, invoicing for repairs and the lack of interfaces between the housing management system and other databases. This has had an impact on frontline services. Positively, GCH fully recognises this weakness and has purchased a new integrated IT system. When this is implemented later in 2007 these barriers should be overcome.

Appendix 1 – Performance indicators

Table 1 Gloucester 2003/04 to 2005/06

Performance indicator	2003/04	2004/05	2005/06	DC top quartile 2005/06
BVPI 63 Average SAP rating	62	62	70	69
BVPI 66a Percentage rent collected	97.16	97.94	97.87	98.84
BVPI66b Percentage with > 7 wks arrears gross	-	-	5.28	3.39
BVPI66c Percentage in arrears with NoSP served	-	-	51.31	13.55
BVPI66d Percentage LA Ts evicted for rent arrears	-	-	0.54	0.15
BVPI 74 Percentage tenants satisfied with overall service	-	64	64	85
BVPI 75 Percentage tenants satisfied with TP	-	63	-	59
BV184a LA homes which were non-decent at start of year	66	66	65	12
BV184b Change in proportion of non-decent homes	-40*	4.5	3.4	29.2
BV212 Average re-let time (days)	56	48	49	27

Appendix 2 – Recommendations from previous inspection

Table 2 Recommendations from Landlord Services inspection 2005

Recommendation	Progress
Present this report to the Executive of the Council, the ALMO Shadow Board and tenants and leaseholders.	Completed November 2005.
Following the outcome of the consultation with tenants, develop and publish a clear project plan for implementing proposals under the 'rethinking service delivery' initiative regarding the closure of the area offices.	Completed December 2005.
Address the concerns indicated in this report regarding the complaints system	Completed June 2006
Implement current proposals to develop a procedure, agreed with tenants, for effective liaison between the ALMO, the contractor and the occupier of accommodation in a proposed planned maintenance scheme.	Completed January 2006.
Capture feedback from customers after a service has been delivered and ensured that it is evaluated and effectively fed into the service development process	Completed.
Ensure that the ALMO Board and the Council closely monitors the performance in relation to the servicing of gas installations and appliances and set appropriate targets to ensure that continuous improvement is achieved and that the Council complies with its statutory duty.	Completed.
Carry out a detailed analysis of the voids process and prepare a strategy together with an action plan to achieve top quartile performance.	Completed.
Develop, with service users, a comprehensive set of service standards for all housing management services and adequately publicise them.	Completed December 2006.
Maximise the potential of the Council's website to provide e-enabled housing management services.	Completed and ongoing.

Recommendation	Progress
Revisit the current policy and procedure for dealing with harassment and domestic violence to ensure that it is more customer-focussed and gives clearer guidance to staff.	Completed November 2006.
Develop a project plan for taking forward the proposals to procure the planned maintenance service in line with the governments 'rethinking construction' agenda.	Completed October 2006.
Ensure that the ALMO Board and the Council closely monitor the performance of the new responsive repairs and voids contractor and ensure that a range of performance indicators are used to enable them to evaluate the performance in terms of value for money, customer focus and efficiency and effectiveness. Revise the existing procedures to support service improvements.	Partially completed - insufficient understanding of performance in some areas.
Publish the planned maintenance programme for the period 2006 to 2010 following discussion with tenants and ensure that it is effectively brought to the attention of all stakeholders.	Completed March 2007
Carry out a thorough analysis of the rent collection and arrears processes and develop an action plan to raise performance to top-quartile level.	Completed.
In consultation with colleagues in the Crime and Disorder Reduction Partnership, revisit the existing anti-social behaviour strategy and procedure to address the concerns raised in this report.	Completed November 2006.
Develop a written Memorandum of Understanding with the Neighbourhood Projects on each estate which identifies how both organisations can work together to improve the lives of the people in the communities they serve. Establish targets where appropriate.	Completed October 2006.
Ensure that current proposals to evaluate cleaning services on estates are implemented.	Completed December 2006.
Complete the current ongoing exercise to profile the customer base and develop user focused plans to use this information to effectively target and improve services.	Partially completed.
Develop detailed plans to support the proposals set out in the asset management plan and the housing strategy and reflect them in service, performance and business plans.	Partially completed.

62 Gloucester City Homes | Appendix 2 – Recommendations from previous inspection

Recommendation	Progress
Develop, with tenants, a clear vision for resident involvement and a plan (supported by SMART targets) which ensures that this vision is achieved.	Completed February 2006.
Carry out a thorough review of the performance management arrangements supporting the ALMO and its Board and ensure that a robust performance appraisal system is in place.	Completed.
Ensure that the cost of leasehold management does not exceed what the Council currently receives in management charges.	Completed April 2006.
Review the Tenants Handbook and the Tenancy Agreement to ensure that they contain up-to-date information.	Completed November 2006.

Source: Audit Commission

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:
 - focus groups with staff, residents and board members;
 - interviews with staff, partners and key stakeholders;
 - file checks;
 - observation of the call centres;
 - estate inspections;
 - inspection of empty properties; and
 - mystery shopping of reception areas and out-of-hours calls.

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)

Election of Tenant board members

- 1 The company has commissioned the Electoral Reform Society to undertake an election process to fill two vacancies for tenant members. Ballot papers are circulated to all tenants and tenants are provided with the option of voting by telephone or on-line if they prefer.

Estate Champions

- 2 Each member of the ALMO's management team is designated as an 'Estate Champion' for a proportion of the housing stock. This role requires them to carry out fortnightly estate visits. This provides an opportunity for senior managers to gain a better understanding of the key management issues faced, to take proactive steps to ensure estates are well maintained and to meet with residents and estate based staff.

Estate Service Workers

- 3 The establishment of a team of eight Estate Services Workers has had a significant impact on the appearance of estates. The team respond quickly to remove rubbish and graffiti and provide a high profile on the estates. Staff wear an easily identifiable uniform and are able to provide general advice to residents. The team identify visible breaches of tenancy conditions and report these to Neighbourhood Management Officers. They make use of mobile technology to record photographic evidence and to complete standard forms.