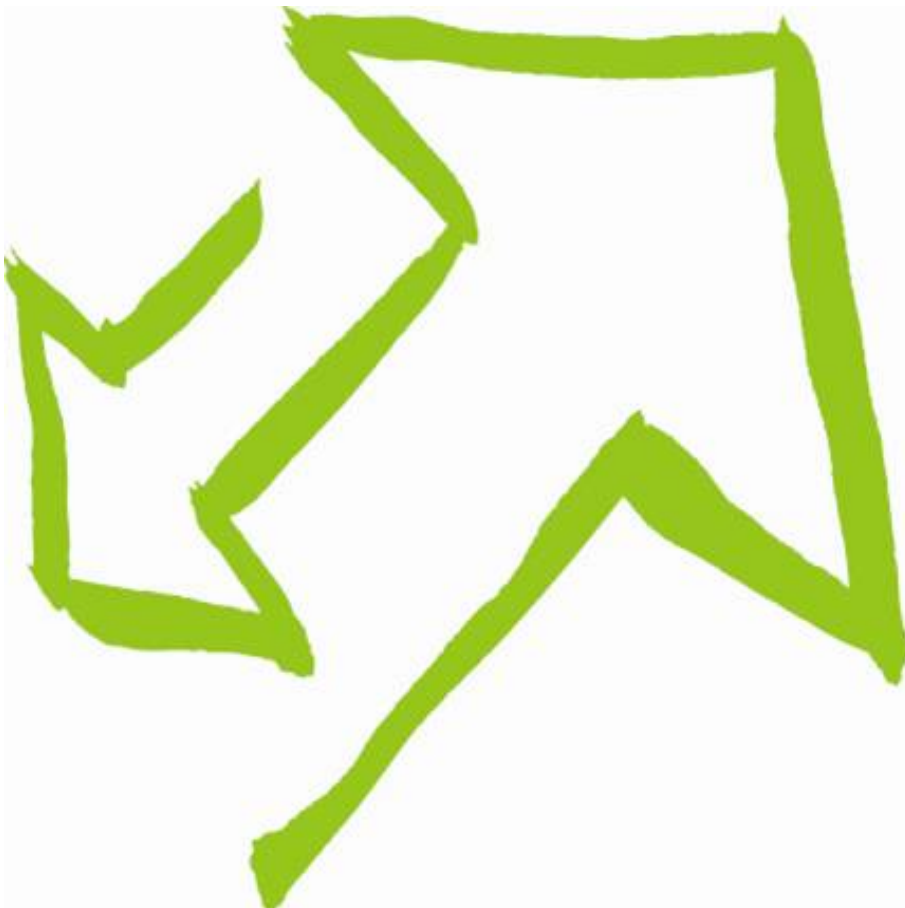


# Short Notice Inspection

Short notice inspection of services, responsive repairs, gas servicing and current rent arrears

Stadium Housing Association Limited

January 2010



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# Housing Association Inspections

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

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

For housing associations our current inspection role and remit is set out in sections 41A and 41B of the Audit Commission Act 1998 (as amended by section 109 of the Local Government Act 2003). Provisions contained in the Housing and Regeneration Act 2008 will amend our role and remit in due course, but are not yet in force. Our role is in line with the Audit Commission's strategic regulation principles. In broad terms, these principles look to minimise the burden of regulation while maximising its impact.

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

The scope of each inspection of a housing association, undertaken by the Audit Commission has been agreed in consultation with the Tenant Services Authority. The Tenant Services Authority is the statutory body which regulates housing associations to ensure that they are well governed, well managed and financially viable as set out in its Regulatory Code.

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## The Association

- 1 Stadium Housing Association is part of the Network Housing Group. It owns and manages over 8,500 homes, 4,312 of which are classed as being for general needs. Stadium also offers low cost home ownership, housing with support and temporary housing. Its homes are spread over 34 local authority areas including 25 London boroughs. Homes in London are mainly located in the boroughs of Brent, Barnet, Harrow and the City of Westminster.
- 2 Stadium's vision is 'Building Foundations for Life' and it places particular emphasis on:
  - involving local communities to shape how we operate;
  - quality and choice of services suited to our customers' needs;
  - thinking ahead and innovating to solve housing problems;

- growing our own talent, inspiring and empowering our staff; and
  - using the power of partnership for the benefit of our communities.
- 3 Stadium HA employs 165 staff. It has an annual budget of £3.5 million for responsive repairs.

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### The scope of the inspection

- 4 The scope of this inspection focused on the following areas, which have been identified in consultation with the Tenant Services Authority.
- Responsive repairs.
  - Gas servicing.
  - Current rent arrears.
- 5 The inspection also included an assessment of how Stadium Housing Association Limited is addressing three cross-cutting themes: access and customer care, diversity and value for money within the services included in the inspection's scope.
- 6 We would like to thank the staff of Stadium Housing Association Limited who made us welcome and met our requests efficiently and courteously.

Dates of inspection: 8 to 10 December 2009

# Summary of our findings

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

**Table 1**      **Assessment**

<b>How good is the service?</b>	<b>Assessment</b>
• Access and customer care <sup>1</sup>	Strengths and weaknesses are in balance
• Diversity	Weaknesses outweigh strengths
• Value for money	Strengths and weaknesses are in balance
• Responsive repairs	Strengths and weaknesses are in balance
• Gas servicing	Strengths and weaknesses are in balance
• Current rent arrears	Strengths and weaknesses are in balance

- 8 We have asked Stadium Housing Association Limited to consult with its tenants on the findings of this report and on the preparation of an action plan to implement our recommendations. We will publish Stadium Housing Association Limited's response together with our assessment of the Association's prospects for improvement within three months.

<sup>1</sup> Access and customer care, diversity and value for money are assessed in relation to the service areas inspected only.

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# How good is the service?

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## Access and customer care in the service areas inspected

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

10 There are a number of strengths.

- Stadium and its staff are very committed to customer care which is supported by staff training.
- The majority of customers' telephone enquiries are answered quickly with 96.55 per cent of calls to the repairs line and 84.2 per cent of calls to the customer service centre answered within the 20 second target.
- The reception area is welcoming and accessible to people who have disabilities and visitors are seen promptly.
- A range of good quality customer information includes leaflets, a comprehensive handbook, videos explaining aspects of the repairs process, and an easy to use website with online access to rent accounts, repairs reporting and repairs tracking.
- A range of customer service standards, agreed with residents, are monitored, reported on and most are being met.
- Customer feedback and complaints are handled well and are used to improve services and have led to, for example, the introduction of repairs liaison officers and annual repair visits to all tenants' homes.
- Involved residents are shaping the repairs and rent arrears recovery services.

11 There are a number of weaknesses.

- Satisfaction levels are low in a number of key areas. A 2009<sup>1</sup> survey found that only 61 per cent of customers were satisfied with the overall service and only 54 per cent felt that their views were taken into account. While 70 per cent found it easy to get hold of the right person and found staff helpful, only 57 per cent felt staff could deal with their problem.
- Stadium is not monitoring how many customer enquiries are sorted out by the first person they contact.
- Very few residents are making use of the on line facilities with only 389, or nine per cent of tenants, having signed-up to access their tenancy information online, this is despite Stadium promoting this service.
- Customers are not told how their views have been used to improve services.
- Some customers' complaints are dealt with too slowly with only 74 per cent sorted out within the ten working day target.

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<sup>1</sup> The STATUS survey

## How good is the service?

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### Diversity in the service areas inspected

12 We found that weaknesses outweigh strengths in this area.

13 There are a number of weaknesses.

- There have been no assessments of the inspected services to make sure that all people can access them fairly. Stadium has not checked that it meets key guidance on racial equality in housing and it does not thoroughly monitor who is and is not using its services.
- Stadium has a lot of information on its customers' age, gender and ethnic origin but there are gaps in other areas. It has collected information on disability, but this is not yet ready to use, and it holds much less information on the religious beliefs and sexual orientation of its customers.
- While customer profile information showing high number of residents receiving Housing Benefits influenced the establishment of the welfare benefit and visiting officer posts, customer profile information is generally not being used to inform the way new and existing services are provided.
- Although repair contractors have access to information on customers' different needs, they are not always using it when carrying out repairs.

14 There are a number of strengths.

- Stadium and its staff are strongly committed to treating customers fairly and to meeting their different needs. Staff are trained well to do this and residents receive services tailored to meet their needs.
- Customers with different needs are shaping services with, for example, the older person's forum reviewing the approach to rent arrears to tailor the approach to the needs of this group.
- Stadium and its partners are supporting residents into work through a number of schemes which have helped 75 people since April 2009. This is helping people to find work and improve their financial situations.
- Repair contractors work to Stadium's equality policies and are trained to respect customers' needs when carrying out work.
- The repairs service is meeting customers' needs by, for example, fitting lever taps and buttons to turn off the water supply more easily if there is a leak, which helps older residents and residents with disabilities.

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### Responsive repairs

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

16 There are a number of strengths.

- The majority of repairs are completed within agreed timescales. Performance is 97.25 per cent, 97.02 per cent and 98.42 per cent for emergency, urgent and routine repairs respectively. This is exceeding the 96 per cent target for each of the three repair categories.

- Residents are influencing how the repairs service is delivered. They are active members of the partnering team, along with Stadium officers and the repairs contractors, which delivers and manages the service.
- The repairs service is customer focused. Appointments are offered when customers phone in and can be made outside of normal working hours. Increasing numbers of repairs are completed at the first visit, although at 76 per cent this still needs further improvement.
- Stadium is providing a positive service by visiting all homes each year to check if repairs are needed. This is offering a good level of customer service with 96 per cent customer satisfaction and there has been a 32 per cent reduction in responsive repairs this year compared to the same period last year.
- Very few repairs are inspected before they are ordered which reduces delays to customers and a sample of completed work is inspected to check it has been done correctly.
- Emergency repairs that happen out of office hours are handled well.

### 17 There are a number of weaknesses.

- Customer satisfaction with the repairs service is very mixed. Postal and telephone surveys show that 87 per cent are satisfied this year. However, a recent survey of all customers<sup>1</sup> showed that only 57 per cent were satisfied. Contact with customers during the inspection also showed that their experience of the service was mixed.
- Stadium does not know why its customers are dissatisfied with the repairs service. Some work has been done to understand this so that it can improve but the reasons are not yet known.
- Stadium is only keeping 93 per cent of repair appointments which does not compare well with high performing organisations. However following the switch to one repairs contractor this has improved over the last two months.
- Information about the work planned for properties on a programmed basis is not easily available to all repairs call centre staff. This risks some repairs being ordered unnecessarily.

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## Gas servicing

### 18 We found strengths and weaknesses are in balance in this area.

### 19 There are a number of strengths.

- Customer satisfaction with gas servicing is high at 96 per cent.
- Gas safety and the need for annual gas servicing are promoted well to encourage residents to give access for the service to be carried out.
- There is an appropriate procedure to gain access to residents' homes based on a flexible appointment system, a series of letters, telephone calls and finally legal action.

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<sup>1</sup> The STATUS survey 2009

## How good is the service?

- Stadium makes sure that work is of good quality with the contractor and an independent assessor checking a sample of completed work.
- It is easy to check the servicing status of homes and safety certificates through a web portal shared with partners. Information is also shared so that access issues for gas servicing can be identified when customers report repairs.
- The approach to servicing is comprehensive. As well as the gas boiler service, all other gas appliances in the home are checked. Smoke detectors and, more recently, CO2 detectors are also checked following a programme in the last year to install these to all homes.

### 20 There are a number of weaknesses.

- There is a relatively high number of cases where the gas service is overdue by more than three months. At the end of November 2009, although 98.04 per cent of homes had received an annual gas service, 176 homes had no current gas safety certificate and 133 of these dated back over 90 days. Although none were dated before August 2009, this still leaves a high number which need legal action to be taken.
- Stadium is not using all the legal measures it can to gain access for gas servicing. It only relies on court orders to force entry and does not use other methods such as serving Notices of Seeking Possession.
- Initiatives to encourage tenants to allow access are limited. Stadium uses gas restrictors for households with a history of access issues, but there are few incentives or effective joint working to persuade tenants to allow servicing to be done.
- Gas servicing is not offered to leaseholders and shared owners.

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## Current rent arrears

### 21 We found strengths and weaknesses are in balance in this area.

### 22 There are a number of strengths.

- There is a strong focus on supporting tenants with rent arrears to remain in their tenancies. While the level of rent arrears has fallen, so has the number of cases where legal action is taken.
- The service is easy to access with a team of staff working outside of office hours to contact and advise residents, and estate based surgeries are held in areas of higher arrears which are further away from Stadium's office.
- Residents are able to get financial advice and support easily. An in-house welfare benefit officer, a visiting officer who supports new tenants and deals with Housing Benefit issues and an external money advice service are helping residents to access benefits and manage money problems.

- Stadium has good relationships with Housing Benefit services in the boroughs where its homes are and all front-line staff are trained to check residents' income details so that claims can be processed without delay.
- Money management classes are provided to residents with ten completing the course so far.

**23** There are a number of weaknesses.

- The level of rent arrears, while improving, is high at 7.93 per cent at the end of 2008/09 and 7.68 per cent at the point of inspection.
- There has been little use of customer profile information to support effective arrears recovery. There has been some work to target tenants with non-dependents living with them but generally this area is underdeveloped.
- There is no formal monitoring of how effective the welfare benefit and visiting officer roles and the external money advice service are. There many examples of residents benefiting from these services and £11,700 in rent arrears was recovered following referral of 14 cases to the money advice service so far this year but the overall outcomes for customers are not captured.

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### Value for money in the service areas inspected<sup>1</sup>

**24** We found strengths and weaknesses are in balance in this area.

**25** There are a number of strengths.

- Stadium has made efficiency savings in the way it, and the Network Group, buys some services and supplies.
- Partnering arrangements for the repairs service are flexible with a focus on finding better and more effective ways of delivering the service.
- Significant savings have been made in the repairs service while maintaining or improving performance. Moving to a fixed price per property as the basis for paying for the service has saved £866,000 this year and has improved repairs budget management.
- Improved arrangements to replace and repair gas boilers is providing a better service for customers and will make savings over the longer term.
- Better value for money is being achieved in the arrears service as the costs of delivering the service have gone down while performance has improved and an arrangement with another association for legal advice is saving around £200,000 per year.
- Partnership working is providing added value with repairs partners contributing to a community fund, funding some external training for the residents' forum and sharing costs of joint training and other events.

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

## How good is the service?

- Elements of the repairs service show value for money. The level of emergency repairs carried out is low at just under ten per cent, two thirds of the overall repairs budget is spent on planned works which offers better value than carrying out responsive repairs and the number of repairs completed on the first visit has increased significantly. In addition, the introduction of a handyman scheme has reduced the expenditure on repairs at sheltered and supported housing schemes.
- Some efficiency savings in the responsive repairs budget have allowed more money to be spent on improving tenants' homes as part of the major works programme.

### 26 There are a number of weaknesses.

- Information on the costs of providing services is not detailed enough, focusing on the overall cost of delivering services rather than the cost of each activity.
- Stadium is not comprehensively comparing its costs, performance and satisfaction levels with others and using this to improve value for money for residents.
- Poor budgetary control in the past has limited the money available to spend in the services inspected. Although budgets in the services inspected have been properly managed, the significant savings made by changing to a fixed price per property are not available to re-invest in the repairs service as they are needed to balance Stadium's overall budget.
- Stadium cannot show that the support services provided by the Network Group offer value for money. Although the quality of services has improved, the cost of providing them is not accurately known and they are charged to Stadium on a formula basis which means that Stadium tenants may be paying more than necessary for those services.
- Residents, other than those involved through the repairs partnering arrangements and for very specific budgets, have little involvement in deciding how money should be spent.
- The approach to recharging residents for repairs that are their responsibility is not fully effective.

# Recommendations

**27** To rise to the challenge of continuous improvement, organisations need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the organisation. In addition, we identify the approximate costs<sup>1</sup> and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the organisation shares the findings of this report with tenants and board members; and takes action to address all weaknesses identified in the report. Associations forming part of a group structure should share the lessons and findings of the report amongst the wider group. The inspection team makes the following recommendations.

## Recommendation

**R1** Protect the safety of residents whose homes have a gas supply by:

- as a matter of urgency ensuring that performance on gas servicing is improved to the levels of the best performing organisations by reducing the number of homes without a current gas safety certificate, strengthening the access procedures and introducing initiatives to encourage access; and
- developing arrangements to offer gas servicing, at an appropriate charge, to leaseholders and shared owners by August 2010.

## Recommendation

**R2** Improve access and customer care by:

- investigating the reasons for low customer satisfaction with the repairs service, and with services overall, and work with residents to address them;
- improving the number of repair appointments that are kept aiming to achieve a level which compares to high performing organisations and setting more challenging performance targets;
- giving regular feedback to residents on how their views have been used to improve services; and
- making use of customer profile information to identify which tenants are most likely to be in arrears so that targeted action can be taken.

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

## Recommendations

The expected benefits of this recommendation are:

- fair and equal access to all services;
- services which meet customers' needs and aspirations;
- improved performance; and
- increased customer satisfaction.

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

### Recommendation

**R3** Ensure fair and equal access to services by:

- carrying out equality impact assessments for all services, self-assessing compliance with the CRE Code of Practice for Racial Equality in Housing and reporting on the findings to the board; and
- establishing systems for monitoring who is and is not accessing services, reporting on the findings and removing any barriers to access identified.

The expected benefits of this recommendation are:

- fair and equal access to all services;
- services which meet customers' needs; and
- legal and regulatory requirements are met.

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

### Recommendation

**R4** Improve value for money by:

- gathering detailed information on costs and comparing these, along with performance and customer satisfaction, to similar organisations to assess whether services are providing value for money to residents and to identify and inform improvements;
- ensuring that services provided to Stadium by the Network Group represent value for money for residents;
- involving residents in determining how money should be spent and where any efficiency gains should be re-invested;
- improving the way in which customers are recharged for repairs to maximise recovery rates;
- systematically monitoring and reviewing the impact and outcomes of in-house and external sources of money and benefits advice for residents; and
- ensuring that repairs are not ordered on homes where programmed works are planned to avoid unnecessary work as a responsive repair.

The expected benefits of this recommendation are:

- more effective use of resources;
- improved value for money; and
- services which reflect residents' priorities.

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

# Appendix 1 – Positive practice

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

## Property MOTs

- 1 Stadium HA introduced annual property MOTs from April 2009. These are proactive visits to properties based on appointments and involve surveying the property against a checklist, carrying out any minor repairs and raising orders for any larger repairs. Customer satisfaction with the service is high at 96 per cent and there are early indications that this is reducing the number of responsive repairs requested with a 32 per cent reduction compared to the same period last year. The process is also used to identify any vulnerable households and there are further benefits to be obtained by linking these visits into the tenancy audit process.

## Out of hours rent arrears service

- 2 Stadium HA has positive arrangements in place to make proactive contact with customers with rent arrears outside office hours. A team of home based staff working flexible hours make contact with residents during the day, in the evening and on Saturdays. This increases the possibilities of making contact with residents in order to reach an agreement for repayment.

## Supporting people into work

- 3 Stadium HA has a number of 'Stadium4work' projects which are supporting residents into employment. In the first eight months of 2009/10, 79 residents have made contact with 17 signposted to local employment training schemes, 22 personal action plans developed, 8 apprentices employed, 3 young people on work experience and 3 residents securing paid employment.

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