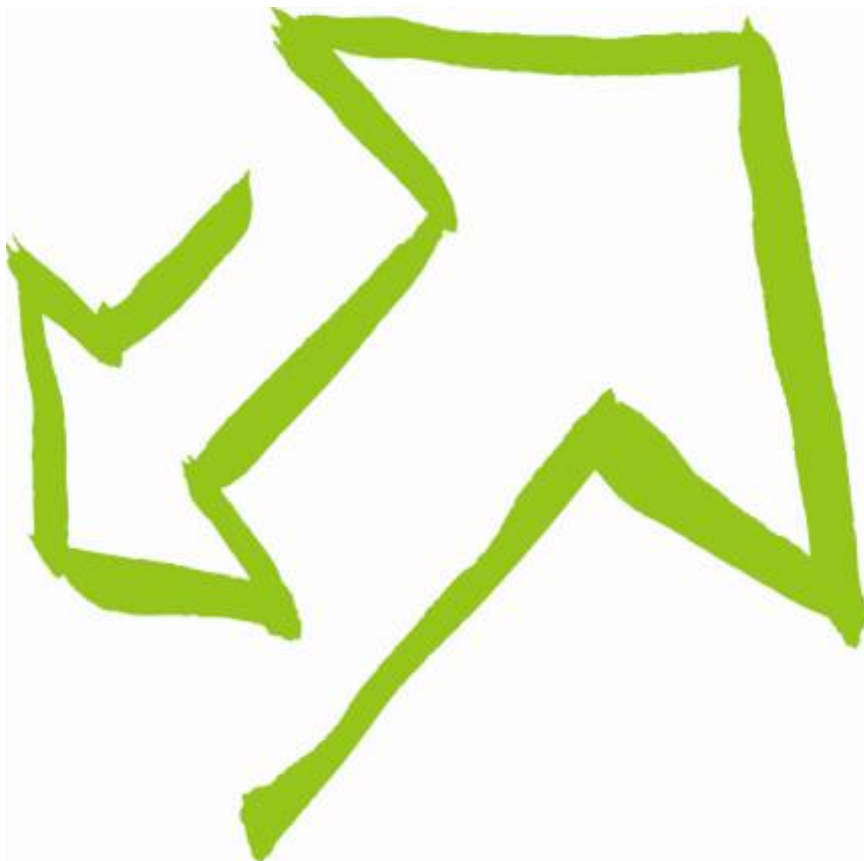


Short Notice Inspection

Resident involvement

One Housing Group
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.

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

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

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

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

The Association

- 1 One Housing Group (OHG) is a non asset holding parent company that was formed in September 2007 bringing together three housing associations under a group structure: Community Housing Association, based in North London with 4,000 homes working predominately in the London Borough of Camden; Island Homes created as part of the stock transfer of nearly 2,100 homes on the Isle of Dogs from the London Borough of Tower Hamlets in East London; Toynbee Housing Association based in East London with over 3,000 homes in management across eight London Boroughs and Berkshire.
- 2 OHG also has a number of group businesses: One Support the group's care and support service, Community Action, a registered charity and City Style Living Ltd which manages market rental homes, CHA Ventures Ltd, a commercial subsidiary which lets all development contracts on behalf of the group. The group employs around 600 staff and has assets of £2.4 billion¹. The group in total manages over 12,000 homes and has over 2,700 new homes in the development pipeline. It is a preferred development partner and received an initial allocation of £27 million development funding for the period 2008/11².

The scope of the inspection

- 3 The scope of this inspection focused on the following area, which has been identified in consultation with the regulator:
 - resident involvement across the One Housing Group (OHG), focussing on the three asset holding housing associations.
- 4 The inspection also included an assessment of how OHG is addressing three cross-cutting themes: Access and Customer Care, Diversity, and Value for Money within the service.
- 5 We would like to thank the staff of OHG who made us welcome and met our requests efficiently and courteously.

Dates of inspection: 27 to 30 July 2009

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¹ 2008 OHG annual report based on the market values at that time.

² Received from the Housing Corporation - a body that no longer exists - this funding role is now delivered by the recently formed Homes and Communities Agency.

Summary of our findings

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

Table 1 **Assessment**

How good is the service?	Assessment
<ul style="list-style-type: none">• Access and customer care³	Strengths and weaknesses are in balance
<ul style="list-style-type: none">• Diversity	Weaknesses outweigh strengths
<ul style="list-style-type: none">• Value for Money	Weaknesses outweigh strengths
<ul style="list-style-type: none">• Resident Involvement	Strengths and weaknesses are in balance

-
- 7 We have asked OHG 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 OHG's response together with our assessment of the group's prospects for improvement within the next three months.

³ Access and Customer Care, Diversity and Value for Money are assessed in relation to the service areas inspected only.

How good is the service?

Access and Customer Care in the service areas inspected

- 8 We found that strengths and weaknesses are in balance in this area.
- 9 There are a number of strengths.
 - Customers can easily access the service over the telephone or through the website. Interpretation and translation facilities are being effectively used to assist residents to access the service. This approach is providing effective and flexible access to resident involvement services.
 - Written information provided to residents encourages residents to become involved and is of good quality and gives good clear information on the different methods of involvement and the support given to residents.
 - There is a customer focussed approach. Mystery shopping carried out by residents, external consultants and by the inspection team shows customer contact with the resident involvement team is generally positive and staff are polite and helpful.
 - OHG resident involvement services has focus on some aspects of customer care with staff receiving customer care training and a customer focussed approach from front line staff.
 - Customer feedback is collected through a range of methods and has been used to help drive service improvement in areas that residents have identified.
 - Performance in answering telephone calls through the customer contact centre is effective and the contact centre is meeting targets. However calls made directly to the resident involvement team are not routinely monitored although mystery shopping does indicate that in general calls are being effectively answered.
- 10 There are a number of weaknesses.
 - Based on one off survey data overall levels of residents' satisfaction with the opportunities for participation are low⁴. However more recent work to capture satisfaction levels through external benchmarking shows that this is improving and higher levels of satisfaction are now being achieved.
 - Performance information available to residents about the quality of resident involvement services is incomplete which means that residents are unable to effectively judge service outcomes.

⁴ Status surveys carried out in each of the asset holding housing associations

How good is the service?

- Service standards where they are in place, are not always challenging, and are not measured or reported effectively. This means that residents do not know the quality of service to expect or how service outcomes performance against any standards.
- Levels of service user satisfaction with the complaints process across OHG are mixed and the service is not consistently meeting its own targets.

Diversity in the service areas inspected

11 We found weaknesses outweigh strengths in this area.

12 There are a number of strengths.

- OHG is working with many of the different communities that it serves, in particular through special interest groups and is learning through this approach how best to provide services within the resident involvement team and is producing outcomes. This approach provides an opportunity for people with diverse needs to play an active role in resident participation.
- There are examples of how aspects of the resident involvement service are tailored to meet the needs of vulnerable people and minority communities. The appointment of a community liaison officer and a range of community investment initiatives including a range of social, training and capacity building activities are producing outcomes for diverse communities.

13 There are a number of weaknesses.

- OHG has not yet carried out access audits to ensure compliance with the statutory requirements of the Disability Discrimination Act. Specifically there are serious concerns about the Chalk Farm office.
- The service does not have comprehensive information about the diverse needs of residents. This limits OHG's ability to shape service delivery effectively.
- Equality assessments have not been carried out to ensure that resident involvement services are being delivered in a fair and equitable way.
- Delivery of resident involvement services is not yet being monitored across all diversity strands.

Resident involvement across the One Housing Group

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

15 There are a number of strengths.

- There are a range of ways for residents to be involved in the services they receive. These include specialist and consumer forums, traditional meetings and activities for residents to participate in. This is enabling residents to become engaged in a way that suits them.
- Residents are influencing how services are being delivered and have driven some service improvements. Outcomes include, extending opening times of the customer contact centre, the development of a contractor code of conduct, and changes to the way that aids and adaptations are delivered.
- There is a corporate commitment to working with residents and the group funds a well resourced team to capture service user feedback to help drive service improvements.
- Training is helping to support residents to influence service improvement and play an effective role. Residents have played a role developing new handbooks for tenants and leaseholders as well as the resident involvement handbook.

16 There are a number of weaknesses.

- Communication with residents is not fully effective. Residents are not always clear about how and why some decisions are taken. There is lack of transparency around some decision making and residents are not always clear about what the potential outcomes are.
- Resident involvement at a strategic level is not yet fully developed. Resident board members are playing an active role in each of the asset holding housing associations' boards but there are no resident board members on the group board.
- OHG group wide resident groups are relatively new and are not yet fully effective. Although work is in progress current arrangements do not yet provide an opportunity for residents to discuss group wide issues and help to increase learning across all three housing associations.
- Engagement with leaseholders is underdeveloped. Although there is a leaseholder forum membership is low. Leaseholders do attend some existing forums and groups.

How good is the service?

Value for money (VFM) in the service areas inspected⁵

17 We found weaknesses outweigh strengths in this area.

18 There are a number of strengths.

- The group has been successful at bringing in significant external funding to support its resident involvement activities. OHG, since 2003, has raised £940,000. In 2008/09 the charitable arm of the group has been able to secure over £160,000 of external funding to support the community investment activities of the group.
- There is strong partnership working with external community groups working with residents which is helping to increase capacity within the resident involvement service.

19 There are a number of weaknesses.

- Residents are not involved in improving VFM across the group. Tenants receive limited information on VFM and do not routinely receive information to enable them to compare the cost and quality of resident involvement services they receive.
- The strategic approach to VFM is weak. The group does not have an adopted value for money strategy or action plan in place (this is due to go to the Board in September 2009).
- Benchmarking of the service is very limited at present and there is no comparison of the cost of services alongside quality to help evaluate VFM.
- The service does not have any VFM targets in place. There is limited understanding of the costs of the residents involvement service and very low levels of awareness among staff delivering the service. The service has not been required to achieve any efficiency or cost savings and there are no plans in place for it to do so in the future.

⁵ In assessing value for money we are looking at two questions: 'How do costs compare?' and 'How is value for money managed?'

Recommendations

- 20 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 costs⁶ 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. The inspection team makes the following recommendations.

Recommendation

R1 Strengthen customer care and the focus on equality and diversity by:

- ensure that all buildings meet DDA⁷ statutory requirements and have an agreed plan in place to deliver improvements as required;
- collecting customer profile information across all six diversity strands and using this to monitor take up and use of services, identify any barriers and ensure that the needs of all service users are met;
- measure outcomes for residents with services by the six diversity strands using this information to drive up performance and address any service barriers;
- establish in consultation with service users if services are being delivered in a fair and equitable manner taking action to address the issues arising;
- ensure that mandatory equality and diversity training for all resident board members across the group is refreshed; and
- working with tenants to review and establish measurable service standards and report performance against these.

The expected benefits of this recommendation are:

- OHG will be able to show whether services are being delivered fairly to people with diverse needs and will be able to address any barriers to services;
- OHG will be confident that it has met statutory requirements relating to access to its building for people with a disability; and
- OHG will be able to measure the service against service standards that residents have highlighted as important.

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

⁶ 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.

⁷ Disability Discrimination Act 2005

Recommendations

Recommendation

R2 Strengthen value for money by:

- adopting in consultation with tenants a strategy with SMART targets;
- incorporate value for money assessments within performance management arrangements; and
- analyse the underlying performance and costs of the resident involvement service agreeing with tenants how value for money is to be improved.

The expected benefits of this recommendation are:

- OHG will increase its understanding of its costs and be able to use this to help drive value for money within the service to target improvement; and
- the Board and residents will understand if services provide value for money.

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

Recommendation

R3 Strengthen resident involvement by:

- increase networking and learning across existing residents' groups across the OHG;
- strengthen methods of communication with residents, in particular be clear why and how decisions are made and explain how the membership decisions of residents' groups and forums are taken;
- explore with residents ways to improve the accountability and transparency of decision making across OHG; and
- increase the capacity and skills of residents to help improve their influence and involvement shaping strategic decisions across the OHG.

The expected benefits of this recommendation are:

- increase transparency of decision making and how membership of residents' group is decided;
- residents will be better informed and have opportunities to influence strategic decisions made across the OHG; and
- increased understanding among residents and awareness of what changes in services should deliver for them.

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

Prospects for improvement

Short notice inspection of resident involvement

Summary of our findings

21 We have assessed One Housing Group (OHG) as having promising prospects for improvement for the service area included in the scope of the inspection. Our judgements are based on the evidence obtained during the inspection and are outlined below. What prospects are there that the services inspected will improve?

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

22 We found a balance of strengths and weaknesses in this area.

23 There are a number of strengths.

- The service has delivered some improvements which directly benefit residents and have been influenced by resident feedback.
- The numbers of residents playing an active role, the ways that residents can become involved and provide feedback have substantially improved.
- Progress against the resident involvement service improvement plan has generally been positive with the resident involvement framework now being in place across the group and delivering outcomes.

24 There are a number of weaknesses.

- Progress delivering improvements to meet the diverse needs of all residents has been slow.
- The service is not able to demonstrate value for money over time. There has been no comprehensive assessment of costs for the service or how these compare. VFM targets have not been set and residents have not played an active role in this.
- Levels of customer satisfaction with the service historically have not been consistently strong across the group.

How well is performance managed in the areas inspected?

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

26 There are a number of strengths.

- Customer feedback is informing planning arrangements, helping to ensure that future priorities reflect residents' views.
- Recent external and internal analysis of performance is raising awareness and a better understanding of costs.

Prospects for improvement

- Improvement planning as a result of this inspection has been well organised and included significant engagement with residents.
- OHG is rolling out an improved performance management framework aligning service improvement plans to corporate objectives and residents' priorities. The approach will also include residents' actively monitoring delivery and performance.
- Work is underway to strengthen the approach to risk management. The risk register does include an assessment of the risks relating to the Resident Involvement Framework.

27 There are a number of weaknesses.

- Information across all of the six diversity strands has only recently begun to be collected which has limited OHG's ability to set meaningful targets.
- The approach to performance management has been inconsistent. In particular plans lacked measurable outcomes and milestone targets, and have not been monitored by residents. (This is not the case for the new action plan).
- The staff appraisal system is not fully effective. Appraisals reviewed do not provide a clear framework to manage performance and set staff clear objectives to help meet corporate aims.

Do the areas inspected have capacity to improve?

28 We found strengths considerably outweigh weaknesses in this area.

29 There are a number of strengths.

- The approach to involving residents at a strategic level has been refreshed, including plans to appoint a resident to the Group board.
- Mechanisms are in place to capture service user feedback, including giving residents the opportunity to vote on their top five priorities which should ensure residents are involved in the setting of performance targets and improvement priorities.
- Work is underway to deliver improvements that will shape the service to better meet the diverse needs of residents.
- Progress is being made to strengthen the approach to value for money within the service and across the Group.
- Staff and residents are supported by training and development. A range of opportunities are available including mandatory courses on equality and diversity.
- There are examples of positive partnership working leading to improved outcomes for residents. These are generating financial capacity and improving the quality of life for residents.
- Information technology is effectively supporting the service through an enhanced website and increasing access for residents to information about their tenancy and electronic services.

- Financial capacity within the service is strong and OHG continues to provide substantial funding and attract inward investment.
- Board Members are clear about their role, focused on strategic issues and how improvements can be taken forward. Work is underway to complete a skills appraisal of board members externally facilitated.

30 There are no substantial weaknesses in this section.

The Audit Commission

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As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.

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