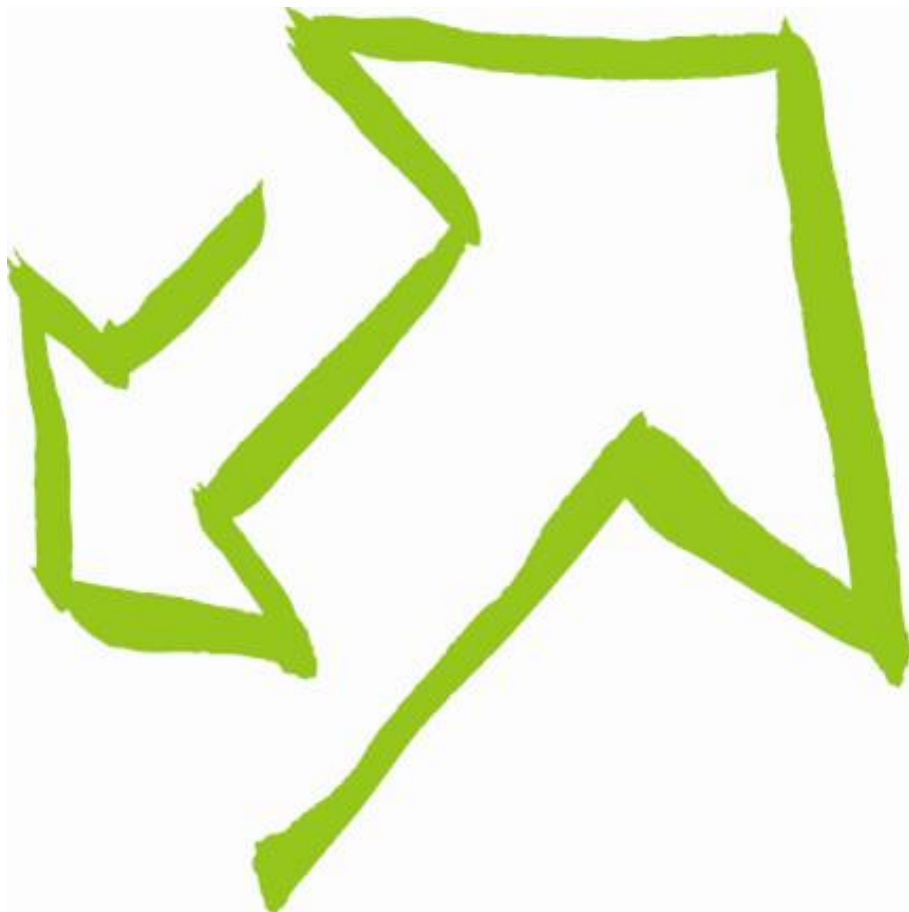


ALMO

Ealing Homes Ltd

December 2008



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Arms Length Management Organisation (ALMO) Inspections

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

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

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

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

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

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

The Housing Inspectorate has published additional guidance for ALMO inspections:

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

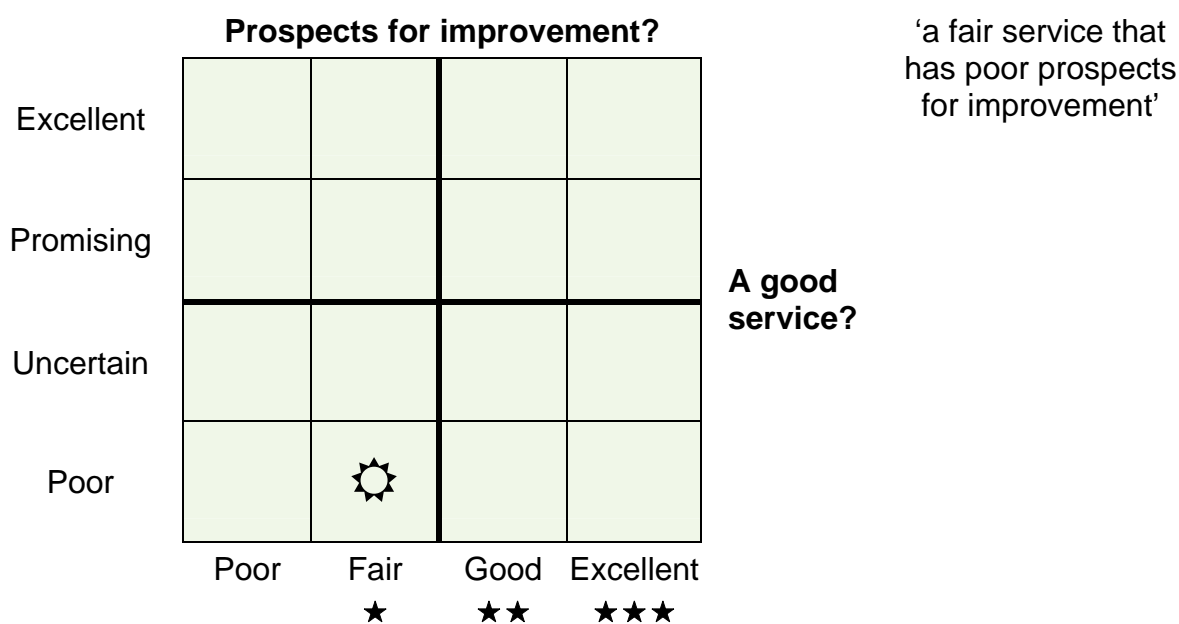
Summary

- 1 Ealing Homes provides a fair service, which has poor prospects for improvement.
- 2 Tenant satisfaction is high. Services are accessible, and good quality information is provided to residents. Profiling data is being used to improve services. There is a range of ways in which residents can get involved in the work of the organisation. Ealing Homes provides support to vulnerable residents, and actively involves young people. Void properties are let quickly. The rent service maximises the income of tenants, and achieves high collection rates. Ealing Homes works well with partners to address anti-social behaviour (ASB). The direct cost of services is low.
- 3 However, there are some areas which require further improvement. The decent homes programme has been suspended, and residents have not been kept adequately informed of this situation. This means that residents are being deprived of improvements for which funding is available, and which would improve their quality of life. There are weaknesses in the way that complaints are managed. The proportion of tenants with current gas safety certificates is low, and the aids and adaptations service is variable.
- 4 Outcomes from resident involvement are unclear. The approach to domestic violence is inadequate and procedures for ASB are not consistently followed. Problems in billing leaseholders have led to dissatisfaction. Satisfaction with sheltered services is low, and sheltered residents are unclear about who provides their services. Overhead costs are high, and value for money (VFM) is not embedded in the work of the ALMO.
- 5 Prospects for improvement are poor. Ongoing tensions between the ALMO and the Council are compromising service delivery. Ealing Homes has weaknesses in governance, does not have a current business plan or asset management strategy, and the service plan lacks focus. Progress in implementing the recommendations of the previous Audit Commission inspection is mixed, particularly in relation to high intervention estates. Services such as leasehold management have not improved consistently. Inadequate management of the repairs and maintenance budget has limited the ability of the ALMO to provide an adequate service.
- 6 Ealing Homes has some key drivers for service improvement. Performance indicators have generally improved, with improvements in key service areas such as dealing with ASB. The ALMO learns from satisfaction data and complaints. Changes in the membership of the Board, and at senior and middle management level, have improved capacity, and the training of board and staff members is positive.

Scoring the service

7 We have assessed Ealing Homes as providing a 'fair', one-star service that has poor 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

- 8 We found the service to be fair because it has a range of strengths including:
- tenant satisfaction with overall services is high;
 - local offices are accessible, and outreach work is carried out through regular mobile estate surgeries;
 - information is of a good quality, including clear service standards;
 - profiling data is being used to improve services;
 - support is provided to vulnerable residents through translation and interpreting services, the tenancy support team and the gypsy and traveller service;
 - major works completed involved residents, and had generally good satisfaction;
 - it is easy to report repairs, and repairs are diagnosed accurately;
 - void properties are let quickly and meet the agreed lettable standard;

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.

- proactive processes are in place to ensure access to properties for gas servicing, and to check the quality of gas servicing;
 - the rent service takes steps to maximise the income of tenants, and the proportion of rent collected is high;
 - there is a wide range of ways for residents to get involved in the work of the ALMO, and effective support and training is available to active residents;
 - the ALMO has been proactive in engaging young people in diversionary activities;
 - Ealing Homes works effectively with partners to address ASB, and the ASB service has an effective focus on preventative work; and
 - direct housing management costs are low, and the ALMO has reduced overall costs in the context of a fixed management fee, while increasing satisfaction.
- 9 However, there are some areas which require improvement. These include:
- the decent homes² programme has been suspended;
 - residents have not been kept informed of the circumstances surrounding the suspension of the decent homes programme, or of proposals to resolve this;
 - there are weaknesses in the way complaints are addressed;
 - the ALMO does not monitor the accuracy of data for repair appointments, and residents are not confident that appointments will be kept;
 - the proportion of tenants with a current gas safety certificate is relatively low;
 - the aids and adaptations service is not advertised, there are no service standards and the quality of service offered varies;
 - performance in collecting former tenant arrears is variable;
 - resident involvement work focuses on consultation rather than participation, and outcomes from involvement are unclear;
 - the organisation does not address the communication needs of residents with low literacy;
 - ASB policies and procedures are not consistently followed in practice, and Ealing Homes does not measure the effectiveness of its initiatives to prevent ASB;
 - the strategic and practical approach to domestic violence is inadequate;
 - performance in maintaining bushes and trees and weed spraying is not adequate;
 - inadequate billing in 2006/07 has led to leaseholder dissatisfaction, and there are limited options for paying major works bills;
 - there are no service standards for sheltered housing, and residents are unclear what services are provided by Ealing Homes and the Council. Satisfaction among residents of sheltered housing is relatively low;
 - overhead costs for operations are high;

² The Government has committed to ensuring that all social housing properties reach the Decent Homes Standard by 2010. This means that they are wind and water tight, and have reasonable thermal efficiency and modern facilities. In some cases, the Government has agreed to extend this deadline.

Scoring the service

- capital service charge arrears are high, and the performance in reducing former tenant arrears is variable; and
- VFM is not embedded in the work of the organisation.

10 The service has poor prospects for improvement because:

- ongoing tensions and disagreements between Ealing Homes and the Council are compromising service delivery and the viability of the ALMO;
- it is unclear that the ALMO has sufficient funds to adequately resource service improvements, particularly in terms of repairs and maintenance;
- there are weaknesses in governance procedures;
- Ealing Homes does not have a sufficient level of self awareness to challenge its own performance;
- progress against the recommendations of the last Audit Commission report has been variable, particularly in relation to the high intervention estates;
- some areas of operation such as leasehold management have not improved consistently;
- the business plan has been delayed and there is no current asset management plan;
- the service plan does not focus adequately on key challenges; and
- systems for presenting performance information are not fully developed.

11 However, there are a number of strengths. These include:

- performance has improved overall in terms of performance indicators since the last Audit Commission inspection in 2005;
- improvements in services which matter to residents, such as dealing with ASB;
- systems linking organisational aims to individual performance, such as the appraisal system, are well structured;
- there is a positive process of learning from satisfaction data and complaints;
- recent changes in membership of the management board and management team have increased the capacity of Ealing Homes to deal with its current challenges, and the ALMO has a positive programme of staff and board training;
- resourced plans are in place to address some key weaknesses, particularly those relating to leasehold management; and
- recruitment at senior and middle management level has increased the capacity for service improvement.

Recommendations

- 12** 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 costs³ and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the organisation shares the findings of this report with the ALMO Board, the local authority and customers; and takes action to address all weaknesses identified in the report. The inspection team makes the following recommendations.

Recommendation

R1 Ealing Homes should, in conjunction with the Council, agree and implement a timetable to re-commence the decent homes programme, quantify losses from claims against the repairs and maintenance budget and set a revised budget for repairs and maintenance.

- This timetable should be communicated to residents in a timely and clear fashion.
- The ALMO and Council should work together to minimise the impact on residents of losses to the repairs budget.

The expected benefit of this recommendation is:

- improved partnership working to meet the aspirations of tenants and leaseholders.

The implementation of this recommendation will have high impact with low costs. This should be implemented by December 2008.

³ Low cost is defined as less than 1 per cent of the annual service cost, medium cost is between 1 and 5 per cent and high cost is over 5 per cent.

Recommendations

Recommendation

R2 Ealing Homes should improve its approach to strategic planning by:

- completing and agreeing an asset management plan;
- revising the service plan to focus on key challenges, and prioritising action within the service plan to reflect this;
- using all available opportunities, including those set out in the management agreement, to resolve disputes with the Council; and
- having regular meetings with the Council at senior officer and political levels to discuss and agree a strategic approach to improving services, particularly to residents on high intervention estates.

The expected benefit of this recommendation is:

- Ealing Homes will have a clear strategy to deal with key issues in the long and medium term.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by February 2009.

Recommendation

R3 Ealing Homes should improve its services to vulnerable residents by:

- developing a separate domestic violence (DV) strategy and policy, and ensuring that officers dealing with DV provide an adequate level of contact and support for victims;
- amending its communications practice to reflect the needs of residents with low literacy;
- evaluating the effectiveness of ASB initiatives, and ensuring that the victims of ASB receive the support required in the ASB procedure;
- working with the Council to identify delays in the provision of aids and adaptations and work together to minimise these delays and improve satisfaction; and
- working with the Council to make clear to sheltered housing residents the responsibility of the Council and ALMO to provide services, develop service standards, improve satisfaction with services and to clarify the long term future of sheltered accommodation.

The expected benefit of this recommendation is:

- vulnerable residents will be provided with the support they need.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by April 2009.

Recommendation

R4 Ealing Homes should take steps to improve the resident services by:

- testing and confirming the accuracy of performance data for appointments made and kept;
- improving the proportion of tenants with current gas safety certificates in line with current best practice;
- evaluating the effect of changes to leaseholder billing to ensure that leaseholder billing is timely, accurate and equitable; and
- improving the quality of responses to complaints.

The expected benefit of this recommendation is:

- improved service quality for residents.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by June 2009.

Recommendation

R5 Ealing Homes should improve governance by:

- improving the capacity of board members, in particular resident board members, through appropriate and sustained training programmes;
- recruiting resident board members with relevant skills to fill vacancies on the board; and
- reviewing the information presented to the management board and Council to highlight areas of poor performance.

The expected benefit of this recommendation is:

- the management board will be able to fulfil its duties in relation to the ALMO and Council.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by April 2009.

Recommendation

R6 Ealing Homes should improve VFM by:

- improving systems to identify and reduce former tenant arrears;
- setting and achieving targets to reduce capital service charge arrears;
- improving the range of methods available to leaseholders to pay major works bills;
- ensuring that the cost of providing leaseholder services is covered by income from service charges; and
- embedding VFM in the work of the ALMO, and taking steps to reduce costs while being mindful of service quality.

Recommendations

- 13 We would like to thank the staff of Ealing Homes and the Ealing Homes Ltd who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 1 to 12 September 2008

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Report

- 14** Ealing is a densely populated west London borough with a population of 306,400⁴ - the third highest in London. Highly diverse, over 45 per cent of residents belong to black and ethnic minority (BME) groups, including significant numbers of refugees and asylum seekers. Newer communities include Somali and Iranian. A large, well-established, Polish community has grown significantly since Poland joined the European Union, although this community is not yet reflected within London Borough of Ealing tenancies. Ealing also has a significantly higher proportion of people of Sikh, Muslim and Hindu faiths than the London or national averages. Over 100 languages are spoken in the borough's schools.
- 15** Ealing has a strong economy with above average incomes and a job growth rate three times that of the UK. Life expectancy and adult skills levels are above the London average. However, this general prosperity is not shared by all communities. Poor standards of health and education, low household incomes and high benefits dependency are concentrated in the borough's poorer areas (for example Acton, Southall and Northolt) and among particular communities, who predominantly live in social housing. Of Ealing's 121,479 households, 22,319 live in the social housing sector. In 2008, there were over 20,653 households awaiting permanent housing and 3,243 council tenants awaiting transfers.

The Council

- 16** In 2006, Ealing Council changed from a Labour to a Conservative administration, there currently being 43 Conservative, 23 Labour and 3 Liberal Democrat members. Ealing operates a cabinet model of administration, the Leader and portfolio holders making up the ten person Cabinet. The Cabinet is supported by a number of committees and scrutiny panels.
- 17** The Audit Commission assessed the Council to be improving well and delivering three star services, in its Comprehensive Performance Assessment (CPA) in 2007. Housing achieved a four-star score in this assessment.

The service

- 18** The Council established an Arm's Length Management Organisation (ALMO) called Ealing Homes on the 6 September 2004. The ALMO has delegated responsibility for providing housing management and maintenance services, receiving a management fee for this service. It manages the Council's £15.5 million budget for repairs and the capital programme budget. Ealing Homes currently manages 12,713 council tenancies and 4,953 leasehold homes.

⁴ Office of National Statistics (ONS) mid-year estimate 2006

Report

19 The functions delegated to Ealing Homes can be summarised as:

- stock investment decisions and repairs ordering;
- rent collection, dealing with arrears, debt counselling;
- consulting and informing tenants on matters which are the ALMO's responsibility;
- promoting tenant participation, including involving tenants in monitoring and reviewing service standards;
- enforcement of tenancy conditions;
- similar functions for leaseholders;
- managing lettings, voids and under-occupation; and
- estate management, caretaking and housing-related support services under the Supporting People programme.

20 The functions retained by the Council include:

- overall housing strategy and enabling;
- determining policies on lettings and anti-social behaviour (ASB) (in consultation with the ALMO) and rents;
- aids and adaptations for disabled people;
- managing the Supporting People programme;
- homelessness, general housing advice;
- administration of the leasehold property buyback policy; and
- administration of the housing register.

21 The ALMO is managed by a board that is made up of five tenants and two leaseholders, five council nominees and five independents. The day-to-day running of the company is delegated to the executive management team, headed by a Chief Executive. At 1 April 2008, the organisation had 308 full time employees.

22 In August 2005, the Audit Commission inspected EH and judged it to provide a good, two-star service, with promising prospects for improvement. That assessment enabled Ealing to receive additional supported borrowing to bring its homes up to the decent homes standard. There have been significant recent changes at senior levels of the ALMO. The posts of Chief Executive and Head of Housing Management were vacant for some months, and were covered by interim appointments. These posts have now been filled. In addition, there have been changes in membership of the management board.

23 The Council has recently raised a number of concerns regarding Ealing Homes' performance. As a result of these concerns, and following reports by the specialist scrutiny panel and to Cabinet in June, the London Borough of Ealing (LBE) has agreed that a feasibility study be carried out to develop options for the long-term future management, maintenance and development of LBE housing stock, including the feasibility of a new joint venture vehicle.

How good is the service?

What has the service aimed to achieve?

24 Ealing Council's vision for the borough is that:

'In 2016, Ealing will be a successful borough at the heart of west London, where everyone has the opportunity to prosper and live fulfilling lives in communities which are safe, cohesive and engaged.'

25 The Council has a three-year rolling Corporate Plan that is updated annually. Its six themes are as follows.

- The environment, housing and culture - Making Ealing a better place to live.
- Safety - making Ealing one of the safest places in London.
- Children and young people - creating a great place for young people to grow up.
- Health and independence - reducing health inequalities and promoting well-being.
- The economy - ensuring opportunities for people and businesses to prosper.
- Organisational improvement - becoming a high performing organisation focused on community needs.

26 Ealing Homes' vision states 'we want the homes we manage to be places where people want to live and Ealing Homes a place where people want to work'. Its mission is 'to achieve the highest levels of resident satisfaction in everything we do'.

27 Its 'drivers for improvement' are as follows.

- A strong customer focus approach to all aspects of our work.
- Delivering the government agenda.
- Recruitment and retention of excellent staff.
- Smarter use of resources to deliver excellent services.
- Working with Ealing Council to deliver its strategies.
- The future options for Ealing Homes beyond 2010.

28 It has been agreed that the decent homes programme be reprofiled, with Ealing Homes achieving the decent homes standard in all its properties by 2013.

How good is the service?

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

Access and customer care

- 29** In 2005, we found more strengths than weaknesses. Ealing Homes had a strong corporate approach to customer care with a high profile across the organisation. There was a wide range of ways for customers to contact the organisation and customer care training ensured that staff treated residents with respect at all levels. The organisation had published service standards for most service areas, developed in consultation with residents. Service standards were however not routinely reviewed and some were out of date. The new complaints policy did not have a fair compensation procedure. There were delays in answering calls to Repair Link and, in May 2005, about 6 per cent of calls were not answered. Not all customers were surveyed to gauge satisfaction with service delivery.
- 30** In this inspection, we found that there is a balance of strengths and weaknesses in this area. Tenant satisfaction is high, and information is of a good quality. Local offices are accessible, with mobile units providing regular surgeries on estates. However, residents have not been kept adequately informed of the suspension of the decent homes programme. Front line services are not of a consistent quality, and there remain weaknesses in the way the organisation deals with complaints.
- 31** Tenants are satisfied with overall services offered by Ealing Homes. In 2006/07, 79 per cent of tenants were satisfied, placing the organisations as best performer among London ALMOs, and above average nationally. In 2007/08, this fell slightly to 78 per cent. EH carries out quarterly surveys in six service strands such as ASB and repairs; the outcomes of these surveys are detailed in relevant sections of this report.
- 32** The information provided to customers is generally of a good quality. Leaflets and booklets are clear and well presented. Resident newsletters have information on events, the performance of the ALMO and important contact numbers. The revised repairs, tenant and leaseholder handbooks provided useful up-to-date information to residents. The website is well designed, and has comprehensive information and some interactive features. The website is widely used, receiving 10,000 hits per month. As a result, residents are kept well informed about most aspects of the work of the ALMO.
- 33** Written enquiries are answered promptly. In 2007/08, 99 per cent of correspondence was answered within the challenging target of six days, though the performance of leaseholder services is lower at 92 per cent. This means that residents receive a response to their written enquiries in a timely manner.
- 34** Local offices are accessible, and provide a reasonably comfortable environment for customers. There are two local offices, both accessible to people with disabilities. A range of leaflets and posters is provided, and performance information is presented in an accessible way. This means that residents can access a range of services at local offices.

- 35** Ealing Homes provides outreach services for residents who do not attend their offices. Services are delivered to local estates through mobile surgeries. Two transportable offices visit 19 estates across the borough. These regular surgeries are advertised in advance, and they are attended by contractors, repairs staff and housing management officers. Repairs and other services can be ordered directly, making services more accessible to local residents.
- 36** Service standards are generally clear. Corporate standards are widely advertised and additional targets are publicised for each service area. This enables residents to hold the ALMO accountable for the quality of its services.
- 37** There are some weaknesses in access and customer care. There are key limitations in the way that Ealing Homes communicates with its residents about the decent homes programme. Decent homes work was suspended in February 2008, but at the time of inspection, residents are unaware why this had happened, or what the ALMO and Council are doing to resolve the situation. As yet, the ALMO and Council have not agreed a joint approach to this issue. This is a significant weakness in service, and has resulted in frustration for residents.
- 38** Customer care standards are variable. Around a third of residents responding to surveys find it difficult to get hold of the right person, and a similar proportion express dissatisfaction with the outcome of their queries. Residents in focus groups stated they were not confident that they will receive a response to their telephone enquiries. Both residents and partner organisations expressed the view that the quality of service depends on the officer they deal with. Many try to bypass the standard contact system if they feel they can access officers who have been helpful in the past. In addition, not all staff have received customer care training. As a result, services offered to residents are not of a consistent quality.
- 39** Performance in answering the telephone is inconsistent. Ealing Homes measures the percentage of calls answered, and the proportion of calls to Repairlink answered by a person. However, the proportion of calls answered in the service standard target of 15 seconds has not been measured since November 2007 due to technical problems. In 2007/08, 95 per cent of calls to the organisation (excluding Repair Link) were answered, against an unchallenging target of 90 per cent. Ninety two per cent of calls to Repair Link were answered by a person, against the target of 90 per cent. This means that Ealing Homes cannot be confident that telephone performance meets the aspirations of its customers.
- 40** Complaints are not effectively managed. Stage one complaints are not responded to within target times, and some complaints have been outstanding for a long time. Although written replies to complaints address the key issues raised, they do not follow set procedures. For example, the complaints reviewed did not state whether the complaint was upheld, and some did not outline the next stage of the complaints process. Where the standard paragraph about the next stage is used, it advises residents to pursue the next stage in writing, rather than offering the full range of contact points. Therefore, residents may be unsure about the process and outcomes of their complaints, and may not be compensated appropriately for service failures.

Diversity

- 41 In 2005, we found that strengths far outweighed weaknesses. We found that Ealing Homes had addressed all weaknesses raised in earlier inspections. Complaints were analysed by ethnicity. The ALMO used a database to profile customers according to ethnicity, gender, vulnerability and disability. There had been outreach to difficult to reach groups such as the young and BME tenants. The ALMO complied with best practice codes of practice. The key weakness related to the way the organisation dealt with and advertised its racial harassment policies. Other weaknesses included limited take-up by the Board of diversity training and tenancy support was not monitored effectively to ensure that it was being accessed by, and targeted at, all potential customers.
- 42 In this inspection, we found that strengths balance weaknesses in this area. Progress has been made with profiling tenants, and the ALMO has started to use this to improve services, but not to individually tailor them. Profiling information is limited for leaseholders. Services are generally accessible to people who do not have English as a first language. The tenancy support team and Gypsy and Traveller service provide good levels of support to potentially vulnerable residents. The ALMO works well with young people. The staff profile reflects the diversity of the local community. However, the strategic and practical approach to Domestic Violence (DV) is inadequate. Equality impact assessments are not comprehensive. Translation straplines are not used consistently, and Ealing Homes has yet to fully address the communication needs of residents with low literacy.
- 43 Ealing Homes collects diversity data and has started to use this to shape its services. There is diversity information on 75 per cent of tenants, but only 16 per cent of leaseholders. The information obtained is reasonably comprehensive in terms of ethnicity, but there is limited information on the faith backgrounds of residents. The ALMO is taking steps to increase the level of information through proxy data provided by schools, and by regular surveys. EH has started to use this data to improve service delivery. It has been identified that the Somali community is under-represented among complainants, and outreach work has been carried out to address this. As a result, a wider group of residents is able to benefit from the work of the ALMO.
- 44 The ALMO is taking effective steps to make its services more accessible to all residents. Local housing offices and community centres are DDA compliant with level access and hearing loops. Staff regularly use interpreting and translation services. In addition, 18 languages are spoken by staff members, and some staff are trained in using British Sign Language. The preferences of residents in contacting the ALMO have been reviewed, and in consequence a freephone service has been introduced. The DVD for new tenants has versions in different community languages. This means that potentially isolated residents can contact Ealing Homes to access the services they need.

- 45 Ealing Homes has some effective systems to support vulnerable residents. The tenancy support team, resourced through Supporting People funding, has provided services to 224 tenants. Potentially vulnerable tenants are referred to the team within five days of signing their tenancy, and tenancy officers can refer cases to tenancy support officers (TSOs) where there are issues such as rent arrears and ASB. The ALMO has a positive focus on working with young people. A protocol with the Council's leaving care team has led to pre-tenancy support being provided to young tenants and care leavers, and an employment project for young people is provided through an SLA with a voluntary organisation. In addition, Ealing Homes manages a Gypsy and Traveller service. This provides outreach work for gypsies and travellers on fixed sites and across the borough. These services have had measurable outcomes for marginalised groups.
- 46 Ealing Homes has a diverse workforce. Half the workforce is women and half from ethnic minorities, and this is reflected across all levels of the ALMO. The organisation is taking active steps to recruit more disabled staff, and has received 'Two Ticks' accreditation in this area. Although the ALMO is not reflective of diverse faith communities across the borough, it does otherwise reflect the diversity of the community it serves.
- 47 There are some weaknesses in the approach to equality and diversity issues. The ALMO lacks a domestic violence (DV) strategy. The approach to DV is included in the hate crime policy, but this does not adequately address issues specific to DV. There is a lack of guidance for staff in dealing with DV and the response to DV is not consistent. While the procedure promotes inter agency working, this does not always happen in practice. Incorrect priority is awarded to some cases, and cases reviewed were not always treated with the urgency and sensitivity required. Victims of DV are not regularly updated about action being taken. This means that the victims of DV are left in a position where they are at risk of further abuse, and are not offered adequate support in highly stressful situations.
- 48 Ealing Homes has not fully developed its approach to engaging with the wider community through community groups and organisations. Partnership working is focused on statutory bodies and there is no outreach or proactive approach to working with community groups and organisations or faith-based organisations such as local mosques. This means that the ALMO is missing the opportunity to use the skills and connections of these groups to reach out to marginalised groups, and to improve service delivery to them.
- 49 Equality impact assessments (EIAs) are not fully developed. Staff guidance on completing EIAs is limited to initial assessments, and not all EIAs are up to date. EIAs do not cover all relevant services and projects, with the result that different policy outcomes for diverse communities may not be identified.
- 50 Communication with residents does not reflect good practice in terms of equality and diversity. The use of translated straplines is variable, and straplines do not state what the document is about. Information about large print documents is provided in small print. While staff recognise that differing levels of literacy is an issue in communicating with residents, the ALMO continues to rely on written forms of communication in cases where this may not be appropriate. This means that information may not meet the needs of all residents.

How good is the service?

- 51** Ealing Homes is not fully using profiling data to improve services. Although there are examples of focused work using this data, the ALMO has yet to use it to tailor individual services, for example, automatically providing information in the format the resident needs. At a broader level, it has not used the information to identify gaps in services to people who are under involved in service delivery. As a result, the ALMO cannot be confident that it is reaching marginalised groups.
- 52** The support needs of vulnerable residents are not fully addressed. There is an IT flagging system, which helps front line officers identify the support needs of those contacting the ALMO. However, we found that this is not consistently available. The process for helping vulnerable tenants who are in rent arrears is not consistent in different documents, and there is no mention of vulnerability in the service charge recovery procedure. This means that EH may not be providing the support people need to maintain their tenancies.

Stock investment and asset management

Capital improvement, planned and cyclical maintenance, major repair works

- 53** In 2005, we found more strengths than weaknesses in this area. Major and planned investment was particularly strong, with high customer satisfaction due to the quality of improvements and the level of tenant input into determining programme priorities. A weakness was that the considerable investment in void properties did not always achieve the Decent Homes Standard (DHS).
- 54** In this inspection, we found that weaknesses significantly outweigh strengths. The decent homes programme has been suspended, and this is a significant weakness for the ALMO. Ealing Homes does not have an asset management strategy. Prior to 2008, there were strengths in this area. Satisfaction was high, although not consistent in all aspects of capital works. Over 71 per cent of homes achieved DHS at 31 March 2008, and the thermal comfort of homes had been improved. Residents were involved in the major works programme.
- 55** The Council instructed Ealing Homes to suspend the decent homes programme in February 2008, as the letting of the contracts was flawed. This has had several significant outcomes for all parties involved in the process.
- Works which would have improved the quality of lives of residents have not been completed.
 - Residents are frustrated by promised works not commencing. In one case, scaffolding was erected, one window installed, and then the scaffolding was removed.
 - The absence of major investment in stock may place pressure on the responsive repairs budget.
 - Some cyclical decorations and repairs programmes linked to decent homes improvements have been delayed.
 - Works to a number of void properties undergoing major improvement have ceased.

- 56** At the time of inspection, the decent homes programme had been suspended for seven months, and there is no agreed plan to resolve this unsatisfactory situation. If it is agreed to re-tender the contracts concerned, the earliest date to recommence the programme will be March 2009. Therefore, the ALMO is not currently carrying out works which are central to its services, and which formed a key element of the Council's original offer to residents.
- 57** Ealing Homes does not have a current asset management strategy. The 2008/11 strategy is currently in draft form. Although the draft strategy has some strengths, such as the inclusion of the requirements of the HHSRS⁵, the absence of an agreed strategy means that the ALMO is missing the opportunity to set out a long-term approach to maintaining its stock.
- 58** The ALMO is not achieving best practice in monitoring the condition of its stock. Ealing Homes has not carried out a stock condition survey since 2003. Although there are satisfactory methods in place to update stock information, Ealing Homes and the Council have not agreed to proceed with an update survey, with the result that Ealing Homes is missing the opportunity to accurately identify the investment needs of its stock.
- 59** The ALMO has yet to ensure consistently positive outcomes for residents. The level of complaints, although not high relative to the volume of works, increased from 56 in 2006/07 to 104 in 2007/08. Councillors report dissatisfaction among those residents who approach them. Satisfaction for boiler installation is low at 70 per cent. There have been delays between consulting residents, and works commencing. Therefore, although residents are generally satisfied, Ealing Homes is not achieving best practice in some areas of major works.
- 60** There have been positive aspects in completing major and planned works. At the end of March 2008, 71.1 per cent of stock had achieved the Decent Homes Standard. The SAP rating⁶ for stock is also relatively high compared to other London ALMOs, at 72.2. These works have helped improve residents' homes, and reduce fuel bills.
- 61** The process and outcomes of major works were generally positive before the suspension of the decent homes programme. Ealing Homes completed 7,076 bathrooms, 6,800 bathrooms and 4,750 heating systems prior to suspension of the decent homes programme. Overall satisfaction for completed works is 90 per cent, about average compared to other ALMOS. Residents we spoke to were generally positive about the works process on site, and the quality of the finished work is positive.

⁵ The Housing Health and Safety Rating System (HHSRS) is a risk assessment tool used to assess potential risks to the health and safety of residents in their homes.

⁶ SAP is a measure of thermal comfort of homes.

How good is the service?

- 62 Ealing Homes had made positive steps to involve residents in major works to their properties. The ALMO hosted a residents' conference on DHS, and there have been 32 meetings on local estates. Residents were involved in selecting contractors through assessment panels. Tenants are provided with a choice of kitchen layout and specifications. During major works, a contractor resident liaison officer helps support residents, and residents attend monitoring meetings with ALMO staff and contractors. As a result, residents have information and opportunities to get involved, and this helps shape major works around their needs and preferences.
- 63 Ealing Homes has an appropriate asbestos management plan and an up-to-date asbestos register. Most asbestos has been removed or encapsulated in existing domestic properties. The asbestos register covers offices, communal areas and many domestic dwellings. Ealing Homes provides an informative leaflet for tenants and each year sends contractors details from its database identifying the likelihood of asbestos in each property. The ALMO is therefore meeting legal requirements and helping to ensure the safety of residents, staff and contractors.
- 64 Residents can be confident that mechanical and electrical equipment is maintained in an effective manner. The ALMO maintains appropriate programmes, including portable application testing of electrical equipment, fire alarms and water installations. The contractor monitors lift performance remotely, and responds quickly to breakdowns; this is reflected in high customer satisfaction. As a result, the health and safety of residents is ensured.

Responsive repairs

- 65 In 2005, we found that weaknesses outweighed strengths. There was poor performance in some areas such as the very high level of emergency and urgent repairs, failure to achieve targets in keeping appointments and the response times to urgent works - including Right to Repair items where only 90 per cent were done on time. There were, however, signs that Ealing was improving in this service area. Tenants had recognised improvements in the day-to-day responsive repairs service since the introduction of new partnering contracts, with improved customer care from contractors. The new repairs reporting call centre (Repair Link) was a strength.
- 66 In this inspection, we found that strengths balance weaknesses. It is easy to report repairs, and repairs are diagnosed accurately. Overall satisfaction with the service is over 90 per cent. Residents are involved in delivering the service. However, it is unlikely that the ALMO has resources to deliver an adequate service for the rest of this financial year. Resident views of different aspects of the service are mixed, particularly in relation to appointments being kept by operatives.
- 67 It is easy for residents to contact the repairs service. Repairs can be ordered by free phone, through the internet and at regular mobile surgeries on estates. A revised repairs handbook provides clear information for residents. This means that residents can report repairs easily.

- 68** Some aspects of the repairs service operate effectively. There are three appointment slots available to residents, and the proportion of appointments made and kept (98.4 per cent) is high. The average number of days taken to complete non-urgent repairs is low at 6.7 days. Overall satisfaction with the repairs and maintenance service is over 90 per cent, and the customer care aspects of the repairs service are good. For example, 97 per cent of respondents to surveys find contractors polite and helpful. Complaints about the repairs service fell from 174 in 2006/07 to 126 in 2007/08.
- 69** Residents influence the repairs service. They were consulted on the content and style of the repairs handbook. In response to tenant feedback, Ealing Homes made the targets for completing repairs more challenging. This means that the repairs service is more likely to reflect resident priorities.
- 70** Staff diagnose repairs accurately. Ealing Homes provides support to Repairs Link staff. Appropriate training is provided, IT software helps staff diagnose repairs, staff shadow technical officers and specialist staff are available to advise staff answering repair calls. Staff can also access policies and procedures through the intranet. This investment in staff has been reflected in falling levels of variations and a high level of repairs completed right first time, at close to 00 per cent.
- 71** Ealing Homes cannot guarantee that it has adequate resources to maintain the current level of repair and maintenance services. From 2004, the ALMO failed to adequately manage the responsive repair contracts. This resulted in substantial claims from the contractors in 2008. The Council is negotiating these claims on behalf of the ALMO. Although the Council and ALMO are confident that payments will be substantially less than the original claims, the repairs offered to tenants may be restricted to emergency and health and safety repairs only.
- 72** Positive satisfaction data was not reflected in our discussions with residents, nor with the Council. Ealing Homes has not verified the performance information for appointments made and kept, so cannot confirm this as accurate. Residents we spoke to stated that contractors do not consistently attend booked appointments, and satisfaction for being informed when contractors will call (84 per cent) and the time taken to complete repairs (80 per cent) are low relative to other aspects of the repairs service. The Council cites the high level of complaints at surgeries and public meetings as evidence of user dissatisfaction with the repairs service. As a result, the ALMO cannot be fully confident that the repairs service is meeting the aspirations of service users.
- 73** Ealing Homes does not complete repairs in target times. Repairs are not completed in time, with 95 per cent of emergency repairs, 94 per cent of urgent repairs and 95 per cent of routine repairs completed in time, against the challenging target of 97 per cent in 2007/08. Performance is below average for London ALMOs. Therefore, tenants are not receiving the timely repairs service they need.

How good is the service?

Empty (void) property repairs

- 74** In 2005, we found that this was an area with more weaknesses than strengths. Although lettable standards had been agreed with customers, they were inconsistently applied and there were some poor processes which contributed to delays in re-letting properties which meant that rent was lost. The quality of repairs works was generally good and the cost of the service was competitive, but value for money was not demonstrated in contract arrangements and spend was not clearly linked to achieving decent homes or delivering the same standards of improvements.
- 75** In this inspection, we found that this is an area of strength for the ALMO. Void properties are let relatively quickly. The lettable standard has been reviewed, and lettable properties meet this standard and are of good quality. This has resulted in relatively high satisfaction among new tenants. Overall satisfaction of new tenants is 96 per cent, and 77.2 per cent of new tenants are satisfied with the state of repair of their new home. Only 2.2 per cent are dissatisfied with the state of repairs.
- 76** Ealing Homes has positive performance in re-letting void properties. The time taken to re-let empty properties has fallen steadily since 2004, and is 26 days (2007/08). It is now above average performance for ALMOs in London and nationally. This has reduced further to 25 days in the first quarter of 2008/09. This means that the ALMO is working effectively to house those in housing need, and to maximise rental income.
- 77** Useful information is provided for new tenants. All new tenants received a welcome pack, which includes the tenant and repairs handbooks, the location of stopcocks and instructions on how to use equipment. This means that new tenants have the information they need to move into their homes.
- 78** The ALMO provides choice for new residents. Where the new tenant is vulnerable, or the property is in very poor condition, decorations are completed by the ALMO. However, in most cases, tenants are offered decoration vouchers, allowing them to decorate their properties in the style they prefer.
- 79** The ALMO is well prepared for the introduction of energy performance certificates⁷. New IT systems have been introduced, and a member of the voids team has been trained to issue certificates to residents. As a result, Ealing Homes is well placed to meet new legal requirements, effective from October 2008, to issue these certificates.

Gas servicing

- 80** In 2005, we found more strengths than weaknesses. Ealing Homes had achieved a high rate of servicing and entered into new partnering contracts for the delivery of the service. The ALMO used appropriate legal action although it had yet to obtain any court orders.

⁷ Energy performance certificates give homeowners, tenants and buyers information on the energy efficiency of their properties

- 81** In this inspection, we found that strengths balance weaknesses in this area. There are adequate procedures to gain access to properties. The work of gas servicing contractors is checked. However, the proportion of people with a current CP12 certificate⁸ is lower than many other landlords, and the ALMO does not adequately measure user satisfaction, or progress in completing gas servicing works.
- 82** The ALMO has adequate procedures for gaining access to properties to service gas appliances. These include out of hours appointments, the installation of gas limiters and, in urgent cases, the use of injunctions. All staff are made aware of non-access cases through a shared IT system, which means that, for example, access details can be updated by rent arrears staff. Key information about tenancies is shown on an easily accessible 'dashboard', which allows staff to obtain holistic information at a glance. The importance of gas servicing is advertised in newsletters and handbooks. This means that systems are in place to maximise access to tenants' properties.
- 83** Ealing Homes carries out appropriate quality checking of servicing. A qualified member of staff carries out post-inspections, and there is a 10 per cent technical check of CP12 certificates, including on site checks. In addition, the gas servicing contractor carries out its own technical checks. Tenants can therefore be confident that their gas appliances are being serviced correctly.
- 84** However, overall performance on gas servicing does not meet best practice. At 31 May 2008, 99.15 per cent of properties had a current gas safety certificate, below average for London ALMOs. Although most cases of non access are addressed within three months of the target date, the ALMO does not yet achieve its legal requirements to service all gas appliances within 12 months.
- 85** Ealing Homes lacks satisfaction data on gas servicing. The ALMO has only just started to measure tenant satisfaction in this area, and therefore is not aware if there are issues with the process from a tenant's perspective.

Aids and adaptations

- 86** The provision of aids and adaptations for disabled residents is a retained function. Works are arranged through the Council's social services, and the ALMO maintains the equipment once in place.
- 87** In 2005, the Council's service was advertised on posters in the ALMO's area offices and information about adaptations was on the ALMO website and published in 'Key Issues'. There was no specific customer information leaflet and there were no standards in place.
- 88** In this inspection, we found that this is an area of weakness. The service is not adequately advertised, and there are no service standards. The quality of service offered differs, with residents having decent homes works receiving a better service. Residents welcome the additional support offered through the handyperson service, although the quality and VFM aspects of this service have yet to be systematically measured.

⁸ All tenants should have their gas appliances serviced every 12 months, and are provided with a CP12 certificate to confirm this.

How good is the service?

- 89 The service is not well advertised. It is not promoted in newsletters or handbooks, there are no leaflets in local offices or sheltered schemes, and there is no information on the ALMO website. Vulnerable tenants may not therefore be aware of services which would adapt their homes to their physical needs.
- 90 Ealing Homes cannot confirm that the service offered to tenants who are not having decent homes work, or to tenants who need major structural works, is of adequate quality or speed. This group of tenants must approach the Council's social services directly. Ealing Homes does not monitor or report on the service tenants receive. Officers believe that applicants wait up to 18 months for an OT assessment, but this figure cannot be verified. As Ealing Homes does not meet the Council regularly on this issue, it cannot be confident that its residents receive an adequate service, or take steps with the Council to improve outcomes for tenants.
- 91 In addition, there are no measurable standards for the aids and adaptations service. Although tenants are made aware of likely waiting times when they approach the service, the lack of service standards means that they are less able to challenge the service provider where quality or speed of works is unacceptable.
- 92 Ealing Homes provides additional services which benefit vulnerable tenants. A handyperson service provides free additional help for vulnerable, disabled and elderly tenants, including fitting of minor adaptations. Although this is anecdotally a fast and popular service, it has not been systematically tested in terms of satisfaction or value for money. As such, the ALMO is unable to evidence the effectiveness of the handyperson service.
- 93 Some tenants receive a relatively good aids and adaptations service. Tenancy support officers actively help vulnerable tenants to apply for adaptations. Procedures are in place to provide adaptations for tenants who receive decent homes works. The contractors' resident liaison officers visit tenants in advance of works. Two occupational therapists, employed by Ealing Homes, subsequently visit the tenant, and assess the need for adaptations, which are then provided at the same time as decent homes improvements. Over 300 tenants have benefited from these works in the last two years, improving their quality of life and enabling them to sustain their tenancies.

Housing income management

- 94 In 2005, we found a mixture of strengths and weaknesses. Current tenant arrears were in the bottom 25 per cent of London boroughs and former tenant arrears were also high. Ealing Homes' proactive management had resulted in both current and former tenant arrears reducing. Tenants had a wider range of methods for paying rent. However, the ALMO was not taking all available action to reduce arrears. For example, it made insufficient use of out-of-hours work, attachment of earnings orders and home visits and there had been a lack of benefit take up campaigns.

- 95** In this inspection, we found that strengths outweigh weaknesses in income management. Performance has improved and is close to the best performing ALMOs in London. There is a variety of ways for tenants to pay their rent. The service is taking steps to improve income by more focused work in some areas, and through initiatives to maximise contact with tenants in arrears. The ALMO helps residents to maximise their income, and has a good relationship with the Housing Benefit team. However, the service does not use all available methods to maximise income from former tenants, and performance is variable in this area. Although IT systems have improved, rent recovery procedures used by officers are not user-friendly.
- 96** There is a positive range of ways in which tenants can pay their rent. Payment options include cash, use of payment cards at local outlets, direct debit, and payment via telephone and the internet. Customers are therefore able to choose the method of payment that suits them best.
- 97** Rent accounts are set up in a timely manner. Of the 450 new accounts set up in 2007/08, only 16 did not meet the two day target. This helps embed a payment culture among residents.
- 98** The proportion of rent collected as proportion of the rent roll has increased consistently over the last four years, from 94.45 per cent to 98.02 per cent, and is close to that of the best performing ALMOs in London. Other measures of performance, such as the level of current rent arrears at 3.3 per cent of the rent roll is better than average for London ALMOs, though below the national average. Overall, Ealing Homes is relatively effective in reducing rent arrears.
- 99** Ealing Homes focuses its rent arrears work to maximise collection. The rent team makes evening and early morning visits, and there are campaigns to contact tenants in periods when rent arrears tend to rise, such as at Christmas. Estate-based profiling is used to concentrate and tailor rent recovery work in relevant geographical areas. This means that rent officers are able to concentrate their efforts effectively to reduce rent arrears.
- 100** The ALMO provides a variety of services to tenants to help maximise their income. There are regular campaigns to make tenants aware of the benefits available, and useful booklets help them claim these benefits. Well publicised welfare benefits sessions include staff from Ealing Homes, Housing Benefit and the Department of Work and Pensions, and these have led to measurable reductions in rent arrears. The rent team targets visits to tenants who do not receive Housing Benefit, and to tenants whose benefits have recently ceased.
- 101** The relationship with Housing Benefits is positive. There are monthly meetings between Ealing Homes and Housing Benefits managers, and up to 80 cases a week can be referred to Housing Benefits for resolution. A Housing Benefits officer is dedicated to working with the ALMO's rent officers, and Housing Benefit officers provide regular training and updates to the rent team. Rent officers have access to the Housing Benefit's IT system, enabling them to track the progress of tenants' claims, and they are provided with a weekly list of benefits cases which have been cancelled or suspended. Debt counselling is provided through a recently appointed Money Officer, funded by the Council's Housing Benefits service. As a result, the ALMO is able to help residents sustain their tenancies.

How good is the service?

- 102** The rent team is provided with adequate resources to support their work. Regular training is provided, and the introduction of two court officers has reduced costs and led to an improved court service. There is regular monitoring of officer performance against targets, and the IT system has been improved to help managers monitor rent arrears trends more effectively. As a result, rent officers are better able to improve rent collection.
- 103** Ealing Homes is proactive in encouraging residents to pay by direct debit. Although the proportion of residents paying by direct debit is not high, the ALMO has used newsletters, direct mailing and other methods to increase this total. Direct debit payment is substantially cheaper than other payment methods to process, so increasing the proportion of residents paying by this method will reduce costs to the ALMO.
- 104** There are weaknesses in income management. Management of former tenant arrears (FTAs) is not fully effective. Ealing Homes does not use a full range of tools to reduce FTAs. For example, a debt recovery agency has only recently been appointed, and the ALMO does not use the Land Registry or credit tracing agencies to locate former tenants. Exit interviews with departing tenants are only carried out in a minority of cases. As a result, the level of FTAs, albeit reduced since the ALMO was introduced, has recently increased.

Resident involvement

- 105** In 2005, we found this was a very strong area of the service. The ALMO had established comprehensive and imaginative arrangements to secure resident feedback and these were closely linked to their performance management and service development activities. The degree of sophistication and the success at reaching a large number of residents resulted in residents' views informing changes to policies and procedures. Satisfaction levels had increased across the board. However, the ALMO had not dealt with the lower quality and quantity of resident involvement at a strategic level with the most experienced resident representatives. The ALMO recognised this and it was the subject of work plans for 2005/06.
- 106** In this inspection, we found a balance of strengths and weaknesses in this area. A high proportion of tenants, including those from BME communities, are satisfied with opportunities to participate. There is a wide range of ways for resident to get involved in the work of the ALMO, and Ealing Homes has been proactive in working with young people. Training is well regarded by residents, and adequate systems and resources are in place to support involved residents. However, the focus of work is on consultation rather than strategic working, and the ALMO cannot be confident that its efforts are having significant outcomes, particularly in relation to working with hard to reach groups.

- 107** Ealing Homes has developed a range of initiatives which help residents engage in its work. These include: an interested resident database, tenant and resident associations, resident mystery shopping, focus groups, and membership of the Resident Council and the management board. These provide a range of opportunities for residents to get involved at the level which suits them best. This is reflected in high levels of satisfaction- 69 per cent of residents from both BME and non-BME communities are satisfied with opportunities to participate. This is among the best performers among London ALMOs, and above average nationally. Residents are positive about recent changes, stating that new staff and managers were more approachable, and more willing to listen to their views. As a result of changes in staffing and structures, residents have more opportunities to participate in the ALMO's work.
- 108** Ealing Homes has been proactive in working with marginalised groups. Young people were actively engaged in developing the youth strategy. Recent initiatives such as the BME focus group and Wiser heads⁹ have started the process of engaging BME communities and older people respectively, and have started to capture the views of a more diverse group of residents.
- 109** Effective partnerships are in place to support resident participation and community development. Ealing Homes has service level agreements (SLAs) in place with two training providers to develop participation and employment skills. This has been funded through a £230,000 grant from the London Development Agency. Partnership working increases the expertise and resources available to residents.
- 110** Involved residents are supported in developing their skills and effectiveness. There is a useful toolkit, outlining the participation options available to residents, and a quarterly active resident newsletter. A participation calendar helps staff and residents keep up to date with a wide range of participation activities. Training is well resourced and effective. Ealing Homes provides training, and other agencies provide support, in areas such as community leadership, negotiation skills and IT. Residents have attended external courses run by the Chartered Institute of Housing. This training is well regarded by participants, and has helped develop skills and knowledge among residents.
- 111** However, resident involvement is generally focused on consultation rather than participation in decision making. Residents were not involved in developing the resident involvement strategy. The strategy itself is not SMART¹⁰, lacking specific, measurable outcomes and targets. Resident engagement involves commenting on draft documents and existing policies, rather than setting strategic and operational priorities. As a result, it is unclear that the current approach reflects resident priorities, or how successful it is in achieving its aims.

⁹ Wiser heads is an initiative for older residents to meet and get involved in decision making.

¹⁰ SMART: specific, measurable, achievable, resource based and time-bound

How good is the service?

- 112** The impact of resident participation has not been demonstrated. Activities are measured through standard forms completed by staff, and through a questionnaire for participants, but these have yet to be analysed to evaluate the impact of different methods or target resources. A review of the work of the Resident Council did not assess the extent to which the council has influenced decision making. Similarly, resident training has not been evaluated in terms of how the skills and knowledge gained have been used. Without systematic evaluation of the new resident participation structures, Ealing Homes is unable to focus its efforts on the most productive forms of involvement.
- 113** It is unclear that participation structures have improved engagement with hard to reach groups. The new approach is intended to involve a broader spectrum of residents. The work of the Resident Council and focus groups is monitored in four of the six diversity categories. However, this does not extend to the rest of the participation structure, so the organisation cannot be fully confident that it is focusing resources on communities it is not reaching.
- 114** Residents have not been fully engaged in the production of publicity. 'Key Issues' and 'Active Residents' newsletters are generally positively received, and residents are consulted about the contents of the newsletters. However residents are not involved in producing or editing these magazines. As a consequence, the newsletters may not fully reflect the issues that are most important to residents.

Tenancy and estate management

Tenancy management, including dealing with anti-social behaviour (ASB)

- 115** In 2005, we found mixed strengths and weaknesses. There was a lack of performance monitoring and coordination of tenancy audits and new tenants' visits. While the level and range of activity in tackling anti-social behaviour (ASB) had increased, Ealing Homes had not clearly communicated to residents how it had implemented these actions. There was a significant weakness in how Ealing Homes responded to complaints of noise nuisance and, although improving, there remained overall a low level of resident satisfaction with how the organisation dealt with ASB. While Ealing Homes provided anecdotal information that the service was value for money, this had not been assessed or evaluated. There were still significant problems in communal areas where serious crime had been reported but security arrangements were inadequate.
- 116** In this inspection, we found that that strengths outweighed weaknesses. Visits are carried out to check that the registered tenant is in occupation, and to provide additional support for new tenants. Service standards are clear and comprehensive. There is a positive focus on preventing ASB. Ealing Homes works effectively with its partners and a range of front line staff contribute to identifying and addressing ASB. ASB is effectively monitored, and perpetrators of ASB are helped to change their behaviour. Satisfaction with the ASB service is mixed, but has improved significantly recently. However, the impact of diversionary activities is not evaluated. ASB policies and procedures are not followed in practice, and there is limited support for the victims of ASB.

- 117** The ALMO provides support to tenants through new tenancy visits. New tenants are visited by tenancy managers six weeks after their tenancy starts. A standard checklist is used to monitor rent payments, benefit entitlement, outstanding repairs and issues of vulnerability. This is helpful in ensuring that new tenants can successfully maintain their tenancies.
- 118** Ealing Homes carries out regular checks to make sure that properties have not been sublet. In 2007/08, 587 tenancies were checked by officers, using photographs and benefits data to identify tenants. This visit is also used to pick up issues of vulnerability. Suspected fraudulent tenancies are referred to the Council's Audit and Investigation team, who undertake checks through the National Fraud Initiative. This ensures that the limited resources of the ALMO can be targeted on people who need them most.
- 119** Ealing Homes has a positive emphasis on prevention in its approach to ASB. For example, Positive Futures sports schemes are funded through a £184,000 grant. In 2006/07 and 2007/08, 700 young people attended summer sports events, and three residents have been sponsored through youth work courses. ASB officers carry out presentations to local schools. Good neighbour agreements have been set up on 16 estates, although it is too early to assess these against measurable outcomes. These initiatives have helped divert residents from ASB activities.
- 120** Ealing Homes works effectively with partners to reduce ASB. Officers are involved in crime and disorder partnerships in the borough. Mediation is provided through a service level agreement (SLA) with an external organisation. A protocol allows information sharing with the police. The ALMO can access services provided by 50 Police Community Service Officers, funded through the Council. In addition, the ALMO funds two additional police officers to work on local estates. The employment of police officers provides measurable outcomes, with officers able to access information directly, enabling more effective action against perpetrators of ASB. Ealing Homes also works closely with other organisations such as Victim Support and the mental health housing team through protocol arrangements. This helps increase the skills and resources available to the ALMO to address ASB.
- 121** Ealing Homes uses a range of methods to deal with ASB. In 2007/08, the ALMO used anti-social behaviour orders, acceptable behaviour contracts, and parental contracts. It has also used external mediation services to deal with low level nuisance. As a result, the ALMO has been able to take effective steps to address different types of ASB.
- 122** The ALMO also coordinates its approach to ASB between different functions. Front line staff such as caretakers are actively involved in identifying and reporting ASB. All calls, actions and outcomes are logged on a shared management system, and this is used to focus activities on local hotspots. This enables Ealing Homes to focus its activities on areas which require additional partnership working.

How good is the service?

- 123** ASB work is effectively monitored. A monthly multi-agency ASB action group monitors ASB across the borough. The work of individual ASB officers is monitored at one-to-ones, and the continuous improvement group reviews ASB cases annually. A quarterly satisfaction survey of victims of ASB is carried out, and outcomes of the survey can be drilled down to individual officer level. Residents are engaged through regular ASB focus groups, which examine policies, procedures and performance information. These activities mean that the ALMO can identify areas of best practice and barriers to improvement.
- 124** Perpetrators of ASB are helped to change their behaviour. Young people are identified through regular multi-agency monitoring and they are matched to relevant diversionary activities and apprenticeships. Vulnerable perpetrators of ASB are referred to the tenancy support team. This helps Ealing Homes deal with ASB without recourse to legal action and eviction.
- 125** Satisfaction with ASB services is mixed, but has recently improved. The STATUS survey of tenants found that satisfaction declined from 62 per cent in 2006/07 to 47 per cent in 2007/08. However, recent surveys of service users are more positive, with satisfaction increasing from 56 per cent in the first quarter of 2007/08 to 71 per cent in the first quarter of 2008/09. While around four tenants in five received an acknowledgement letter and are satisfied with the politeness of staff, satisfaction is significantly lower in terms of getting hold of the right person (70 per cent) and being kept informed of the outcome of the investigation (63 per cent).
- 126** Ealing Homes has some weaknesses in the approach to ASB. The impact of diversionary activities is not monitored. The ALMO is currently introducing a system to track individuals in terms of well-being, behaviour and education, but at present the ALMO cannot evidence positive outcomes from the range of activities locally provided.
- 127** ASB policies and procedures, although comprehensive, are not always followed by officers. File checks indicate that record keeping is poor and that officers do not consistently follow up reports of ASB and keep the person reporting ASB updated. NOSP¹¹ are served as a precautionary measure, rather than a precursor to legal action. Correspondence is not tailored towards the circumstances of the individual, and the contents are sometimes contradictory. This means that complainants cannot be confident that the issues they have reported are being dealt with effectively, and poor record keeping could compromise legal action.
- 128** Support for victims of ASB is not comprehensive. Ealing Homes does not currently have an out-of-hours service; this will be re-introduced in October 2008. Although there are robust policies on victim support, in practice such support is limited. For example, there are no arrangements to prepare witnesses for court appearances. This makes it less likely that ASB will be reported.

¹¹ Notice of Seeking Possession is a legal document served on residents who have breached their tenancy conditions.

Estate management

- 129** In 2005, we found that strengths outweighed weaknesses. The level of information and standards provided to residents had improved. Estates were generally clean and grounds well-maintained. There were clear service level agreements (SLAs) for services provided by contractors. The level of satisfaction for estate cleanliness remained low, but had improved.
- 130** In this inspection, we found that strengths balance weaknesses. Satisfaction with different elements of estate management varies. Helpful service standards are in place for most areas, but there is no standard for grounds maintenance. Monitoring of standards of estate management is robust. Management of green areas is a Council-retained function, and partners generally work well together to improve services. However, the service in relation to weed spraying and cutting back of bushes and trees is not adequate. The jet cleaning service is not fully developed. There are regular estate inspections, but these are not frequent and do not generally extend to smaller estates.
- 131** Satisfaction with estates service is variable. Overall satisfaction with caretaking and cleaning ranged between 55 per cent and 75 per cent in 2007/08, but only half of residents were satisfied with the overall cleanliness of internal communal areas. A number of services are provided by the Council through a service level agreement, including pest control, removing abandoned vehicles and graffiti. For these services, 70 per cent were satisfied with bulk refuse removal, and over three quarters with the removal of graffiti and abandoned cars. The graffiti service is highly regarded by residents. Our checks found that internal communal areas were clean, and that estates were clear of graffiti, fly tips and abandoned vehicles. However, we found rubbish accumulating in some external areas, and bushes were not maintained well in some areas.
- 132** The standard of caretaking is generally good, but is not consistent in all blocks. Surveys indicate that a large majority of residents (82 per cent) find caretakers helpful. All caretakers are BICS¹² qualified. This means that residents are positive about some aspects of the estate management service, but a high quality service is not being delivered consistently.
- 133** Monitoring of standards for estate management is generally robust. Ealing Homes provides clear photographic service standards to residents, and each block has a notice to indicate when cleaning should take place, and what duties should be completed. Supervisors and a Quality Officer monitor quality of cleaning, and the proportion of caretaking tasks passing inspection rose from 69 per cent in 2006/07 to 90 per cent in 2007/08. There are regular estate inspections involving councillors, residents, caretakers and housing management staff. The inspections are advertised in advance, and the results are outlined in newsletters and on the ALMO website. Text messaging has been introduced for residents to report problems. This means that residents can get involved in improving conditions on estates, and more easily hold their landlord to account for service failures.

¹² BICS is a qualification provided by the British Institute of Cleaning Standards

How good is the service?

- 134** The relationship between different partners involved in estate management is positive. The Council's environmental services and Ealing Homes' caretaking service are open to residents' comments and suggestions. Monthly estate partnership meetings target areas where problems have been highlighted. This helps different organisations work together for the benefit of residents.
- 135** There are some weaknesses in estate management. Tenants are not satisfied with the maintenance of bushes and trees. The service is provided by the Council, and monitored by the ALMO. The contracts used by the Council do not adequately specify what services should be provided and which areas form part of the contract. In addition, weed spraying is not adequately planned or delivered.
- 136** Service level agreements are not in place for all estate services delivered by the Council, and residents have not been consulted on the content of existing service level agreements. This is a particular issue for grounds maintenance, which can only be informally monitored by Ealing Homes staff. This limits the ALMO's ability to monitor the quality of estates and ensure adequate standards.
- 137** There are also limitations in the way that service standards are monitored. There is an annual inspection programme for all estates. In addition, larger estates have a full inspection twice a year, supplemented by inspections by quality officers, supervisor caretakers and estate managers. Smaller estates only have inspections on the request of residents, but this is not publicised to residents. Until recently, the service lacked the systems to effectively programme these, so it is not known how many of the blocks have been checked and how often. This means that Ealing Homes cannot ensure that all common areas are maintained to a consistently high standard.
- 138** The jet cleaning of bin chutes and paladin bins has not been fully planned or resourced. This service was introduced following a review and reorganisation of estate services, and is delivered by four trained operatives working in two teams. However, it is unclear whether operatives have been issued with parking permits, and they spend a substantial part of their time transporting water between blocks. When one operative is not at work, only one team can complete its duties. As a result, the new service is not fully achieving its aims.

Leasehold management and Right to Buy

- 139** In 2005, we found more weaknesses than strengths. Leaseholders and tenants exercising the Right to Buy were provided with good quality information, consultation over new capital works was effective and there had been a significant reduction in service charge arrears. Nevertheless, service charges were unacceptably high. Limitations in the current IT systems were holding back service improvements and there were delays in responding to customer correspondence, including Right to Buy applications. Ealing Homes recognised that the leaseholder service was a key weakness but being addressed via a new staffing structure and a new focus on ensuring that the capital spend on leasehold properties was correctly identified and collected.

- 140** In this inspection, we found that this continues to be an area of significant weakness, despite weaknesses being identified in two previous inspections. Satisfaction with leaseholder services is low, and leaseholders are not aware of all the services that are available. The billing process in 2006/07 was flawed, resulting in late service of bills and loss of income. The current system of apportioning costs is regarded by some leaseholders as unfair. There are limited options for payment of major works bills, and the impact of leaseholder involvement is unclear. However, information is of good quality, and the revised leaseholder handbook is helpful. Right to buy applications are processed in time, and there has recently been an improvement in overall satisfaction with leasehold services.
- 141** Satisfaction among leaseholders is low, albeit improving. A majority of leaseholders are dissatisfied with the service provided by the leasehold team, and satisfaction with the services provided by Ealing Homes is lower still. The leaseholders we met were generally dissatisfied with services, particularly with the accuracy and timeliness of billing, and a perceived lack of response to enquiries. Councillors report that they are frequently contacted by leaseholders unhappy with aspects of service delivery and billing. However, there has been a recent improvement in satisfaction, which rose from 28 per cent in the first quarter of 2007/08 to 65 per cent in the first quarter of 2008/09.
- 142** The billing process for major works and revenue service charges has been poorly managed. In 2006/07, both estimates and actual bills were served late. As a result of poor communication between the leasehold team, the asset management team and the repairs and maintenance service, actual bills were substantially above estimated costs. The steps taken to address these issues are covered later in this report, but billing problems caused dissatisfaction and uncertainty for leaseholders.
- 143** Leaseholders are unclear about some aspects of the service they receive. The leaseholders we spoke to were, for example, unaware of estate inspections. The reporting and billing of communal repairs has been weak. In addition, the method of apportioning revenue costs to leaseholders is regarded as inequitable. At present, all leaseholders are charged a £50 administrative fee, and 26 per cent is added to the management fee to cover the costs of the leasehold service. This means that leaseholders on estates where there have been large amounts of communal works may pay substantially higher service charges than other leaseholders.
- 144** The billing of major works and day to day repairs is weak. There have been substantial losses in income over the last three years because Ealing Homes has not informed leaseholders in advance of such works. Although substantially reduced in the last two years, there continue to be losses in this area. In addition, there are losses from the incorrect service of s125 notices¹³. As a result, there are reduced resources to provide the services that tenants and leaseholders need.

¹³ Section 125 notices advise new leaseholders what major works will be carried out within the first five years of their lease. If accurate information is not contained in the notice, the landlord is unable to recharge leaseholders the full amount for these works.

How good is the service?

- 145** Ealing Homes provides limited repayment options for major works. Leaseholders can take advantage of, for example, interest free loans payable over 12 months and discretionary loans, but do not have access to extended interest free options and low interest loans commonly provided by other landlords. With external works due to many properties, this means that some leaseholders may face hardship in meeting substantial major works bills.
- 146** The impact of leaseholder involvement is unclear. Leaseholders are consulted through the Leasehold Forum, which acts as a sounding board for leasehold services, and Ealing Homes Independent Leaseholder Association (EHILA), which is a decision making body. The Chair of Ealing Homes management board attends EHILA. However, the activities of both groups focus on commenting on draft policies and publicity. It is not apparent where decisions made at EHILA are reported, and members of both groups are not confident that their views influence the actions of the ALMO.
- 147** There are some positive aspects to the leaseholder and home ownership service. Right to Buy applications are processed in target timescales, and the team has effective relationships with relevant teams within Ealing Homes and the Council. The revised leaseholder handbook contains useful information, and leaseholders feel that the leasehold service is good at keeping them informed. The effect of recent changes in leasehold procedures is detailed in the 'track record' section of this report.

Allocations and lettings

- 148** In 2005, we found that strengths outweighed weaknesses. LOCATA¹⁴ continued to provide tenants with an element of choice on rehousing, and Ealing Homes provided support to vulnerable tenants in accessing this service. The main area of weakness was the absence of publicity on the ALMO's role in the initial assessment of transfer applications, and the service standards that were measured internally but not openly publicised.
- 149** In this inspection, we found that strengths continue to outweigh weaknesses. Lettings and allocations is a Council-retained function. The Council allocates social housing through LOCATA, which now includes five other local authorities and 14 housing associations. The Council nominates five applicants to view each vacant property, and provides full information to the ALMO's property officers on each applicant. As a result, void refusal rates have been reduced, and applicants in need of housing are able to exercise some choice.
- 150** The ALMO provides adequate information for applicants. Vacant properties are advertised every two weeks in local offices and on the LOCATA website. It is easy to find relevant information on the EH website, which has clear links to the LOCATA site.

¹⁴ The choice-based letting (CBL) scheme

Supported housing

- 151** In 2005, we found that weaknesses outweighed strengths but recognised that work has started in tenancy support to address some of these. For example service standards, performance management and value for money. There was a significant weakness in the clarification of service responsibility for sheltered housing and this was not openly publicised or clear.
- 152** In this inspection, we found that weaknesses continue to outweigh strengths. The sheltered housing service has been retained by the Council. Ealing Homes does not provide service standards, and residents are unclear about who provides services. Satisfaction with services is low, and opportunities to influence services are mixed. There is uncertainty about the future of the service.
- 153** Satisfaction with services is low. A series of focus groups held between January and March 2008 found 64 per cent satisfied with cleaning, 76 per cent with repairs, 64 per cent with grounds maintenance and 52 per cent with ASB services. These satisfaction levels are poor, given the very high levels of satisfaction commonly reported by other landlords among sheltered housing residents.
- 154** Sheltered housing residents are unclear about who is responsible for the services they receive. Sheltered housing is a retained service, and the ALMO provides tenancy management and repairs to residents. About half of residents do not know that repairs are carried out by the ALMO, and nearly a third of residents believe that Ealing Homes is responsible for the grounds maintenance provided by the Council. Around a third of resident do not know who to complain to. A protocol between the Council and Ealing Homes has only recently been reviewed, and issues such as dealing with ASB and consultation are not clear in the protocol. Information on sheltered housing is not available on the Ealing Homes website, and there are no service specific standards. This means that residents are not clear who to hold responsible for service delivery, or what to do if the service does not meet standards.
- 155** There is uncertainty about the future of sheltered housing. Work was undertaken to assess the viability of individual sheltered schemes, based on investment requirements and demand, and this was reported to Cabinet in October 2006. There was a scrutiny panel on the options for sheltered housing in January 2007. A report to Cabinet for October 2008 states that no decisions have yet been taken on the decommissioning of blocks, and this report maps out a consultation plan, which will be reviewed in January 2009. In the meantime, voids are not being re-let in some sheltered blocks. This means that some residents remain in a declining physical environment, and are uncertain about the future of their schemes.
- 156** Ealing Homes has introduced some improvements to engage with sheltered housing residents. A Sheltered Housing Forum has been created to progress and improve sheltered housing services. The forum meets six-weekly and is serviced and funded by Ealing Homes. A Wiser heads group for older residents provides a mechanism for general consultation, and for social activities and training opportunities. These initiatives allow residents to make their views known to the ALMO.

How good is the service?

157 However, opportunities for older residents to influence support services are mixed. The groups mentioned above are mostly used to provide information and to complement one-to-one support, rather than reviewing and improving services. Therefore residents are asked their opinions about service, but do not directly influence how they are provided.

Is the service delivering value for money?

158 In 2005, we found mixed strengths and weaknesses. Ealing Homes had made improvements to its capacity to deliver value for money (VFM) in terms of its infrastructure, but had not yet demonstrated VFM in all aspects of the service.

159 There continues to be a balance of strengths and weaknesses in the approach to VFM. The ALMO has low costs in terms of the direct provision of services, but overhead costs are high. There are some examples of efficiency savings, but these remain uncoordinated, and are not embedded in the work of the ALMO. Performance in rent arrears is positive, but Ealing Homes is not collecting all its leaseholder costs, and service charge arrears remain high.

How do costs compare?

160 In this inspection, we found Ealing Homes has areas of both strengths and weaknesses when comparing costs to other housing providers. In 2007/08, the organisation spent an average £579 per property per annum managing its properties. This is the second lowest of eleven London ALMOs, and is slightly above the average nationally¹⁵. The reduction in management fee in 2008/09 will reduce this to £521. Cost benchmarking also identifies the ALMO as having below average costs compared to other London ALMOs in terms of average cost of repairs, the number of employees per property and tenancy and estate management costs per property.

161 Ealing Homes is more expensive than other London ALMOs in overhead costs. The procurement function was transferred to the Council in September 2008, and the Council has proposed sharing some back office services. However, the Council and ALMO are not agreed on the benefits of this proposal in terms of service delivery. The proportion of emergency and urgent repairs (72 per cent in 2007/08) is substantially higher than Audit Commission guidelines, and the highest of any London ALMO.

How is value for money managed?

162 Ealing Homes has achieved VFM improvement in a number of service areas. The reorganisation of caretaking services reduced costs, with savings invested in service improvements such as jet cleaning. The introduction of swipe card payment, court officers and a meter reading scheme has also led to significant cost savings.

163 The ALMO has operated within a limited budget. The management fee has remained static since 2005/06, which means that the ALMO has absorbed year on year inflation costs. This equates to an annual efficiency savings of £6.4 million in the period 2005 to 2008. Although not part of a planned VFM strategy, the planned £2 million reduction in the management fee in 2008/09 will further reduce costs.

¹⁵ Draft benchmark figures, provided during the inspection

- 164** Value for money initiatives currently lack coordination, and are not embedded in the operation of the organisation. All projects have VFM issues identified, but in practice, this happens at a fairly basic level, without clear benchmarking and other data. The ALMO cannot fully analyse the VFM implications of its plans. For example, it is not clear that the revised resident participation structure is delivering VFM in terms of costs and outcomes. Performance reports to the management board and delivery planning meetings do not adequately address VFM considerations; recent board reports, for example, have not included the average cost of management and repairs, a required field in the data set. Therefore, the ALMO cannot be confident that its current and planned activities provide good VFM.
- 165** Ealing Homes is not maximising income in key areas of operation. Income is still being lost by non-service of Section 20 notices¹⁶ to leaseholders, albeit at a significantly lower rate than in 2006/07. The leasehold service does not recover the full cost of operations. In 2007/08, the ALMO billed an average of £144.70 to each leaseholder, while the cost of leasehold services was equivalent to £225 per leaseholder. This means that £400,000 is being lost each year, resources which could be invested in improved services for tenants and leaseholders.
- 166** While rent collection has improved and is close to the performance of the best ALMOs in London, there are weaknesses in the collection of service charges. Arrears of revenue service charge increased from £328,000 in 2006/07 to £1,343,000 in 2007/08; the collection rate for these charges is 72 per cent. In 2007/08, EH collected 62 per cent of the capital charges outstanding, and current targets will only start to reduce major works arrears in 2010/11. This represents a loss of potential resources to the ALMO.
- 167** Ealing Homes has made limited VFM gains from service level agreements (SLAs). Key services such as grounds maintenance are directly provided by the Council; in many other ALMOs, the costs of these services are funded through the management fee, and procured independently by the ALMO. The current system of service provision means that, although savings have been made in services such as graffiti removal, the opportunities to obtain VFM through reviews of service level agreements is restricted.

¹⁶ Section 20 notices are notices served on leaseholders to consult them about the costs of works. Incorrect, or non-service, of these notices means that the landlord cannot recover all costs of the works.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 168** In 2005, we found considerable evidence of service improvements, in particular resident involvement, diversity and the capital maintenance programme. However, the report noted that these improvements were not fully embedded.
- 169** In this inspection, we found that weaknesses outweighed strengths in this area. There has been an overall improvement in performance since the last inspection, as measured through performance indicators. There have been improvements in the approach to ASB, but progress in leasehold management has been slower. Progress in VFM is mixed and progress against the recommendations of the 2005 Audit Commission inspection (below) is variable. The suspension of decent homes works has had a significant impact across different service areas, and there has been limited progress on high intervention estates, which represent a quarter of the stock managed.
- 170** Table 1 (below) outlines progress against previous inspection recommendations.

Table 1 Recommendations of previous inspection

Ealing Homes

Recommendation	Progress
By September 2005 - review all service standards with customers to enable service users to fully appreciate what level of service they can expect and specifically review the discretionary compensation within the complaints policy to provide greater clarity about the type of circumstances where EH is likely to pay compensation.	Fully achieved
By September 2005 – review with the BME Forum and partners the Racial Harassment leaflet and partnership arrangements to ensure a higher profile is given to racial harassment and race hate and Ealing Homes role in relation in tackling it.	Partially achieved
By September 2005 – introduce and carry out regular diversity analysis of the tenancy support service to ensure that it is being delivered to a representative selection of Ealing Homes’ tenant profile, and take remedial action to address any shortfalls.	Partially achieved

What are the prospects for improvement to the service?

Recommendation	Progress
By September 2005 – develop a clear strategy to reduce current and former arrears by utilising all legal sanctions available and using non-traditional methods such as undertaking evening and weekend work, and undertake a benefit take up campaign.	Achieved
By October 2005 - review arrangements for resident involvement at a strategic level and reach a written agreement with the Ealing Council Tenants' and Leaseholders' group (ECTLG) that clarifies how they can influence decisions.	Partially achieved
By October 2005 - clarify and publicise Ealing Homes' role in administering the transfer process, and in consultation with residents introduce service standards within this area.	Fully achieved
By September 2005 - in consultation with tenants who receive the Tenancy Support service establish a forum of resident involvement to address the service improvements that are currently being considered, and to identify future improvement requirements.	Not achieved
By September 2005 - in partnership with LBE publicise and promote the service delivery aspects for sheltered housing, this is to include a protocol for handling complaints.	Partially achieved
By November 2005 - ensure that accounting for revenue and capital service charges is coordinated so that leaseholders receive statements which show both charges in the same document.	Achieved
By January 2006 - review all service level agreements to ensure that there are clear financial arrangements linked to services received and that demonstrate value for money.	Partially achieved
By January 2006 – ensure that all income maximisation sources are identified including leaseholder charges and repairs recharges and a clear strategy to achieve maximum income generation is approved by the ALMO Board.	Partially achieved
Report the findings of this report to the Board of the ALMO, the LBE and customers, and take action to identify, consider and address all weaknesses in this report.	Partially achieved

What are the prospects for improvement to the service?

Recommendation	Progress
The ALMO and the council should report in writing to the Housing Inspectorate in April 2006, progress made against these recommendations. This information will be used to measure the progress made by the ALMO in achieving its objectives.	Achieved

- 171** Ealing Homes has improved overall performance, as measured by changes in performance indicators since the date of last inspection and 2007/08. In particular, there have been significant increases in tenants' satisfaction with overall services and satisfaction with opportunities to participate. Rent collection and collection of capital service charges have increased. The number of decent homes has increased, and gas servicing has improved. The time taken to complete repairs and the time taken to re-let vacant properties has reduced. The proportion of caretaking tasks passing inspection has improved from 77 per cent in 2004/05 to 90 per cent in 2007/08. However, there have been declines in the proportion of appointments made and kept and the collection of revenue service charges.
- 172** Recent performance, as measured from 2006/07 to the first quarter of 2008/09, is more mixed. Re-let times have continued to improve. Satisfaction with ASB, leasehold and caretaking services have increased between the first quarters of 2007/08 and 2008/09. However, the Council's suspension of the decent homes programme is a significant issue. As at 31 March 2008, 28.9 per cent of stock was non-decent and it is unlikely that Ealing Homes will achieve the target of 37 per cent for 2008/09. In addition, the proportion of properties with a current gas certificate has fallen, as has the proportion of emergency, urgent and routine repairs completed in targets times. There has been variable performance in terms of former tenant arrears, and the proportion of repairs that are planned. Therefore, while the ALMO has made progress over the last three years, more recent performance has been more mixed.
- 173** Progress in improving VFM is mixed. A number of initiatives have reduced costs, and improved service outcomes have been reflected in increased tenant satisfaction, which is comparable to levels achieved by the best London ALMOs. EH has absorbed inflationary costs over the last few years, equating to a 3 per cent efficiency saving. An additional reduction of £2 million in the management fee has been agreed with the Council and incorporated into budgets; however the impact of this reduction in terms of service delivery and tenant satisfaction is as yet unknown. A value for money board has recently been constituted to carry out strategic end-to-end reviews of all service areas; however, there were no outcomes from this initiative at the time of inspection. This means that Ealing Homes cannot currently fully evidence improvements in VFM.

What are the prospects for improvement to the service?

- 174** The ALMO has made improvements in performance in areas that matter to service users. Ealing Homes has fostered partnerships to tackle ASB, and these have delivered successful enforcement actions. The ALMO has developed and supported TRAs in local areas, and introduced a range of new participation initiatives. This has increased the number of ways in which residents can engage with the ALMO, although the impact of these initiatives is as yet unmeasured. Floating support has been delivered to vulnerable residents through the tenancy support team. Cleaning and grounds maintenance on estates has improved, and the ALMO has received external accreditation for this service.
- 175** Ealing Homes has made positive efforts to recruit a wider range of contractors. Events have been held to recruit more contractors from BME communities, which will increase employment opportunities among marginalised groups.
- 176** Progress in improving leasehold services has, however, been slow. Although satisfaction with leasehold services increased between the first quarters of 2007/08 and 2008/09, significant problems in billing in 2006/07 have resulted in uncertainty for leaseholders and loss of income for Ealing Homes. Estimates and actual bills were served in time in 2007/08, and the actual bills were only 1.29 per cent above estimates. However, although overall actual bills are close to the estimates, individual elements of the bills remained inaccurate, with repairs actuals being 58 per cent above estimates and lighting 100 per cent above estimates. This means that leaseholders cannot currently have confidence in the accuracy of the billing process.
- 177** Ealing Homes and the Council have achieved limited progress in improving physical conditions on high intervention estates. These estates comprise a quarter of the ALMO's stock, and require significant major works which cannot be funded through decent homes budgets. The original bid for ALMO status stated that the Council and the ALMO would work with residents on these estates to develop solutions. The May 2005 Audit Commission inspection report noted that residents in these areas 'continue to live in uncertainty as to the future of their estates'. Works are progressing on one estate, and another is at the stage at which an agreed programme of works will be tendered. However, for most estates, consultation is still ongoing. 'Meanwhile works', which cover health and safety and basic repairs, have been agreed in principle by the ALMO and the Council on these estates, but have yet to be implemented. Limited progress over the last few years means that uncertainty continues, and is placing pressure on already limited HRA and ALMO resources.

How well does the service manage performance?

- 178** In 2005, the ALMO's plans were assessed as generally robust with the exception of stock investment. The business and delivery plan was robust, generally SMART and provided a clear framework for the medium to long term. The ALMO was open and usually responsive to learning from its own experience and best practice elsewhere. The ALMO needed to improve performance management and to clearly demonstrate ambition by setting challenging service delivery targets.

What are the prospects for improvement to the service?

- 179** In this inspection, we found a balance of strengths and weaknesses. The business plan for 2008-2010 was finalised late, following substantial changes in membership of the board. There are adequate systems to cascade high level priorities to service and team level. The appraisal system linking this to individual officers works well. However, the service plan which underpins the business plan does not focus sufficiently on priority areas. Ealing Homes has resourced plans to improve services, particularly in leasehold management. There are positive systems to learn from complaints and measure resident satisfaction. However, the system of presenting and challenging performance, as measured through performance indicators, is mixed.
- 180** The business planning process is informed by resident priorities expressed in focus groups, satisfaction data and a mock inspection in 2007. These are then translated into projects and milestones within the service plan. A recently introduced IT system cascades milestones to service manager and team level, and performance against targets is measured through this system. As a result, Ealing Homes has systems in place to measure its performance in improving services to residents.
- 181** Ealing Homes has resourced plans to address a number of concerns raised within this report. The most significant of these are in leasehold management. Leasehold services now estimate repairs billing based on an average over four years, which will help reduce substantial variations in estimates each year for individual leaseholders. Overheads and profits are now included in repairs; previously these were added at the end of the year, which meant that a number of communal repairs which required s20 consultation were not identified. More expensive repairs are flagged on the IT system so that relevant notices are served to leaseholders. Data on communal repairs is checked monthly, and a pilot procedure to provide a quarterly list of communal repairs to leaseholders is now being rolled out. The ALMO is reviewing payment options, the calculation of management fees and utility charges. A revised protocol has been agreed between leasehold services and the asset investment team, to identify issues in major works billing. However, most protocol meetings have been cancelled, limiting the effectiveness of this initiative. There have been mixed outcomes for these initiatives. Section 20 losses have been substantially reduced from very high levels in 2006/07. However, actual bills in September 2008 were substantially different from estimates, and it is too early to measure the impact of other initiatives.
- 182** Other planned initiatives are expected to help improve services to residents. An out of hours ASB reporting service will be re-introduced in October 2008, and Ealing Homes is introducing a scheme to monitor the effectiveness of diversionary activities for young people. Repairs texting will improve performance in attending booked repairs appointments. Ealing Homes and LBE are developing a basic bank account for low income households, and rent statements can now have text inserted to inform individuals what they need to do to reduce their arrears. If implemented effectively, these initiatives will improve outcomes for service users.
- 183** Performance management of staff is robust. Appraisals (Job Performance Schemes) are completed twice a year, and are supplemented by monthly one-to-ones. The appraisals link individual performance to post objectives, core competencies, key objectives and training. Appraisals are completed fully, poor performance addressed and clear targets set.

What are the prospects for improvement to the service?

- 184** The ALMO has put systematic procedures in place to learn from complaints. The response to complaints is monitored by Service Improvement Officers (SIOs). SIOs attend team meetings to go through complaints and improve responses to complaints. A 'lessons learned' log is completed which identifies areas for improvement. Complaints are reported quarterly to the senior management team, and an annual report looks at trends across years, and recommends actions to address concerns. The IT system is adequate, allowing easy access to track individual complaints, and breaking down complaints by, for example, ethnicity. As a consequence, Ealing Homes has taken steps to identify patterns of complaints and address issues arising from these.
- 185** Ealing Homes has positive systems to measure resident satisfaction. A STATUS-style survey is carried out each year, and is supplemented by quarterly satisfaction surveys of six key services provided by the ALMO. This allows the organisation to track satisfaction over time. The information is also used to identify key issues which drive satisfaction. This means that the ALMO can take steps to address barriers to improve services and resident satisfaction.
- 186** The quality of presentation of performance information is mixed. Key performance information is reported monthly to the senior management team, and to the Council at monthly delivery plan meetings. The Board receives a Comprehensive Performance Report (CPR), which combines performance and satisfaction data. This provides an adequate basis for improving service delivery. However, there are contradictions and gaps in the information provided. For example, the proportion of emergency and urgent repairs is reported as 18 per cent in the CPR, and 71.9 per cent in the repairs service's Business Object Report. Some targets for 2008/09 are below those achieved in 2007/08 - for example in terms of the proportion of rent lost through arrears. As a result, Ealing Homes cannot be fully confident that all areas of poor performance are challenged and addressed.
- 187** At a strategic level, Ealing Homes has weaknesses in the business planning process. The draft business plan for 2008-2011 was not agreed by the management board. Officers and members have worked to improve the plan, but at the time of inspection it was still in draft form, which means that the organisation lacks a clear outline of where it wants to be in the long term, and how it will achieve its long term goals.
- 188** The Council has increased its capacity to monitor the performance of the ALMO. Senior management posts and monitoring staff have been introduced in the context of the new Directorate of Housing and Regeneration. Until these appointments, the Council's monitoring process was not sufficient to identify the issues raised in this report. However, increased capacity in this area offers an opportunity for Ealing Homes and the Council to work more closely together to improve services to residents.
- 189** The service plan is insufficiently focused and prioritised. The service plan is the overarching document which links long-term priorities to service and team planning. The 2008/09 service plan sets out key projects and milestones, and is linked to key corporate drivers and Audit Commission Key Lines of Enquiry. Each project is set out against an accountable officer. However, with 73 projects incorporating over 230 milestones, it is not clear what the key priorities of the service are. This means that it does not adequately alert managers and board members to key action that Ealing Homes and the Council must carry out to ensure the viability of the ALMO.

What are the prospects for improvement to the service?

Does the service have the capacity to improve?

- 190** In 2005, we found that there was generally strong leadership and capacity within the ALMO. However, there was a need for more honest self-assessment.
- 191** In this inspection, we found that weaknesses significantly outweigh strengths in this area. There are significant unresolved tensions between Ealing Homes and the Council, which are reducing the ability of the ALMO to maintain and improve its homes and services. There are weaknesses in the governance of the ALMO, and Ealing Homes is not sufficiently self aware of areas which need improvement. The organisation may not have the resources it needs to maintain services, particularly in relation to repairs and maintenance. However, new board members have significantly increased the ability of the board to carry out its duties. The management team has also changed, and this will help resolve current difficulties and improve services. Front line services are variable, but there is a positive approach to training staff to increase their skills and knowledge.
- 192** Ongoing and unresolved tensions between Ealing Homes and the Council are compromising service delivery and the viability of the ALMO. This is evident in the following key areas.

The decent homes programme

- 193** The decent homes programme has been suspended since February 2008. The Council, following the Ealing Homes Management Board in January 2008, identified failures in the procurement procedures for decent homes contractors. The ALMO uses a framework agreement to appoint DH contractors. This is a shortlist of contractors, previously chosen on the basis of quality and price. The ALMO uses an evaluative panel, which includes external consultants to select contractors from this shortlist through a 'mini tender' process. In early February 2008, the Council instructed Ealing Homes to suspend DH contracts awarded through this process, and consultants were appointed to review the process. In summary, the consultants found that:
- the system of delegated authority for the awarding of contracts is unclear; and
 - Ealing Homes has been unable to provide relevant documentation to provide confidence that the process has been carried out correctly, and that the programme of works is affordable.
- 194** The Council and ALMO have not agreed a way forward with these issues. The Council has initially proposed taking asset management back in-house, but has more recently instead proposed joint management of asset management and the appointment of an extra layer of management within the asset management function. This has been rejected by the ALMO. The Council and the ALMO also disagree whether the DH contracts need to be completely re-tendered. The Council's view is that re-tendering the contracts will protect it from claims by unsuccessful contractors. However, if contracts are re-tendered, the earliest date at which they could recommence would be March 2009. The inability of the Council and the ALMO to agree an approach to this issue is causing uncertainty and frustration for staff, contractors and residents. It is also reducing resources, and reducing the focus on service improvement.

Claims against the ALMO by repairs and maintenance contractors

- 195** Ealing Homes has not managed its repair and maintenance service budget effectively. At least two maintenance contractors have made large monetary claims against the ALMO and, at time of inspection, these had not been resolved. Contractors made repeated requests for inflationary uplifts in their payments since 2004, and Ealing Homes did not address these claims. As a result, substantial claims were submitted to the ALMO in February 2008, and the Council was informed of these claims. The Council has taken on the task of negotiating these claims, at the same time asking Ealing Homes to make provision for the claims by reducing the maintenance budget by a third in 2008/09.
- 196** As yet, the ALMO has not made provision for the claims and by September 2008 had committed more than a third of its maintenance budget. The Council argues that EH has been neglectful in not reducing its spending, and that this will result in very significant cuts in maintenance budgets in the second half of this financial year. Ealing Homes argues that it is willing to make reductions necessary in the budget, but only when the amount of the claim has been accurately quantified.
- 197** Ealing Homes has made significant and avoidable errors in managing the maintenance budget leading up to the claims. The lack of agreement between the ALMO and the Council since the claims were submitted means that maintenance in the second half of 2008/09 may be restricted to basic health and safety repairs.

Poor relationship between EH and the Council

- 198** The delivery of good quality homes and services to residents has been compromised by a breakdown in the relationship between Ealing Homes and the London Borough of Ealing.
- 199** The Council and Ealing Homes are not confident in the motivation, ability or actions of the other party. The Council argues that, notwithstanding recent appointments, the management board has failed to properly manage the affairs of the ALMO and it has publicly stated that it is not satisfied with the performance of the ALMO, a view disputed by the ALMO itself. The Council also states that Ealing Homes has not provided the information it needs to resolve current problems. Ealing Homes states that it has responded to Council requests, and cites its lack of involvement in the Future of Council Housing report as evidence that the Council wishes to impose solutions on the ALMO, rather than work in partnership.
- 200** The ALMO is also concerned that the Council has made serious allegations about the decent homes contract process which go beyond issues of competence. Also, board members state that they are not aware of specifics in relation to the size and nature of the maintenance contractor claims.
- 201** The Council has not followed the management agreement in resolving the disputes outlined above. The management agreement requires that, in cases where there are disputes between the Council and ALMO, an outside expert should be called in to address the issues. This has not happened, and the differences between the Council and Ealing Homes remain unresolved.

What are the prospects for improvement to the service?

- 202** However, Ealing Homes and the Council have taken steps following the inspection to resolve some of these issues. An interim head of asset management has been jointly appointed by the ALMO and Council, with the aim of recommencing decent homes programmes as a key priority. The principles of mediation have been agreed, and a housing task force involving senior officers, board members and councillors is planned. These initiatives have the potential to improve services received by residents.
- 203** This lack of trust and partnership working means that the ALMO has lost focus on service improvement, and residents remain unaware as to when they will receive improvements to their homes. This is not an acceptable situation.

Other capacity issues

- 204** There are other weaknesses in terms of governance. Longstanding members of the management board state that they were unaware that decent homes works had been suspended until five months after it happened. Our own observations of the board indicate that not all resident members of the board are confident in making their views known in the context of board discussions. This means that the Board may not be fully achieving its role in taking strategic decisions and challenging the performance of the ALMO.
- 205** It is unclear that there is critical self awareness at all levels of the ALMO. The self-assessment made reference to the key issues mentioned above, but did not fully explain their importance. Some staff were also unaware of the suspension of decent homes contracts in May 2008, negatively affecting advice and services offered to residents. Without a shared and critical understanding of key issues across the ALMO, it will not be possible to explain to tenants or residents the potentially difficult decisions that may need to be taken.
- 206** Ealing Homes may not have the resources to improve or maintain current service levels. A substantial, but unquantified, claim by maintenance contractors will place pressure on the maintenance budget. In the context of potential large deficits in the Housing Revenue Account, the Council has reduced the ALMO's repair and maintenance budget by £1 million in 2007/08 and the management fee by £2 million in 2008/09. The latter has been included in budgets for 2008/09, but as yet the impact on services and residents' satisfaction is unknown. Further cuts, again unquantified, in the management fee for 2009/10 will place further pressure on services.
- 207** Ealing Homes lacks capacity in areas which impact on service delivery. There is a high level of temporary and agency staffing in the ALMO. Most of these staff are covering substantive posts, and residents have noted that this is leading to a lack of continuity in service delivery.
- 208** IT systems, while improved, are not working to full capacity. The IT network, supported by the Council, can be slow and is subject to frequent downtime. This reduces the ability of officers to work effectively and quickly.

What are the prospects for improvement to the service?

- 209** There are some positive aspects in the capacity of the ALMO to improve services. Several new independent board members have been recruited in 2008, and they bring important experience and skills. This includes experience of contract management, inspection and audit. New members also have relevant skills from work in the public, private and voluntary sectors. These board members provide a robust challenge to officers, and to other partner organisations. The recruitment of new members significantly increases the capacity of the board to address the major challenges facing the ALMO.
- 210** Ealing Homes has appropriate skills and abilities at senior levels of the organisation. The Council and board have expressed confidence in the new Chief Executive to work positively with partners and guide the ALMO through its current difficulties. Newly appointed middle managers have been commended by the Council, the board and residents for their commitment to, and ability to improve, services. This means that there is increased capacity to address the challenges facing the ALMO.
- 211** The provision of training is positive. Although not all staff have received induction and customer care training, there has been good progress in implementing the People Plan. There is an appropriate range of training available to staff and board members, and staff have received useful training on dealing with issues of sexuality. This will help increase the ability of the organisation to deal with strategic and operational issues.
- 212** Sickness levels, although above the industry norm, are being effectively managed. Average sickness among estate based staff is high at 19 days per year. However, absence monitoring and management is addressing this issue. An external agency has been introduced to provide medical advice and closely monitor staff absence. As a result, the average number of days absent has fallen from 12.46 days in 2006/07 to 11.25 days in 2007/08.

Appendix 1 – Performance indicators

Table 1 Ealing 2005/06 to 2008/09

Performance indicator (BVPI ref)	2005/06	2006/07	EH* 2007/08	London top 25% 2006/07	EH* 2008/09 YTD July 2008
63 Average SAP rating	68	71	72.6	70	
66a Percentage rent collected	96.21	97.43	98.02	97.6	98.36
66b Percentage tenants with > 7 wks arrears (gross)	8.94	7.6	5.9	6.58	5.79
66c Percentage tenants in arrears with NoSP served	28.83	21.10	16.86	16.96	4.8
66d Percentage LA tenants evicted for rent arrears	0.55	0.40	0.17	0.21	0.18
74a Percentage tenants satisfied with overall service		79	78	73	
75a Percentage tenants satisfied with TP		69	69	62	
184a LA homes which were non-decent at start of year	40	43	28.9	23	
184b Change in proportion of non-decent homes	14	24.2	32	18.2	
212 Average re-let time (days)	28	26.93	25.97	26	25.1

* unaudited

Appendix 2 – Reality checks undertaken

- 1 When we went on-site we carried out a number of different checks, building on the work described above, in order to get a full picture of how good the service is. These on-site reality checks were designed to gather evidence about what it is like to use the service and to see how well it works. Our reality checks included:
 - visits to estates;
 - observation of void properties and properties where major works had been completed;
 - shadowing of repairs staff;
 - observation of EH Board meeting; and
 - file reviews.

Appendix 3 – Positive practice

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

Gypsy and traveller service

- 1 A dedicated gypsy and traveller officer provides proactive outreach support to gypsy and traveller communities that has resulted in positive outcomes such as increased levels of benefit claims, aids and adaptations work, regular provision of residents newsletters, and advocacy to other service providers, improvements at traveller sites and the establishment of a forum for gypsies and travellers to discuss issues relevant to them.

Lift maintenance

- 2 Remote monitoring of lifts has enabled breakdowns to be addressed quickly. Lift maintenance contractors are able to monitor lift performance electronically. This provides early warning of problems with lifts, and repairs are completed quickly.

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