

Arms Length Management Organisation (ALMO)

June 2008



Your Homes Newcastle

Newcastle City Council

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively, to achieve high quality local services for the public. Our remit covers around 11,000 bodies in England, which between them spend more than £180 billion of public money each year. Our work covers local government, health, housing, community safety and fire and rescue services.

As an independent watchdog, we provide important information on the quality of public services. As a driving force for improvement in those services, we provide practical recommendations and spread best practice. As an independent auditor, we ensure that public services are good value for money and that public money is properly spent.

Copies of this report

If you require further copies of this report, or a copy in large print, in Braille, on tape, or in a language other than English, please call 0844 798 7070.

© Audit Commission 2008

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

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

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

www.audit-commission.gov.uk

Contents

Arm's Length Management Organisation (ALMO) Inspections	5
Summary	6
Scoring the service	7
Recommendations	10
Report	12
Context	12
The locality	12
The Council	12
The service	12
How good is the service?	14
What has the service aimed to achieve?	14
Is the service meeting the needs of the local community and users?	15
Access and customer care	15
Diversity	17
Stock investment and asset management	20
Capital improvement, planned and cyclical maintenance, major repair works	20
Response repairs	23
Empty (void) property repairs	25
Gas servicing	26
Aids and adaptations	28
Housing income management	29
Resident involvement	32
Tenancy and estate management	35
Tenancy management	35
Estate management	39
Allocations and lettings	40
Supported housing	43
Leasehold management and Right to Buy	45
Is the service delivering value for money?	48
How do costs compare?	48
How is value for money managed?	49

What are the prospects for improvement to the service?	52
What is the service track record in delivering improvement?	52
How well does the service manage performance?	53
Does the service have the capacity to improve?	57
Appendix 1 – Performance indicators	60
Appendix 2 – Previous inspection	61
Appendix 3 – Reality checks undertaken	63
Appendix 4 – Positive practice	64

Arm's Length Management Organisation (ALMO) Inspections

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

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

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

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

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

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

The Housing Inspectorate has published additional guidance for ALMO inspections:

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

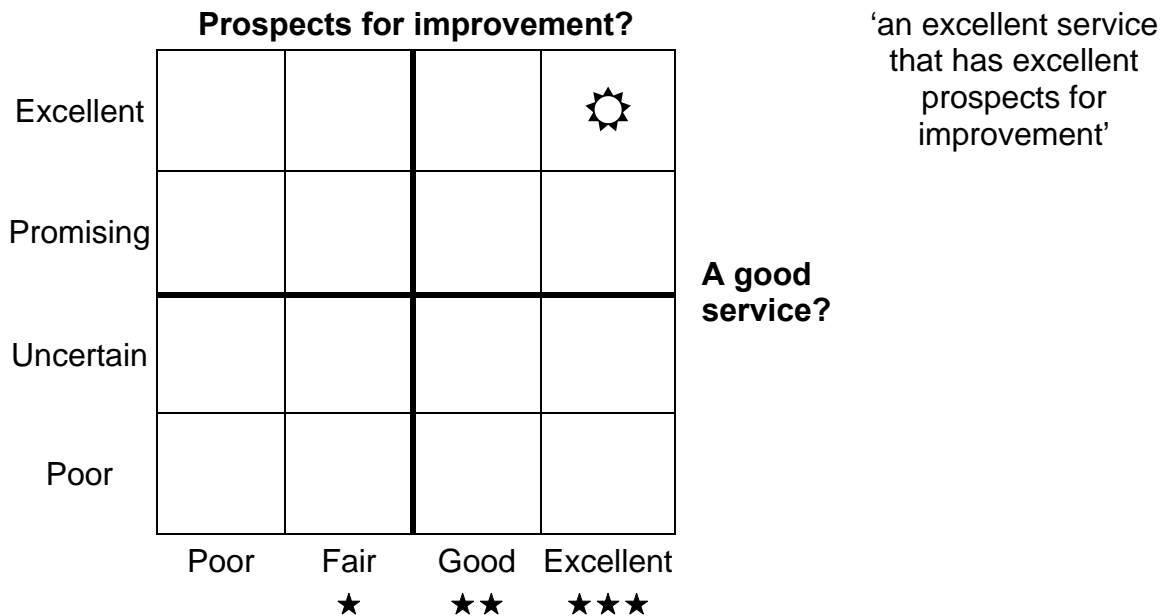
Summary

- 1 Your Homes Newcastle (YHN) is providing an excellent, three-star service which has excellent prospects for improvement.
- 2 Residents and service users are at the heart of the business and their involvement is having a significant impact with a range of positive outcomes achieved. Commitment to customer care is strong and customer satisfaction is increasing. Meeting customers' diverse needs is successfully embedded into day to day activities.
- 3 YHN is providing a range of high quality supported housing services which is well integrated with housing management services and is indicative of the holistic approach that it takes in meeting the needs of its more vulnerable customers.
- 4 Resourced plans are in place to achieve YHN's own Modern Homes standard by 2010/11 with tenants actively influencing the investment programme. The responsive repairs service is well managed and customer focused with high satisfaction levels.
- 5 Financial inclusion is integral to YHN's approach to income management. The approach to debt recovery is customer centred with processes supporting tenancy sustainment. The Your Choice Homes choice-based lettings scheme is well-established and customer oriented with proactive help available to vulnerable applicants.
- 6 The approach to ASB is effective with a focus on tenancy sustainment. Victims and vulnerable perpetrators are well supported and customer satisfaction is high. The overall appearance of estates and multi-storey blocks is positive and the concierge service is supporting housing management practices and tenancy sustainment. YHN's approach to value for money is well developed with substantial efficiency gains achieved.
- 7 There are weaknesses which are, in the main, addressed by YHN's improvement plans. While profile information is held for the majority of residents, there are some gaps. Opportunities to provide employment and training opportunities through the investment programme have not been maximised. Despite improvements, it is taking a long time to let vacant homes, even when long-term voids are discounted. Disabled customers may be waiting longer than necessary for adaptations as the whole process is not strongly controlled.
- 8 YHN has a strong improvement track record. It has achieved a range of customer facing improvements. It has enhanced existing services and developed new services with positive outcomes, particularly for vulnerable people. There is a very strong performance culture with tenants actively involved in monitoring and challenging service delivery. The board is effective and partnership working is well developed.
- 9 While performance has improved in key areas, some weaker areas remain. Staff sickness absence levels are high and the board is not representative of the wider local community. YHN is taking steps to address these issues.

Scoring the service

- 10 We have assessed Your Homes Newcastle as providing an 'excellent', three-star service that has excellent prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Figure 1 Scoring chart¹



Source: Audit Commission

- 11 We found the service to be excellent because it has a range of strengths including:
- a strong and genuine commitment to customer care with increased service user satisfaction and eight services having received the Cabinet Office's Charter Mark award;
 - a wide range of good quality customer information including a comprehensive, interactive website;
 - a comprehensive range of service standards which have been agreed with service users and are generally being met;
 - satisfaction surveys in place for all services which are showing positive results;
 - complaints are well handled;

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

8 Your Homes Newcastle | Recommendations

- services are tailored to meet customers' diverse needs;
- YHN is engaging well with 'hard to reach' groups and actively working to improve their employment prospects;
- resident involvement is well developed and having a significant impact with a range of positive outcomes achieved;
- a range of high quality supported housing services is well integrated with housing management services and meeting the needs of more vulnerable customers;
- tenants are actively influencing the Modern Homes programme and are happy with the work completed;
- the responsive repairs service is well managed and customer focused;
- gas servicing and safety checks are well organised;
- YHN is actively promoting financial inclusion and its approach to debt recovery is customer centred and supporting tenancy sustainment;
- the Your Choice Homes lettings scheme is well-established and customer oriented with proactive help available to vulnerable applicants;
- ASB is dealt with effectively and customer satisfaction is high;
- the overall appearance of estates and multi-storey blocks is positive;
- the concierge service is supporting housing management practices and tenancy sustainment; and
- YHN's approach to value for money is well developed with substantial efficiency gains achieved.

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

- some gaps in customer profile information;
- YHN has not maximised benefits for communities linked to its major investment, for example through employment and training opportunities;
- resources are wasted in attending repairs appointments where tenants are not in;
- it is taking too long to let vacant homes, even when long term voids are discounted, and void repair costs are high;
- disabled customers needing adaptations may be waiting longer than necessary because applications are not sufficiently prioritised or tightly controlled;
- statements do not separate rent and service charge payments and arrears; and
- the leaseholders' steering group has only limited influence with some lack of clarity about its role and accountability.

- 13** The service has excellent prospects for improvement because:
- YHN has achieved a range of customer facing improvements;
 - at the same time as enhancing existing services, it has developed new services which are having a positive impact, particularly for vulnerable service users;
 - there is a clear track record of achieving value for money and improved performance in key areas;
 - YHN is self-aware and open to external challenge which has led to service improvements;
 - leadership has been shown and difficult decisions taken;
 - there is a very strong performance management culture, which is embedded at all levels, with corrective action taken;
 - YHN is comprehensively capturing customer feedback and telling customers how their views have made a difference;
 - staff at all levels are customer focused;
 - HR practices and IT systems are supporting the business;
 - the board is effective;
 - financial management and planning are sound; and
 - partnership working is strong.
- 14** There are some potential barriers to improvement including:
- some areas of weaker performance remain including relet times;
 - staff sickness levels are high; and
 - the board is not representative of the profile of the wider community served.

Recommendations

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

Recommendation

R1 Improve customer care, user focus and value for money by:

- *taking proactive steps to reduce the overall length of time that disabled tenants wait for adaptations;*
- *reviewing arrangements for seeking feedback from tenants and leaseholders to ensure that survey activity is streamlined and coordinated;*
- *working with leaseholders to establish the role and accountability of the leaseholder steering group;*
- *reviewing the rent and service charge statement to ensure that payments and arrears are separated out, in consultation with service users;*
- *reviewing the number of response repair categories to ensure an appropriate balance between customer focus and value for money;*
- *working with service users to identify and implement measures to reduce the number of repair visits where tenants are not in; and*
- *evaluating and establishing clear outcome measures for the anti-social behaviour service, diversionary activity and young peoples' services.*

The expected benefits of this recommendation are:

- an improved service for disabled service users;
- reduced demands on customers to give feedback;
- greater influence for leaseholders in shaping services that affect them;
- clearer information for service users on payments and arrears;
- improved outcomes for service users; and
- increased value for money through effective use of resources.

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

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

Recommendation

R2 Improve outcomes for service users and the wider community by developing a clear vision for the impact YHN intends to have in communities, setting challenging targets for delivering lasting improvement in employment, training, inclusion and area confidence and developing appropriate measures and delivery mechanisms to ensure their achievement.

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

Recommendation

R3 Take action to address all other weaknesses identified in this report and report on the findings to the Your Homes Newcastle board, Newcastle City Council, residents and key stakeholders.

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

Dates of inspection: 31 March to 11 April 2008

Regional contact details

Audit Commission

Kernel House

Killingbeck Drive

Killingbeck

Leeds, LS14 6UF

Telephone: 0113 251 7130

Fax: 0113 251 7131

www.audit-commission.gov.uk

Report

Context

The locality

- 17 Newcastle is situated in the north east of England. It has a population of 270,500³ and is recognised as the regional capital.
- 18 Newcastle has a small black and minority ethnic population at 6.9 per cent compared to a national average 10 per cent. Of these, no one group forms a significant majority. There is expected to be a population growth in both older people and young people by 2014. Currently levels broadly reflect the national average.
- 19 The area has high levels of deprivation. It ranks as the 56th⁴ most deprived council out of the 354 in the country, a small improvement from 48th in 2004. At 7.7 per cent, unemployment is higher than the regional average of 6.6 per cent and national average of 5.3 per cent⁵.

The Council

- 20 The Liberal Democrat party has control within Newcastle with 48 seats, 29 seats are held by the Labour party⁶. The leader and cabinet, known as an Executive, govern the business of the Council.
- 21 The Council's annual revenue budget for 2007/08 is £396 million. The Council is managed by the Chief Executive and a senior management team of an assistant chief executive and eight corporate directors. It has around 9,600 staff, excluding school staff.
- 22 Newcastle City Council was assessed under the Corporate Performance Assessment in 2007 as a three-star authority that was improving adequately.

The service

- 23 Following an extensive stock options appraisal Newcastle City Council created an ALMO, Your Homes Newcastle (YHN), to provide landlord services to its current stock of around 30,500 homes and services for 1,137 leaseholders. This represented the most viable option to achieve the additional investment needed to bring the stock up to the Decent Homes Standard.

³ Office of National Statistics (ONS) mid-year estimate 2006

⁴ Indices of multiple deprivation 2007 (Rank of average rank)

⁵ ONS model-based unemployed (numbers and % are for those aged 16 and over. % is a proportion of economically active)

⁶ After the May 2008 local elections

- 24** The initial five-year agreement with the ALMO commenced in April 2004. In February 2008 the Council approved an extension of the agreement to 2014. The functions delegated to YHN can be summarised as:
- housing management and tenancy enforcement;
 - housing investment and repairs reporting and commissioning;
 - tenant consultation and participation;
 - rent collection and arrears;
 - Your Choice Homes allocations and lettings service;
 - caretakers, concierge and security porters;
 - supported housing service including warden services (sheltered and mobile), furniture service, asylum seekers' accommodation and the relocation service; and
 - leasehold management and Right to Buy administration.
- 25** The functions retained by the council include:
- housing policy and strategy;
 - private sector and housing association liaison; and
 - homelessness and housing advice.
- 26** YHN is managed by a board made up of six elected tenants, six council nominees and six independent people. Four committees have been established to focus on audit; finance; governance; and personnel and property. Three area boards are also made up of one third tenants, one third council nominees and one third independents. The day-to-day running of the company is carried out by a management team headed by a chief executive. It employs 845 staff the majority of whom were transferred from the council.
- 27** In March 2005, the Audit Commission inspected YHN and judged it to provide a good, two-star service, with promising prospects for improvement. That assessment enabled Newcastle to receive additional supported borrowing to bring its homes up to the Decent Homes Standard.

How good is the service?

What has the service aimed to achieve?

- 28 The vision of the council is to create a vibrant, inclusive, safe, sustainable and modern European city by:
- building on the heritage, cultural and economic strengths of Newcastle and the sense of identity and civic pride of its people; and
 - improving the quality of life for its people in its communities and play a leading role in the sustainable growth and prosperity of the region.
- 29 This is underpinned by objectives to deliver the vision examples include:
- providing services that are accessible and of consistently good quality;
 - building and supporting safe and clean neighbourhoods and communities;
 - creating an improved quality of life; and
 - working to improve all housing, health and wellbeing across the city.
- 30 Corporate priorities for the Council are set out in its corporate plan, and examples which link to housing include:
- community safety;
 - housing quality; and
 - equalities and diversity.
- 31 YHN's mission is to be the best housing provider in the North East and it aims to achieve this by investing in:
- support and care to communities;
 - three-star excellent services;
 - a quality workforce; and
 - refurbishing and building homes.

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

Access and customer care

- 32** In 2005, we found a network of welcoming community housing offices with helpful and polite staff. A good quality and consistent range of information was on display in all offices, and an extensive range of 'crystal marked' service standards had been developed with customers. Customers we spoke to were very satisfied with the service overall. However, a high number of telephone calls to the Property Shop were being lost at peak times and a framework for customer consultation had been developed but was not embedded and there was a relatively low level of response.
- 33** In this inspection, we found that strengths considerably outweigh weaknesses. Commitment to customer care is strong and customer satisfaction is increasing. Access to housing management services has been reviewed and shaped in close consultation with service users. Customer information is of very high quality and feedback and complaints are improving service delivery. However, while the draft access and customer service strategy is comprehensive, it has not yet been formally adopted.
- 34** YHN demonstrates a strong and genuine commitment to customer care embodied in its core value that 'every customer matters'. Staff are well trained, highly customer focused and eager to provide a comprehensive and high quality service to residents. They also show a good awareness of their local areas and the customers they serve. Customer satisfaction with the overall service has increased year on year with the 2007 STATUS survey showing that over 78 per cent of tenants were satisfied, an increase of over 5 per cent on the previous year. The quality of eight of YHN's services, including its housing management service, has been nationally recognised under the Cabinet Office's Charter Mark scheme.
- 35** YHN is providing a positive first point of contact for service users. A network of well-located community housing offices provides a high quality environment for visitors who are promptly dealt with by welcoming and knowledgeable staff. Customers making telephone contact receive a prompt response with 90 per cent of calls answered within the stated target of five rings. A comprehensive suite of service standards, agreed with tenants, is in place for all services and standards are generally being met. Customers are 'mystery shopping' services to monitor delivery against the standards with improvements made as a result. Translation and interpretation services are readily available, offices are accessible for disabled people and 40 staff have been trained to use the Type Talk service for people with a hearing impairment. Overall, customers are receiving a positive service.

- 36 The delivery of housing management services has been reconfigured in line with customer feedback. A review of access points identified that there were too many, some were little used and opening hours were inconsistent across the city. A range of options were drawn up with comprehensive customer consultation on those options and on preferred access methods and opening hours. Customers were also involved in the group overseeing the implementation of the preferred option. The majority of customers are now no more than one mile from an office, opening hours are consistent and staff are freed up to do patch-based housing management activities.
- 37 Hard to reach groups were fully consulted about the revised housing management arrangements. Contact was made with a range of hard to reach groups and the Westgate local office was developed following feedback from black and minority ethnic (BME) communities that this was what they wanted. Fenham office was also retained following consultation. This consultation has ensured that the service reflects customers' needs and preferences and it also demonstrates YHN's willingness to listen to and act on customers' views.
- 38 Efforts are being made to further increase access to services with an enhanced out of hours telephone service. The service aims to cover as wide a range of service areas as possible with the hours of 4.30 to 9.00 pm Monday to Friday and 9.00 am to 2.00 pm on Saturdays being piloted. A 10 per cent sample of callers is being called back to establish satisfaction with the service and assist evaluation. An evaluation is planned in June 2008 to identify peak demand times and the most common services accessed. This is increasing opportunities to access YHN services.
- 39 An extensive range of very high quality customer information is available which has been developed with service users. This includes a full range of service specific leaflets, handbooks for tenants and leaseholders, an informative quarterly newsletter, 'Homes and People' which has tenants on the editorial board, and an accessible, interactive and very comprehensive website. All information includes messages about translation in relevant community languages which also explain what the leaflet is about. Customers are well-informed about the services offered by YHN.
- 40 Customer feedback is welcomed and is shaping service delivery. Satisfaction surveys are in place for all services with results closely monitored and acted upon. Where returns of postal surveys are low, these are supplemented by telephone interviews. Feedback showed that customers were concerned about noise nuisance and resources have been directed towards this area. Adverts for vacant homes now include eligibility information following customer comments. A quarterly 'Talk to Us' digest tells customers how complaints and feedback have been used to improve services. This sends a clear message that YHN listens to feedback and that it is worthwhile contributing to surveys.

- 41 Overall, complaints are handled well and in a customer focused way. The process is clearly explained and well publicised. The stated timescale for response has been reviewed and reduced from 15 days to ten days and this target is being met. There are sound systems in place for tracking progress, staff have been trained in handling complaints and complaints champions meet monthly to review performance and trends. The approach to complaints is robust and is helping to drive service improvement.
- 42 YHN's access and customer service strategy is only in draft form. The draft strategy is comprehensive, sets a clear vision for the service and formalises work which is already underway. While the Board is due to consider the draft at its April 2008 meeting, YHN currently lacks a formally adopted strategy to provide focus in this area.
- 43 While housing offices comply with legal requirements relating to disability, the position of information and freephones in some offices is not fully accessible to wheelchair users. This is a potential barrier to accessing services.

Diversity

- 44 In 2005, we found that YHN was genuinely committed to improving in this area and was putting resources and plans in place to achieve this. It had created a dedicated workstream for equalities and diversity as part of its corporate improvement programme to maintain focus. While progress had been made in the last 12 months, this has not yet been fully embedded.
- 45 In this inspection, we found that strengths outweigh weaknesses. YHN is actively managing the delivery of its diversity objectives, it has created a group to provide external scrutiny and assessed the equality impacts of all services. Services are tailored to meet diverse needs. Supported housing services are meeting a diverse range of needs. Arrangements for dealing with hate crime and domestic violence are effective and partnership working is well developed. However, there are some gaps in customer profile information, YHN does not yet have its own equality scheme and the monitoring of some contractors' commitment to equality and diversity is not fully effective.
- 46 YHN's corporate equality plan effectively drives its work in this area. The plan is comprehensive, thorough and includes stretch targets to meet YHN's diversity objectives. Delivery of the plan is overseen by the Diversity Project Board, and monitored via the YHN Programme Board that is chaired by the Chief Executive. Performance on delivery is included in the regular performance reports to YHN board. YHN complies with the Commission for Racial Equality Code of Practice in Housing. A further review of performance against the Code has helped inform stretch targets in the corporate equality plan. YHN is actively managing the delivery of its diversity objectives.

- 47 YHN's strategic approach to equality and diversity is strengthened and supported by the creation of the Strategic Independent Advisory Group (SIAG) to provide external scrutiny of its work on diversity. The group, drawn from a broad cross-section of the community, acts as a critical friend and 'sounding board' on policy and service development. YHN is benefiting from SIAG's input in better tailoring developments to meet the needs of the community.
- 48 YHN is effectively assessing the impact of its services. All services have received equality impact assessments with 24 completed during 2007/08. The process for conducting them has been streamlined making them more focused on identifying barriers to services. Managers and staff have ownership of the assessments. Examples of their impact to date include the development of a young peoples' action plan following the assessments of the Stepping Stones hostel and the Inline support service; customers being offered a face to face interview in one day to respond to anti-social behaviour issues; and the recruitment information pack has been updated to increase its accessibility. Equality impact assessments are identifying areas for service improvement and policy development.
- 49 Diversity is being successfully embedded into the mainstream of YHN's day to day activity. An effective adult protection policy is in place which is positive given the vulnerable nature of some YHN service users. Generic diversity training is compulsory for all staff, supplemented with other training on areas such as domestic violence, mental health and deafness awareness for those staff who require it. Training has been evaluated and shown to be valued by staff. A useful diversity guide has been produced for staff and contractors. In addition, all staff have a diversity competency included in their personal performance plans. These measures are giving YHN's diversity objectives a high profile within the organisation and equipping staff to deliver them.
- 50 Efforts are being made to tailor services to meet customers' specific needs. Diversity information is held on 80 per cent of service users and the IT system flags up information about customers' individual needs and preferences and staff were able to give a wide range of examples of how they had used this in practice. Pre-letting visits ensure that tenants' needs and vulnerabilities are known and addressed with appropriate referrals made to internal and external support services. Bangladeshi residents raised concerns about clear glass being fitted on staircase windows and so obscured glass is now used in all homes which preserves privacy for all tenants. Kitchen storage has been configured to allow storage of bulky ingredients for large and extended families and ventilation increased in homes where cooking involves high temperatures and steam. The furniture service includes a shower attachment in packs for tenants who need to bathe in running water for religious reasons. Diversity information and customer feedback are being used to provide personalised and sensitive services.
- 51 YHN's supported housing services are meeting a diverse range of needs. This includes accommodation-based and floating support services for young people, older people, asylum seekers and families whose behaviour and needs require intensive support. These services are promoting independent living and tenancy sustainment for some of the most vulnerable people in Newcastle.

- 52 There are well established arrangements in place for reporting hate crime. Hate crime reporting in Newcastle is managed by ARCH (Agencies Against Racist Crime and Harassment) which is part of Safe Newcastle, the Crime and Disorder Reduction Partnership, to which YHN has signed up. Every local office is a reporting centre and YHN's community care alarm service (CCAS) provides the 24 hour reporting helpline. All staff have been trained by ARCH and are able to contact the service for help and advice if needed. Positive joint work between YHN and ARCH has taken place in Walker and Inner West following a significant increase in racist incidents and the asylum seeker unit is seen by partners as very proactive in addressing issues that arise. Overall, this is ensuring a coordinated and consistent response and YHN is viewed as a proactive partner.
- 53 Arrangements for dealing with domestic violence are effective and YHN takes the issue extremely seriously. Staff are aware of referral routes for domestic violence and of in-house options available to customers. Links with the Council's Housing Advice Centre and Homeless Service are strong. The Council also administers a Sanctuary scheme and, in 2007/08, 70 out of 88 referrals were from YHN. YHN's CCAS also offers customers the choice of a dispersed alarm unit and pendant, linked to its control centre, for those experiencing domestic violence, racial harassment or other hate crimes. YHN is responding quickly, positively and flexibly to the needs of very vulnerable customers.
- 54 YHN works with a range of partners to deliver its diversity objectives. There is a strong and practical relationship with the Council, Probation Service and Youth Offending Team on anti-social behaviour. Housing support services work effectively with agencies such as the North East Council on Addictions, the Richmond Fellowship, the Elders' Council, and health services. The Asylum Seekers Unit has built up longstanding relationships with the network of voluntary sector organisations working with asylum seekers and refugees in the City and with groups representing new communities in Newcastle. YHN is making a tangible and positive contribution to community cohesion.
- 55 Positive steps have been taken to support local people with diverse needs into work. Jobs are advertised through Disability North East, as well as in the local press, and YHN is working with the Shaw Trust and Rehab UK to offer work placements with a number of people going on to paid employment. Forty staff have been trained in Type Talk and the YHN job application form is available in Braille. Focus groups were held with people from BME communities to identify barriers to employment and this resulted in a review of the job application form, advertising in the community press and the running of workshops to prepare 50 people for competency based job applications and interviews. This is enhancing employment prospects for people with diverse needs both with YHN and the wider job market, and is showing leadership in a local operating context of relatively high unemployment.

- 56 Although YHN has some diversity profile information for 80 per cent of customers which is being used well, there are some gaps in this data. No information is held on the sexual orientation of customers and work to collect this will only begin in 2009. YHN has become a member of Stonewall to assist its preparation for this. While information on disability and long term illness is held on 85 per cent of customers, the nature of the disability is only known for 32 per cent of these. These gaps in profile information limit YHN's ability to adapt and develop services to meet all customers' needs.
- 57 YHN does not yet have its own Equality Scheme and is currently operating within Newcastle City Council's schemes for race, disability and gender. A unified scheme for YHN is being developed and this will go out for consultation in June 2008. Until YHN has its own bespoke Equality Scheme it will not be maximising the strategic impact of its work on diversity.
- 58 Monitoring of some contractors' commitment to equalities is not fully effective. Equality compliance requirements, and delivering diversity objectives, are included in the procurement process and in contracts. YHN has robust arrangements in place to monitor equality performance with CityBuild, the responsive repairs service provider, with regular meetings to examine performance, actions agreed to rectify under-performance and performance and outcomes reported to the Diversity Project Board. However, there is little active monitoring of other contractors' compliance with equalities commitments. YHN cannot currently guarantee that its contractors are complying with contractual obligations on diversity.
- 59 BME communities and disabled people are under-represented in the workforce. and although targets have been set for improvement, these are not all being met. Only 2.5 per cent of the top 5 per cent of staff have a disability compared to a target of 8.57 per cent. While the target to have 2 per cent of the top 5 per cent of staff coming from BME communities has been exceeded at 2.4 per cent, the overall composition of the workforce does not yet reflect the wider community. YHN is seeking to address this through a range of measures, as described above, but it is too early to assess the impact of these initiatives and currently, the workforce is not fully representative of the community it serves.

Stock investment and asset management

Capital improvement, planned and cyclical maintenance, major repair works

- 60 In 2005, we found that this was an area of strength. YHN had developed clear plans setting out how it would deliver the Decent Homes Standard (DHS) by 2010. It had identified the level of resources required and had devised a detailed capital investment plan which specified which homes will receive investment, the kinds of work to be carried out and when it was programmed to take place.

- 61 In this inspection, we found that this continues to be an area of strength. Resourced plans are in place to achieve the Decent Homes Standard by 2010/11. YHN's major works initiative known as the 'Modern Homes' programme is on target with progress closely monitored. Partnerships with major works contractors are well managed. Tenants are actively influencing the investment programme and are well involved during works. However, opportunities to secure training and employment opportunities for local people through partnering arrangements have not been maximised and the existing asset management strategy is limited.
- 62 Although Decent Homes compliance is low, this is in line with expectations and resourced plans are in place to complete the Modern Homes programme by 2010/11. YHN agreed with tenants at its inception that its Modern Homes programme would be completed in two major phases, internal and external work, to ensure that disruption to tenants was minimised and that all tenants would benefit from some improvements early in the programme. Although welcomed by tenants, this approach means that compliance will not be achieved until both phases are complete. As a result, 72 per cent of properties were non-decent as at April 2007. However, as the second phase of work commences, rapid improvements in decency are expected. Improvements in decency are modelled and compliance is in line with expectations.
- 63 YHN's 'Modern Homes' standard exceeds the Decent Homes requirements. This has been developed with and informed by tenants. The standard exceeds basic requirements by, for example, having reduced replacement cycles, 'secured by design' features such as external low energy lighting and, where necessary, full refurbishments of kitchen areas to bring homes up to contemporary standards. This approach offers higher standards for tenants and is reflected in satisfaction ratings with major works of 90 per cent, slightly exceeding the target of 89 per cent.
- 64 Because overall levels of decency do not provide an insight into the success of the Modern Homes programme, some tailored targets and measures have been introduced. Programme modelling has been undertaken and annual targets set in line with this. For example, targets focused on completion of external elements and another to improve thermal comfort and energy efficiency are included in YHN's balanced scorecard, which is routinely examined by the executive group and the board. This ensures that progress is at an acceptable level at any stage of the programme.
- 65 YHN has routinely updated its stock condition data and has used this to inform its programme and resource projections. The original 10 per cent survey information has been updated as the programme has progressed and at the time of inspection up-to-date information was held on 82 per cent of the stock. This information is used actively to re-assess resource requirements. YHN's modelling predicts completion of the programme during 2010/11.
- 66 Stock condition information is robust. The surveys undertaken have assessed the implications of the Housing Health and Safety Rating System with hazards assessed based on the current and potential future occupant of the properties. This is an appropriate approach to minimising risks.

- 67 Arrangements for dealing with asbestos are well structured. An asbestos management plan is maintained and risks have been assessed. Contractors and tenants are well advised of risks and appropriate controls. This ensures safety appropriately.
- 68 There is effective communication between YHN and the Bridging Newcastle Gateshead housing market renewal pathfinder. Liaison takes place at both strategic and operational levels with a strong, shared commitment to working together to achieve positive outcomes. This is ensuring that plans and finances are well aligned and is enabling YHN to lever in resources to complement its own investment in the Modern Homes programme.
- 69 Partnerships with major works contractors are managed through a well structured framework. This includes:
- high level strategic engagement through 'strategic alliance' meetings;
 - performance management, shared learning and development through strategic core meetings; and
 - programme delivery managed through a Modern Homes client executive group as well as a range of neighbourhood meetings between operational staff.

Through this framework, which ensures staff are engaged at the most appropriate level, key decisions such as reducing the number of partners have been made and change agreed without disagreement or dispute. This structured approach helps to make sure that partners are well involved and that their expertise and contributions are used.

- 70 Decisions about the allocation of work to investment partners are made based on a transparent and shared assessment of partner cost and quality. Routinely refined and updated the contractor information is available to all through shared IT arrangements. A 50/50 cost and quality assessment is made about each partner's performance. Work allocation is adjusted based on this performance assessment. This is understood by all to reward high performance and encourage continuous improvement.
- 71 Tenants have active influence in the Modern Homes programme. Regular satisfaction checks have been a routine feature which YHN has used to improve the programme. Specific improvements have included action to deal with poorly performing contractors, improving customer care approaches and improving respite facilities. Formal groups that include tenant members have overseen the required changes and have been closely engaged in strategic decisions such as the order of programming, changes to product specifications and contractor selection. This has helped to tailor YHN's work to the needs of its customers.
- 72 Helpful and up-to-date information is provided to customers about the Modern Homes programme. The information in leaflets, a DVD, updated through the newsletter and on the website is clear and comprehensive. The Modern Homes bus is also helping to get information to tenants on investment plans and the choices available. This is customer focused and helps customers to make arrangements in advance of planned works to their homes.

- 73 Contractors and partners demonstrate a knowledgeable approach to working with diverse communities. They reflect good knowledge of language and translation services and show sensitivity when providing services for vulnerable people. Training in these areas is an evident feature and in one case a major partner has used YHN's guide to culture and diversity to strengthen its wider organisational approach.
- 74 Tenants and residents are well involved during major programmes of work. Major partners all have resident liaison officers who work with and alongside the YHN's. Partners attend where necessary a range of local meetings as well as formal groups that engage tenants for example area committees and the property committee. Satisfaction levels are high and customers we met were happy with the completed work and the way in which it was carried out.
- 75 Planned programmes are in place covering all areas of landlord routine responsibilities. The contracts are effectively managed and expenditure is in line with budgets. In some cases, for example lift maintenance, significant value improvements have been made. YHN is meeting landlord responsibilities and ensuring that property maintenance is routine and effective.
- 76 YHN does not demonstrate a sustained drive to maximise the benefits of its investment for communities and neighbourhoods. Although some general expectations of partners exist regarding local labour and apprenticeships, it is not clear that targets have been actively monitored, reported to accountable groups and adjusted over time relative to neighbourhood needs and demographic change. This is a missed opportunity to fully contribute to area regeneration beyond dwelling improvement.
- 77 The existing asset management strategy is lacking in some areas. The current document dates from 2004 and does not adequately cover areas such as stock condition data management, the planned/ responsive split or the maximising of the value of investment. While a new strategy is close to completion and represents a step change, YHN currently lacks a strong strategic basis for its asset management practices.
- 78 Several leaseholders in an inspection focus group expressed concerns about work programming. Because of the extent of Modern Homes works, for example carried out in communal areas, work has been undertaken and later disturbed by follow on trades. Concerns about the value for money impacts of these programming issues are justifiable.

Response repairs

- 79 In 2005, we found that strengths identified in a previous inspection were more embedded and that there had been a number of additional improvements which customers recognised. Performance on completing repairs within stated timescales was improving with a high proportion completed on the first visit. However, there were high levels of repair variation orders and of repairs cancelled because tenants were not at home. Customers' choice of repair appointments was limited.

- 80 In this inspection, we found that this is a strong area overall. The response repairs service is well managed. The service is customer focused with repairs completed quickly, right first time and by appointment. However, resources are wasted in attending appointments where tenants are not in and the balance of planned to responsive works is not in line with recommended ratios.
- 81 Response repairs are well arranged and managed. The service is delivered through a tendered partnership. Management of the partnership is open and based upon agreed method statements, service standards and key performance indicators. There is a focus on continually improving services, evidenced, for example, by the imminent introduction of automated repairs texting in advance of appointments. The partnership forms the basis for effective response repairs.
- 82 The response repairs service is improving and meeting customers' expectations. For example, in 2004/05, 93.7 per cent of urgent repairs were completed within time limits. This has steadily improved to 99 per cent in quarter three of 2007/08. The average number of days taken to complete urgent repairs has fallen over the same period from nine to 5.58 days and customer satisfaction has risen from 89 to 94 per cent. The proportion of appointments made and kept has also improved from 33 per cent to 96 per cent over the period and over 90 per cent of repairs are completed on the first visit. Customers benefit from a much improved response repairs service.
- 83 Several customer focused improvements have been introduced. Repairs appointments can now be made for evenings and on Saturday mornings; the appointments offered include four slots per day; operatives now call customers in advance of visits; the number of repair categories have been expanded to provide greater focus on emergency and urgent repairs and the ways that repairs can be reported have been expanded and include modern methods including email and text. These improvements improve customers' experience and contribute to rising levels of satisfaction.
- 84 Repairs are operated flexibly with the needs of customers in mind. Flexible working enables operatives to deliver a good service to customers, through working evenings and Saturday mornings. Operatives are multi-skilled and are empowered to vary works within parameters of cost and time. Imprest stock on vans enables some flexibility. The level of variations is monitored and, because of good original diagnosis of repairs, has reduced from 10 per cent in 2006/07 to 6.8 per cent in 2007/08. YHN is keen to meet customers' wishes and has empowered staff to do so.
- 85 Operatives show a good understanding of customer needs. Jobs are sent to hand-held computers and are flagged if a customer has specific needs or is vulnerable in some way. They are also able to readily access an interpretation service if a tenant's first language is not English. This is providing a tailored service.
- 86 Variance against budgets is closely managed. Management accounts show that variation is slight with no likelihood of repairs being restricted or backlogged at the end of the financial year. This ensures that tenants receive the services that they have a right to.

- 87 Although improving, considerable resource is wasted in attending repairs appointments where tenants are not in. This is proving to be a difficult area to resolve and YHN consistently and routinely advises tenants about the importance of being present to allow access for appointed repairs. The proportion of no-access attempts has reduced from 10 to 6 per cent but still represents some 9,000 jobs. This is a drain on available resource.
- 88 The balance between planned and responsive repairs remains a problem area for YHN. In 2004/05, 67 per cent of work undertaken was responsive. While this has reduced noticeably to the 2007/08 level of 48 per cent responsive it is still very short of Audit Commission recommended proportions of 30 per cent responsive and 70 per cent planned work. Planned works generally provide better value for money and such a high level of responsive work is potentially not providing effective use of resources.
- 89 The number of repair categories has not been analysed to ensure an appropriate balance between customer focus and value. There are at present eight repair categories with costs for prompt responses being incurred. Although there is a positive emphasis on meeting customers' needs, YHN cannot demonstrate that the costs justify this level of provision.

Empty (void) property repairs

- 90 In 2005, we found that there had been considerable improvement in this area with an increase in the overall standard of vacant homes and a significant reduction in average re-let times. A void property standard had been developed with tenants.
- 91 In this inspection, we found that strengths and weaknesses are balanced. A void standard has been agreed with tenants and new tenant satisfaction has increased. Targets have been set for improved performance supported by delivery through specialist contracting teams. However, it takes too long to let routine voids, the average costs are high and limited work has been done to ensure that the void process is efficient.
- 92 YHN has agreed its void standard with tenants. This standard is provided to applicants and void contractors who use it to maintain consistent standards. A recent review with tenants concluded that, although basic, the standard when applied consistently will produce attractive to let properties. Modern Homes work, where needed, is also carried out during the void period. Ready to let properties that we viewed met or exceeded the published standard. Priorities for tenants are emphasised in property standards which helps to maintain the lettability of homes.
- 93 Targets are set for void processes which can contribute to improved performance. Targets for inspections (three days, although these are generally done within one day) and for completing repairs varying between seven and 12 days are in place and these are consistently met. Although these targets may be improved upon, they indicate a better focus on making properties available quickly for rent.

- 94 Void works are undertaken by specialist contracting teams. The partnering contract for the work engages multi-skilled teams where appropriate and specifies arrangements to ensure that they can either undertake responsive repairs or be assisted by responsive repairs operatives in times of high demand. This can assist the prompt turnaround of properties for reletting.
- 95 New tenant satisfaction has improved. Only 82 per cent of new tenants were satisfied in 2006/07 compared to 90 per cent at the time of this inspection. This measure covers both the reletting process and the standard of the new property but nonetheless shows that customers' needs are better met.
- 96 It takes far too long to relet vacant homes. There have been key improvements made over the last year that have contributed to a reduction in average re-let times from 130 days in 2006/07 to an average of 84 days at the end of March 2008. The underlying figure, when the effect of letting a number of long-term voids is discounted, shows an average re-let time of 41 days which, when compared to other ALMOs, places YHN among the poorer performers. Those in need of housing may wait longer than is necessary for assistance and YHN is losing income that it could invest in service improvement.
- 97 The cost of void repairs is high. On average void repairs cost YHN £2,641 per property. This has increased by around £200 on the previous year. Some major works are known to contribute to higher average costs, but there is little to indicate that reasons for this have been thoroughly explored and that a full understanding of void costs exists. Some improvements to value and reductions in time to relet may be made.
- 98 YHN has not sufficiently examined its costs in managing void properties. In attempting to address high average turnaround times, several changed processes and additional meetings have been introduced as well as 100 per cent pre and post inspections. New processes add costs and it has not been demonstrated that they contribute to significantly improved performance.
- 99 Considerable costs are incurred because of the poor standard of vacated properties. Cleaning and clearance of properties in 2006/07 amounted to £423,000 and up until the month prior to inspection, when an incentive scheme was introduced, little has been done to encourage those vacating properties to adhere to tenancy conditions. This has added to costs and increased turnaround times.

Gas servicing

- 100 In 2005, we found that this area had improved with stronger arrangements for reducing the number of homes without an annual safety check. This included evening and weekend appointments and using the Environmental Protection Act 1999 to gain access.
- 101 In this inspection, we found that this is an area of strength. Gas servicing is well organised with opportunities to gain access maximised and prompt action taken if this is not achieved.

- 102** Gas servicing is well organised, ensuring that its landlord responsibilities are met. It is procured via a tendered partnering contract. The team work on a nine month planning cycle so that appointments are made in advance of expiry of the current certificate. At the time of inspection no properties had outstanding services. Results show that tenants' safety is prioritised.
- 103** Effective procedures ensure that prompt actions are taken in the event of access difficulties. The partner contractor operates a shared database with YHN and this is used to generate weekly, monthly and quarterly reports. No access properties are listed each week and a series of methods including personal contact by neighbourhood 'gas champions' is used to gain access. Gas limiter valves have been used in properties where access is known to be difficult and the final recourse is to firm and effective legal procedures. Quality assurance is robust with processes in accordance with CORGI advice. This results in exceptional performance.
- 104** YHN uses effective legal methods where necessary to gain access to undertake services. The Environmental Protection Act has been used extensively with 225 warrants issued in the last year. The time between warrant and entry is only 28 days with sensitive attempts at personal contact continuing during this time. Only 13 properties have necessitated forced entry. This approach has provided the legal right to enforce gas servicing.
- 105** Legal powers are supplemented by customer friendly initiatives to ensure gas servicing is carried out. Out of hours appointments as well as an incentive for first time access has been introduced. Outstanding services are flagged on the repairs system allowing call centre staff to remind/book servicing appointments whenever tenants make contact. The Modern Homes information bus will shortly be used for one day per week to promote the importance on estates of gas servicing.
- 106** Gas servicing for new tenancies is routinely carried out. Initial checks are undertaken during the void period and the gas supplies capped. When customers take up their tenancy they are required to contact the gas team to have their supply turned on and appliances serviced. Follow up letters are sent to those who do not contact but no risk exists during this initial period as the supply is capped.
- 107** YHN cannot gauge or enforce gas servicing for leaseholders. The lease does not allow YHN to require gas servicing. Beyond regular newsletter reminders and publicity in this area, it has not devised opportunities for leaseholders to opt into gas servicing arrangements or sought to explore enforcement. This represents some degree of risk in multi-occupied environments.

Aids and adaptations

- 108 In 2005, we found that, while demand was outstripping resources, YHN was taking positive steps to achieve value for money and to enable resources to go further.
- 109 In this inspection, we found that strengths and weaknesses are balanced. The service is widely promoted. Adaptations are included within the Modern Homes programme which is both customer focused and supplementing existing budgets. However, waiting times are not improving significantly, applications are not sufficiently prioritised and opportunities to ensure that assessments are done promptly are not maximised.
- 110 The service is appropriately advertised in a variety of media. Up-to-date leaflets, service standards and web information have been developed with tenants and are written clearly and presented attractively. The approach maximises awareness of the adaptations service among tenants.
- 111 YHN ensures that its Modern Homes programme takes appropriate account of the needs of tenants requiring adaptations. All tenants' needs are assessed at pre-works stages and the occupational therapy (OT) service engaged to specify appropriate provision. In the last three years approximately £3.5 million has been spent on adaptations through the Modern Homes programme with around 65 referrals per month, in addition to the annual adaptations budget of £2.8 million. This is a proactive approach that benefits many tenants and minimises later disruption. Overall satisfaction with the service is high at 94 per cent during 2007/08.
- 112 YHN is drawing appropriately on local needs data to inform its work in this area. The Council has recently undertaken a housing needs survey and this will be used by YHN to adjust the level of ongoing budgets and future commitments. YHN is making sure that the needs of vulnerable people are met through the continued provision of relevant aids and adaptations.
- 113 Waiting times for adaptations are not improving significantly. Monitoring of the process is compared to Communities and Local Government department (CLG) benchmarks but this reveals little change from an average waiting time of 149 days in 2006/07 to 140 days in 2007/08. Although several categories of adaptation are completed in below average times, the most common request is for level access showers and kitchen adaptations where customers wait an above average 210 days.
- 114 Applications for adaptations are not dealt with in priority order. While the Council's occupational therapy service undertakes assessments of all applications, their recommendations are not prioritised beyond those in need of palliative care or those in need of access to toilet facilities. This does not reflect a sensitive approach to meeting needs.
- 115 There is no formal service level agreement to assist in managing the contribution of the OT service. At present the service is managed through a high-level protocol. YHN accepts that performance monitoring, continuous improvement and learning could be improved by increased rigour in this area.

- 116** Procurement of aids and adaptation equipment has not been revised to ensure value for money. Currently there are four service providers with partnering arrangements coming to an end during 2008/09. A full procurement exercise has recently begun. There may be value improvements that have not been realised to date.

Housing income management

- 117** In 2005, we found that YHN had expanded the range of rent payment methods and customer information was generally positive. Performance was improving. However, there was no income management strategy and a number of tenants had high levels of rent arrears.
- 118** In this inspection, we found that this is an area of strength for YHN. A high priority is given to financial inclusion. The advice and support service is providing a valuable service. The approach to income management is customer centred with processes supporting tenancy sustainment. Performance on rent collection and current and former tenant arrears recovery is strong. However, YHN lacks information on the profile of debtors.
- 119** A comprehensive income management strategy in place which is publicly available via the website. The strategy is supported by an action plan which is regularly updated and housing management staff have received training in the management of rent accounts. Strong operational links exist to the financial inclusion strategy. Staff understand the organisation's approach to income management, are aware of what is expected of them, and are clear about the ways in which they can refer customers in arrears to sources of help.
- 120** Customer information is clear and designed with service users. This includes a clear explanation of how rents and service charges are calculated and quarterly rent and service charge statements. Rent accounts can also be viewed online through YHN's website. The approach ensures customers are well informed.
- 121** YHN is actively promoting a rent payment culture among its customers that begins at sign up. The importance of maintaining a clear rent account is widely advertised and regular payment campaigns are undertaken, targeted at rent free weeks. A third rent free week is being introduced this year which, from the evaluation of the positive impact of the existing two, will assist with rent recovery. Tenants with clear rent accounts are also entered in a quarterly prize draw. A DVD is issued, and played, at tenancy sign up which includes information on rent payment and identifies sources of help. Through these mechanisms, customers are clear about the importance of maintaining regular payments.

- 122** A wide range of payment methods are available to customers with the most cost effective promoted. Payments can be made in cash, by swipe card, by Direct Debit, online or by telephone. Customers can arrange Direct Debit payments for the 5th or 20th day of each month or weekly which helps them to plan their finances. There is a firm focus on increasing Direct Debit payments supported by a prize draw for tenants opting to pay by this method. However, swipe card payments are the most popular with customers and, through a partnering arrangement with the Council, a very competitive unit transaction cost has been achieved that compares very favourably to Direct Debit. Overall YHN is ensuring that customers have access to a payment method that is convenient for them while minimising transaction costs where it can.
- 123** Over the last three years performance on rent collection has improved to a point where it is now among the best performers. Changes to the way in which YHN calculates the Best Value performance indicator for rent collection means that actual figures differ from those published. The percentage of rent collected was 96.92 per cent in 2005/06, 97.1 per cent in 2006/07 and stands at 98.7 per cent at quarter three of 2007/08, although this figure is yet to be audited. Current arrears have reduced from £4.18 million in April 2007 to £3.09 million in January 2008. YHN is taking positive steps to maximise its rental income and resources for service delivery.
- 124** Housing Benefit liaison arrangements are sound. A service agreement is in place with the Council's Housing Benefit service. New claims are processed in an average of 25 days and change of circumstance claims in an average of 9 days. YHN staff have 'read only' access to the claims database and have ready access to Housing Benefit staff, some of whom are co-located, and managers for advice and information. YHN can easily track the progress and status of Housing Benefit claims.
- 125** Financial inclusion is integral to YHN's approach to income management, supported by a comprehensive strategy and a well-publicised in-house advice and support service. Support staff are locally based, ensuring close working with housing management staff, with the team increased from nine to 14 to provide a member of staff at each office. Money, debt and budgeting advice is provided as well as helping to maximise benefit entitlement and assist with charitable grant applications. Between April and December 2007 the service raised £98,000 in charitable grants and assisted customers to claim over £1 million in benefits. YHN is also part of a financial inclusion partnership which includes the Council, Money Matters, Help the Aged and the Citizens Advice Bureau which is helping to maximise financial inclusion opportunities for residents. YHN is positively promoting financial inclusion and taking practical steps to assist customers in financial need which is of key importance in the local context of high levels of deprivation.

- 126** Financial inclusion is further promoted through a low cost home contents insurance scheme for tenants. Twenty per cent of tenants currently make use of the service. A recent procurement exercise has reduced premiums for existing customers and is providing the choice of significantly more levels of cover for current and future customers. Customers have access to an affordable contents insurance scheme that can be tailored to their requirements.
- 127** There is a firm focus on preventing rent arrears with early intervention including welfare benefits advice and debt management. A housing officer visit is triggered by the issuing of an arrears letter after two weeks of non-payment. There is also a requirement that all rent accounts are checked quarterly to ensure they are up to date and to identify those customers who may be at risk of falling into arrears. By intervening early when arrears occur YHN is increasing the likelihood of customers clearing their rent accounts and reducing the possibility that they fall into greater arrears.
- 128** There are appropriate stages of escalation in the arrears process with a strong focus on tenancy sustainment. A further automated letter is issued to customers where no contact is made or agreement to pay entered into before a Notice Seeking Possession. Between stages concerted efforts are made to establish contact with customers through out-of-hours visits, email, telephone and text and at all times engage the customer with advice and support staff where appropriate. YHN is actively taking steps to minimise the need for eviction.
- 129** A positive prevention of eviction protocol is in place. This is used to ensure that all possible avenues of support or debt management have been attempted before legal action is taken. The protocol is widely known among housing, support and advice agencies in the city and by local solicitors. The Council values the process as part of its work to prevent homelessness and it is cited by both Shelter and Homeless Link as positive practice. YHN is taking positive steps to avoid evictions at a time when it is increasing rent collection and reducing debt.
- 130** There is regular liaison with the courts, including quarterly meetings with District Judges, which has been beneficial and which covers debt recovery and anti-social behaviour actions. YHN was invited last year to make a presentation to Judges and other court officers on its recovery processes. This has raised awareness of the thorough approach taken prior to Court action being taken and in turn has increased Court confidence in YHN processes. The taking in-house of preparatory legal work has reduced costs and significantly reduced applications for hearings from 142 days to 24. The use of the 'claims online' system is now saving £50 per claim. Effective court liaison has brought about noticeable efficiencies in legal proceedings.
- 131** Although there is a relatively high level of former tenant arrears, YHN has successfully strengthened its approach to recovery. It has used innovative methods to recover debts and improvements to tracing have resulted in £1.3 million of previously written off debt being resurrected so, while collection has increased from £480,709 in 2006/07 to £516,126 in 2007/08, former tenant arrears have risen from £4.37 million to £5.7 million. However, overall YHN is realising substantial income gains from its approach to former tenant arrears.

- 132 While information on service charges is provided to customers at the point of tenancy sign up and through the annual rent increase letter, quarterly rent statements do not separately show service charge payments or arrears. Consequently customers, particularly those paying a small contribution to rent and service charges, lack clarity on what they should be paying.
- 133 Recovery of rechargeable repair costs has been weak. This has been done through a service level agreement with the Council with only £13,000 collected from £99,000 in recharges raised in 2007/08. This is an ineffective arrangement which YHN has addressed by terminating the agreement and bringing the function in-house from 2008/09.
- 134 YHN does not have a clear picture of the diversity of its debtors. To date no profiling of people in debt has been undertaken although this work is being carried out in 2008/09. Until this has been done, YHN is missing opportunities to better target both advice and recovery methods.

Resident involvement

- 135 In 2005, we found that staff and board members of YHN were strongly committed to tenant and leaseholder involvement. Considerable progress had been made in this area since the 2003 indicative ALMO inspection and, overall, this was an area of strength.
- 136 In this inspection, we found that resident involvement is an outstanding area for YHN. Residents are truly at the heart of the business with a comprehensive range of involvement opportunities and a tailored approach for engaging with 'hard to reach' groups. Resident involvement is having a significant impact with a range of positive outcomes achieved.
- 137 YHN demonstrates a strong and genuine commitment to involving residents in all aspects of service delivery. This is underpinned by its Tenant and Leaseholder Involvement Strategy 2007-2010 and the city-wide Tenant and Leaseholder Involvement Compact. These provide a good basis for increasing involvement, for consultation and for inclusion with progress monitored by tenants and sets resident involvement in a sound strategic context.
- 138 A comprehensive range of involvement opportunities are widely publicised. A clear and accessible 'You Talk, We Listen' leaflet gives a good overview of the ways in which residents can influence services. These range from taking part in estate walkabouts; completing surveys and online polls; being part of the 'Homes and People' editorial board; being part of discussion groups; service user workshops informing service level agreement reviews; mystery shopping; joining a tenant and resident association (TARA) or the dedicated leaseholder steering group; attending YHN board meetings; and YHN board membership. Activities are star rated to give an indication of the likely time commitment for each involvement method. YHN actively promotes these opportunities through its website, leaflets, Homes and People and through regular 'get involved' road shows around the City. By February 2008 these road shows led to 247 new people being added to the 'make a difference' volunteer database.

- 139** Tenant satisfaction with opportunities for involvement is high. In 2006/07, 67 per cent of tenants were satisfied with involvement opportunities which was among the best performers, rising to 76 per cent when adjusted for deprivation. The 2007/08 STATUS survey shows a decline to 63.8 per cent of tenants being very or fairly satisfied, although only 5 per cent expressed dissatisfaction. YHN is actively working to understand the background to this decline, but the overall picture remains positive.
- 140** YHN is ensuring that it engages with diverse and 'hard to reach' communities and removes barriers to involvement, with methods used shaped by consultation with those groups. This includes:
- holding regular meetings with young people at a pizza restaurant with attendees influencing newsletter content; delivery plan priorities; the incentive scheme to leave vacant homes in good order; and a review of the street warden service;
 - work with BME residents who have informed work to remove barriers to employment and the locations of community housing offices. BME communities now make up 12 per cent of involved residents;
 - specific involvement with asylum seeker service users which was identified as best practice by the Charter Mark assessor;
 - development of guidelines for staff who are organising events for disabled customers to ensure consistency of approach;
 - a review of straplines on printed information and the website to ensure that they reflect the language needs of new emerging communities in Newcastle; and
 - increased opportunities for sheltered housing residents to become involved with coverage of this built into the review of support plans.

The approach is ensuring that diverse needs and views are captured.

- 141** Youth Voice, an independent, consultative organisation supported and coordinated by YHN's Inline service, is giving young homeless people a strong say in service development and driving service improvement. Consisting of former young homeless people, this is a useful consultative forum which also provides a number of practical services and products. A user-friendly handbook and DVD have been produced for customers and support agencies on sources of help for young people seeking or in need of accommodation or housing support or at risk of homelessness. Youth Voice has developed 'Conduct Standards' for providers of Supporting People services to young people. They visit and assess these services and compile a report with recommendations which are shared with Newcastle's Supporting People team, at their request. Youth Voice has also been involved in delivering peer education in schools on homelessness and sex education. Youth Voice is influencing service development, educating young people and helping to drive service improvement.

- 142 Resources are in place to support and promote resident involvement. As well as a dedicated staff team, resident involvement is an integral part of everyone's job which ensures that residents are placed at the heart of all of YHN's activities. The City's network of TARAs is well supported by the Newcastle Tenants' Federation which is Housing Revenue Account-funded and operates under a service level agreement with the Council. This is a valuable source of support providing funding, training and practical help and it complements YHN's work ensuring that tenants' influence is maximised. YHN also provides specific tenant training in areas such as mystery shopping.
- 143 Resident involvement is at the heart of how YHN runs its business. It is having a clear impact on service development and delivery with an extremely rich and varied range of positive outcomes. YHN's effective partnership with residents is ensuring that services reflect users' needs, preferences and aspirations. The following is just a selection of examples.
- Tenants are influencing annual delivery plan priorities through 'how we spend your rent' consultation meetings with ten targets in the 2008/09 plan directly reflecting tenant priorities.
 - The tenant-led 'Living in Flats' working group is influencing cleaning standards for flats, monitoring performance against these and having a role in developing a concierge procedure manual, all of which is helping to provide a positive living environment for residents.
 - The tenant-led Repairs Development Group is influencing and monitoring delivery of the investment and planned maintenance programme and is currently involved in developing proposals for an annual programme of visits to identify repair issues.
 - The delivery of housing management services has been reshaped to allow community housing officers to spend more time on patch-based working influenced by customers' views.
 - The content of the staff diversity guide was shaped by local diverse communities.
 - The leasehold steering group has shaped the revised leasehold handbook, the format of leasehold forums and the content of the leaseholders' newsletter.
 - The introduction of a paid-for gardening scheme resulted from customer feedback and consultation.
 - Residents influenced improved anti-social behaviour (ASB) reporting methods with increased resources to tackle complaints about noise nuisance.
 - Residents have had a role in the review of service level agreements including grounds maintenance; the specification of services to be procured; and the selection of service providers including the construction partners, the repairs and maintenance provider and the new build project.

- Customers' mystery shopping work has led to improvements including a 'frequently asked questions' sheet on the investment programme for staff to ensure consistency; a training programme for sheltered housing staff; and improvements to the lettable standard and its enforcement and in the information given to prospective tenants on repairs during accompanied viewings.
- Young people influenced the refurbishment and equipping of the Stepping Stones hostel.
- Following customer involvement and feedback, recruitment practices have been improved to attract applications from people from diverse communities.
- Service users have influenced the provision of improved furniture and equipment by YHN's Furniture Service.
- Service users have influenced service standard development and review; the improved website; and an improved range and quality of customer information including the format and content of the Your Choice Homes application pack, an 'easy read' contents page in 'Homes and People' and content aimed at and influenced by young people.

Tenancy and estate management

- 144** In 2005, we found that YHN had strengthened its approach to tenancy management and anti-social behaviour (ASB) and this was an area of strength. Resources to tackle ASB had been increased and the overall approach strengthened. Estate management was also strong with the overall appearance of estates and multi-storey blocks of a very high standard, well maintained and well cared for.
- 145** In this inspection, we found that this area has improved further and is very strong overall. YHN's approach to ASB is effective. A wide range of measures are used with a focus on tenancy sustainment. Partnership working on ASB is well-established and productive. Appropriate support is provided to victims and vulnerable perpetrators and customer satisfaction is high. The overall appearance of estates and multi-storey blocks is positive. The concierge service is supporting housing management practices and tenancy sustainment.

Tenancy management

- 146** Introductory tenancies are appropriately monitored and managed. Customers receive clear information and a further explanation at sign-up about the form of tenancy offered. The IT system supports monitoring by generating reports at different stages of the tenancy and cases are reviewed at eight months and recommended for an extension if there are any breaches. Arrangements are sound overall.

- 147 Arrangements for signing up and settling in new tenants are comprehensive. This includes showing a DVD which explains what is expected of tenants and making arrangements for benefit checks and Housing Benefit form completion. Sign-up packs are quickly and easily produced by the IT system and information is provided in a translated format where needed. Post-letting visits take place six weeks after letting and provide an opportunity to resolve any difficulties at an early stage. This is providing an effective service.
- 148 It is easy for customers to report ASB. The Housing Anti-Social Behaviour Enforcement Team (HASBET) is widely promoted across the City and customers can report incidents 24 hours a day by telephone or via YHN's website. The HASBET team is currently piloting surgeries in local offices for tenants who may not want to be visited at home.
- 149 ASB cases are appropriately prioritised with a graded response. There are clear targets for response with 100 per cent of cases being dealt with within the published timescales. Service users are receiving a prompt and appropriate response to their complaints which has been nationally recognised through the award of a Charter Mark for the tenancy enforcement service which includes ASB and rent recovery.
- 150 A wide range of measures are used to address ASB which are appropriate to the nature of the incidents reported and with a firm focus on tenancy sustainment. As part of the graded response, 90 per cent of cases are resolved at the first letter stage. The remainder receive a more intensive approach with support provided where needed, acceptable behaviour agreements in place and a small number of ASBOs used when appropriate to do so. Very few cases progress to eviction. Overall, the approach is addressing residents' concerns about ASB while ensuring that, wherever possible, perpetrators are enabled to remain in their homes.
- 151 IT is supporting the effective management of ASB cases, both by HASBET and local housing offices. It provides prompts for action to be taken in line with agreed timescales to ensure consistency and provides reports where this is not occurring so that management action can be taken. It is also enabling comprehensive reporting on the nature and incidence of ASB across the City to allow resources to be targeted.
- 152 Partnership working with a range of agencies is well established and productive. This includes working closely with Northumbria police, public health, social care and other Safe Newcastle Crime and Disorder Reduction Partnership members. Regular operational meetings focus on individual cases and issues with strategic level meetings informing the overall approach to ASB. Partners are very positive about YHN's work on ASB including their engagement with the Respect agenda. YHN is seen as having shown leadership in signing up to the Respect housing management standard, which has helped to draw in the major stock holding housing associations in the City.

- 153** As mentioned above, YHN has signed up to the Respect standard for housing management and Newcastle has been awarded Respect area status. A cross tenure approach and graded response has been taken and YHN has won the contract to manage the Family Intervention Project. HASBET staff and front-line housing officers have received comprehensive training on the Respect agenda and their respective roles in relation to ASB. This is ensuring an appropriately coordinated and consistent approach in line with national priorities.
- 154** ASB resources are targeted towards priority areas. Monitoring has shown that noise complaints account for around 60 per cent of all reports and customer feedback, such as an online poll, has indicated that this is a key concern. An environmental health officer is seconded to the HASBET team to bring expertise and a prompt response to noise complaints. YHN has also purchased its own monitoring equipment to strengthen its approach in this area. When monitoring showed that there was an increasing number of racist incidents reported in a particular neighbourhood, multi-language posters were displayed in key areas to raise community awareness of how to access help and support.
- 155** Appropriate support is provided to both victims of ASB and vulnerable perpetrators. As well as staff making weekly contact with complainants to keep them informed of progress, a victim support worker is located within the HASBET team to support complainants and also guide and support them through court proceedings. Good use is made of vulnerability flags on the IT system so that a tailored approach is taken if a perpetrator is known to be vulnerable or is later discovered to be. A protection from repeat homelessness protocol is supported by referrals to in-house housing related support services, including the family intervention project, as well as to specialist external provision. Overall there is a balanced approach to victim support and tenancy sustainment.
- 156** YHN is now able to provide a more comprehensive service as it is taking a cross tenure approach to ASB. Neighbourhood Renewal Fund funding is enabling two staff to focus on ASB in the private sector which is ensuring an effective response to nuisance including, but not restricted to, areas in which homes managed by YHN are located. This has removed barriers to effectively resolving ASB in homes not managed by YHN and is providing a better service to residents.
- 157** The measures used by YHN to tackle ASB are having a positive impact. At a time when access to the HASBET service has increased, monitoring is showing that, due to a combination of early prevention, appropriate use of a range of tools and positive activities for families and young people, the overall level of ASB complaints is declining. For example, a reduction of 69 per cent has been achieved in the Cruddas Park area and 25 per cent in Walker. Success in dealing with ASB cases is reported through the local media. This is sending out a clear message on YHN's stance on this issue and is also reinforcing to residents that it is worth reporting incidents as action will be taken. This is supporting the development of sustainable communities.

- 158** Customer satisfaction with the ASB service is high. Overall satisfaction was 60 per cent in 2005/06 and 61 per cent in 2006/07. However, following changes to the survey questions asked to reflect the whole customer experience in preparation for Respect standard benchmarking in October 2007, customer satisfaction has risen to 80 per cent. While the methodology has changed this nevertheless indicates that service users are having a positive experience.
- 159** Benchmarking shows that YHN compares favourably to its peers in this area. More effective working practices, such as more effective use of IT, and the ending of a service level agreement with the Council for some tenancy enforcement services have reduced the overall cost of the service and the average cost per case at the same time as providing a more comprehensive and customer focused service.
- 160** Following customer feedback information on ASB has been improved. This includes a clear and comprehensive guide to ASB, improved website information and an online reporting option as customers indicated that they would find useful. Victim information packs include incident diary booklets which have a more professional appearance than diary sheets. Overall this is sending out a message that ASB will be taken seriously.
- 161** YHN is working proactively to direct young people away from ASB and nuisance. This includes the access to basketball scheme allowing young people and families to access free tickets to Newcastle Eagles games and 'Hoops and Health' sessions with young people. It is also supporting the Children's Safety Education Foundation with positive activities for children and using packs on ASB in schools in hotspot areas. A range of activities are also available and accessed at community housing office level including Byker junior street wardens and a scheme which involves young people in a horticultural project. Work undertaken by the In line service and Youth Voice is also engaging with young people.
- 162** Although there is some evidence to indicate that the approach to addressing ASB is effective and that diversionary activities are having an effect, there has been no formal evaluation to date. A residents' perception survey has very recently been implemented but it is too early to produce meaningful results. YHN cannot yet be sure of the impact of its overall approach in this area and this has been included in its 2008/09 workplan.

Estate management

- 163** The overall appearance of estates and multi-storey blocks is positive with well-established monitoring arrangements in place to ensure that this is maintained. The rolling out of the Modern Homes programme and a range of environmental improvements is adding to an improved appearance overall and, while graffiti is removed promptly, staff have indicated that its incidence is greatly reduced as residents are taking ownership of their local environment. The letting of a number of homes which have been vacant, in some cases for many years, is also improving the overall look and feel of neighbourhoods. The introduction of a paid for gardening service, which over 1,000 tenants have accessed, is also enhancing the overall appearance of estates. The recent STATUS survey showed that 81 per cent of tenants were satisfied with their accommodation and 74 per cent with the local area.
- 164** A well-established programme of estate walkabouts is now in place. These take place every two months and are widely advertised. Residents and stakeholders attend with issues logged and signed off when completed. A range of improvements have resulted from this activity including environmental works on the Rachel Maughan estate, improved bin areas at West Denton and fencing and alley gating in other areas. This is helping to provide and maintain a positive living environment on estates.
- 165** The concierge service is providing a valued service to tenants and supporting housing management practices and tenancy sustainment. Concierges provide accompanied viewings and settle in new tenants by providing a welcome pack and an induction visit. They provide a 'good neighbour' service which includes sign-posting tenants to sources of help and advice and keeping an eye on vulnerable tenants including asylum seeker service clients. They help with gaining access to carry out gas servicing and note and report incidents of ASB. They carry out daily building checks and also contribute to the cleaning and maintenance of common areas in blocks. The number of voids in concierge blocks has been reduced as tenants appreciate the security provided and a 2006/07 survey showed 95 per cent satisfaction with the service overall. The service has also achieved Charter Mark status.
- 166** Appropriate arrangements are in place to monitor the service level agreement for cleaning in multi-story blocks. The schedule is displayed so that residents know what will be done and when. Daily checks are done by supervisors. Monthly service level agreement monitoring meetings take place with quarterly joint monitoring visits to assess the overall standard with performance reported to the Living in Flats working group and there is evidence that appropriate action is being taken where standards fall below satisfactory levels. On a scale from one to five with one being poor, all blocks are currently achieving at least level three and around 63 per cent are assessed a 'good' or 'very' good.

- 167 Tenancy and estate management staff show a strong focus on reducing average relet times. Pre-inspections are undertaken and homes are offered while they are still occupied. Accompanied viewings are provided to all customers which provides an opportunity to introduce applicants to the local area. Fortnightly meetings take place to track progress on homes being repaired and the majority of homes are returned for letting within target dates. While average relet times remain high, this approach has contributed to improved performance in this area.

Allocations and lettings

- 168 In 2005, we found that there were clear strengths in the way that homes are allocated but also a number of weaknesses, particularly in relation to the council's allocations policy. A choice-based lettings service had been rolled-out across the whole city but there were potential inequalities in the allocations policy which underpinned the Your Choice Homes scheme, particularly in relation to homeless households in temporary accommodation and young people aged under 18.
- 169 In this inspection, we found that that a number of improvements had been made and that strengths significantly outweigh weaknesses. The Your Choice Homes scheme is well-established and customer focused. Proactive help is available to vulnerable applicants and for those who are deemed ineligible to register. Young people are now receiving an appropriate service. Homes adapted for disabled people are effectively used. However, some applicants are not receiving a timely registration service.
- 170 Newcastle has a well-established and effective choice based lettings (CBL) scheme in place, Your Choice Homes (YCH), which is managed by YHN. The outcomes delivered by YCH are valued by the Council which sees the successful operation of the scheme as making a contribution to homeless prevention in the city, reducing youth homelessness and reducing the incidence of repeat homelessness. YHN is making a major contribution to strategic housing objectives in Newcastle.
- 171 YCH is providing a customer focused service which is easily accessed through a number of points including the welcoming city centre property shop, the website, and YHN and council offices. Clear service standards are prominently advertised. The Property Shop opens late on Tuesdays and Wednesdays to coincide with the peak bidding period with an out of hours service for telephone bids. This was set up in response to identified customer demand and enhances customer access to the service. The service achieved a Charter Mark two years ago in recognition of its standards of customer service.
- 172 A good range of customer information is available. This includes an 'easy read' version of the allocations policy which is clear, informative, accessible and user friendly. Information on rehousing prospects is up-dated monthly and sent to all customers when they apply and is available from staff, by telephone or online. Reports on the previous month's bidding outcomes are posted regularly on the website. Information can be broken down by landlord, area and property type. The online bidding system is being enhanced to allow customers to track their bids. Overall, customers can make informed choices.

- 173** Appropriate arrangements are in place for applicants in urgent need of rehousing. Priority cards are issued which are valid for three months during which time applicants are both encouraged to bid and, if required, supported to bid. If customers have not been successfully re-housed by the end of the three month period this will usually trigger a case conference to determine whether to remove or extend the priority award. The priority card system is used effectively to secure permanent accommodation for those in the highest need and operated sensitively to protect the most vulnerable households.
- 174** Proactive assistance is readily available to vulnerable applicants through YCH staff or the network of advice and support staff. Twice yearly liaison meetings are held with advocacy groups to share information, and help to reduce or prevent ineligibility. Advocates are able to bid on behalf of the most vulnerable applicants and a guide has been produced for agencies helping people to find a home. Through these mechanisms vulnerable people are advised and supported well in accessing and using the Your Choice Homes service.
- 175** Since the last inspection YHN has taken steps to ensure fair and equal access to housing. It has introduced monitoring of registrations, bidding activity and outcomes for BME applicants. Sixteen and 17-year olds are now eligible for rehousing under the Council's allocations policy. All of these applicants are referred to 'Inline', an in-house support service, for an assessment of any support needs. Following assessment a support plan is put in place for those who require one. Young people are now being re-housed wherever possible with appropriate support in place to maximise their chances of maintaining independent living.
- 176** YHN has a highly supportive approach to those applicants deemed to be ineligible to register for YCH. Applicants who are ineligible, for example, due to previous ASB or rent arrears, are offered, and encouraged to accept, a support package from one of YHN's housing support services that is designed to help them become eligible for rehousing. These services supported 40 cases to eligibility in 2007/08. Where the applicant is already engaged with a support service, then that service will be encouraged to do the same. This approach is well known to advice and advocacy services in the city. Information and training sessions are held twice a year with these services and a clear eligibility guide has been produced for them. YHN is creating housing opportunities for people, many of them vulnerable, who would otherwise be excluded.
- 177** In conjunction with Newcastle City Council, YCH conducts an annual lettings review. This takes an overview of how effectively the allocation policy and YCH are operating, in the context of the local and sub-regional housing market, and identifies areas for improvement or further investigation. This is helping the Council and YCH to regularly reassess and adapt policies and procedures to meet a range of housing needs in the city. The latest review has triggered work to review bandings and identified the need to examine all existing designated local letting policies in the city. This is ensuring that policies and processes continue to deliver intended outcomes.

- 178 Effective use is made of homes adapted for people with disabilities. An adapted property register indicates the nature of adaptation or equipment in the property. Adapted properties are referred to an in-house OT within the team who will match the property to the needs and wishes of known disabled applicants. Where there is a good match between a property and a person's needs, a direct offer may be made as opposed to advertising. This provides an opportunity to quickly and appropriately meet need and make efficient use of already adapted property.
- 179 YHN is well engaged with sub-regional work on choice-based lettings. All local authorities, ALMOs and stock transfer housing associations are committed to the development of a sub-regional scheme. Housing association partners have yet to make a full commitment but are showing increasing levels of interest. The sub-regional partnership intends to submit a bid to CLG for development funds, having had an earlier bid turned down. In the meantime the sub-regional partners are examining the scope for 'quick wins', for example, mutual exchanges across the region, agreement of information sharing protocols and the scope for efficiency savings from shared advertising.
- 180 Housing association nomination rights are generally achieved. The five main housing association partners participate in the YCH scheme by making their nomination lettings available for advert and nomination rights are generally met or exceeded. YCH also monitors the type and quality of properties offered by associations. YCH is ensuring that it receives the number, type and quality of nominations that it needs which increases housing options for its customers.
- 181 YCH is not currently meeting the target of five days for the registration of applications. The target is currently being met in only 84 per cent of cases city-wide. Problems identified at the Property Shop earlier in the year have been resolved and this registration outlet is now achieving 100 per cent. However, there is scope for improvement at other registration outlets to ensure consistency of access to the service and speedy access to re-housing opportunities, especially for applicants in urgent need.
- 182 The approach to housing options is currently under-developed. While good progress has been made in maximising access to social rented housing via YCH, customers have little access to other housing options and do not have access to a single location for all housing needs. This limits customer choice and opportunity and maintains a supply pressure on certain types of rented housing.
- 183 Accredited landlord participation in the lettings scheme is under-developed. Only two of the 46 accredited private landlords in the City take part in the YCH scheme and, while they have 105 properties, to date only two vacancies have advertised. This is a missed opportunity to increase housing supply and choice.
- 184 There is no incentive scheme in place to address under-occupation in homes managed by YHN. The absence of measures to address this means that best use is not being made of much needed family sized homes. YHN recognises that this is an issue which has been a driver in its decision to develop new build bungalows and to work taking place to develop a financial incentive scheme.

Supported housing

- 185** In 2005, we found that this was an area of strength. YHN provided a range of housing-related support services including sheltered housing for older people, the Community Care Alarm Service (CCAS), a team of staff supporting asylum seekers, the relocation and resettlement team, advice and support workers and the Newcastle furniture service.
- 186** In this inspection, we found that this is an outstanding service area. YHN is now a major provider of housing support services in Newcastle, many of them under contract to Newcastle Supporting People. Currently, it provides:
- an advice and support service;
 - a refugee move-on service;
 - a relocation and resettlement service;
 - a range of services for vulnerable young people;
 - services for older people;
 - a health and welfare team within Your Choice Homes;
 - services for asylum seekers; and
 - a furniture service.
- 187** Those services that are Supporting People funded have been assessed as performing well by the Supporting People Team. All of the services are held in high regard by a wide range of statutory and voluntary partners. Customer satisfaction with each service is high with all in excess of 90 per cent. These services have been expanded over recent years, work seamlessly alongside landlord services, and are well integrated within the whole organisation. This is indicative of the holistic approach that YHN seeks to take with its most vulnerable customers. Through this range of services YHN is having a significant positive impact on the lives of vulnerable people.
- 188** The advice and support service is making a major contribution to the Council's strategic housing objectives of preventing homelessness and sustaining tenancies. Staff based at each of the 14 local housing offices provide debt and budgeting advice, help with benefits and grants and assistance with moving into independent tenancies. This is providing a comprehensive service across a wide range of tenancy management issues. An outreach team directly supports vulnerable customers and provides advice and assessment surgeries at the Council's Housing Advice Centre. A refugee move-on team supports customers leaving the asylum seekers unit into settled accommodation. A pathways team sits at the centre of 'Pathways Protocols' in the city, a joint approach between the Council, YCH, YHN, customers and support and care providers designed to help homeless people and hospital patients into settled accommodation provided by YHN. Overall, the service is making a major contribution to homeless prevention, tenancy sustainment, hospital discharge and refugee integration.

- 189 A range of services are provided through YHN's Young People Services that improve their life chances. Inline provides cross tenure floating support to 450 young people with a tenancy sustainment rate of over 90 per cent. Daily surgeries are held at the Council's Housing Advice Centre and offer a mediation and family reconciliation service to all young people who present as potentially homeless. Inline assesses the support needs of all 16/17 year old applicants through YCH and ensures they receive any necessary support to obtain and sustain a tenancy. The service provides Open College accredited life skills training. It also manages Stepping Stones, a hostel for young homeless people and move-on accommodation that is working productively with young people, many of whom have extremely chaotic lifestyles. The service also delivers Newcastle's Family Intervention Project, an outreach service working with up to 12 of the most problematic families in the city to sustain their tenancies or return them to settled accommodation. Young People Services are preventing homelessness, helping young people to obtain and sustain settled accommodation and delivering positive outcomes for families needing intensive support.
- 190 The Health and Welfare Team, based in YCH, assists vulnerable people to access accommodation. The team includes a Community Psychiatric Nurse, District Nurse and Occupational Therapist seconded from Health and Social Services. They work collaboratively with other agencies to identify the housing, care and support needs of customers particularly at the time of applying for rehousing and allocation. They also offer ongoing support to customers in urgent and training to staff in YHN and other organisations on issues relating to health and housing. Vulnerable customers are helped into settled accommodation.
- 191 A range of services are supporting older people with YHN's Charter Mark recognised Community Care Alarm Service providing sheltered housing services, a dispersed alarm service with mobile warden response and a Telecare service that helps older people to maintain independence. Since restructuring in July 2006, 27 sheltered housing schemes have provided an integrated housing support and management service which has reduced rent arrears and void levels. An out of hours service is provided via a control centre supporting 4,200 dispersed alarm users with a mobile warden response. The service is working with the Ambulance Service, to reduce falls and hospital admissions, and the Fire and Rescue Service, to reduce unnecessary call outs for false alarms. The work with Fire and Rescue is acknowledged as good practice by the Chief Fire Officer Association. Telecare services are provided to over 600 customers in partnership with Adult Social Care and Health Trusts. This adds the option of fall detectors, bed occupancy sensors, automated pill dispensers, door exit sensors and environmental hazard detectors to existing community alarm services. The service is maximising opportunities for older people to maintain independent living.

- 192** The Asylum Support Unit provides a valuable housing support service to asylum seekers. The service is provided under contract to the Home Office, is regularly monitored to ensure contract compliance and the quality of the service has been recognised through the award of a Charter Mark. The service adds exceptional value through its wider work on community cohesion and awareness raising across communities and partner organisations. The Asylum Support Unit is sensitively and constructively supporting asylum seekers and managing their integration into local communities.
- 193** Newcastle Furniture Service is playing an important role in tenancy sustainment. In addition to 5,500 YHN tenants the service is also supporting 1,700 tenants of other social landlords both locally and outside Newcastle. High quality furniture, fittings, electrical and white goods are provided through the scheme with an innovative points based choice so customers can exercise maximum choice. The service also manages a child safety equipment scheme which is part funded by the PCT fitting over 1,400 packages of safety equipment each year. Following widespread customer demand a low cost gardening service was introduced last year. The service is rolling out across the city, is being extensively used by older and disabled people and, with three quarters of the city currently covered, already has over 1,200 customers. The service, which has also been awarded a Charter Mark, is making a crucial contribution to making independent living a reality for many young homeless people and families as well as assisting older and disabled people using the gardening service to maintain independence.
- 194** There are weaknesses in outcome monitoring for young people's services. Customer satisfaction survey return rates are low. There has also been no holistic evaluation of longer term outcomes. Opportunities to inform service improvement and development are being missed.

Leasehold management and Right to Buy

- 195** In 2005, we found that that, while this area had improved, there were still a number of weaknesses. A leaseholder steering group had been established and had contributed to the development of a leaseholder handbook and service standards. However, service charge collection was weak and there was no monitoring of leaseholder satisfaction. Statutory timescales for processing Right to Buy (RTB) applications were not being met.
- 196** In this inspection, we found that strengths outweigh weaknesses. Communication with and consultation of leaseholders has improved and YHN is complying with statutory consultation requirements. The Right to Buy service is performing strongly and exceeding statutory timescales for progressing applications. However, YHN has been slow to begin charging leaseholders for the services they receive and the role and accountability of the leaseholder steering group is unclear.

Leasehold management

- 197** YHN has improved communication with leaseholders. In addition to the quarterly 'Homes and People' newsletter, leaseholders also receive a dedicated twice yearly leaseholder newsletter. An annual report includes 'You said, We did' features, frequently asked questions are included in newsletters and a new plain English leaseholders' handbook and lease have been completed. Plain English welcome and sellers' packs have also been developed. This is a proactive approach that has contributed to 71 per cent satisfaction with overall services.
- 198** YHN complies with its statutory consultation responsibilities. For example, all leaseholders are advised generally about the Modern Homes programme and specifically when their home is included in the coming year's programme. Thirty day consultation letters are sent before works start and all leaseholders are offered home visits to discuss the implications of and options for payment for work. This is a thorough approach that ensures that all leaseholders are informed appropriately and have access to further information.
- 199** YHN has put in place consultation structures to ensure that leaseholders can influence important decisions. A steering group of leaseholders is used to consult upon key issues such as major works consultation and communications and publications. The group has for example, contributed to the revised plain English leaseholder handbook, the frequently asked questions fact-sheets and the menu of repairs estimates. This approach helps to ensure that communication meets the needs of leaseholders.
- 200** YHN is effectively collecting leaseholder service charges. A collection rate of 96.7 per cent has been achieved with work continuing to recover the outstanding debt of £22,690. This is maximising resources for service delivery.
- 201** YHN has introduced a range of options to assist leaseholders to pay for major work. Developed in comparison with other authorities' approaches, the options include low interest and interest free loans as well as optional legal charges on properties. The extent of take-up of the options has not been analysed as yet to gauge their effectiveness but it is clear that some assistance is well targeted and helpful.
- 202** YHN has been slow to introduce appropriate charging for its leasehold services. While charges for services received have been raised, an appropriate fee for the leasehold management service itself was only recently introduced. Tenants have in effect been subsidising leaseholders.
- 203** There is some lack of clarity about the influence, role and accountability of the Leaseholders' Steering Group. As a result, some key decisions, such as the introduction of the management charge have not involved the group which has led to some dissatisfaction. This reduces the contribution that leaseholders can make and can mean that some initiatives are not fully informed by customers' experience.

- 204** Some tests of customer satisfaction are not well coordinated. There are a range of satisfaction measures taken at different points in time and by different teams. Several leaseholders have commented in feedback that there is too much consultation and that they are too frequently asked to feedback their views. Leaseholders may be discouraged to respond and this reduces the usefulness of feedback. Different questions analysed by different teams limits the ability to cross reference responses and to track trends.

Right to Buy

- 205** Marketing of the Right to Buy (RTB) is appropriate. Several routine opportunities are taken to make tenants aware of their rights. This includes routine newsletter articles, posters in neighbourhood offices and internet information. Translated materials are offered. Mystery shopping is used to test the availability and appropriateness of staff responses. This ensures high quality information is available to all.
- 206** A comprehensive set of service standards is in place for the service. This includes generic customer service standards, for example, regarding the speed and effectiveness of responses, as well as more specific standards about the turnaround of offers for leasehold and freehold applications. Although targets are in some cases only set at the statutory requirement as distinct from actual performance, the existence of standards serves to promote clear expectations for customers.
- 207** YHN has enhanced information for RTB applicants. Those applying to purchase properties are advised both of their rights and responsibilities and provided with details of intended Modern Homes work and ongoing charges. This information is explained at personal and home visits. This ensures that applicants can make well informed decisions regarding the purchase of properties.
- 208** RTB applications are effectively handled. YHN has focused on improving the responsiveness of the service. Around 18 months ago targets were often missed for responses to applications. The reasons were analysed and solutions including employing external valuation professionals were introduced. At the time of inspection performance was significantly better than statutory requirements, exceeding them by 18 days in the case of freehold applications and 21 days in the case of leasehold applications. This is a significant improvement benefiting customers directly.
- 209** YHN regularly compares its RTB performance with others. Several comparisons are drawn with other authorities and with a Northern benchmarking group. Several improvements have resulted including enhancement of customer information and the introduction of complaints champions. These improvements directly benefit customers.

- 210 YHN uses accurate cost information to improve. There has been an evident focus on the cost of transactions which has informed changes to the way that the team is organised and the way that work is done. As there has been a downturn in RTB applications the team has been restructured, some have been redeployed and others seconded to other departments. This approach has ensured the necessary resources to handle enquiries within improving timescales and has enabled team skills, particularly related to Charter Mark processes, to be used in other departments.

Is the service delivering value for money?

- 211 In 2005, we found that significant progress had been made over the last year but that there were still a number of weaknesses. YHN was actively comparing itself with its peers and cost savings had been achieved along with efficiencies as a result of improved working practices. However, YHN was not yet achieving value for money in all service areas, particularly the responsive repairs service where there had been longstanding but unresolved issues.
- 212 In this inspection we found that this is an area of strength for YHN. Benchmarking is systematic and delivering positive outcomes. The relationship between cost and quality is well understood. The approach to value for money is well developed and embedded and procurement activity is in line with best practice. Substantial efficiency gains have been achieved and funding has been levered in from a range of external services.

How do costs compare?

- 213 YHN's service costs compare favourably to its peers' and generally costs are low and, as can be seen in previous sections, performance and outcomes for service users are high. YHN is systematically comparing its own costs and performance and it is using this to improve value. Benchmarking shows that overall, costs compare favourably and, where they are higher, this information is used to drive costs down and value up. Findings feed into the efficiency strategy and inform its action plan and inform which services and service level agreements should be prioritised for a review. For example, savings of £100,000 were made on the grounds maintenance service level agreement following benchmarking and it has informed reviews of the concierge service and the decision to tender cleaning services. Similarly, benchmarking on RTB services has led to more efficient working practices.
- 214 YHN has a well developed understanding of the relationship between service cost and quality. It is consistently driving down costs while increasing quality with, for example, average weekly management costs falling from £19.72 in 2004/05 to £15.45 in 2006/07 while performance in key areas such as tenancy and ASB management has improved and customer satisfaction has increased.

How is value for money managed?

- 215** YHN has a well developed and embedded approach to value for money which is consistently applied across all parts of the business. This is underpinned by a comprehensive efficiency strategy which sets clear objectives and targets. Each department has tailored and agreed efficiency targets that link to learning and development plans, helping teams to deliver improved value. Staff at all levels and board members demonstrate a sound understanding of value for money principles.
- 216** YHN has fundamentally reviewed its overall approach to procurement to ensure that it reflects best practice. This is supported by a procurement strategy which provides a clear framework for procurement activity. A review was undertaken 18 months ago which highlighted some areas of weak practice. To address this, YHN has set-up a contracts register, put framework agreements in place and reduced the number of requisitioners from 300 to 50. It has also created a gate-keeping role to enforce its overall approach, ensure accountability for procurement decisions and analyse spend to inform the overall efficiency strategy. A range of savings have been made as a result of this which is maximising resources for service delivery.
- 217** The approach to business, financial and learning and development planning is participative, integrated and systematic. It involves a cycle of consultation with customers, stakeholders and staff which begins in June each year and concludes with Board and Council approval in March. Views collected through the process are fed into the budget setting and service planning process with staff learning and development needs to deliver the plan identified. This is ensuring a coherent approach with a strong focus on priorities.
- 218** YHN is directing resources towards its priorities, particularly those expressed by service users. This includes the way in which it has programmed its Modern Homes works and the quality of components used; the development of a gardening service; improvements to the ASB service; expansion of the furniture service; work taking place to build 30 bungalows; and the substantial growth in supported housing services. These developments are in line with the wishes of local people and are improving the quality of life for many.
- 219** Substantial efficiency gains have been achieved with almost £14 million in cashable savings achieved since April 2005 which is in line with targets set. Several major cost saving decisions have been taken including ceasing to collect water rates on behalf of the local water supplier saving around £1.5 million each year, re-procuring the furniture service, and lift servicing and repair contracts saving £700,000. In addition, the furniture service is generating a surplus of around £2 million each year which is being reinvested back into service delivery.

- 220** Significant cost and value improvements have been realised over the life of the Modern Homes programme. There has been a strong focus on driving cost improvements. Major partners' costs have been analysed together with quality measures and incentives in-built by way of work allocation. Process costs are understood and, for example, resulted in pre-works surveys being taken in-house. Overall, from an estimated shortfall in the region of £128 million in 2006, projections now show a £19 million contingency on completion of the programme.
- 221** YHN has reduced the cost of boarding up void properties. Over the last three years costs have reduced from approximately £574,000 to £340,000 mainly because there has been an emphasis on avoiding boarding/metal sheeting in favour of curtains and garden maintenance. Apart from increasing resources available for improvement this approach avoids the blighting effect that such empty properties can have on neighbourhoods.
- 222** An appropriate range of service level agreements are in place for all 26 services provided by the Council which are funded through the Housing Revenue Account. These have been robustly reviewed with decisions taken to either retain services with price reductions and/ or added value features included or else agreements have been ended and alternative arrangements made, for example, for pest control and web development and hosting. This is ensuring that services provided continue to meet YHN and service users' needs at for an appropriate price.
- 223** Service users have influenced procurement decisions. This has included shaping the specification of the service being procured and selecting the service provider. Tenants were involved in the procurement of partners for Modern Homes delivery and for repairs and maintenance. They have also influenced the procurement of replacement doors with 'Safer by Design' features and the decision to move away from timber window frames to uPVC to reduce a funding shortfall. Decisions reflect service user views and aspirations.
- 224** YHN has successfully levered in external funding to complement its own investment in the Modern Homes programme. This includes £300,000 through the Bridging Newcastle Gateshead (BNG) renewal pathfinder and £477,000 in Single Housing Improvement Programme (SHIP) funding to reconfigure New Mills estate and £800,000 from BNG and £1.2million from SHIP for environmental improvements in Daisy Hill. A further £323,000 was secured from SHIP to refurbish the Stepping Stones hostel for young people. This is helping to ensure that homes managed by YHN are located in a positive local environment.
- 225** Funding has also been levered in to improve the energy efficiency of homes managed by YHN. By working with Newcastle Warm Zone, 4,104 efficiency measures were provided in YHN managed homes during 2006/07 costing £867,000 with part funding of £441,000 from Scottish Power. This is increasing thermal comfort for tenants and helping to reduce fuel poverty.
- 226** As has already been mentioned, void costs are high. Major works are known to be a contributory factor but there has been no through exploration of the reasons for those high costs to date. Value for money may not be maximised in this area.

- 227** Some service areas have not yet been subject to a value and process re-engineering approach. This has taken place for some services, such as Right to Buy, with positive outcomes. However, while improvements have been made to the voids and re-lets process, there is scope to achieve more through a fundamental review of activity in this area and of the approach to adaptations for disabled tenants.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 228** In 2005, we found that YHN had made substantial progress in improving its services since an earlier inspection in 2003. It had paid particular attention to areas which directly impact on customers, and service users had recognised improvements and an increased commitment to customer care. YHN had also taken significant steps to deliver benefits, improvements and efficiencies in the longer-term, for example, by appointing strategic partners for the capital investment programme.
- 229** In this inspection, we found that strengths outweigh weaknesses. YHN has achieved a range of customer facing improvements. At the same time as enhancing existing services, it has developed new services which are having a positive impact, particularly for vulnerable service users. There is a clear track record of achieving value for money and improved performance in key areas. However, some areas of weaker performance remain.
- 230** YHN can demonstrate a range of outcomes from its own improvement plans, delivery against its stated strategic objectives and outcomes from external challenge, including the last Audit Commission inspection. This is evidenced by the range of customer facing improvements detailed below and the completion of all 22 recommendations from the last inspection shown in appendix two. Service users are now receiving a markedly different and improved service compared to December 2005.
- 231** YHN has achieved a range of customer facing improvements. Examples include:
- an improved repairs service with repairs done by appointment, quickly and, for a high proportion, in one visit with increased customer satisfaction;
 - an increased range of payment options for rent and service charges with online access to rent account information;
 - an improved and extended range of customer information including a very good interactive website;
 - increased opportunities for service users to influence services, including leaseholders, young people and people from BME communities, which is having a clear impact on service delivery;
 - the programming of Modern Homes works, in line with tenants' wishes, means that every tenant living in a non-decent home has had some work done;
 - greatly improved housing and support opportunities for 16 and 17 year olds;
 - a range of environmental works which are complementing the Modern homes programme and up-lifting neighbourhoods;

- estate walkabouts are well-embedded with clear outcomes and improvements in local neighbourhoods;
 - the introduction of a gardening service;
 - easier access to the ASB service, improved handling of cases which is having an impact, complemented by a Family Intervention Project; and
 - a greatly improved service for tenants exercising their Right to Buy with statutory timescales exceeded.
- 232** As well as enhancing existing services, YHN has developed new services with particularly impressive developments in the area of supported housing. This growth in services, covered in detail earlier in the report, is well integrated with and supportive of housing management activities with a strong focus on improving life chances, independent living and tenancy sustainment.
- 233** YHN can demonstrate a clear track-record of achieving value for money over the last three years. As well as delivering its target contribution to Newcastle City Council's annual efficiency savings of 7.5 per cent over three years, it has also introduced more effective working practices in a number of areas which have improved outcomes for service users. The work it has done to significantly drive down costs in delivering the Modern Homes programme has also provided greater certainty that its plans for tenants' homes will be delivered.
- 234** Performance has improved in key areas. Service standard commitments are being met in the main; customer satisfaction has increased and continues to do so; repair completion times and quality have improved; Supporting People funded services show sustained improvement against the Quality Assessment Framework; and overall performance on rent arrears and rent collection has improved.
- 235** Some areas weaker performance remain.
- Average relet times are improving but from a very low base and, even when long-term voids are discounted, performance is among the poorer performers.
 - YHN has not done enough to drive down waiting times for adaptation works and, while performance is not among the worst in this service area, positive outcomes for vulnerable people are not being maximised.
 - Gas servicing, while strong now, has not consistently been so over the last 12 months, and the health and safety of some tenants has not been assured.

How well does the service manage performance?

- 236** In 2005, we found that this was an area of mixed performance. There was a comprehensive and integrated approach to service and improvement planning, and a clear cascade of targets and goals to staff at all levels. The 'compete' element of Best Value Reviews had been applied poorly, the draft equalities policy lacked clear targets and outcomes. Some performance indicators were being inaccurately calculated or reported; some targets were not sufficiently challenging and former tenant arrears and introductory tenancies were not being performance managed.

54 Your Homes Newcastle | What are the prospects for improvement to the service?

- 237** In this inspection, we found that this is now a very strong area. YHN is self-aware and open to external challenge which has led to service improvements. Leadership has been shown and difficult decisions taken. There is a very strong performance management culture, which is embedded at all levels, with corrective action taken. YHN is comprehensively capturing customer feedback and telling customers how their views have made a difference.
- 238** YHN has established a clear vision and values. These were recently reviewed and simplified in close consultation with stakeholders and their delivery is supported by a comprehensive delivery plan and service plan which reflects SMART (specific, measurable, agreed, realistic and time-based) principles. These are well publicised across the organisation and staff are clear about their contribution to their delivery.
- 239** There is alignment between YHN's key strategies and those of the Council. YHN is seen as a key contributor to the Council's housing and regeneration objectives and this is reflected in those strategies. Equally, YHN consults the Council on key documents, for example, the delivery plan, and has taken on board the Council's comments. This is supporting partnership working and ensuring that both organisations' plans are in accord.
- 240** YHN is revising its asset management strategy to provide a more comprehensive framework for the future. The existing strategy is heavily dominated by the modern homes programme and lacks detail in several areas including responsive and planned repairs, energy efficiency and stock condition data management. The new draft strategy adds strength in these areas and creates a better basis on which YHN can manage its assets.
- 241** YHN is self-aware and open to external challenge. Improvement plans address the key weaknesses identified during our inspection. YHN has engaged in a range of activities to gain an external view of its performance including undertaking a mock inspection of weaker areas in advance of our inspection and peer reviews and health checks of individual services. It has also recognised the rigour that the Cabinet Office's Charter Mark scheme brings with eight services receiving an award. Recommendations from these activities have been fed into improvement plans and have led to improved service delivery.
- 242** Leadership has been shown and difficult decisions taken. This has included ending the collection of water rates which was being subsidised by tenants and the review and rationalisation of neighbourhood offices. While both decisions were difficult to take, they were justified on value for money grounds and have resulted in better use of resources which will benefit tenants and service users.
- 243** The Board has driven a change in culture that has assisted customer focused services. It has been important for YHN to develop its distinct identity. Training for staff and for members has encouraged a real emphasis on the customer, on equality and upon value. This has helped YHN to provide services which meet customer needs and aspirations with improving customer satisfaction.

- 244** The Board is showing ambition for YHN while at the same time being prudent about pursuing growth opportunities. In considering bidding for the In Line and Stepping Stones projects and considering new build, it was careful to ensure that this would be financially viable, that there was a close fit with YHN's strategic aims and objectives and that it would not provide a distraction from achieving decent homes. This is ensuring that growth is complementary and sustainable.
- 245** There is a well embedded and very strong culture of performance management supported by a comprehensive framework. YHN has a clear and up-to-date picture of how well it is doing at any stage. The annual delivery plan sets out what it intends to achieve to meet its strategic objectives. It identifies key challenges and issues around performance improvement. Individual service plans for departments and teams translate the vision into specific actions. The balanced scorecard reflects a simplified set of strategic objectives and ensures that their delivery is routinely measured and reported to appropriate groups including the Board. The use of traffic light indicators provide an immediate indication of success or otherwise. This is a well constructed approach to achieving objectives.
- 246** YHN's performance culture is well-embedded at all levels. The approach to staff supervision and appraisals is systematic and consistent. All staff are clear about their targets and what is expected of them. Tenancy management targets vary depending on the nature of the patch concerned and are reviewed regularly with rent arrears targets reset during the year as they are achieved. Staff can also see how their performance compares to their peers which is introducing healthy competition and supporting a strong focus on service improvement.
- 247** Board members provide appropriate leadership and challenge to YHN's performance. Where balanced scorecard indicators showed that rent arrears collection was failing this triggered a time limited project and steering group, an action and delivery plan. A year later all except one of the arrears indicators are green. A similar exercise has just been completed relating to void properties, but it is too early to establish its success. Overall, performance information is being used to good effect.
- 248** Benchmarking information is not consistently used in performance reporting. While board reports show comparisons with benchmarking peers for 'red' indicators, this is not shown for 'green' indicators. Although performance may be in line with YHN's agreed targets and expectations, this may be short of that achieved by the best performers. This limits opportunities for the board and stakeholders to challenge target and actual performance in the light of what peers are achieving.
- 249** YHN is providing the Council with timely and appropriate performance information at agreed intervals which is robustly challenged by officers and councillors. Overall, relationships are effective and positive while maintaining an appropriate level of detachment.
- 250** Progress made towards value for money targets is appropriately monitored. YHN reports progress to the Council and the Board quarterly and monthly to its finance committee. This ensures that focus is maintained and that corrective action can be taken if there is variance.

56 Your Homes Newcastle | What are the prospects for improvement to the service?

- 251 Tenants are actively involved in monitoring and challenging performance. This includes forums such as the Living in Flats group and the Repairs Development Group as well as the network of TARAs. Mystery shopping by service users is also providing a cost effective way of testing and monitoring the services and involving interested customers in service delivery.
- 252 The approach to monitoring improvement plan delivery is robust. YHN is making effective use of recognised project management methodologies with a programme board, which drives progress and outcomes, including external challenge from the audit manager for the Council. This systematic approach is providing focus for improvement across the organisation.
- 253 Arrangements for managing risk are generally sound. Divisional and service risk logs are maintained centrally by an officer trained in risk management. These are updated twice a year with the audit committee receiving quarterly reports. This is ensuring that key risks are identified and managed.
- 254 Appropriate arrangements are in place for managing the strategic relationship between YHN and the Council and have benefited from continuity of membership since the ALMO's inception. Monthly meetings take place with YHN's chief executive, the chair, the Council's deputy chief executive and relevant elected members with performance closely monitored. YHN's chief executive and the Council's deputy chief executive also meet every four to six weeks to discuss developments and strategic issues of interest to both parties. This is ensuring that there is effective communication at appropriate levels and that challenge is provided where needed.
- 255 The relationship between YHN and the Council has been tested with some difficult decisions taken particularly in relation to service level agreements and re-procurement of services provided by the Council. It is a sign of the maturity of the relationship that this has been achieved while preserving a positive working relationship.
- 256 YHN is well engaged locally and regionally. The chief executive attends the local strategic partnership board and sits on one of the themed partnership boards for community safety. He also provides the strategic link to the Bridging Newcastle Gateshead renewal pathfinder. This ensures that YHN has wide influence and contributes fully to regional initiatives.
- 257 YHN is keen to learn from the best performers and, in turn, it is sharing its own learning and expertise with the rest of the sector. For example, it comprehensively reviewed its approach to performance reporting and considered the practice of a large three-star ALMO when doing so. It also compares its arrangements for gas servicing with other organisations and uses this to improve with comparisons made with other ALMOs and three-star authorities. Positive changes have resulted including circulating posters and leaflets to schools as well as introducing incentives for first time access. Such practices increase the likelihood of services being successfully completed within planned cycles. YHN is also supporting other ALMOs who are striving to achieve two-star status as well as sharing its learning with regional and national benchmarking groups.

- 258** YHN is comprehensively capturing customer feedback and keeping customers informed of how their views have influenced service delivery. It produces a quarterly 'Talk to Us' up-date which sets out changes made as a result of customer complaints and comments. This sends a clear message to service users that their views are making a difference and that it is worthwhile making them known.
- 259** YHN has responded to leaseholder feedback. Several opportunities are taken to test leaseholder satisfaction including targeted telephone and postal surveys. A frequent concern expressed is the amount charged for responsive repairs. In response YHN has provided schedule of rates estimates for the most commonly ordered repairs. This is a simple and transparent way of meeting leaseholders' information needs.

Does the service have the capacity to improve?

- 260** This is an area of strength. Staff at all levels are customer focused. HR practices and IT systems are supporting the business. The board is effective and financial management and planning are sound. Partnership working is strong and resident involvement and procurement practices are increasing capacity. However, sickness levels are high and the board is not representative of the wider community served.
- 261** An extension to the management agreement between YHN and the Council provides some confidence for long term planning. The agreement was reviewed a year early and extended for five years to 2014 with the memorandum and articles of association amended to allow YHN to be asset holding. This indicates that the Council has confidence in YHN as a provider of housing management and related services and allows long term planning to take place.
- 262** YHN has a keen eye on its longer term future and contribution beyond the completion of the Modern Homes programme. Although in its infancy, the Board is considering YHN's future direction including strengthening links with the Local Area Agreement, and business development opportunities such as housing development and expansion of support and care. This longer term vision adds some confidence for communities as the decent homes programme nears its conclusion.
- 263** Staff at all levels are highly customer focused, committed and enthusiastic. Front line staff we met stated that they felt valued by YHN, motivated, supported, involved, well informed and listened to. This contributes to the organisation's capacity for improvement.
- 264** There is a wide range of training opportunities which staff can easily access. This includes induction training for new staff, mandatory training on customer service and diversity, specialist training and support to gain professional qualifications. Training courses include competency based tests at the end to test what staff have learned. This is equipping staff to do their jobs who in turn value the opportunities available to them.

- 265** HR practices are robust and are supporting the business. The approach to identifying and meeting staff training needs is effective and systematic which has been recognised by the award of Investors in People status. A competency based approach to recruitment and selection is ensuring that posts are filled with people with the required skill sets and behaviours. A management competence framework has been devised which features 360 degree appraisal and is supported by a coaching and development programme. A further programme is aimed at aspiring managers which a view to succession planning. Work has also been done to analyse the profile of current staff to identify and plan for potential succession issues. This approach is ensuring that current and future staffing needs are met.
- 266** The YHN board is operating effectively. Board members contribute a range of experience and skills and the group is operating cohesively. There are robust debates and healthy challenge. Board members are reviewed annually by the chair with learning and development needs assessed and met. Six board members have recently completed a governance qualification. Overall this is equipping the board to run the business effectively.
- 267** YHN's Board has been largely stable and turnover is well managed. Several members have been in place throughout the life of the ALMO, with some turnover due to Council member elections. The Board have introduced arrangements to ensure that there is a reasonable refresh of membership over time. Although the Chair is retiring during 2008/09, succession arrangements are advanced with public adverts and expressions of interest from a wide range of people. This helps to ensure stability of leadership.
- 268** Financial management and planning are sound overall. YHN manages the Housing Revenue Account (HRA) on behalf of the Council with reporting and liaison at appropriate levels to provide assurance that management is robust. A medium term financial plan is in place which is up-dated regularly and reported to YHN's finance committee and the Council monthly and to full Board quarterly. Financial resources for service delivery have been maximised by a substantial reduction in the number of vacant homes realising rental income and a substantial reduction in the level of rent arrears during 2007/08. Forecasting for 2008/09 indicates that there will be an HRA surplus of £1.5 million with a minimum HRA balance of £5 million.
- 269** YHN ensures that its IT systems support service delivery. In 2005 a new IT system was introduced, initially to deal with rents and estates management. This has since been extended to cover the other core service areas. The system provided by a major sector provider is assisting staff to deliver high quality services, through for example, extension of payment options and logging and sharing of customer profile information, and providing performance information that is being used to inform continuous improvement.
- 270** YHN is developing an IT strategy and has in place an improvement plan. There are known areas for development of IT capability and there is some reliance on old and Council legacy systems, but improvement in these areas is planned. Recent additions to the IT team capacity demonstrate that YHN is resourcing improvement with an evident focus on service delivery and further development.

- 271** Connections between IT and business planning has been lacking but has improved over the 12 months preceding inspection. The structure for business decisions now includes strategic development as well as routine operational liaison through heads of business. As a result of this improved coordination several key IT projects are being implemented and are planned in the 2008/09 service plan which improve functionality and ease of use. Although staff satisfaction with the systems they use stands at 78 per cent, this is lower than the target of 85 per cent but it does demonstrate a keen focus on ensuring that systems meet staff and business needs.
- 272** IT developments are customer focused. The next stage of choice based lettings is very shortly to be introduced improving accessibility to property and bid information for customers; online rent statements and statements on demand via local office points will be rolled out in the months following inspection and a much improved customer relations module is also in the 2008/09 service plan. These developments can enhance customers' experiences.
- 273** Strong partnership working is building capacity for improvement. Work with the Bridging Newcastle Gateshead renewal pathfinder is increasing YHN's capacity to enhance neighbourhoods. By aligning plans and finances YHN and the pathfinder have been able to deliver environmental works and improvements to ensure that homes are located in desirable and sustainable communities. Partnership working is also building capacity in delivering asset management services, tackling ASB and meeting diverse needs.
- 274** Well developed and extensive resident involvement is increasing capacity. Service users are influencing all aspects of YHN's business and this is ensuring that services continue to reflect residents' needs and aspirations.
- 275** Procurement practices are also increasing capacity. A range of services have been improved and resources maximised by driving down costs including furniture procurement, grounds maintenance and tenancy enforcement. Future plans have potential to increase this further.
- 276** The average number of days lost because of sickness absence is high. In 2006/07 an average of 13.7 days was lost. A target of 10.2 days was set for 2007/08 but this has been missed with an expected outturn of 12.2 days. Rates are higher within tenancy services where shift working, 24 hour services and services for some of the most vulnerable and challenging service users are located which places a particular strain on staff. YHN is now taking firm action to manage sickness absence including procuring a specialist service to advise staff who are ill and plan for their return to work. An absence management board also analyses sickness data and highlights issues to ensure that a consistent approach is applied across the organisation. However, such a high level of absence is not maximising resources for service delivery.
- 277** Board membership is not fully representative of communities served. There is limited representation from women and those from diverse backgrounds. This may affect the alignment of the ALMO to the needs of all sections of the community. YHN recognises that this is an issue and has devised a 'Towards a Representative Board' action plan.

Appendix 1 – Performance indicators

Table 1 Newcastle upon Tyne performance indicators

Performance indicator (BVPI reference)	2004/05	2005/06	2006/07	2007/08 (unaudited)	Mets top quartile 2006/07
63 Average SAP rating	60	62	64	64.01	67
66a Percentage rent collected	99.33*	98.89	95.8	98.49	97.74
66b Percentage tenants with > 7 wks arrears (gross)	-	11.26	11.84	9.10	3.98
66c Percentage tenants in arrears with NoSP served	-	24.08	21.3	25.72	22.75
66d Percentage LA tenants evicted for rent arrears	-	0.33	0.67	0.58	0.41
74a Percentage tenants satisfied with overall service	72	74.52	74	78	77
75a Percentage tenants satisfied with TP	64	63	67	63.8	67
184a LA homes which were non-decent at start of year	81	79	93	67	23
184b Change in proportion of non-decent homes	-0.8	4.1	7.8	29.71	29.2
212 Average re-let time (days)	-	69	130	84	37

Appendix 2 – Previous inspection

Table 1 Recommendations of 2005 inspection of Your Homes Newcastle

Recommendation	Progress
Access and customer care	
Take steps to ensure that informal complaints are systematically captured, monitored and analysed to ensure that customers receive a consistent level of service and that learning is captured within three months.	Complete
Take steps to substantially reduce the number of lost calls to the Property Shop and Repaircall within three months.	Complete
Ensure a consistent approach to collecting and collating satisfaction information in all service areas and consider ways to maximise customer response within three months.	Complete
Diversity	
Carry out a robust audit of the CRE Code of Practice for Rented Housing and ensure compliance within 12 months.	Complete
Introduce comprehensive, regular monitoring of customer profiles, particularly in relation to access to housing and lettings, and regularly report findings to the board.	Complete
Take steps to ensure that there is a comprehensive picture of the incidence of racial harassment across the stock managed by the ALMO within three months.	Complete
Stock investment and asset management	
Explore the feasibility of offering more choice of repair appointments to customers within three months.	Complete
Review the use and appropriateness of the 60-day repair category within three months.	Complete
Housing income management	
Establish a policy for providing for and writing off arrears and ensure that an adequate provision is budgeted for in 2005/6 by 1 April 2005.	Complete
Take steps to ensure that all staff are aware of all payment methods within one month.	Complete
Ensure that Housing Benefit application forms are completed at sign-up as a matter of course within one month.	Complete

Recommendation	Progress
Tenancy and estate management	
Introduce a robust, formal and transparent process for monitoring all introductory tenancies within three months.	Complete
Publicise estate walkabouts to all tenants and residents and give feedback on the outcomes to the wider tenant audience within three months.	Complete
Review the blanket interception of late night visitors in concierge blocks, with residents within six months.	Complete
Allocations and lettings	
The Council, with the ALMO and stakeholders, should review the application of the current housing allocations policy to homeless households in temporary accommodation and people aged under 18 within three months.	Complete
Thoroughly monitor lettings to ensure that the 'length of residence' policy does not have an adverse impact on BME and other communities.	Complete
Leasehold management and Right to Buy	
Take steps to ensure all leaseholders and staff are clear about the procedures for reporting repairs within three months.	Complete
Supported housing Review staffing levels and management arrangements for the advice and support work service within three months.	Complete
Value for money	
Take action to further reduce of level of repair variation orders within three months.	Complete
Take steps to maximise the batching of response repairs into planned programmes within three months.	Complete
Take action to reduce the high number of repairs cancelled because tenants are not in.	Complete
Set clear targets for customer take-up of the most cost-effective payment methods and consider customer incentives, in consultation with service users, within three months.	Complete

Appendix 3 – Reality checks undertaken

- 1 When we went on site we carried out a number of different checks, building on the work described above, 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 Your Homes Newcastle staff;
 - interviews with key Newcastle City Council staff and the portfolio holder for housing;
 - focus groups with tenants; leaseholders; board members; front-line 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.

Appendix 4 – Positive practice

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

Positive engagement with young people

- 1 Youth Voice, an independent, consultative organisation supported and coordinated by Your Homes Newcastle's Inline service, is giving young homeless people a strong say in service development and driving service improvement. Consisting of former young homeless people this is a useful consultative forum which also provides a number of practical services and products. A user-friendly handbook and DVD have been produced for customers and support agencies on sources of help for young people seeking or in need of accommodation or housing support or at risk of homelessness. Youth Voice has developed 'Conduct Standards' for providers of Supporting People services to young people. They visit and assess these services and compile a report with recommendations which are shared with Newcastle's Supporting People team, at their request. Youth Voice has also been involved in delivering peer education in schools on homelessness and sex education. Youth Voice is influencing service development, educating young people and helping to drive service improvement.

Protection from eviction protocol

- 2 Your Homes Newcastle has a positive prevention of eviction protocol. This is used to ensure that all possible avenues of support or debt management have been attempted before legal action is taken. The protocol is widely known among housing, support and advice agencies in the city and by local solicitors. The Council values the process as part of its work to prevent homelessness and it is cited by both Shelter and Homeless Link as positive practice. Your Homes Newcastle is taking positive steps to minimise evictions.

Support to applicant excluded from the housing register

- 3 Your Homes Newcastle (YHN) has a highly supportive approach to those applicants deemed to be ineligible to register for the Your Choice Homes service. Ineligible applicants are offered, and encouraged to accept, a support package from one of YHN's housing support services that is designed to help them become eligible for rehousing. These services supported 40 cases to eligibility in 2007/08. Where the applicant is already engaged with a support service then that service will be encouraged to do the same. This approach is well known to advice and advocacy services in the city. Information and training sessions are held twice a year with these services and a clear eligibility guide has been produced for them. YHN is creating housing opportunities for people, many of them vulnerable, who would otherwise be excluded.

Effective protocol to assess housing needs

- 4 Your Homes Newcastle (YHN) has a pathways team which sits at the centre of 'Pathways Protocols' in the city, a joint approach between the Council, the Your Choice Homes Service, YHN, customers and support and care providers. It is designed to help homeless people and hospital patients into settled accommodation provided by YHN. Overall, the service is making a major contribution to homeless prevention, tenancy sustainment, hospital discharge and refugee integration.