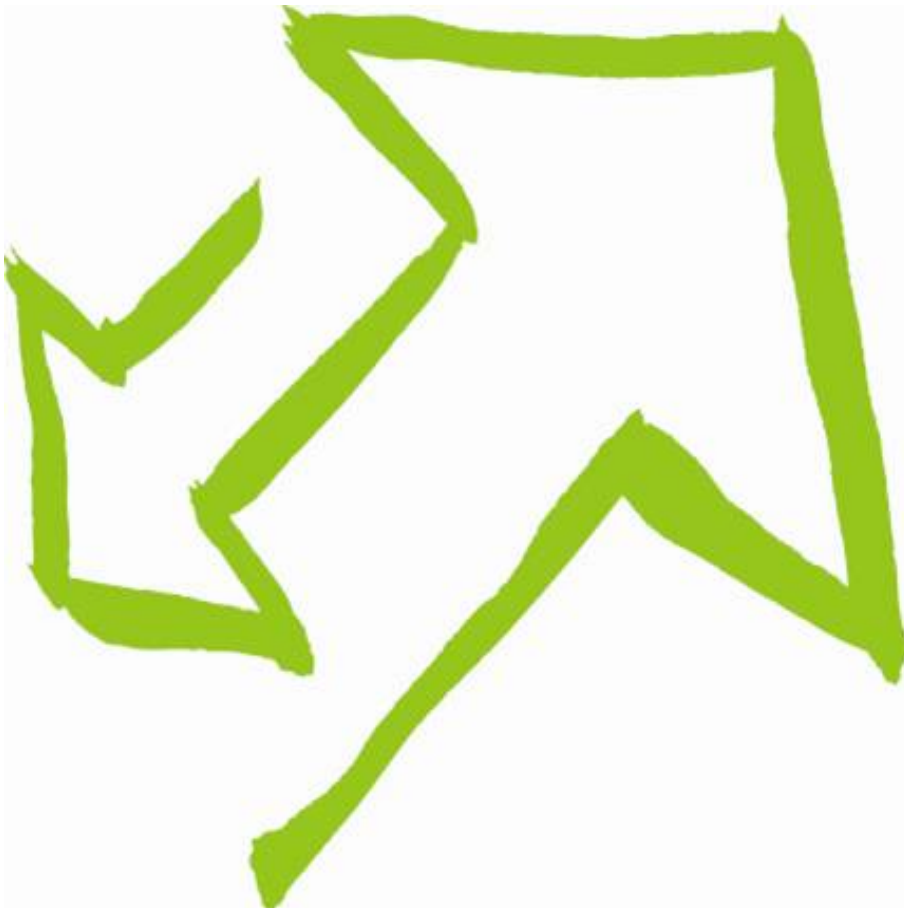


# East North East Homes Leeds (ALMO)

Leeds City Council  
January 2009



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# Arm's Length Management Organisation (ALMO) Inspections

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

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

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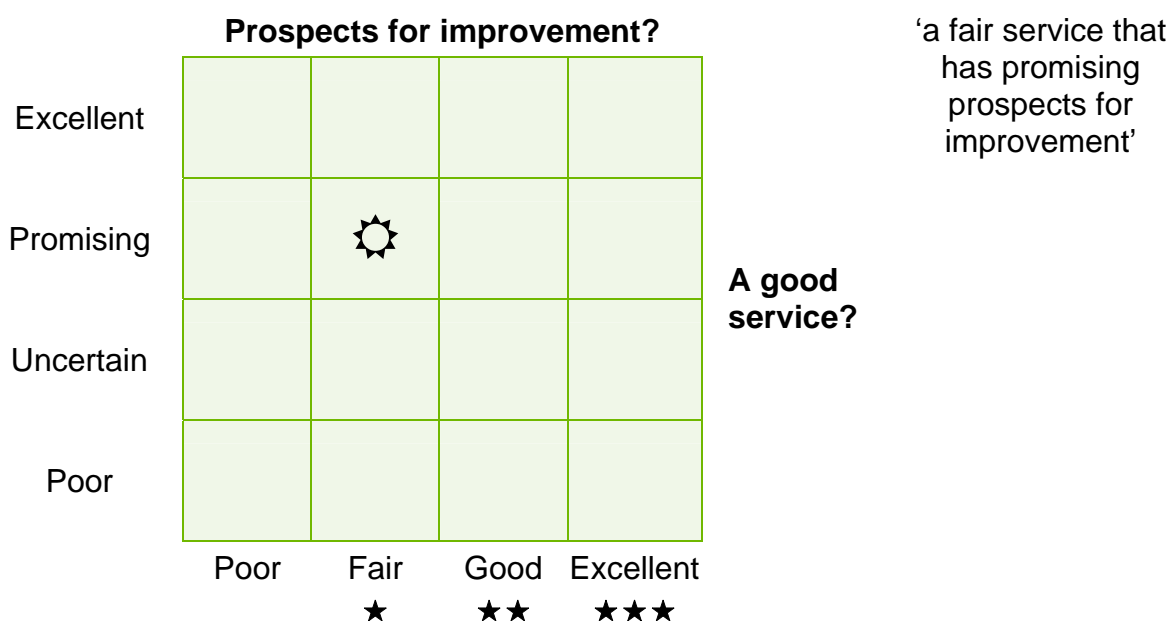
# Summary

- 1 East North East Homes Leeds (ENEHL) is a fair, one-star organisation with promising prospects for improvement. It has reduced the number of non-decent homes; completes repairs on time; engages well with customers; manages housing income effectively, provides debt and money advice and supports financial inclusion; improving the approach to tenancy and estate management and prioritising customers' safety through effective gas servicing.
- 2 There are still however, some key weaknesses. These include ensuring that all equality and diversity legislation is complied with and that BME customers' satisfaction is at least equal to that of non-BME customers; responding promptly to customer complaints and telephone contact; monitoring agreed standards consistently; and ensuring that more repairs are completed on a planned rather than responsive basis. Services are high cost and the approach to improving value for money is under-developed.
- 3 ENEHL has promising prospects for improvement. The Board of Management is effective, and leadership ensures that performance post merger has been maintained. Customer satisfaction is improving in key areas and opportunities for customers to be involved have been improved. In the light of financial pressures, efficiency commitments have been exceeded and there is a clear plan to address forecast deficits. However, there are some areas of weaker performance. Service improvement initiatives are not sufficiently focused on customers, actions to reduce high costs have not been urgently prioritised and procurement capacity is limited.

# Scoring the service

- 4 We have assessed East North East Homes Leeds as providing a ‘fair’, one-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 chart<sup>1</sup>**



Source: Audit Commission

- 5 We found the service to be fair because it has a range of strengths including:
- access to services is prioritised through a range of local offices and customer information;
  - local partnerships are benefiting customers;
  - the Decent Homes programme is well tailored to the needs of customers;
  - service standards for responsive repairs are generally achieved and an appointments system has improved customer focus;
  - servicing of gas installations is a significant success with few homes having outstanding services;
  - a sizable aids and adaptations budget is addressing needs, and adapted properties are well utilised;

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

- welfare benefits and debt advice as well as wider financial inclusion measures assist customers to maximise incomes;
- responses to anti-social behaviour are effective and balance enforcement, support and diversionary measures;
- estates are inspected with customers, and area panels manage substantial budgets for environmental and security improvements; and
- choice-based lettings are well publicised and are improving access to ENEHL properties.

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

- some statutory equality and diversity requirements are not met and the delivery of strategic intentions has only recently started;
- complaints handling is inconsistent and does not meet agreed service standards;
- telephone calls are not answered promptly and customers do not always find it easy to access the right person to answer their query;
- service standards are not monitored in all areas;
- variations to repairs orders are high and too many are delivered on a responsive rather than a planned basis;
- the lettings standard is basic and parts of the re-letting process are inefficient;
- service charges are still pooled;
- rent arrears are high in comparison to ALMO peers;
- the sheltered housing service although recently improved, has not been thoroughly reviewed;
- there are no agreed service standards for leaseholders and their satisfaction is significantly lower than that of tenants;
- some services are high cost and their value has not been thoroughly reviewed;
- costs and satisfaction in key areas compare unfavourably with ALMO peers; and
- procurement of key goods and services has not received the attention necessary.

7 The service has promising prospects for improvement because:

- ENEHL is on target to deliver property improvements to the Decent Homes standard by December 2010;
- performance in key areas has been maintained during a period of considerable change;
- customer satisfaction is improving in several areas of service;
- customer involvement opportunities have been enhanced post merger;
- there is a clear recovery plan that addresses financial pressures;
- efficiency commitments although modest in the context of high cost services have been exceeded;

## Scoring the service

- ENEHL uses external evaluation of its services to help it to improve;
  - leadership, particularly whilst the organisation has been in transition, has been positive;
  - local partnership working is highly regarded by a range of stakeholders; and
  - the Board of Management is appropriately skilled and decision making is well informed.
- 8 However, there are a number of barriers to improvement. These include:
- equality and diversity approaches are under developed and satisfaction among black and minority ethnic customers is significantly lower than others;
  - service improvement initiatives are not sufficiently focused on improving outcomes for customers;
  - strategic use of customer feedback is limited;
  - analysis of feedback and external benchmarking is under-developed;
  - actions to reduce costs and to improve efficiency have not been urgently prioritised;
  - the performance management framework is cumbersome and has not been thoroughly evaluated in terms of its cost and effectiveness; and
  - procurement capacity is limited.

# Recommendations

- 9 To rise to the challenge of continuous improvement, organisations need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the organisation. In addition, we identify the approximate costs<sup>2</sup> and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the organisation shares the findings of this report with the ENEHL 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** Improve customer focus by:

- improving response times to, and learning from, customer complaints;
- thoroughly reviewing call-centre arrangements to ensure agreed service levels are achieved;
- ensuring satisfaction measures across all service areas use consistent formats to enable comparison;
- establishing consistent service standard monitoring and learning from practice;
- introducing and monitoring an improved letting standard;
- routinely and robustly testing satisfaction with opportunities for customer involvement; and
- addressing all other customer care related weaknesses in this report.

The expected benefits of this recommendation are:

- improvement in the quality of service delivery, as experienced by customers;
- improving access to services;
- demonstrating the impact of initiatives;
- improving opportunities to gather feedback from customers; and
- increasing customer satisfaction.

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

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



## Recommendations

### Recommendation

**R2** Improve performance in meeting diverse needs by:

- examining causes of significant disparity in satisfaction among black and minority ethnic (BME) customers and putting in place arrangements to rectify and raise satisfaction levels to at least equal that of non-BME customers;
- ensuring that equality schemes for diversity and equality are approved, implemented and monitored by an appropriate governance group;
- ensuring equality impact assessments are completed for all service areas;
- ensuring all staff and appointed contractors are fully aware of translation arrangements and how they can access services wherever needed; and
- addressing all other equality and diversity related weaknesses identified in this report.

The expected benefits of this recommendation are:

- increased customer satisfaction, across a diverse profile;
- facilitating greater access to services through improved communication and
- ensuring services are accessible to all.

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

### Recommendation

#### R3 Improving value for money by:

- reviewing procurement proposals for the range of contracted services, addressing limited in-house capacity and ensuring that contracts will be re-tendered at the earliest opportunity;
- undertaking thorough service reviews prioritising high cost service areas and putting in place arrangements that reduce costs, and improve efficiency and effectiveness;
- reviewing all service level agreements to ensure that value for money is maximised;
- putting in place service level agreements where ENEHL is dependent on the Council for services;
- ensuring that all service level agreements are robustly monitored and that action is taken to address under performance;
- reviewing bonus arrangements in the Construction Services department to ensure that they add to value;
- introducing tenant recharging where appropriate;
- ensuring that the high proportion of responsive repairs are reduced to align with best practice guidance;
- addressing with the Council the urgent need to de-pool service charges so they reflect actual costs for tenants and leaseholders; and
- addressing all other value for money weakness identified in this report.

The expected benefits of this recommendation are:

- a stronger basis to improve efficiency and value for money;
- services that are based on a greater appreciation of their cost and quality; and
- increasing awareness and delivery of value for money across services.

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

## Recommendations

### Recommendation

**R4** Strengthen performance management and improvement planning by:

- thoroughly reviewing the performance management framework ensuring that it is efficient and effective, that the overall health of the business is clearly demonstrated, that priorities are readily identifiable and that reports use appropriate comparisons; and
- ensuring that improvement initiatives have measures of success that are based on improvement in outcomes for customers.

The expected benefits of this recommendation are:

- robust performance management processes to highlight key issues and address performance efficiently; and
- improvement initiatives that maximise benefits for customers.

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

### Recommendation

**R5** Strengthen financial projections by:

- reviewing urgently the business plan projections as they relate to regeneration and home ownership initiatives in the light of the current (2008) instability in housing and finance markets.

The expected benefit of this recommendation is:

- improved certainty that regeneration plans are sustainable and that risks are appropriately appraised.

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

**10** We would like to thank the staff of East North East Homes Leeds and Leeds City Council who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 1 September to 12 September 2008

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# Report

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## Context

### The locality

- 11 Leeds is situated in the north of England. It is a large, vibrant city and regional economic centre. Around 51,000 additional jobs were attracted to the city between 1996 and 2002. Key employment sectors include public administration, education and health; distribution, hotels and restaurants; and banking. Extending to 55 hectares, the metropolitan area covers the city and its surrounding small towns, villages and countryside.
- 12 Over 17 per cent of the 723,100 population are aged 65 or over, slightly less than the national average of 18.5 per cent. Fifteen per cent are aged 20 to 29 years with a significant student population. Around 20 per cent of the population in ENEHL's area are from black and minority ethnic communities (BME), mainly Irish, Pakistani, Indian, Black Caribbean and Chinese origin. This compares to the national average of 10.4 per cent. In addition, there are emerging communities of asylum seekers, refugees and migrant workers.
- 13 The city has patches of high deprivation. Leeds is rated as the 114th<sup>3</sup> most deprived council of the 354 councils nationally. This is a considerable improvement from 2004, when the city was rated 91st. Almost 20 per cent of the population live in 152 of Leeds 476 super output areas<sup>4</sup> that are in the top 20 per cent most deprived. At three per cent, unemployment remains above the national average of 2.4 per cent. Almost one in ten households is headed by a lone parent. Over 68,000 people have a limiting long-term illness. In addition, crime remains a major concern for Leeds residents.
- 14 Of the 322,500 homes in the city, 77 per cent are owner-occupied or privately rented. Twenty three per cent are in the social housing sector, split 18.5 per cent and 4.5 per cent between council ownership and housing associations respectively. Despite an increase in demand, the share of the housing market taken by the socially rented sector has declined significantly with a marked reduction in properties available because of right to buy and demolition.
- 15 The Leeds North East area contains approximately 126,000 people living in approximately 52,000 households. The area is very diverse, comprising inner-city areas, suburban areas, 'dormitory' or 'commuter' villages and a rural fringe. It is also home to a sizeable black and minority ethnic population in Chapeltown and a significant Jewish population in Moortown, Alwoodley and Shadwell. There is a larger rented sector within the North East area than in many other parts of Leeds.
- 16 East North East Homes Leeds manages 19,564 tenanted and 629 leasehold properties on behalf of the City Council.

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<sup>3</sup> Indices of Multiple Deprivation 2007, measured by 'rank of average rank'

<sup>4</sup> super output areas (SOAs) are a new geographic hierarchy designed to improve the reporting of small area statistics in England and Wales.

## The Council

- 17 The Council has a political structure of leader with an Executive Board. The Board is the principal decision-making body of the Council. It comprises of nine Executive Members with portfolio responsibilities. A tenth Executive Member of the Board is the Leader of the Labour Group and a further member of the Labour Group is appointed in a non-voting advisory capacity. A Liberal Democrat and Conservative alliance governs the Council. Of the 99 councillors, Labour has 43 seats, the Liberal Democrat party 24 seats, the Conservative party 22 seats, Independents 6 seats, the Green Party 3 seats and the British National Party 1 seat.
- 18 The city has a well-established local strategic partnership, called Leeds Initiative. With a wide range of partners, the partnership has developed a community strategy, the Vision for Leeds 2004/20 which has three main aims. Two are particularly relevant.
- Going up a league as a city - making Leeds an internationally competitive city - the best place in the country to live, work and learn, with a high quality of life for everyone.
  - Narrowing the gap between the most disadvantaged people and communities and the rest of the city.
- 19 Under the Audit Commission's Comprehensive Performance Assessment framework, in 2007 we judged Leeds City Council to be a council that is improving well and demonstrating a four-star overall performance.

## The service

- 20 In 2003 Leeds City Council established six Arm's Length Management Organisations (ALMO) to manage its stock of around 70,000 homes. In 2006 it reviewed this approach, consulted tenants and subsequently merged six ALMOs into three new organisations. East North East Homes Leeds (ENEHL) was created in April 2007 following the merger of two smaller ALMOs, Leeds East Homes (12,500 homes) and Leeds North East Homes (6,600 homes) and a proportion (464 homes) of the Leeds South East area. ENEHL employs 494 staff, based in nine different offices.
- 21 The ENEHL Board consists of four tenants, four councillors and four independents. The functions delegated to ENEHL can be summarised as:
- managing and letting Council homes;
  - collecting rents, service charges, arrears and other debts;
  - managing the repairs service and improvement programmes to meet the Decent Homes Standard;
  - tenancy and estate management including dealing with anti-social behaviour;
  - caretaking, cleaning, security and environmental management;
  - support for resident involvement and participation;
  - aids and adaptations for older people with a disability; and
  - sheltered and supported housing.

**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;
- administration of the Housing Register; and
- some leaseholder services and Right to Buy administration.

**23** In October 2004, the Audit Commission inspected Leeds East Homes and judged it to provide a good, two-star service, with promising prospects for improvement. In September 2006, we inspected Leeds North East Homes and judged it also to provide a good, two-star service, with promising prospects for improvement. Those assessments enabled Leeds to receive £128 million additional Supported Borrowing to bring its homes up to the Decent Homes Standard.

**24** Budgets for 2008/09 are:

- Improvement Programme: £33,620,600;
- Cyclical & Planned: £5,002,970;
- Gas Servicing: £2,193,190;
- Responsive Repairs: £7,299,740;
- Voids Major: £2,019,400;
- Voids Minor: £2,343,089;
- Adaptations Major: £2,386,100; and
- Adaptations Minor: £140,040.

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# How good is the service?

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## What has the service aimed to achieve?

25 Leeds City Council's Mission is:

**to bring the benefits of a prosperous, vibrant and attractive city to all the people of Leeds<sup>5</sup>.**

26 The Council has seven strategic outcomes. It wants to make sure that:

- all neighbourhoods are safe, clean, green and well maintained;
- all communities are thriving and harmonious places where people are happy to live;
- children and young people are healthy, safe and successful;
- at each stage of life, people are able to live healthy, fulfilling lives;
- Leeds is a highly competitive, international city;
- staff perform well and are constantly learning and there is effective leadership at all levels; and
- customers receive excellent services which are efficient and effective and meet their needs.

27 East North East Homes Leeds (ENEHL) vision states that '(it is) a company with a passion for communities'. Its aims are that:

- by 2010 all of the homes in management that are sustainable for the medium term, will meet the Decent Homes Standard;
- by 2015 all of the communities (in the areas of operation) will be cohesive and cleaner, safer and greener; and
- by 2020 all of the people living in the homes and communities will contribute to, and benefit from, the economic prosperity of the city.

28 The ENEHL's values are:

- Decent Homes;
- Decent Places;
- Fair Access; and
- Valuing Resources.

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<sup>5</sup> Corporate Plan 2005-2008



## How good is the service?

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

#### Access and customer care

- 29** Strengths and weaknesses are balanced in this area. The Access and Customer Care Strategy is comprehensive and is helping to target services well to customer needs. Access to services is improved by accessible local offices, freephone contact and well trained staff. New tenant visits are used to tailor services and to provide guidance to customers. Satisfaction is routinely tested and improvements sought. However, the joint contact centre approach using both Council and in-house centres is not working well, and customers wait too long for calls to be answered. Customers do not find it easy to contact the right person and too many are dissatisfied with the outcome of their enquiry. Complaints handling, although improving, still fails to meet service standards consistently.
- 30** ENEHL's Access and Customer Care Strategy shapes its approach to service provision. It is easy to see how corporate values, for example regarding strong communities, are reflected in service provision through local surgeries, drop-in access to housing support and translations. Service standards that have been agreed with customers are incorporated, but in some areas they are not specific about timescales.
- 31** Customers are assisted to access services. All offices visited comply with disability legislation. The offices are accessible for people with mobility problems, and have automatic doors and level or ramped access as well as lowered counters, hearing loop provision and accessible parking. Some innovations such as a sign-up DVD and another explaining the adaptations service which includes signing and sub-titles help to inform customers who may have limited reading skills or hearing difficulties.
- 32** ENEHL staff demonstrate a wide range of knowledge when dealing with tenants' enquires. In mystery shopping and on-site observation we found that customer facing staff could answer enquiries or signpost tenants to available services. Face to face reception services are effective and appropriate. Contact centre staff, new starters and those returning from long-term illnesses are trained in customer relationship management. The 2008 STATUS survey showed 84 per cent of tenants found ENEHL staff to be helpful.
- 33** Clear and concise written information is widely available and offered in different languages and formats. There is a comprehensive range of leaflets branded in a consistent corporate style that can be translated into community languages. Newsletters include both local and ENEHL information and are produced regularly, containing information on current issues and initiatives. Customers are provided with up-to-date information about housing that can assist them.
- 34** The website provides a wide range of helpful information. This can easily be converted to larger fonts and 'read -speak' software is available. Leaflets are available to download, some of which are translated with further translations available on request. Customers can apply and bid for housing, view their rent account, pay rent and report repairs online using a helpful repairs diagnostic tool. In some areas items are out of date and ENEHL is undertaking planned improvements. This improves access for customers.

- 35** ENEHL uses a wide variety of ways to better understand its customers' experiences. In addition to the annual STATUS survey, routine service related questionnaires are used, together with mystery shopping, satisfaction slips, tenant inspections, focus groups, formal area panels and an annual tenant conference. New tenants are visited to ensure their circumstances are fully understood and that they understand their rights and responsibilities. The performance improvement team analyses survey returns and ensures that improvement actions are included in local service planning. It is clear that ENEHL is focussing on the experiences of customers and is using their feedback to improve services.
- 36** The administration of complaints although improving is mixed and does not consistently meet targets. The target to acknowledge complaints within three days was exceeded in 2007/08, but the response times have not been as high and figures show that overall ENEHL has responded to 57 per cent of all the complaints within 15 working days, well below the target figure of 90 per cent. Similarly, stage two complaints are not dealt with within target times. Several improvements have been introduced in 2008 and there is known to be some underreporting as case files that are not closed register as being overdue, but the extent of this is not known. Customers cannot be certain that their dissatisfaction will be effectively addressed within stated timescales
- 37** ENEHL uses two contact centres; the Council's centre and its own, but overall value has not been proven. One of the pre merger ALMOs had an in-house contact centre and the others used the Council's centre. The decision to have a dual arrangement in the merged ALMO was made following consideration of a range of options, but so far value is not proven. Neither centre offers extended hours. Although it is positive that access is via one freephone number, this approach does not offer service improvements to justify its existence.
- 38** Neither contact centre consistently meets its targets. At the time of inspection both centres took approximately one minute on average to answer calls. The target set in the Council is for 80 per cent of calls to be answered within 20 seconds. In the in-house centre the target for abandoned calls is 10 per cent, but this is not met and had risen to 12 per cent at the time of inspection. The proportion of repeat calls was 34 per cent for 2007/8 which has been identified as a major area for improvement. In the first quarter of 2008/09 there has been only a modest reduction to 32 per cent. Although customers we spoke to in focus groups believed that telephone contact had improved, it is clear that performance is not consistently high.
- 39** Customers do not find it easy to get hold of the right person. The 2007/08 STATUS survey reveals that only 68 per cent of customers find it easy to get hold of the right person to deal with their enquiry. A lower proportion (58 per cent) are satisfied with the final outcome of their enquiry. Although ENEHL has sought to improve call centre arrangements specifically separating out first and follow up calls, this is not reflected in satisfaction levels.

## How good is the service?

- 40 Although customer profile information is known for most customers it is not yet consistently or proactively used. The IT system was at the time of inspection being populated with the information so that 'flags' which inform staff about customer requirements could be actively used. We found that repairs staff were not always informed of the support or communication needs of customers, and were not always warned about potentially violent customers. This exposes staff to some avoidable risks and means that in some cases services are not tailored well to customers needs.
- 41 ENEHL has not effectively addressed the high number of member enquiries it receives. There are over 300 each month, many of which should in the first instance have been reported through the contact centres. This has been raised with the Council, but ENEHL has not been effective in reducing the number of queries and the impact on officer time. There is little recognition that inconsistent complaints handling is encouraging member enquiries.

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## Diversity

- 42 Strengths and weaknesses are balanced. The strategic direction in this area is not well formed, and until very recently, strategic diversity objectives were not being delivered through service improvement plans. Of significant concern is the fact that satisfaction among black and minority ethnic (BME) communities is significantly lower than in non-BME communities. Customer profile information is not yet used consistently to tailor services to need. Impact assessments are being used although several are not yet complete. Partnership working is well regarded and progressive in the area of construction skills. ENEHL in partnership with the Council meets level three of the local government equality standard.
- 43 The strategic direction for diversity within ENEHL is unclear. A diversity and cohesion strategy has been agreed, but this does not detail its approach to the six strands of diversity - age, disability, gender, race, religion or belief and sexual orientation even though delivering 'fair access' is one of four corporate values. The service improvement plan for equality and cohesion does not include the strategy as a source informing priorities being set for delivery. It cannot be evidenced that the strategy is being delivered and monitored.
- 44 Race, disability and gender equality schemes, which consider equality related issues in service delivery and employment, are not yet in place. Schemes have been drafted, but ENEHL has not formally consulted community groups, including those representing hard to reach customers, to assess whether the schemes meet their expectations or will address any perceived barriers to access. The schemes are yet to be approved by the equality and cohesion group whose role is to provide leadership in diversity matters. At the time of inspection it was unclear how the equality schemes will be delivered as the service improvement plan detailing equality and cohesion objectives did not make reference to the schemes. In response to our feedback, this has now been addressed through a re-draft of the plan. ENEHL's non-compliance with these statutory requirements for diversity and equality is a significant weakness as it cannot demonstrate that it delivers and aims to develop fair and inclusive services.

- 45 In at least one of the pre-merger ALMOs it was a notable weakness that satisfaction among BME customers was lower than that of other customers, this has not been effectively addressed. Satisfaction of BME customers at 64 per cent is 14 percentage points lower than non-BME customers (STATUS 2008). Throughout the STATUS report it is clear that there is significantly lower satisfaction in areas of higher ethnic concentrations, for example, Harehills and Chapeltown where only 36 per cent of customers found staff were able to deal with their complaints of anti-social behaviour compared to an average of 66 per cent; and only 43 per cent compared to an average of 67 per cent thought their views were taken into account by their landlord. ENEHL cannot show that it meets the needs of diverse communities well.
- 46 The use of customer profile information is mixed. Currently ENEHL understands the ethnicity for 82 per cent of customers, of which 20 per cent are BME, the age for 92 per cent, language requirements for 70 per cent, but for disability is known for only 32 per cent. Some customer profile information has been used well. For example, proactive visits have been made to those who may be at greater risk in hate crime hotspots. The information has been used well to inform local lettings policies and to proactively contact customers who may contribute to consultation and focus groups. Profile information has also helped to target advice and income maximisation work for low income households including advice leaflets, poster campaigns and income health checks. However, the IT system is not fully populated with the information so ENEHL is not well placed to develop strategic responses or to consistently tailor services to individuals needs.
- 47 Arrangements to assess the impact of policies and procedures on communities are being progressed. Staff are trained to carry out equality impact assessments, and to-date 16 have been completed covering a wide range of service areas. Several positive changes have been made to existing practices to ensure that all sections of communities benefit from ENEHLs work. For example, the credit union has been encouraged to develop assistance for the Muslim community and a benefits advice surgery introduced to target people from the Kurdish community. The timetable for further impact assessments lacks some detail about who is responsible, who will be involved and how links will be made with service improvement plans. This makes it difficult to conclude that they will all be complete by the target date of March 2009. The use of impact assessments is helping to ensure that ENEHLs service provision can meet all needs in the communities served.
- 48 There are a number of linkages made between the work of ENEHL and employment opportunities including opportunities for local BME communities. Partnership working with Leeds Construction skills has provided opportunities for local people to gain construction skills. To date 16 trainees have gained full time employment with local employers and 20 gained a nationally recognised qualification. Attention has been given to nurturing a small business from the BME community to gain the accreditation and skills to work as a sub contractor. This means that while work remains to be done ENEHL is aware of and addressing access and diversity issues.

## How good is the service?

- 49 Major works framework contractors are all signed up and actively involved within the Leeds Homes Construction Partnership (LHCP) 'Precious Metals Scheme' which monitors and builds on good working practice in the area of equality and diversity. An annual assessment of contractors' policies and practices is undertaken by a project team and an awards scheme (precious metals) recognises and shares better practice. This is a progressive approach that is helping to improve equality and diversity practice among contractors.
- 50 ENEHL in partnership with the Council meets level three of the local government equality standard, and has set clear targets to meet level four by December 2008. The standard recognises the importance of fair and equal treatment in local government services and employment. A corporate equality group meets every six weeks and has a high profile being chaired by the Chief Executive, and involving senior officers from each directorate. This considers an action plan for delivering the equality standard, which sets clear actions delegated to staff to deliver within a specified target.
- 51 Several initiatives aim to improve engagement in communities. ENEHL is involved in an initiative to raise awareness of diversity and prevent racism and/or bullying in schools. Through its involvement and support for community galas/fairs ENEHL is encouraging community cohesion and promoting a positive message about equality and diversity and also promoting its services. This provides information on and experiences of different cultures to promote understanding and integration.
- 52 Staff are trained to identify and deal with domestic violence. ENEHL also works with partners to share information and agree action plans to support people and their families identified as being at risk. This includes target hardening to support victims to remain in their own home. Legal action is taken against perpetrators to ensure they do not retain the tenancy. Complaints are taken seriously and this encourages other victims to seek advice and support.
- 53 ENEHL is working effectively with voluntary sector organisations to support services for vulnerable people. For example, one project provides 24 hour access to support and advice for victims of hate crime, another specifically supports the growing refugee communities in the area and the Canopy project helps homeless people renovate their own homes working with other community volunteers. There are also initiatives to provide training for local people to develop life skills and promote community cohesion. In promoting and financially supporting such services ENEHL is raising awareness of available support, improving understanding of different cultures and promoting employment and education opportunities.
- 54 Staff can access translation services. They also use a network of staff who can speak a range of languages and this is widely publicised throughout ENEHL as a prompt translation facility. Arrangements enable non-English speaking customers to get information they need.



- 55** Partners consider ENEHL is addressing the diversity and disability agenda. The Leeds Access Committee considers ENEHL to be a very inclusive organisation based on its involvement with them. This covers involvement in being consulted on disability strategies and policies, a receptive approach to its advocacy and case work with individuals and the opportunity to undertake work for the organisation. The Access committee recently undertook the access audit of local offices and made recommendations which are being acted upon.

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### Stock investment and asset management

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

- 56** Strengths outweigh weaknesses in this area. ENEHL is on target to improve all sustainable properties in line with the Government's Decent Homes requirements. The programme of work is based on accurate and routinely updated stock information. Unsustainable properties have been identified and demolished, non-traditional homes with strong demand have, where appropriate, been improved. The joint (in partnership with the Council and a private developer) regeneration company EASEL<sup>6</sup> has started to provide low cost home ownership options extending home ownership to low income families. The major works programme is well tailored to customers' needs and there is a complementary programme of planned renewals and cyclical maintenance which is aimed at maintaining decency standards beyond 2010. The medium to longer term asset strategy fails to show how investment will be linked to needs, demand and property sustainability.
- 57** Although the Decent Homes specification has reduced since the merger because of financial pressures, ENEHL has resourced plans for improvements to the original Decent Homes Plus specification after 2010. Post-merger the strict application of the Decent Homes criteria was determined by the City Council in line with Government guidance. The planned programmes and investment profile show that homes affected will have these works prioritised for completion post 2010. Decency will be achieved by 2010 and it is positive that the ALMO is making sure that all customers benefit from good property standards and improved living conditions.
- 58** ENEHL is on target to complete its major works programme and to achieve the Government's Decent Homes requirement. Almost 80 per cent of properties were classified as decent in March 2008 and there is a three-year capital investment programme with progress on target to complete all outstanding work by the end of December 2010. Tenants will benefit from improved property standards and energy efficiency.
- 59** The improvement programme is customer focused. It has been made available to all tenants via newsletters, a leaflet and on the website. The programme which is now well advanced has established processes to include customers' views, improve choices and to tailor activities to individuals needs. Satisfaction at 91.67 per cent is slightly above the average<sup>7</sup> for ALMOs nationally. Customers know well in advance where their home is in the programme and are well engaged as the programme progresses.

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<sup>6</sup> EASEL - East and South East Leeds regeneration initiative

<sup>7</sup> ALMO average 2007/08 - 90.5 per cent

## How good is the service?

- 60 ENEHL has effectively appraised the sustainability of non-traditionally constructed properties and invested appropriately. Non-sustainable properties have been demolished as part of the EASEL programme. Airey, Livett Cartwright, Caspon and Waites homes have been improved to the decent homes standard. There has been a clear appraisal of properties and current and future markets prior to investment or demolition decisions and tenants have been consulted as part of the process.
- 61 Stock condition information is available for approximately 70 per cent of the stock and is routinely updated. Information from the pre-merger ALMOs has been validated and added to with a routine programme of surveys including void surveys. Renewals are automatically updated to the database. The requirements of the Housing Health and Safety Rating System have been addressed and although this led to increased expenditure the programme has been adjusted appropriately. ENEHL has good property information to accurately plan capital renewals and future maintenance requirements.
- 62 ENEHL has prioritised thermal comfort for tenants. The most inefficient properties have been targeted, particularly non-traditionally constructed and SAP<sup>8</sup> ratings have improved from 64 to 67 between 2006 and 2008. Insulation works and window replacements have brought benefits for customers in terms of comfort and affordability.
- 63 There is an appropriate planned maintenance and servicing regime, meeting all statutory responsibilities. Health and safety is emphasised and programmes for example, relating to lift maintenance and water testing are in place. A programme of planned replacements post completion of the Decent Homes programme is being developed and a cyclical painting programme on a seven-year cycle has been agreed with tenant representatives. There is effective planning for routine maintenance requirements.
- 64 Some tangible benefits can be evidenced from the EASEL regeneration initiative. Money from land sales has been put back into equity loans to allow tenants displaced through clearance and other low income households to access owner occupation. The 15 to 20-year initiative which has only recently commenced is forecast to deliver £1.2bn of private sector investment supplemented by £100m of public sector investment. Clearance has taken place following robust option appraisals that compared short term repair costs with longer term sustainability. To date 16 council tenants and nine people from the waiting list have benefited from the initiative.
- 65 ENEHL benefits from the central purchasing benefits offered by the City Council. Framework contracts are in place to ensure delivery of programmed work as part of the Decent Homes programme. Contractors have been evaluated on price, quality and customer satisfaction. Ongoing evaluation on these measures has resulted in several contracts being terminated due to adverse performance. ENEHL has demonstrated a keen focus on quality and value in its decent homes work.

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<sup>8</sup> SAP - Standard Assessment Procedure indicating the energy performance rating of dwellings

- 66** There is a thorough approach to the management of asbestos. Information inherited from the previous ALMOs was in various formats and it is taking some time to verify and amalgamate this into a comprehensive data base. Currently around half of all properties are identified as having 'Type One' surveys completed and a further 20 per cent have had 'Type Two' surveys. Work orders include asbestos alerts. Recently produced guides for contractors and a separate one for new tenants have been produced, however, it is a weakness that all tenants have not been sent the asbestos guidance.
- 67** The asset management strategy lacks essential information. The focus of attention has been upon achieving Decent Homes standards by 2010. Further work is required to determine how assets will be maintained and priorities determined linked to markets, demand and sustainability post 2010. Although market and sustainability information is available it has not been applied to all stock to inform medium to longer term proposals for use, change of use, investment requirements and so on. In recently refreshing the strategy ENEHL has failed to recognise that the current approach insufficiently addresses longer term financial and resource planning.

### Responsive repairs

- 68** Strengths and weaknesses are balanced. Customers are able to report repairs in a range of ways that are easy and convenient. Performance against target timescales is consistently high and is assisted by routine performance checks involving both in-house and external contractors. The proportion emergency or urgent repairs is in-line with best practice. However, there are important weaknesses; the value for money of the repairs service has not been thoroughly assessed, satisfaction with the service is mixed, particularly among BME groups and too much work is responsive not planned. A low proportion of repairs are appointed, customer profile and translation information is not consistently used; a high proportion of repair orders are varied and there is insufficient focus on minimising inconvenience for customers by completing more jobs at the first visit.
- 69** Customers can access the repairs service in a variety of ways including the internet. Frontline staff are knowledgeable and are aided by repair diagnostic software when dealing with repair requests. Appointments are offered for morning, afternoon or early evening at the first point of contact. This helps customers to report repairs easily, and to have clear expectations of when the repair will be completed.
- 70** A high proportion of repairs are completed within stated timescales. Performance is improving steadily with the proportion of urgent repairs completed within timescales at 98.48 per cent (unaudited) placing the ENEHL among the best performers nationally. The average time taken to complete non-urgent repairs reduced in the year (2007/08) by six days to ten days. Of appointments that were made for responsive repairs 98.31 per cent were kept. This shows that there is a continuing drive to improve the repairs service for customers.



## How good is the service?

- 71** Proportions of emergency, urgent and routine responsive repairs works are effectively managed. Targets to align with best practice guidance are in place and are working. At the time of inspection slightly over 29 per cent of all revenue repairs were classified as emergency or urgent. Resources are used efficiently and this is reducing disturbance and inconvenience for customers.
- 72** Each of three responsive repairs contractors organises the repairs service similarly so there is no difference in customer experience. Work is divided among two external contractors and the in-house construction department. The schedule of rates allocates a time for a particular job and this assists in work planning. Performance management by ENEHL as client is operated consistently for all three providers with monthly meetings with standard agendas including the sharing of better practice and a thorough appraisal of performance including complaints and satisfaction levels. This approach helps to ensure that the repairs service meets customer needs.
- 73** ENEHL proactively deals with small items of repair in sheltered schemes. The 'down your way' initiative batches small items reported to sheltered housing Wardens to be attended to on planned repair days on sites. Tenants report high levels of satisfaction with this approach and acknowledge that greater value is achieved.
- 74** Some value for money measures are not embedded. Although opportunities exist to compare performance and costs of each responsive repairs contractor these have not been taken. Comparisons of performance have only been made in the 2008/09 year and are not yet available for costs. Combining the performance of all contractors and comparing to local peers in the City sees ENEHL ranked third out of four for appointments kept and job completions on the same day, average time to complete non urgent repairs and the proportion of urgent repairs completed within timescales. In terms of customer satisfaction ENEHL ranks second in the City. Further value improvement may have been achieved had appropriate measures of costs and performance been introduced sooner.
- 75** There is no repairs handbook. Although some limited repair information is available in the recently produced Customer Handbook, this is insufficient and fails for example, to include information on repair recharging, compensation and the right to repairs. Given that a high proportion of all complaints are about repairs it is a weakness that ENEHL has not clarified rights and responsibilities.
- 76** Customer satisfaction is still not consistently high. The 2007/08 target for repairs satisfaction was 97 per cent; actual satisfaction fell slightly short of this at 95.7 per cent in March 2008 and slipped to 92.5 per cent at the time of inspection. When these results from satisfaction slips (for which only 13 per cent are returned) are compared with the 2007/08 STATUS results there are significant disparities. In total only 72 per cent of respondents were satisfied and in the case of BME respondents only 64 per cent. This weakness existed in at least one of the pre merger ALMOs and it is clear that it persists in ENEHL.

- 77** The balance of planned revenue works to responsive repairs is unfavourable. Good practice guidance recommends that in excess of 70 per cent of work should be planned. In fact in excess of 70 per cent of work was responsive in 2007/08. ENEHL recognises that this area has received little attention and it is undoubtedly the case that some miscoding of work has occurred. Nonetheless, this points to limited emphasis on value and upon reducing disturbance for customers through reducing their need for repairs.
- 78** Available information is not always well used to improve customer focus. Although a good proportion of customer profile information is available this is not consistently updated on work orders and notified to repairs operatives. Repair operatives are not informed on job tickets or otherwise about future major works renewals. Several confirmed that they had attended jobs and been asked by tenants when for example, their kitchen would be replaced. Some operatives were not aware of flags to identify customers' communication needs and were not familiar with how to respond to a request for translation. In such a diverse city this is an important failing.
- 79** Although performance in keeping appointments is high, relatively few repairs are appointed. External repairs and more complex jobs including plastering are not completed by appointment and in total only 54 per cent of all response repairs were by appointment in 2007/08. ENEHL accepts that this requires improvement and is reviewing the approach that it takes.
- 80** The level of variations to response repairs orders is high. In 2007/08 variations were made to 28 per cent of all repair orders. Some level of variation can be explained by ENEHL's wish to meet customers' reasonable requests at the first visit, but given that repair diagnostics are in use at the call centres, the proportion of variations is a concern.
- 81** Despite budget pressures there has until recently been no repairs recharging. In the months preceding inspection the policy has been reviewed and an officer dedicated to recharging. Some significant costs will be related to tenant misuse or neglect. By not recharging these tenants until recently, those who keep their properties in good order are effectively subsidising those who do not.
- 82** ENEHL has had limited focus on completion of jobs at the first visit. There is no reliable information in this area with a substitute performance indicator used to identify when jobs are completed on the appointed day. Only around half of all jobs are appointed. Our reality checks with tenants who had recently had repair work completed revealed a common frustration with the number of repeat and follow up calls required to complete works. Some processes have been put in place to improve the likelihood of completions at first visit including improving van stocks and the use of repair diagnostics. However, the lack of accurate recording in this area points to limited emphasis on value and on reducing inconvenience for customers.

## How good is the service?

### Empty (void) property repairs

- 83 Strengths outweigh weaknesses. Re-letting of properties is well focused on customers and health and safety is prioritised. Improvements where needed are undertaken to the Decent Homes standard and routine void repairs are undertaken by multi-skilled teams keeping average costs low as well as reducing re-let times. However, the current void standard is basic, value for money is not proven and ENEHL has not sought to improve affordability by using its purchasing strength to reduce energy costs for customers.
- 84 ENEHL is improving the availability of properties to re-let. The time taken to re-let properties is reducing. Against a first quarter 2008/09 target of 41 days to re-let, an average of 36 days was achieved. In 2007/08 it took on average almost 44 days to re-let. The overall reduction in void properties attracted a performance incentive payment from the Council in 2007/08. Improving turnaround of properties is helping to meet housing needs, improving neighbourhoods and reducing rent loss.
- 85 ENEHL risk assesses the use of security sheeting for void properties. There has been an emphasis on avoiding metal sheeting wherever possible. Total costs have reduced from approximately £245,000 in 2006/07 to £155,000 in 2007/08. ENEHL is aware of the blighting effect that such empty properties can have on neighbourhoods.
- 86 ENEHL ensures that voids are improved to the Decent Homes standard where necessary. Where kitchens, bathrooms or flooring requires replacement they are done to the Decent Homes specification. Choices and designs are as per the major works specification with these renewals completed outside of programmes where necessary.
- 87 Average costs of void works are well controlled. Void works are undertaken by specialist contracting teams. The teams are multi-skilled and work to clear timescales for completion. Repair costs are routinely examined to ensure that value is maintained. Average costs range between £1,250 and £1,500 depending on areas and house types. This improves both value and speed in completion of voids repairs.
- 88 Gas servicing and asbestos surveys are completed in all void properties. The checks are consistently undertaken and relevant certificates and guidance provided for incoming customers. ENEHL is ensuring the health and safety of its customers.
- 89 The re-letting process is customer friendly. Accompanied visits to available properties are supplemented with new customer visits within 28 days of the start of the tenancy. Staff who attend accompanied viewings have some flexibility to order additional work within limits. At new customer visits progress on repairs that were scheduled for completion soon after the start of the tenancy is checked as is customer satisfaction.
- 90 Satisfaction of new tenants with their new home and with the reletting process has recently been tested and used to improve service delivery. Responses are in the main specific to individual properties, however, some improvements, for example to cleaning standards and decoration allowances have been introduced when trends in customer dissatisfaction have been recognised. ENEHL has started to use opportunities to learn and to improve.

- 91 The use of decoration vouchers has been reviewed in line with customer feedback. Arrangements are in place with major local suppliers for DIY vouchers. In relevant circumstances a cash option is now provided and for older or vulnerable customers a decorations service is offered. This is responsive to customers needs.
- 92 There are however some weaknesses. The re-let standard is basic and confuses City Council and ENEHL responsibilities. A long overdue project to improve the standard is to conclude in September 2008. At present the lettings standard is not reflective of high or contemporary standards.
- 93 Some aspects of the void process are inefficient. At present 100 per cent pre inspections are undertaken by technical staff and 100 per cent are post inspected by contractors, 75 per cent of which are jointly inspected with technical staff. Given that there is a void standard which is used to guide work and that customers can check actual standards against those stated these practices are questionable. Some additional time and costs are added with limited benefit.
- 94 ENEHL has not sought to improve affordability for new or existing tenants through energy procurement. Opportunities have so far been missed to negotiate favourable rates for new customers and to enhance the attractiveness and affordability of ENEHLs stock.

### Gas servicing

- 95 Strengths significantly outweigh weaknesses. Over 15,000 properties are serviced annually, and the only two outstanding have legal actions well progressed. Legal action is balanced with a range of flexible approaches and quality assurance of services undertaken is robust. ENEHL has been slow to act on some known additional contract monitoring costs but is currently acting to address this.
- 96 Landlord responsibilities for gas servicing are met. Servicing is undertaken by two contractors and coordinated by Property Management Services at the City Council. Services are planned on an eleven month planning cycle so that appointments are made in advance of expiry of the current certificate. At the time of inspection only two properties had outstanding services and none were in excess of five months overdue. Injunction hearings to gain access were held during the on-site inspection period. Results show that customer safety is prioritised.
- 97 The cost of gas servicing is benchmarked. The cost per property is highly competitive and includes servicing and all gas repairs in the year. This is a high value service for customers.
- 98 Customer satisfaction is measured and responses acted upon. Satisfaction in 2008/09 based on over 600 returns is 97.7 per cent. Several changes to processes have been made in response to customer comments including adjusting the timescales for letters to take account of holiday periods, avoiding high visibility stickers on no access properties so as not to alert burglars that properties are empty and introducing evening and Saturday morning appointments. This is a customer focused approach that is helping to ensure high completion rates.

## How good is the service?

- 99 Prompt actions are taken in the event of access difficulties. The contractors operate a shared database with ENEHL and this is used to generate routine reports. ENEHL uses a range of methods to encourage access to complete services, out of hours appointments are offered, an incentive scheme to encourage first time access and 'days of action' are scheduled where housing staff focus their efforts with the contractors to gain access. This results in exceptional performance.
- 100 Legal powers are supplemented by customer friendly initiatives to ensure gas servicing is carried out. Outstanding services are flagged on the repairs system allowing call centre staff to remind/book servicing appointments whenever tenants make contact. The newsletter and website are used regularly to promote the importance of servicing.
- 101 Quality assurance is robust. Processes are in accordance with CORGI advice. British Gas independently audits four per cent of all services and the contractors each have a proportion of completed services externally checked. ENEHL receives copies of these sample audit findings. This is a robust approach to ensure that high standards are maintained.
- 102 Gas servicing is managed by the Council via a service level agreement attracting costs that have not been robustly analysed. It is clear that the arrangement has been managed and some service enhancements, for example 'days of action' included at no additional cost. This has contributed to high proportions of completed services, nonetheless, this is an area where savings could be made by in-house management. ENEHL has recently served notice that it intends to bring the management of the service in-house, but this is five years since the creation of the ALMOs and 18 months after the mergers were completed. Some unnecessary costs have remained unchallenged for too long.

### Aids and adaptations

- 103 Weaknesses outweigh strengths. Until very recently there was insufficient focus on waiting times, and it is clear that ENEHL customers wait longer than customers of other Leeds ALMOs. In all areas the total waiting time is in excess of Communities and Local Government (CLG) guidelines. Benchmarking is under-developed and available information has not as yet been used to profile resource requirements to meet future needs. The service is well publicised and applicants with mobility needs are matched with suitably adapted properties. Areas of under performance have been identified and some improvements put in place that can contribute to reducing waiting times. A sizeable budget ensures that mobility needs can be addressed and work is proactively identified and completed alongside Decent Homes works.
- 104 Poor performance in completing adaptations is being targeted but performance is still short of CLG guidelines and ENEHL targets. Standards are stated in leaflets about likely waiting times for completion but these are not met. It currently takes between eight and nine months for adaptations to be completed with little difference in the time it takes for high, medium or low priority applications. There is insufficient monitoring of each stage of the adaptations process so it cannot be identified where the main delays are occurring. People with mobility needs are waiting longer than they should to have their adaptation completed.



- 105** There is no service level agreement or protocol to ensure prompt completion of OT assessments. At December 2007 the average waiting time for assessments was 13 months. In July 2008 this had reduced to around eight months for high priority cases against a 29 day target. Reports since April 2008 identify the period of time that applicants are waiting for initial assessments from the Council, which although a statutory responsibility of the Council have not been effectively challenged. Some attention has been directed to this area in recent months but it is too early to conclude that this is reducing overall waiting time.
- 106** Benchmarking has not been used to compare average costs, waiting times or to share better practice. ENEHL has recognised this weakness and is negotiating with neighbouring ALMOs to establish appropriate comparisons as a basis for improvement. It is however apparent from reports since April 2008 that ENEHLs performance compares unfavourably with other Leeds ALMOs.
- 107** ENEHL has not assessed the needs of its current and potential customers and used this to profile its future resource requirements. Demographic and needs information is available through local authority and health partners but has not been used. This is a missed opportunity to better plan and deliver aids and adaptations services.
- 108** The aids and adaptations service is appropriately advertised in a variety of media. Up-to-date leaflets and web information have been developed with tenants and are written clearly and presented attractively. ENEHL has also developed a DVD which helps to make information accessible to more people. Customers will be aware of how to access the adaptations service.
- 109** Some areas of under performance have been targeted for improvement. For example:
- in recognition of lengthy waiting times for assessment and to contribute to the Decent Homes allied work two in-house OTs were appointed. In December 2007 there was an average wait of 13 months for an assessment. At the time of inspection this had been reduced to around one month;
  - minor adaptations are fast-tracked both to ease the demand on the assessment service and to ensure that assistance is provided promptly. Referrals for work estimated to cost under £1,000 were at the time of inspection being done within 24 hours; and
  - to address the need for similar aids and adaptations ENEHL re-cycles products when tenancies are ended. Stock is stored and readily available to provide prompt assistance wherever possible.
- 110** Aids and adaptations have been supplemented by the decent homes programme. The annual budget of £2.1m has remained static since the commencement of the ENEHL, but increasingly adaptations are undertaken as part of the major works programme. Around a quarter of all adaptations completed in 2007/08 were undertaken as part of the Decent Homes works. ENEHL has made sure that mobility needs are met through aids and adaptations.

## How good is the service?

**111** ENEHL ensures that it uses its adapted stock well. In 2007/08 almost three quarters of families that were rehoused with some medical need did not require further adaptations. Through increased focus in this area a further 100 adapted properties were identified during the 2007/08 year. Identifying adapted properties and ensuring that they are prioritised for those with mobility needs is enabling independence.

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## Housing income management

- 112** Strengths outweigh weaknesses. Services are customer focused, appropriate emphasis is given to debt and money advice, and the work with credit unions is particularly positive. Staff are well trained, have access to up-to-date benefits information and can verify housing benefit claims and agree prompt rent payment contributions. Procedures and monitoring are consistent and proactive, with customer vulnerabilities known and leading to tailored approaches. A comprehensive debt guide is available but it is not used in all cases. Service charges are still pooled and rent statement information does not identify different charges and debts. Rent collection in the 2007/08 fell short of target but is improved in the current (2008/09) year to date. Although customer satisfaction is sought it is not clear that ENEHL's responses are thorough.
- 113** The service is customer focused. There are a number of flexible payment options that make it easy for customers to pay rent, service charges and other debts, and these are widely publicised. Customers can pay on line, over the phone, through 'payzone' outlets and by direct deduction from salaries. Tenants can view their rent account on line. Rent statements are circulated quarterly and on-demand. These services assist customers to access rent and service charge information to assist them in managing their account.
- 114** Rent accounts for new tenants are set up the same day as the tenancy start date. This enables customers to promptly pay rent due, helping to create a payment culture and prevent accounts going into arrears.
- 115** The housing benefit department carries out surgeries in local offices and other community locations such as schools and multi-storey flats. Each office has a member of staff specialising in welfare benefits and this enables ENEHL to be up to date with statutory changes in this area. Locally provided surgeries increase accessibility to advice and assistance.
- 116** Staff verify housing benefit claims to ensure they are processed quickly, usually within two weeks. They can also access the housing benefit computer system to track the progress of claims and identify outstanding queries for action. Benefit calculation software is available for staff to calculate housing and welfare benefit entitlement and to inform tenants of any personal payment due. Customers can then commence rent payments to prevent arrears accruing while entitlement is confirmed.
- 117** ENEHL promotes benefit take up campaigns. There is a particular focus on discretionary housing payments, pension and family tax credits and people facing redundancy. This encourages tenants to apply for benefits they are entitled to, maximising incomes.

- 118** ENEHL actively promotes financial inclusion for customers. It works with money advice partners and the credit union to offer accessible welfare rights and debt advice, bank accounts and affordable credit. ENEHL provides financial support to the three local credit unions, and is working to extend its availability locally. Staff have been trained on financial inclusion and initiatives available to facilitate this. Best practice evident in Birmingham is being introduced in Leeds to deter door step lenders, by raising awareness of the high interest rates and more affordable alternatives, with legal action being taken against perpetrators where possible. Customers on low incomes are benefiting from the holistic approach to financial inclusion.
- 119** ENEHL takes action to maximise benefit entitlement for tenants. Benefits advisors work closely with Leeds Benefits Agency on behalf of customers and in 2007/08 made 56 claims of which 36 were successful, and coupled with backdates and appeals made have resulted in a total of £562,606 extra Housing Benefit and £564,459 extra council tax benefit obtained. This approach has improved incomes for customers.
- 120** ENEHL prioritises former tenants' arrears recovery. Tenants who have given notice that they are terminating their tenancy are contacted by phone or visit to discuss any outstanding arrears and where possible an affordable repayment arrangement is formally agreed. Some staff specialise in former tenants arrears recovery and this ensures action is taken to collect these types of arrears. A range of ways is used to collect former tenants' arrears. This includes tracing former tenants through next of kin details taken at sign up and accessing benefit claims information. ENEHL has also recently purchased the right to access an extensive tracing database. In the event that former tenants cannot be contacted ENEHL uses debt collection agencies operating on a 'no trace no fee' basis. This provides additional opportunity to trace former tenants and agree repayment arrangements.
- 121** The IT system for managing rent accounts, including charges and arrears is effective. Different types of charges and debts are separated so that staff and customers can understand how they are made up. This includes former tenants' arrears and court costs. Known vulnerabilities or communication needs are flagged. Standard letters are automatically prompted and supported by personal contact, text messaging and/or phone calls. Where a court order is in place the system calculates what the arrears level would be if the order was complied with. This is effective for identifying any escalation in arrears due to arrangements being broken, and is an effective tool to evidence the need for additional legal action for persistent non-payment.
- 122** Routine monitoring in-line with procedures is rigorous. Managers can run off reports for different level of arrears to check what action has been taken and to give recommendations to staff for further recovery activity if appropriate. Tailored targets by area are in place. This ensures action is taken promptly to collect arrears and assess customers' ability to pay, plus any eligibility for welfare benefits to maximise incomes.



## How good is the service?

- 123** A comprehensive debt guide is issued at the second contact for customers in arrears. This informs tenants of options available to seek debt advice, including through independent agencies, should they not want their landlord to have information about their financial commitments. It is disappointing however, that in a recent survey only 36 per cent of customers who were in arrears stated they had received the pack. Rent recovery letters contain relevant information and are in a caring tone, 97 per cent of respondents to the survey found the letters clear and easy to understand. Letters include a list of other agencies which can assist customers with benefit, debt advice and financial matters generally. This can ensure that customers are supported to manage their debts and to agree affordable repayment arrangements.
- 124** ENEHL takes action to reduce fuel poverty for tenants. Staff have been trained on and have access to guidance on options for alleviating fuel poverty. This includes accessing utility company trust funds for hardship cases, writing off or freezing debts, and/or negotiating a lower tariff. These measures help to improve housing affordability.
- 125** A corporate debt policy is in place, and this has recently been reviewed to give housing debt equal priority to council tax debt. Financial health checks are carried out with benefit and debt advice provided as appropriate through voluntary agencies specialising in these areas. The corporate debt policy sets out how multiple Council debts will be prioritised for payment when money is received through debt recovery action. This is a reasonable approach that identifies priority debts and links action to them.
- 126** Rent collection is mixed but has improved in year. For current arrears the target of 97.6 per cent for 2007/08, was missed, with 96.68 per cent collected. This compared to the top 25 per cent of Metropolitan Councils who achieve an average of 97.74 per cent. In year (2008/09) performance is strong however, with ENEHL ranking among the top 25 per cent of Metropolitan Councils in all four income management performance indicators.
- 127** Service charges are not correctly recorded on rent accounts. Some charges clearly state the service being charged for, but others are allocated as a general charge, with no information as to the service this relates to. There are no service charges evident for sheltered accommodation. ENEHL have lobbied the Council, who are responsible for service charge setting for an urgent review, but have so far failed to bring about change. Charges are currently pooled and divided between tenants paying service charges rather than service delivery being assessed for each property with the tenants only charged for what they receive. This arrangement is inequitable. It is unclear if tenants are paying for all services they are being charged for, or if they are being charged for all services they receive.
- 128** A quarterly survey of customer satisfaction with the income management service is undertaken but it is not clear that this always leads to improvement. There is a low response rate (6 per cent) and the findings are mixed. For example, despite the range of benefits and money advice opportunities supported 27 per cent of respondents felt they didn't get enough assistance. Only 77 per cent were satisfied with the way rent arrears were dealt with. Although the quarterly report is lengthy (37 pages) it concludes with only four one-line recommendations, and some that are needed are not made, for example ensuring that the debt advice pack is consistently provided. This reduces the effectiveness of the service for customers.

**129** Rent statements consolidate all charges and debts. Although statements are provided by the City Council, it is disappointing that ENEHL has not encouraged change to more accurately detail rent and other charges. This prevents tenants from understanding how these are made up so they can assess value for money.

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### Resident involvement

**130** Strengths outweigh weaknesses. ENEHL has revised formal structures for involvement post merger and put in place formal area panels and supported resident associations that can link well both locally and with the board. These arrangements are well supported and resourced. There is a developing connection between customers and service and performance monitoring which is being supported through training. Focus groups help to inform service improvements as do formal tenant inspections. The arrangements are however, new and followed a period of transition post merger where some momentum was lost. The improved structures are yet to be reflected in high proportions of customers feeling satisfied with opportunities for involvement in decision making. Some training has yet to be delivered and new systems need time to bed in before they will consistently deliver improvement.

**131** There is a clear commitment to customer involvement and partnership, backed up by resources. There is a partnership team of eight who support residents groups, and each area panel has a designated development officer to work with them. There is an overall budget of £335,000 supplemented by match funding from partners. Resources are in place to support and to develop customer involvement and participation.

**132** New structures for involvement are starting to have an impact. Four area panels established since transfer act as the most senior level of engagement below the board. They are chaired by resident board members and have responsibility for locally agreed environmental works (budget £50,000 each) and for performance monitoring. However, although in place, it is recognised that further training and development is needed for members to carry out their role and become more engaged with the wider community. Service based focus groups have been re-launched from January 2008 and over 80 customers are involved in influencing service delivery. Several examples of improvements directed by tenants in 2007/08 were identified including environmental improvements, fencing, lighting and landscaping improvements. This means that tenants are now starting to see some benefits from opportunities to participate compared to the immediate post merger period.

**133** There are different ways for customers to become involved. In addition to a large number of residents' groups, customers can be involved through mystery shopping, as part of an email sounding board (30+ members), or through the newspaper editorial board and a web board. In addition, resident inspection has over 30 residents involved. ENEHL supports a wide range of informal meetings and community events and has an affiliates system for members of the community who are not tenants but can offer something through their involvement. The range of choices can enable customers to become involved at a level that suits them.

## How good is the service?

- 134** Less formal involvement is well thought out and encouraged. Focus groups cover a wide range of service issues including service improvement initiatives such as the voids project. Meetings are held at varying times including evenings and weekends. Transport is provided as well as crèche facilities, hearing loops and translators where required. These customer focused approaches encourage people to become involved and to contribute to service improvement.
- 135** Customers are fully involved in inspecting services and recommending improvements. Customers we spoke to who had been involved in the inspection service felt that a major benefit for them was to understand more clearly how the organisation works. They were assisted to undertake inspections by staff 'buddying' opportunities and the input of an independent critical friend. Outcomes and recommendations are identified by tenant groups before being reported to the Board. A second round of inspections is planned. Customers directly influence improved services.
- 136** There are examples of ENEHL engaging with BME and new migrant communities. Work has taken place with the Kurdish community which includes supporting them to set up their own group and also members of the Kurdish community help out with translation at local offices. There is a close working relationship with the Asylum Seekers Support Network. Staff are involved in attending a range of community galas and festivals which involve both established BME communities and new migrants. This demonstrates at a practical level reaching out to these new community groups.
- 137** New involvement structures post merger have not yet led to increased satisfaction with opportunities to participate. Both staff and tenants we met acknowledge that there was a loss of momentum in customer involvement following the merger. Old structures were discontinued while area panels were developed leading to a loss of previous opportunities for involvement in area fora and other neighbourhood meetings. ENEHL believe that the low levels of satisfaction with opportunities to participate in decision making in 2007 at 54 per cent reflects this temporary dip. However, this was a concern that we expressed in our previous inspection of Leeds North East Homes, one of the pre-merger ALMOs and this indicates it is a continuing trend not a temporary one. It is too early to gauge whether new structures and support for involvement will have the desired effects.
- 138** Strategic engagement with new migrant communities is developing but not yet comprehensive. An audit is currently underway to identify new groups not served by established networks and to develop an approach to engaging them. Similarly a BME focus group is planned but not yet in place. There are several examples of engagement with migrant and wider communities, but as yet this engagement is not strategic or leading to distinct improvements.
- 139** Neighbourhood agreements (local Compacts) have not been developed. The compacts in place pre-merger were discontinued for good reason as they related to the previous separate ALMOs and structures. However, new ones have not yet been developed some 18 months post merger although this work is underway, led through the area panels. At present customers do not have an opportunity to develop agreements that are tailored to their local circumstances.

- 140** ENEHL has not yet fully trained the area panel members to carry out their roles. Area Panel members reported that they have not had sufficient training to assist them in understanding performance or settings targets. There is a programme planned to commence later in 2008/09 which can attend to this weakness. The panel's functions and responsibilities are still being embedded and at present area panels cannot fulfil their roles effectively.
- 141** Area Panels are not as integrated with the board and residents associations as they aim to be. Area panel members reported that they need better links with the board. They also need to involve residents associations and encourage them to attend panel meetings. Again, the structures are embedding but at present some area panels feel isolated from governance and representative structures.

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### Tenancy and estate management

#### Tenancy management

- 142** Strengths outweigh weaknesses. Anti-social behaviour is effectively dealt with in conjunction with the City Council and with wider statutory and non-statutory area partners. Support is in place both for victims and for perpetrators, and enforcement successes are publicised. Mediation services are well managed and provide value for money. Diversionary measures are well supported and have a positive effect. ENEHL is signed up to the RESPECT standard but has not evaluated its compliance by fully involving local partners. ICT to assist with record keeping and monitoring is not yet fully effective and targets to undertake tenancy audits are not being met.
- 143** New customers are assisted by a thorough tenancy sign-up process. At the sign-up customers are offered an income health check, a calculation for benefit entitlement, customer profile and vulnerability information is completed and the tenancy agreement is fully explained. This reinforces a DVD provided at accompanied viewings and the 'Cost of Running a Home' booklet that is issued prior to sign up. This is customer focused and helps new customers to understand their rights and responsibilities.
- 144** Service standards are in place for anti-social behaviour and this is publicised in a leaflet. The standards are relevant, setting timescales to interview complainants and perpetrators, and agreeing action to be taken to investigate and resolve complaints. This ensures tenants understand levels of service they can expect and can challenge ENEHL if this is not delivered.

## How good is the service?

- 145** There are clear arrangements to deal with ASB. Low level incidents are dealt with using appropriate tools such as acceptable behaviour contracts, good neighbour agreements and mediation. The Council's anti-social behaviour unit (ASBU) deals with more serious or complex cases using the full range of legal remedies including demoted tenancies. There are clear procedures for making referrals and regular meetings take place between ENEHL and the ASBU to provide an update on individual cases. The out of hours service is provided by the Council, whose staff have had training on how to give initial advice. This is helping to combat anti-social behaviour and to improve the sustainability of neighbourhoods. The ASBU provides training for ENEHL staff on procedures, legal measures and options for dealing with cases. This ensures working arrangements are understood and complied with and that best practice is shared.
- 146** The service level agreement (SLA) with Mediation Leeds is well managed and provides value for money. The cost of the service is £20,250 for 2008/09 for up to 300 hours of mediation. For 2007/08 there was a success rate of 59 per cent (19 cases out of the 32 accepted) and the 240 contracted hours had to be extended by a further 80 hours in the final quarter to address demand. Arrangements are in place to monitor the contract, with quarterly returns and six monthly meetings. ENEHL is ensuring that this service is an effective option that helps to resolve disputes.
- 147** ENEHL has signed up to the RESPECT standard core commitments. This involves joint working between central government, local agencies, local communities and the public. A self assessment against the standard has identified an action plan to address gaps in delivery. Outcomes include revising the anti-social behaviour procedure to set clear guidelines for dealing with different types of anti-social behaviour to prevent incidents or respond promptly should they occur.
- 148** Partnership working is well developed. Tasking meetings including local agencies and the Police are used effectively to share information and to coordinate responses. ENEHL combines resources with partners to deliver shared priorities, for example, by joint funding professional witnesses to collect evidence for serious cases of anti-social behaviour. Partners meet to consider the needs of victims and agree action plans setting out how they can contribute according to their specialist areas. Service delivery is targeted to where it is needed most to address local anti-social behaviour issues using a range of remedial initiatives.

- 149** ENEHL is an active participant in the Community Safety Partnership. This involves the Police, adult and children's services, the youth offending team, youth services and other agencies working in the city. Action has also been taken to prevent vehicles being abandoned. ENEHL takes action against perpetrators where appropriate if they have a tenancy. Through the partnership crack house closures in two areas have been secured, and ENEHL has evicted tenants convicted of drug dealing, giving a clear message that this will not be tolerated. The highly regarded initiative 'operation champion' brings together local agencies to share resources and deliver joint priorities in areas prioritised by crime statistics. It involves three days of action and includes following up outstanding warrants, clean up days to improve the area, and joint working to address incidents of anti-social behaviour. Actions coordinated with local partners share intelligence and combine resources to efficiently deliver joint priorities. ENEHL publicises the successful enforcement action it has taken against perpetrators of nuisance and anti-social behaviour. This acts as a deterrent to perpetrators and encourages others victims to come forward and seek advice and assistance.
- 150** ENEHL accesses a range of sources to gather evidence in response to reports of anti-social behaviour and harassment. It has CCTV within communal areas of its high rise accommodation, and is able to arrange recording equipment for victims of hate crime through the community safety partnership and for domestic violence through the Police. Cameras are rented from the Council for other types of incidents. This enables complainants to record incidents as they occur to support their allegations and any future formal action.
- 151** ENEHL assists victims of anti-social behaviour and/or harassment to stay safe in their homes with a range of measures including installing fireproof letter boxes. Victims of domestic violence are referred to the local sanctuary scheme. The Community Safety Partnership has agreed action to support victims and continue to raise awareness of domestic violence and support available through education and publicity campaigns. This supports victims to remain in their home by providing extra security, advice and support.
- 152** ENEHL is effectively working in partnership to support families perpetrating anti-social behaviour to amend their behaviour. This crucially includes providing new homes under introductory tenancies for families previously evicted for anti-social behaviour. Partners mutually agree the contribution they will make to support families over the period of the introductory tenancy and daily contact is available through a voluntary organisation with experience in providing family intervention. This has proved successful in some cases with secure tenancies awarded. ENEHL also makes referrals to the voluntary organisation to provide outreach tenancy support to up to 25 other families in the area. This provides early intervention of low level anti-social behaviour and supports families to access services they need to sustain their tenancy and act responsibly.



## How good is the service?

- 153** Positive diversionary measures are supported. For example, ENEHL takes part in and part funds the schools safety rangers' project in partnership with the West Yorkshire Fire and Rescue Service. This encourages better awareness of public safety and is resulting in a reduction in fire related crime. There is also a £20,000 budget to support other activities to engage with young people, including activities at a local youth centre, free use of the swimming baths, a disco, football tournaments and dancing sessions. ENEHL encourages young people to take up these activities, particularly during the school holidays, including by door knocking with the Police to promote what is available and reminding families of the need to behave responsibly. This acts as an incentive to sustain good conduct and encourages others to get involved.
- 154** ENEHL publicises the successful enforcement action it has taken against perpetrators of nuisance and anti-social behaviour. This acts as a deterrent to perpetrators and encourages others victims to come forward and seek advice and assistance.
- 155** ENEHL has not involved partners and tenants in its assessment of its compliance with the RESPECT standard. Although there are many examples of close partnership working with partners in community safety meetings, through national and regional engagement on the RESPECT agenda and through continuing tasking meetings, partners have not formally contributed to ENEHL's assessment of compliance with the standard. This is a missed opportunity to ensure there is robust challenge of its delivery against the core commitments through customers and partners with experience of dealing with the many aspects of anti-social behaviour. ENEHL considers that it initially complied with 50 per cent of the standard, and will have full compliance once neighbourhood charters have been agreed. Without independent challenge however, ENEHL can not be fully aware of whether through partnership working it is meeting the core commitments which underpins the RESPECT initiative.
- 156** The ICT system for dealing with anti-social behaviour is relatively new and is not yet fully populated with casework. This prevents call centres and other staff having access to information when tenants make further enquiries and the member of staff dealing with the case is unavailable. It also makes it more difficult for managers to carry out quality assurance work to ensure procedures are complied with.
- 157** Arrangements to carry out tenancy audits every two years are not effective, with targets not being met. ENEHL cannot be sure that properties are being kept in reasonable condition and that the legal tenant is in occupation.

### Estate management

- 158** Strengths outweigh weaknesses. Estates are well maintained, feedback from customers is gathered and acted upon and some are involved in formal inspections of standards. Area panels control sizeable budgets and direct these to bids for environmental and security improvements. Some proactive security work is done with an emphasis on designing out crime. Information in the tenants' handbook is lacking and ENEHL has not robustly assessed the cost and effectiveness of Council provided estate services.

- 159** Environmental improvements are improving estate appearance and designing out crime. Four area panels, each with a £50,000 budget consider bids for local improvements. Recent schemes included boundary and fencing work to multi-storey accommodation. This prevented non-residents cutting through the area and has reduced access to sites, improving monitoring and the perception of security. Visible improvements to estates have been customer led and have improved their quality of life.
- 160** Estates are generally well maintained. ENEHL has initiatives to promote tidy estates. It has arranged community clean up days which facilitate litter picking and the removal of unwanted items through skip provision. A pictorial leaflet has been issued in high rise blocks where a high proportion of tenants do not speak English as a first language. This gives advice on how to use the rubbish chutes correctly to prevent rubbish accumulating. Estate caretaking teams deal with fly tipping and maintain overgrown gardens at empty properties and for older or vulnerable customers. Over 76 per cent of customers responding to the STATUS 2007/08 questionnaire were either satisfied or very satisfied with their neighbourhood. ENEHL's approach contributes to reasonable environments.
- 161** ENEHL uses intelligence from partners to identify burglary hotspots and is installing burglar alarms through the capital programme free of charge. This improves security for customers in these areas and deters crime.
- 162** Landscape maintenance is not satisfactory, but ENEHL has taken action to address customer concerns. Improved monitoring has been introduced in response to regular complaints. A ten per cent random sample inspection is routinely carried out. Action is taken to address any performance issues. If the contractor does not resolve issues within a week, ENEHL enforces a financial penalty. Although dissatisfaction with landscaping still exists such approaches can lead to improvement in standards.
- 163** ENEHL is working to reduce levels of graffiti in the area. The communal areas of multi-storey flats have been coated with protective paint, and this enables caretakers to clean off the graffiti promptly and easily, without the need for specialist equipment. ENEHL contacts the parents of children where this type of graffiti can be traced back to them. In some instances the people responsible have been involved in cleaning up the graffiti. This raises awareness of action that can be taken against tenants or their relatives/visitors for breach of tenancy conditions.
- 164** ENEHL systematically inspects all estates with customers. Inspections take place at least quarterly using a standard checklist. The programme is agreed for the forthcoming year and is publicised in posters and on the website. Audits are also carried out to ensure tenants are maintaining their homes and gardens in an acceptable condition. This involves a quarterly visual external check of every property, advising tenants where improvements need to be made. If customers are vulnerable, arrangements will be made to work with partners to provide tenancy support and address the issues identified. This intensively manages estates to ensure they are maintained in reasonable condition.



## How good is the service?

- 165** The tenants' handbook does not effectively assist tenants to understand their tenancy conditions. The emphasis is on how the tenant is expected to behave rather than their rights. There is some information about assignment and succession and right to buy, but the right to repair is not promoted. Although to some extent this is addressed by a thorough new tenant visit process, customers do not have a written record of rights and responsibilities.
- 166** ENEHL has not assessed whether estate management services procured through the Council, such as graffiti cleaning, vehicle removal and communal cleaning, represent value for money. It cannot be proven that the current solution is the best one.

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## Allocations and lettings

- 167** Strengths outweigh weaknesses. The choice-based letting (CBL) system is well publicised with fair access to re-housing emphasised through assistance to apply and tenancy support being accessed where required. Adapted properties are matched to applicants with mobility needs and vulnerable people on the register who have not bid for properties are proactively contacted. There are incentives to address under-occupation and local lettings policies are designed to promote stable communities. Some feedback information such as refusals and new tenant feedback is not used well to improve service delivery, the notice period could be better utilised to make properties available more quickly and the mutual exchange service is not well targeted to promote better use of stock and to better meet needs.
- 168** The CBL system is operated by Leeds City Council and ENEHL ensures that it is well publicised. There is a range of useful and clear literature and guides to CBL, both on the process and properties available to let. This is provided through hard copy and on the website. Feedback about who has been successful in gaining properties is provided and this helps applicants understand what their own prospects are in their chosen areas. The majority of bids are made on-line but telephone, text and postal bids are accepted. Bids can be made in neighbourhood offices where customer terminals are available. This helps customers to know about re-housing opportunities.
- 169** Customers who need help to apply for housing or to make bids are supported. Assistance can be provided in local offices by trained staff, by the central registration team or through partner specialist agencies. Home visits are carried out on request. This helps to ensure fair and equal access to housing.
- 170** Assistance is offered to those who require tenancy support. The accompanied viewing is used to identify any support needs that may have been missed during the applications process and a further opportunity to identify any needs is provided through new tenant visits. New tenants who need support are identified and assisted promptly and this increases the chances of their tenancy being successful.

- 171** Checks are routinely made to ensure fair lettings practices are maintained. There is a quarterly audit involving managers from each office undertaking work in a different locality and examining a sample of ten lettings in each. This process ensures that offers have been made to the appropriate person and that the processes, procedures and time targets are being met. Outcomes including learning are reported back to the lettings review group and also discussed with the customer focus group. This means that probity in lettings can be demonstrated.
- 172** Applications for housing are now being registered in a timely way. The ten-day target for registering applicants is now being met, the average at the time of inspection was 8.93 days. This means that applicants can start to bid for housing more quickly.
- 173** Good use of photo ID to ensure the legal tenant is signed up and in occupation. Tenants have to provide photo ID as part of their application which makes sure that the correct person is signed up and also allows checks in the biannual tenancy visits to be made where sub letting is suspected. This ensures that housing is occupied by people in housing need.
- 174** Some work has been undertaken to contact vulnerable applicants who have not bid for properties. ENEHL contact all applicants in the 'priority extra' category who have not bid to find out why rather than just remove their priority. This is a customer focussed approach that reduces barriers to application for housing.
- 175** Disabled applicants are matched to adapted properties without delays. ENEHL has two in-house Occupational Therapists (OTs) who help to match properties to applicants' needs. In one area Moortown, which has a lot of sheltered and adapted properties, OTs attend the selection meetings. Vulnerable customers requiring adapted properties are offered suitable housing which meets their needs and reduces the need for future adaptations.
- 176** Lettings to diverse groups are analysed to ensure fair housing outcomes for all. Lettings to BME applicants are now slightly in excess of targets based on their representation in the local areas. The introduction of CBL has shown an increase in applications from this group. More work is however, required to check that BME groups are getting a fair share of higher demand properties. This means that BME groups have equality of access to housing.
- 177** Incentives are used to encourage better use of the housing stock. Under-occupation has recently been targeted with 40 enquires to date from tenants living under-occupied four bed properties. The scheme is to be expanded to include 3 bed properties later in 2008. Better use can be made of existing stock and tenants are assisted to move to more affordable housing.
- 178** Local lettings schemes are successful in helping to maintain sustainable communities. There are a large number of local lettings schemes in operation, mainly age restrictions for multi storey blocks. The schemes are monitored and reviewed on an annual basis in conjunction with the City Council. With careful controls lettings policies are supporting other estate management initiatives, for example those aimed at reducing anti-social behaviour.

## How good is the service?

- 179** Delays to re-letting properties are minimised. Properties are advertised at the pre-termination stage once notice has been received which reduces the delays inherent in the advertising and bidding cycle. Where possible accompanied viewings are also made pre-termination and overall 100 per cent of accompanied viewings take place. This means that applicants who want to refuse properties can do so before the property is ready to let thus reducing void loss.
- 180** With the exception of applicants with known vulnerabilities there is limited work to ensure that all customers who are not bidding are choosing not to bid rather than not knowing how to. While this is a City Council responsibility, ENEHL has not lobbied the Council to address this issue based on its experience of working with applicants. No proactive work is being undertaken to find out why some applicants are not making bids particularly those in a good position to gain an offer, for example, people who may not be known to any agencies. An assisted bidding service is to be considered as a future development. There may be barriers to re-housing or process improvements required that ENEHL is unaware of.
- 181** Some information is either not gathered or not used well to improve the re-letting process. While refusal information is being collected; it is known that 61 per cent of lettings are accepted at the first offer, this information is not analysed to identify how it might be improved. Voids times are not broken down into their component parts so that it is easy to monitor the efficiency of the process in terms of the time it takes to let (rather than repair) properties. There may be weaknesses leading to refusals and delays that ENEHL is unaware of.
- 182** Despite nine per cent of lettings being offered through direct lets opportunities to undertake back to back lettings are not being maximised. Few properties with only minimal repair works are being let in this way. At present opportunities to reduce void loss and security costs are not being fully exploited.
- 183** Mutual exchanges are not promoted and publicised effectively. Only 84 tenants moved via mutual exchange last year and, although they are advertised on the web site and in local offices, which is positive, they are not further promoted. There are plans in the future to introduce a matching service so that when registering, an applicant will be provided with a list of potential matches. Opportunities to make the most effective use of stock and to better meet housing needs are not being optimised.
- 184** The full potential of viewings pre- termination is not being fully exploited. There are no incentives in place to encourage tenants who have given notice to allow accompanied viewings during their notice period. As a result few viewings during the notice period are achieved. There may be waste through duplication of visits which results in rent loss and delays in making properties available for applicants.

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## Supported housing

- 185** Strengths and weaknesses are balanced. Several areas of service have been improved in recent months, with particular improvement to warden support, customer engagement and sheltered housing environments. This is reflected in high levels of customer satisfaction. Access to tenancy support is now better coordinated but the lack of protocols between ENEHL and support providers can disadvantage customers. Review of the sheltered housing service is overdue, some customers may pay for services they neither need nor receive and black and minority ethnic (BME) customers are under-represented.
- 186** Customers in sheltered schemes now have more opportunities to participate and to shape service improvement. There is a tenant involvement strategy for sheltered housing and each scheme has recently started to hold regular scheme meetings. The meetings are facilitated by the wardens who have been trained in tenant involvement. In addition there are champion meetings where tenants from different schemes meet together on a regular basis. This means that sheltered housing customers now have a stronger voice in informing service improvements.
- 187** There have been a number of incremental improvements achieved in the sheltered housing service. Tenants now have an option to receive a lower level of service to fit their individual needs, all tenants have support plans in which are regularly reviewed and wardens are less isolated and more supported by managers with regular team meetings, one-to-one line manager meetings and appraisals. While some wardens remain residential, new recruits are not. Although overdue, the improvements can positively affect the service that customers receive.
- 188** Attractive improvements to external communal areas have been achieved. There is a rolling programme of security and environmental works underway in sheltered schemes and tenants have been involved in their specification and design. In some schemes communal sitting areas have been added. This provides an improved and enhanced environment for residents.
- 189** There is a high level of satisfaction with the sheltered housing service. Almost 86 per cent of tenants in the 2008 survey were happy with the service and there are now, following works, fewer concerns around environment and security issues. The majority of homes have had internal decent homes work completed. This means that the service is meeting customer expectations.
- 190** The 'down your way' repairs in sheltered schemes is a new but promising initiative. Minor jobs are batched by wardens and undertaken by contractors on predetermined and advertised days. Customers know when contractors will attend and are happy to wait to have minor repairs done. At the time of inspection the initiative was being extended following a pilot to all sheltered schemes. This is customer focused and cost effective.

## How good is the service?

- 191** Wardens are involved in the lettings process to ensure a smooth and joined up induction for new tenants. There are joint working protocols between wardens and housing management staff including joint working on arrears. Wardens are involved in accompanied viewings which mean that they can pick up any previously unidentified support needs which then feeds through into individual support plans. This ensures that new sheltered housing tenants receive a one stop service.
- 192** Coordination of tenancy support initiatives is improving. The recent vulnerability strategy pulls together for the first time a record of all of the current initiatives to offer tenancy support to vulnerable tenants throughout the organisation. This is linked to key areas for improvement within service improvement plans. This helps to ensure that there is an overview of tenancy support activity and that deliverable outcomes are monitored in each service area.
- 193** There has been some success in using the available resources for tenancy support in a more focussed way although this work is ongoing. Housing management staff in the past have found it difficult to identify which agencies are working in which geographical areas with which client groups. This is being addressed through expanding the current supporting people directory into an ICT based resource to make it easier to identify relevant support. This can assist customers to access housing support.
- 194** ENEHL supports voluntary organisations by providing premises on estates. Police, youth services, resident groups, community safety partners, adult services, neighbourhood wardens, health and family wealth services are examples. This makes tenancy support and outreach services accessible in communities.
- 195** Many improvements to the sheltered housing service are recent and reflect limited attention to-date. The extent of fundamental issues covered in the service's improvement plan demonstrates this. Several have been undertaken as urgent actions following a mock inspection, for example improving consultation and completion of disability discrimination act (DDA) works to communal areas which was completed during the inspection period. Although the improvement plan lists many initiatives details of timescales and outcome measures are incomplete in several areas. Customers have not received a consistently high quality service.
- 196** Services are traditional and in need of modernisation. Sheltered housing wardens are not linked into ICT communications, are not area based and work to terms and conditions unchanged since 1975. Although tenants can now opt for a lower level of service they still have to pay a standard charge. Wardens are cut off from the major communication channel used by the organisation; e mail and the intranet and customers pay service charges that don't always reflect the service that they receive.
- 197** A full review of the sheltered housing service has not yet been undertaken. The service was only transferred when the merger took place and the intention is to have developed a strategic position for approval by the Council in November 2008. Options appraisals are being carried out, but options to fund the investment needs are not well developed.

- 198** The lack of engagement with BME communities is a significant weakness. While there are plans to address this issue currently there is no strategy in place to increase BME involvement in sheltered housing and the numbers of BME tenants in this type of housing is very small. This means that equality of access can not be demonstrated for this service.
- 199** There are currently no protocols between ENEHL and floating support providers. Although the Council hold the contracts with the floating support providers, their support is delivered in ENEHL properties to assist their customers to live independently. The lack of clear protocols provides opportunities for poor coordination between housing and support providers and this can disadvantage customers.

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### Leasehold services

- 200** Weaknesses outweigh strengths. Services for leaseholders have not until very recently received appropriate attention. There is a lack of clarity about rights and responsibilities of the Council and ENEHL. Service standards are absent but are belatedly being consulted upon. Leaseholders have not been involved in monitoring performance or effectively consulted with, either routinely or specifically, regarding major repairs. The Council has not reviewed service charges and ENEHL has not effectively lobbied them to do so. Services, for example communication and information are not tailored to individual needs, and overall satisfaction of leaseholders is significantly lower than that of tenants. Positively, ENEHL has recently focused attention in this area, introducing a dedicated officer and a range of new initiatives. Options to finance major repairs are customer focused; leaseholders can opt into window and door replacements as well as gas servicing.
- 201** Some areas of shared responsibilities with the Council have led to confusion in the management of leaseholder services. The City Council is responsible for right to buy sales and for the issuing of leases. The management of services is provided by ENEHL on behalf of the Council. However, until this year little has been done to clarify services, charges or communication and involvement for leaseholders. Urgent improvements have commenced following a 'mock inspection' commissioned by ENEHL. Although these improvements are positive they are not all implemented and others are not fully embedded. The lack of attention in this area is reflected in leaseholder satisfaction which at 54 per cent is significantly lower than that of tenants (78 per cent).
- 202** Information for leaseholders is not clear. A new draft leaseholder service level agreement is being consulted upon and this makes clear service standards, roles and responsibilities. At present however, the leaseholder guide provided at the time of purchase refers to the Council's responsibilities, but does not make clear that the ALMO will discharge these on their behalf. This is confusing for leaseholders and can result in difficulties for them in accessing services or assistance.



## How good is the service?

- 203** Leaseholders have had limited involvement in monitoring services. There are currently no specific service standards for leaseholders other than those that apply to tenants. Leaseholders have not been involved in any contract specifications or contractor selection. Although leaseholders have the opportunity to be involved in some service monitoring there has been low take-up. This may contribute to the lower satisfaction of leaseholders compared to tenants.
- 204** Profile information for leaseholders is incomplete. Collection of leaseholder profile information has only recently started and is available for only 24 per cent of households. This has not been analysed or used to inform service provision. Services are not tailored to meet the needs of leasehold customers.
- 205** Agreed service standards are not in place. Leaseholders are not clear about what standard of service to expect. The leaseholder focus group reported that they are not clear on, for example, what cleaning standards should be expected. They are critical of the quality of some services particularly grounds maintenance.
- 206** Some leaseholders find accessing repairs services difficult. Several commented that it can be difficult reporting repairs that are needed in communal areas and stated that they now ask neighbouring tenants in their block to ring through to report repairs because as leaseholders they have experienced difficulties having repair reports accepted. This is a service that leaseholders are entitled to yet have difficulty accessing.
- 207** Major repairs consultation has met minimum legislative requirements but nothing more. The Improvement Team informs leaseholders 28 days prior to improvement works starting and the leasehold section within Leeds City Council send out Section 20 consultation notices 30 days prior to work starting. However, leaseholders have not been actively consulted on what works are being done, on options for them or on the potential impacts on their service charges. This is not customer focused and does not help leaseholders to make active choices.
- 208** Flexible payment options to pay for major repairs are in place. These options include, interest free loans, equity stake, a charge against the property and the option of monthly payments. The take-up of each has not yet been analysed to assess their effectiveness, but it is clear that these can assist leaseholders to meet improvement costs.
- 209** Leaseholders have been given the option to have doors and windows installed on the Decent Homes programme. This has ensured that leaseholders are offered high quality products and installation and receive Value for Money through the use of the major repairs contractors.
- 210** Gas servicing is available to leaseholders. At present there is no way of enforcing servicing but the importance is stressed routinely in publications such as the customer newsletter. Leaseholders can benefit from the volume purchase strengths of ENEHL and safety is encouraged.



**211** ENEHL is now responding to weaknesses in the service. Following on from the leaseholder survey, a leaseholder officer was appointed in April 2008 to focus on this service area and address low satisfaction levels. Improvements since include hosting a leaseholder event, setting up a leaseholder e-mail address, introducing a dedicated leaseholder page in the customer magazine, and there is now one point of contact for all leaseholder enquiries. Leaseholders have been consulted on a new information pack, draft service standards and making service charge letters easier to understand in plain English. It is too early to conclude that these and other planned improvements will be effective, but the signs are positive.

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### Is the service delivering value for money?

**212** Strengths and weaknesses are balanced in this area. Costs and satisfaction in key service areas compare unfavourably with peers. The merger of the ALMOs was driven by financial pressures and although efficiency targets have been exceeded, commitments were modest. There is some lack of urgency in re-procurement of contracts and in not maximising scale benefits, for example in providing adaptations. Important savings have been made by reviewing service level agreements, but progress in this area has been slow. The bonus system in the in-house responsive repairs provider has not been examined in terms of its benefits for customers. Finance systems have been rationalised but zero based budgeting is only planned from 2009/10. The in-house repairs service has turned around a recurring annual deficit and is now on a much firmer footing. The initial re-structure has met Council expectations for savings and a further planned phase will build upon this.

### How do costs compare?

**213** The main cost comparisons are made using a national benchmarking group enabling comparison with approximately 21 metropolitan ALMOs. Total core housing management costs in 2007/08 (approximately £340 per property excluding back office and overhead costs) have reduced since the merger (nine per cent from 2006/07-2007/08), but are nonetheless high, ranking 18th among the benchmarking group. Housing management costs are also high. In 2007/08 ENEHL had the fewest properties per employee and the highest cost per property in the group.

**214** Looking at specific services.

- Arrears management in 2007/08 at over £70 per property ranked the highest among metropolitan ALMOs.
- Responsive repairs and voids indicators show high expenditure (18th out of a group of 19 metropolitan ALMOs) a high number of repairs per property (ranked 18 out of 21) and a relatively low level of customers; 73 per cent (ranked 17th out of 21). were satisfied with the repairs service.

**215** Despite high costs and low numbers of properties per member of staff, overall customer satisfaction (78 per cent) ranked 18th in the group. The combination of high costs and low comparative levels of satisfaction mean that value for money is not proven.

## How good is the service?

**216** This information was received during the inspection and further work is planned by ENEHL to understand the relationship between cost and quality.

## How is value for money managed?

**217** There are clear financial and value for money strategies in place which emphasise value improvement and efficiency, but several areas are under-developed. For example, there is not a structured service review programme informed by cost and value information; previous indications of poorer performance, for example high housing management costs, have not been effectively tackled. Although customer satisfaction information is gathered it is not always thoroughly analysed and action plans fail to target improvements in customer experience.

**218** ENEHL is not seeking to re-procure all contracts at the earliest stage. The procurement strategy lists many contracts where contract extensions appear to be the proposed interim solution. For example, the landscaping contract that has attracted much complaint has been extended; the SLA with the City Council for repair of communal lighting systems has been extended without tender by three years as has the SLA for the repair of electrical heating systems. There is no reason why ENEHL should not be in a strong procurement position now especially given the support it receives from the City Council's central procurement unit without needing the extra time provided by contract extensions. The potential for improvement in value was emphasised in the merger proposals for customers. However, some key areas of goods and services procurement that can contribute significantly to improved value are not being energetically driven.

**219** Procurement of adaptations works has not maximised value. The annual budget for adaptations is £2.1m, delivered through five contractors. Framework contracts are in place for adaptations carried out under the major work programmes but although standard specifications exist for common adaptations undertaken outside of the major works programme such as over bath showers and wet floor rooms each individual job is separately tendered. There are large variations in the average costs of the framework contractors and these have not been analysed in terms of value and other procurement options examined. This fails to maximise scale benefits and improve value for money.

**220** ENEHL has not yet re-aligned its budgets fully to maximise scale benefits and efficiencies. Some sizeable savings have been made totalling £1.8m in 2007/08 but given the opportunities provided by the merger and the high cost base of ENEHL it is clear that further efficiencies are possible. There was a clear opportunity and need to review and re-align budgets at the time of the merger, but zero based budgeting will not be introduced until 2009/10, the third financial year after the merger. The lack of urgency fails to embed further a culture of improving value.

**221** There has not been a consistent drive to fundamentally review shared service arrangements with the Council. There are several arrangements where ENEHL has failed to establish a clearer identity separate from the Council as well as improving value for customers, the dual contact centre arrangement is an example. Given the opportunities provided by the merger to review and streamline arrangements to address significant financial pressures there has been only limited progress.

- 222** Despite this, some important savings have been made through reviewing Service Level Agreements. To date (including pre merger) savings have been made through ending arrangements for Council provision totalling £393,000. This is forecasted to rise to £499,000 by 2010/11. Several further challenges to Council provided services have resulted in a £1.1m saving by bringing in-house the responsive repairs service and a further £1.8m (forecast to rise to £2.5m in 2008/09) by bringing contract supervision for capital works in-house. It is however less clear whether value has improved for customers through improved services. Overall savings have been positive and are helping to stabilise financial performance.
- 223** ENEHL cannot show how the bonus system operated in the in-house repairs service drives either efficiency or quality. The system has simply been retained since its use when Construction Services were provided directly by the City Council. Although ENEHL point to potentially increased costs in buying out the bonus terms for operatives the arrangement has not been robustly examined. The position will be reviewed although the failure to do so to date is an important weakness.
- 224** Cost efficiency in the in-house construction service has improved notably. When ENEHL brought the service in-house from the Council the projected deficit in 2004/05 was in the region of £1m. This position has steadily improved with the total deficit in 2007/08 being in the region of £16,000. Projections show the service moving into surplus from 2008/09.
- 225** The decision to merge the previous ALMOs was largely driven by financial pressures and ENEHL has in the 18 months post merger delivered some savings. Projections indicated that all Leeds ALMOs would have incurred a total deficit approaching £12m by 2009/10. The mergers driven by the Council were aimed at addressing this situation. ENEHL has delivered £550,000 savings through its first phase restructure and structural changes. Further savings are necessary and are commented upon in ENEHLs financial strategy, but progress so far has been in line with Council expectations.
- 226** Efficiency savings in 2007/08 have exceeded commitments. The end of year report identifies efficiency savings of 2.94 per cent exceeding the 2.5 per cent target. Cashable savings of £575,000 exceed the commitment of £182,000. In total £1.05m was delivered against target of £891,000. The cashable savings have been ring-fenced for service improvements identified by tenants in area forums. These savings demonstrate that the ENEHL can drive efficiencies and that these will directly benefit customers.
- 227** Membership of the Leeds Homes Construction Partnership has added procurement expertise for major contracts. The partnership has procured the framework contracts on behalf of the Leeds ALMOs. This partnership improves purchasing powers by standardising material and component specifications and by collectively negotiating discounts. All major works contracts have been procured in this way. Additionally, local negotiations using the partnership agreements have in some cases further reduced costs and added value.

## How good is the service?

**228** Financial and budgets systems of the pre-merger ALMOs have been rationalised and ENEHL has started to add rigour in devolved budgeting. In the first years post merger, the company was working with poor financial information, and it has taken time to consolidate and better understand service costs. The 2008/09 budget setting process has resulted in savings of £1.8m cashable savings in addition to the efficiencies of £574,000.

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# What are the prospects for improvement to the service?

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

- 229** Strengths outweigh weaknesses. The ALMO is on target to deliver a key objective, the delivery of Decent Homes. The merger in April 2007 was completed without significant reductions in performance, but some areas remain a concern particularly cost indicators. Modest efficiency commitments have been exceeded and cashable savings allocated for customer identified improvements. Customer engagement has improved but systems are still embedding. Some improvement in customer satisfaction is evident, but it remains a concern that black and minority ethnic (BME) customers are much less satisfied than other customers. Our previous recommendations and other external insights have been used to shape improvements in services.
- 230** The merger of the former ALMOs was completed in April 2007 without significant reductions in performance. Out of 32 performance indicator areas (2007/08), ten areas are of concern with performance below targets and the direction of travel of most is positive. Attention has been given to these key areas of service during a period of considerable change.
- 231** ENEHL is on target to complete its Decent Homes programme by its target date of December 2010. The combined programmes of the pre-merger ALMOs total £128m. ENEHL will use capital borrowing and existing capital allocations through major repairs allowance and will achieve the Decent Homes Standard in all sustainable stock by the end of 2010. This is a fundamental objective of the ALMO and will deliver improved housing standards for all tenants.
- 232** The merger of the previous ALMO areas to form a larger organisation is starting to show some improvements that can benefit customers. For example ENEHL has exceeded efficiency commitments delivering efficiency savings of 2.94 per cent (2007/08) exceeding the 2.5 per cent target. Cashable savings of £594,000 exceed commitment of £182,000. In total £1.05m was delivered against target of £891,000. Cashable savings have been ring-fenced and are being prioritised by Area Forums for local priorities.
- 233** ENEHL has revised its procurement strategy and has identified considerable future procurement savings. A total projected procurement saving of £1.7m in addition to service level agreement savings of £487,000 are planned in the short term and are built into the detailed financial recovery plan.

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

- 234** New approaches are starting to improve customer satisfaction. STATUS information for 2007/08 shows that satisfaction has increased from 74 per cent in the previous year to 78 per cent. This improvement compares with the average for metropolitan ALMOs. Other indicators of customer satisfaction are also positive, including; 87 per cent of customer satisfaction with the attitude of workers and satisfaction with the property (73 per cent), neighbourhood (76 per cent), quality of home (77 per cent) and value for money (74 per cent) have all improved from the previous year. Customers are experiencing improvements in services.
- 235** The Council has demonstrated its satisfaction with the ALMO. The management agreement has been extended to 2013. The agreement to extend was taken following consideration of the progress and impact made by ENEHL. This allows ENEHL to plan services with greater certainty.
- 236** Previous Audit Commission recommendations have in the main been acted upon. This area is complicated by the merger. In summary, a total of 55 recommendations were made to the pre-merger ALMOs, 44 of these have been appropriately responded to within the timescale recommended, five were completed late, two partially completed and four have not been actioned appropriately. The ALMO has used the recommendations to improve.
- 237** ENEHL has used external assessments of its service to shape improvements. Considerable resources were taken up in establishing the new ALMO and six months after its formation a 'mock inspection' was undertaken using external consultants. This identified many areas of improvement which the ALMO has incorporated into its service improvement plans. Several initiatives that we have recognised in this report respond to the findings but are not yet fully embedded or delivering consistent improvements. However, it is clear that ENEHL has challenged itself and used these insights to put in place its improvement initiatives.
- 238** The extent of customer engagement has improved. Four area panels have been established and there are a total of 17 different ways that customers can participate. It has taken time to establish this framework and some customers perceive that opportunities for their involvement have reduced. It is too early to conclude that the new framework will be fully effective, but it is positive that ENEHL has established the new ways of engagement post merger, and that the area panels have purposeful roles including responsibility for substantial customer led budgets.
- 239** Comparisons of performance and costs with other metropolitan ALMOs shows some below average performance in important areas. Costs remain high across housing management related activities and costs for repairs and planned works are also comparatively high. Current tenant arrears as a percentage of rent due and the time taken to re-let properties compare unfavourably.
- 240** There are inequalities in customer satisfaction. New systems for customer involvement are still embedding, but it is concerning that only 69 per cent of non BME customers and 54 per cent of BME customers were satisfied that their views were taken into account. In areas of high BME concentration, Harehills and Chapeltown only 43 per cent of households were satisfied that their views are taken into account. These results reflect stark inequalities that ENEHL has so far failed to address.



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

**241** Although savings have been made, particularly efficiencies in excess of forecast, we have outlined several areas, for example service level agreement reviews, zero budgeting and market testing contracts at the earliest opportunity where greater urgency should have been demonstrated.

### How well does the service manage performance?

**242** Strengths and weaknesses are balanced. Leadership is effective, strategic aims are established and the business is clear about the challenges it faces. A service improvement framework is in place, it is well informed by external comparisons and by improving customer engagement. It is helping to deliver improvements. However, important weaknesses remain; the performance management framework is cumbersome, a performance culture is not yet embedded throughout the organisation, strategic use of customer feedback is limited and service standards are not consistently measured or targeted for improvement.

**243** There is clear and effective leadership. The senior management team has led on the integration of the previous ALMOs into the new organisation and they have, with the support of a strong Board of Management, established a clear purpose, vision and objectives. Some of the mechanics of delivery such as the performance framework need further development and several enhanced processes need additional time to bed in, but it is a significant positive that the transition has been well led. Some key platforms are in place to enable continuous improvement including an improved governance and audit structure, enhanced customer consultation and relevant benchmarking.

**244** Strategic aims are clear. The Business Plan integrates the ALMO delivery plan and clearly describes ENEHLs objectives and intentions. The plan has been used actively to shape activities throughout the organisation. Challenges, for example the forecast deficit are clearly examined and recovery actions detailed. This can help stakeholders including customers, staff and partners to understand and contribute to the ENEHLs future.

**245** A service improvement framework is in place and delivering the intended benefits. A strategic service improvement plan (SIP) summarises the key objectives of team and local SIPs, all of which are centred on the delivery of the corporate values. The SIPs are actively used forming the basis for one to one discussions and team meetings. The performance sub-committee receives quarterly updates on progress and remedial actions are detailed where slippage has occurred. In 2007/08 there were 349 improvement initiatives of which 252 were delivered on time, 63 are commenced and on target to deliver within timescales and 34 initiatives were not delivered. This approach provides a helpful structure that is ensuring that improvement occurs.

**246** Service improvement planning involves customers both in prioritisation and measuring improvement. Tenant focus groups are consulted with to help inform and also prioritise team improvement plans. Area panels have from January 2008 started to monitor the delivery of service improvements. This reflects improving accountability to tenants for service improvements and this degree of challenge can help to align services well to customers needs.



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

**247** Targets are generally well used. Staff are set targets tailored to the locality where they work and taking into account external comparisons and continuous improvement ambitions. Local targets take into account different issues evident on estates. There are weekly reports on personal and team performance, and these include comparisons between offices. Some target setting in the area of complaints handling is however unrealistic. On the whole targets are appropriately applied and assisting improvement.

**248** A range of ways has been introduced to better engage customers. For example:

- service inspections have recently been added to mystery shopping undertaken by customers;
- customer satisfaction is being gauged in more areas of service, for example regarding complaints and anti-social behaviour;
- a post appointment telephone survey has been introduced the day after repairs appointments;
- customers have been involved in checking completed repairs;
- a focus group for customers expressing dissatisfaction with the repairs service has been used to ensure continuous learning; and
- leaseholder engagement, from a low base is being improved, including through newsletter articles and a leaseholder event.

In the main these are used to identify and respond to service failings or inconsistencies which is positive, but strategic use of the information is still under-developed. Nonetheless, the use of customer feedback is an improving feature which is helping the ENEHL to better meet needs and preferences.

**249** The foundations are in place to improve speed and quality of responses to complaints following implementation of the new policy in July 2008. Actions include; introducing a stage three appeals mechanism; seeking complainant feedback and acting to improve, services particularly in the area of major repairs; introducing a compensation policy; recording 'informal' complaints and establishing a new database system to improve monitoring and reporting. Reality checking revealed that the majority of recently closed cases had been acknowledged and replied to within stated timescales. The quality of the written responses demonstrated that cases had been thoroughly investigated. All investigating officers have received training on how to use the database system and ombudsman training on how to investigate and respond to complaints. There are some indications that weaknesses in complaints management are starting to be addressed.

**250** Benchmarking is used routinely. At an organisation level ENEHL has worked with a national benchmarking club to gather information from the pre-merger ALMOs, to combine it and to establish a starting position. As a result it now has two full years of comparative data which it is using to guide improvement. It is also clear that one-off reviews routinely use external comparisons to establish what is possible and often these comparisons are made with three-star ALMOs. This assists continuous improvement.

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

- 251** ENEHL is improving its use of customer information in some areas. The STATUS survey 2008 shows much improved analysis as compared to the previous year with clear recommendations. The report now includes an action plan/audit trail table to ensure that recommendations are acted upon. Some areas of routine satisfaction testing need to be made more consistent however to enable more meaningful comparisons between services. Good use of customer feedback is increasingly informing service improvement.
- 252** The performance framework has not been thoroughly reviewed to determine its value and effectiveness. There are several positive features including the service improvement planning (SIP) approach, but also several weaknesses including the length of some reports, the way that reports are generated, by the performance unit not by managers and the reliance on the Council for IT support. The performance system and range of reports has developed by amalgamating several approaches evident in the pre merger ALMOs and the new approach has not been robustly challenged in terms of its cost, value and ability to assist the ALMO to deliver its objectives.
- 253** Performance reports are lengthy yet lack essential information. Reports to Board lack appropriate narrative. Routine reports are far too detailed, for example the 2007/08 year end report is 133 pages long and the first quarter report for 2008/09 is of similar length. It is almost impossible to determine the priorities or the overall health of the business. This cannot help staff or Board members to direct their attention and activity.
- 254** The use of comparative information is in some cases lacking and this does not assist improving services. For example, ENEHL compares decent homes performance in a benchmark group whose participants adopt different delivery approaches (whole house or elemental refurbishment). Analysis should make it clear where comparisons are appropriate or not. The year end repairs report 2007/08 uses some benchmarks that are inaccurate, with top quartile performance stated as 43 per cent for non-decency. This does not assist accountable groups to direct attention or improvement initiatives.
- 255** Some staff do not use performance information well. We interviewed several staff who did not know key information about their service; some were unaware of performance trends and could not state the key priorities for improvement in their area of work. A performance culture is not yet embedded throughout all levels of staff.
- 256** Although improvement/review groups are in place, some disciplines that can help them to deliver improvements are absent. In particular, expectations are not always clearly set out at the commencement of improvement initiatives with measures put in place to establish the success and completion of the initiative. The review teams are standing groups not short-life and they do not use project methodology to ensure that reviews result in delivered actions within a tight and agreed deadline. Training that is shortly to be delivered to managers will include project management approaches however. Weak project disciplines can lead to lengthy timescales and a lack of focus on delivery, the review of the lettings standard is an example.

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

- 257** The monitoring of and learning from service standards is inconsistent. While there are a number of services standards across the range of services in the organisation, they are not all measurable and the monitoring and learning from them is inconsistent. ENEHL is not able to demonstrate that all service standards are routinely monitored and reported and the outcomes actioned to either tailor services to customers or to act on any weaknesses identified.
- 258** In some key service areas performance information is not well used to shape improvements. For example in re-letting empty properties information about refusals, the reasons for applicants not bidding, analysing process delays and feedback from new tenants could all be applied to greater effect. These are all missed opportunities to actively apply feedback information and as a result in these areas service improvement is not well shaped around customers.
- 259** There is insufficient focus on improving outcomes for customers. The service improvement plans list many improvement initiatives that are focused on process improvement with ill-defined outcomes for customers. There is an emphasis on continuous improvement, but this would be much better targeted if the expectations and measures were directed to improving experiences for customers.
- 260** Plans to deliver improvement for diverse communities are under-developed. Although ENEHL works with local community groups delivery of change is not yet evident. The link between the equality and cohesion strategy and delivery plans is not made. It cannot be evidenced that delivery is appropriately directed by strategy.

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

- 261** Strengths outweigh weaknesses. ENEHL is responding to financial pressures, has put in place medium term-financial planning and is developing a longer term vision to strengthen communities in its area of operation. The Board of Management provides clear direction and engages both with communities and with staff to improve leadership. Work with local partners is viewed positively and is effective. Staff are supported to improve through personal development but training could be better structured. ENEHL sets realistic targets and is proactive in ensuring that its workforce represents the communities served. However, limited expertise in procurement has slowed progress in market testing and in reducing the reliance on the Council for shared service provision. Staff absenteeism compares unfavourably with other ALMOs.
- 262** ENEHL has put in place a detailed recovery strategy to address increasing financial pressures. A predicted annual deficit post decency of £1.6m had to be revised to £4m in December 2007 as a result of a standstill Management Fee for 2008/09 and a reduction in the projected settlements in future years. The medium term projections show a measured approach to address these considerable pressures with the ENEHL managing an annual deficit in the region of £1m per year between 2011/12 and 2013/14 after which it returns to a surplus making position. We have commented elsewhere that some of these improvements could have been made sooner, but clear plans are in place to deliver the savings needed and these are built into financial projections.

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

- 263** The ALMO is developing its longer term aims. The EASEL joint venture regeneration initiative is aimed at promoting tenure diversity and extending affordable home ownership. The original plan was to generate £1.2bn over 25 years from land sales (as the council has agreed that money from sales should be ploughed back into the local community), but benefits are likely to be delayed because of the slow down in the housing market. ENEHL contributes to and shares the Council's vision for regeneration for areas and communities.
- 264** The Board is appropriately engaged and shapes the strategic direction of ENEHL. Sub committees lead on priority areas for development comprising of human resources, finance and business planning, performance, and audit. A review of governance arrangements following the merger established four area panels to enable local communities to influence decision making and these report priorities and recommendations to the board. Board members are engaged locally in estate visits and board champions meet routinely with the ALMO management team and where necessary with the Council. This improves decision making and leadership.
- 265** Board member performance is appraised annually and tailored training in addition to compulsory training on diversity, finance and audit is available. This helps to ensure that Board members skills are up-to-date and that they are able to provide well informed leadership.
- 266** There is an improving degree of separation from the Council in key areas. We have commented negatively about the range of service level agreements still in place that are yet to be reviewed and the degree of dependence on Council systems. However, it is clear that ENEHL has benefited from support during the merger and transition period and that there is a clear programme to continue to develop a separate identity. This is supported by the Council.
- 267** Partnership working is positive. ENEHL contributes to and supports local agencies with shared goals. We met with several local agencies who were positive about the support they received and the lack of bureaucracy in decision making. For example, the fire service was complementary about ENEHLs contribution to the 'young fire-fighters' initiative which has engaged 150 young people at risk of involvement in anti-social behaviour. In East Leeds in the past two years there has been a 50 per cent reduction attacks on staff and a 36 per cent reduction in malicious false alarms. Effective partnership working has impact in addressing RESPECT and reducing crime against fire-fighters.
- 268** ENEHL has set targets to ensure the workforce is more representative of the local community and these are being met, except for BME staff in the top five per cent of earners. Targets do not yet reflect the proportion of BME residents in communities or people with disabilities, but are realistic at 10.5 per cent and 5.5 per cent respectively, based on previous performance and in the context of low staff turnover to create employment opportunities. Currently 9.81 per cent of employees are from BME communities and 5.6 per cent are classed as disabled and this has been achieved through well targeted positive action initiatives. There are no BME staff in the top five per cent of earners, but targets for women and for those with disabilities at this level are met. ENEHL is monitoring its performance and using this to address inequalities.

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

- 269** ENEHL is positive about appraisal and staff development. Annual appraisals are reinforced by one-to-ones and six monthly reviews for all staff. Staff are supported to achieve qualifications such as professional housing qualifications, specific courses such as ISO9000 quality assessor training and higher education courses. However, it is a weakness that a published training programme is not in place. The ALMO is shortly to launch 'e-learning' covering 57 areas for staff, including for example, project management. This enables staff to develop the skills they need to deliver high quality services.
- 270** Procurement expertise is lacking. There is a heavy reliance on the Council for procurement guidance. In total in 2007/08 ENEHL spent £72m of its combined revenue and capital budgets on goods and services provided by other organisations. The procurement strategy was only written in the months prior to inspection and it is not clear how this will be driven and by whom. The late production of the strategy as well as the intention to extend many important contracts rather than re-tender is evidence of the limited capacity in this area.
- 271** Sickness levels were high at 17.94 days per full time employee for 2007/08, and this did not meet the target of 15 days. Several initiatives that can address this have been introduced including back to work interviews and occupational health involvement. A challenging target of 12 days has been set for 2008/09, but overall ENEHL is a weak (bottom quartile) performer when compared to other ALMOs and this negatively affects capacity to deliver improvement.

# Appendix 1 – Performance indicators

Table 1

Performance indicator (BVPI ref)	2005/06	2006/07	ENEHL 2007/08 (unaudited)	Metro. Councils top 25 per cent 2006/07
63 Average SAP rating	61	65	74	67
66a Percentage rent collected	96.15	96.69	96.68	97.74
66b Percentage tenants with > 7 wks arrears (gross)	7.42	7.29	6.41	3.98
66c Percentage tenants in arrears with NoSP served	30.12	24.93	17.12	22.75
66d Percentage LA tenants evicted for rent arrears	0.27	0.29	0.18	0.41
74a Percentage tenants satisfied with overall service	75	70	74.5	77
75a Percentage tenants satisfied with TP	-	57	54	67
184a LA homes which were non-decent at start of year	50	39	21.51	23
184b Change in proportion of non-decent homes	12.6	10.6	26.21	29.2
212 Average re-let time (days)	63	41	43.97	37

# Appendix 2 – Reality checks undertaken

- 1 When we went on-site we carried out a number of different checks, building on the work described above, in order to get a full picture of how good the service is. These on-site reality checks were designed to gather evidence about what it is like to use the service and to see how well it works. Our reality checks included:
  - a review of key documents including the ALMO delivery plan; customer information; and board performance reports;
  - a review of the ALMO's website;
  - interviews with a cross section of East North East Homes Leeds staff;
  - interviews with key Council staff and the portfolio holder for housing;
  - focus groups with tenants; leaseholders; board members; frontline staff; repair operatives; and partners;
  - observation of tenant meetings;
  - reality checks of customer access points, both in person and by telephone; and
  - visits to tenants whose homes had received major works and to vacant ready to let homes.



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# Appendix 3 – 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)**

- 1 ENHL is highly effective at working with the credit union to ensure financial inclusion for local people including tenants on low incomes. ENEHL promotes these services to tenants and provides a financial contribution to cover the credit union's staff costs. Services available include savings accounts, Christmas savings clubs and current debit accounts. A budget account is available to calculate tenant expenditure for the year and identify regular direct deductions from income to meet obligations. This ensures people meet their expenses and prevents debts accruing. Low cost loans are also available as a more ethical and affordable alternative to door step lending. A debt counselling service assists people to contact companies they owe money to and agree affordable repayment arrangements, and in some cases write off debt. ENEHL and its partners are working to ensure financial inclusion. This includes the facility for a single deduction to be taken from incomes to meet all debts managed by the local credit union. ENEHL supports the credit union's presence on two of its estates, with an ambition to expand further.

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