

Peer Review Leasehold Management and Right to Buy January 2008

Methodology

The Peer Review Team (PRT) consists of 4 Officers from the Company, Janice McNay, Kay Glew, Heather Hall and Merilyn Wilson.

The purpose of the review was to assess the Company's Leasehold Management and Right to Buy service, in accordance with the Key Lines Of Enquiry (KLOE) defined by the Audit Commission.

KLOEs represent sets of questions and statements around either service or judgement specific issues, which provide consistent criteria for assessing and measuring the effectiveness and efficiency of housing services. These KLOEs are designed to provide a framework through which to view and assess services. Service specific KLOEs are used as a basis for assessing Judgement One on 'How good is the service?' and the shared ownership housing KLOE is one of this set.

Each KLOE contains three overarching themes on access, diversity and value for money. The rest of the KLOE is concerned with the detail of the specific service area being assessed or inspected. Service specific themes in this case are Asset Management, Management of Home Ownership Housing, Rents and Service Charges. This report has been produced in the same format.

The Leasehold Management Team (LMT), were asked to provide a Self Assessment of the service based on the criteria within the KLOE.

The PRT reviewed the self assessment document and undertook testing to confirm the detail provided. The testing included;

- ★ Reality checks in the form of mystery shopping, to assess accessibility of the service and knowledge of front line staff.
- ★ Reviewing publications and website for information published, including accessibility, comprehensive information and consistency.
- ★ Staff interviews, both members of the LMT were interviewed along with other members of Tristar and SBC staff involved in the delivery of the service, including a focus group of staff across all service areas.
- ★ Customer Focus Group, customers were invited to attend a group facilitated by the PRT, to obtain their view of the information published and service provided.

The PRT found the service provided to be good, however, there are areas for improvement identified in this report.

12.1 Access to Services

The company has had a dedicated Leasehold Management Team since 2006, prior to this management was incorporated into the responsibilities of another team. Centralising management of leasehold properties has provided a central point of contact for leaseholders, specialist officers and consistency of service delivery. In this time they have introduced a number of clear protocols and procedures to formalise the management of leasehold properties. The team comprises of two officers who demonstrated a broad knowledge of the service ensuring consistent levels of service are provided.

There are a number of ways to contact the service, including office and home visits, telephone and email. However, due to the size of the team they are not always available to respond within corporate timescales.

Awareness training on Leasehold Services has been provided to officers within the Company. However, it was evident that this training was not consistently delivered and that some officers due to the specialist nature of the service felt unable to answer anything other than basic enquiries. An acknowledgement was made that accessibility needs to be reviewed to ensure calls are answered.

The quality of information provided to leaseholders has improved since the last inspection. Newsletters, provided twice a year, give feedback on actions taken as a result of consultation and satisfaction surveys, and provide information on services available and useful contacts. The frequency of newsletters was discussed with customers and agreed to move from quarterly to twice yearly. The website has pages dedicated to leaseholders with an extensive range of up to date information and contacts. In addition notice boards in communal blocks display information available for Leaseholders and there is an extensive range of leaflets available promoting a range of leasehold services.

However, the information and signposting in publications and on the website need to be in a clear and consistent format. Although there is information available on the website about opportunities to be involved it was not clearly headlined to allow ease of access. There is no Leaseholder Management performance related information published and only selected Service Standards performance reported.

New leaseholders are given a Welcome Pack which covers both Tristar's and their own responsibilities. It also contains signposting information to other services and agencies. Not all leaflets contained in the pack are strap lined for translations but the cover of the pack does contain this information.

The Company has a Corporate Complaints Procedure which is comprehensively publicised to leaseholders. There have only been 2 corporate complaints in the last 12 months. The team deal with

1 – Recognised positive practice

2 – Identified positive practice

telephone complaints at source, but the LMT do not utilise the informal complaints mechanism in place and commendations are not recorded. There are no policies or procedures in place regarding refunds or compensation.

Satisfaction surveys are undertaken annually, with the 2007 survey combining satisfaction with consultation by canvassing the views of what is important to leaseholders then testing satisfaction against importance¹. Satisfaction levels, although still low at 64%, have improved on last year. The company has set challenging targets for increasing satisfaction with the service, this is monitored by the Finance and Performance Clinic and Committee. There is no benchmarking information available at the present time but the team have been attending meetings with the Best Practice Unit and a suite of indicators for benchmarking has been agreed.

An action plan is in place following the survey aimed at addressing areas of low satisfaction, although there are no timescales to enable effective monitoring. The results of the survey were reported to leaseholders via the Newsletter.

There is little information in publications about Anti-Social Behaviour. It was identified in the satisfaction survey that leaseholders view ASB as a high priority, the LMT had little knowledge of the ASB policy and what actions can be taken to help customers experiencing ASB. There are no conditions in the lease prohibiting ASB by leaseholders themselves.

Customer involvement is actively promoted within the newsletters and customers satisfaction surveys. One leasehold group exists within the high rise blocks and monthly surgeries are in place, with dates widely published. The focus group interviewed for this review were happy with the format of the meetings and with input from other agencies such as Police, Age Concern and Concierge.

To engage with leaseholders, the team have initiated a programme of annual visits² and are on target to achieve 100% of visits within the 12 month timescale. These visits are an opportunity for leaseholders to comment on the services provided and for enquiries to be answered. There is also evidence that the leaseholder team make periodic telephone calls to leaseholders, to ensure all is well.

Leaseholders have access to a range of customer involvement groups but, very few leaseholders are engaged. Although a focus group does exist, outcomes have been limited. The group were consulted on the development of the Service Promises in 2006 and the review in 2007. There is no evidence of proactive feedback from the group or changes made as a result of the exercises. Some of the Service Promises are not SMART and as a result the outcomes not clear.

Statutory consultation is carried out with leaseholders regarding major repair expenditure through Section 125 and Section 20 notices.

1 – Recognised positive practice

2 – Identified positive practice

Leaseholders have been involved in the development of a cleaning specification for the communal areas of the high rise blocks and the service level agreement with the Concierge service. The residents of the high rise blocks have been empowered to monitor the contracts. There also is evidence of improved consultation regarding other issues through the High Rise Customer Group.

All leaseholders were contacted inviting them to become a Board Member, there was some response but no commitment to apply. Notice boards in communal areas have notices regarding becoming a Board Member. Leaseholders were invited to the Company's business planning event, ensuring that their views were considered in longer term planning.

Although it is evident that consultation has improved within the leasehold service since the last inspection, opportunities to participate through wider resident involvement are not promoted and as a result consultation is not yet embedded across the service area.

Recommendations

Arrangements to be made to ensure contact is responded to within corporate timescales.

Include performance information relevant to leaseholders in publications and on website.

Review Service Promises to ensure they are SMART.

Utilise informal comments procedure to capture customers' views.

Continue working with Best Practice Unit to develop a suite of performance indicators to allow benchmarking.

Continue to actively promote opportunities to be involved to leaseholders.

Increase LMT awareness of SB policy and procedure.

12.2 Diversity

All policies and procedures within the Leasehold Management Team have been Equality Needs Impact Assessed to ensure equitable access for all.

The team have a database of leaseholders which is currently being updated to include the diversity profiles, but the information available is limited. The database is not available to other divisions within Tristar or to partners delivering services, prohibiting services being adapted to meet leaseholders' needs.

1 – Recognised positive practice

2 – Identified positive practice

Based on the profile information already held, the team deliver services in accordance with customer needs such as home visits and large text on correspondence. They support leaseholders by liaising with them on behalf of other services.

The Leaseholder Service used the profile database to run a targeted campaign to encourage take up of benefits, however, this was limited to those aged over 60 and received little take up.

Recommendations

Within Data protection guidelines, share profile information with the rest of the organisation.

12.3 Asset Management

The company has cyclical repairs and investment programmes that leaseholders are able to buy in to¹. There are clear procurement processes in place to ensure value for money when awarding contracts.

There is a process for customers to be involved in the procurement of future capital and revenue works, evidenced by work undertaken with customers with regard to Digital Switchover and the High Rise Cleaning Contract.

There has been limited monitoring of contracts and contractors by customers, but the new cleaning contract has been developed with the High Rise Customer Group and they have been empowered to monitor and liaise with the cleaning contractor regarding any issues arising.

There is a Major Works Protocol in place to ensure effective communication of future planned works.

New leaseholders are advised of proposed schemes within the first five years of their lease via the Section 125 notices. Existing leaseholders are advised of schemes as they are developed through Section 20 notices.

The company has no Buy Back policy or procedure in place for regeneration schemes. The Local Authority retains this responsibility and has provided detailed information regarding how this is managed.

Leaseholders have been offered the opportunity to buy into the gas servicing contract¹ and can access the company's responsive repairs service on a rechargeable basis. There is a 6 month guarantee on responsive repairs but customers are not advised of this. Invoicing for the responsive repairs service is batched leading to long delays in sending invoices to leaseholders, this also has an adverse affect on the company's ability to recover the charges.

1 – Recognised positive practice

2 – Identified positive practice

The company has undertaken a sustainability study and are in the process of developing Neighbourhood Plans which link to the Leaseholder Management section of the Service Improvement Plan. While Leaseholders were not actively canvassed in the creation of the Patch Plans, feeding into the new Neighbourhood Plans, the consultation events were not targeted at tenants alone.

Recommendations

Consider providing forecasts of planned major works to existing leaseholders allow them to forward plan.

Include information regarding guarantees on responsive repairs at point of contact.

12.4 Management of Home Ownership Housing

A new lease has been drafted in plain English, but has not been implemented as yet.

There is a Protocol in place with SBC's Right to Buy section, detailing responsibilities and timescales for actions in the RTB process. In accordance with recent legislation, SBC send out details of how to purchase homes and become a leaseholder to every new tenant. SBC lead the procedure and maintain a database of applicants to record each step of the process is undertaken within prescribed timescales. On occasion, the Section 125 notice can delay the process as planned maintenance may not be programmed up to 5 years.

The LMT have a positive relationship with SBC Regeneration Division, with clear working practices, ensuring affordable homes are available through regeneration schemes. This could be improved with an up to date protocol to ensure all parties involved are aware of the full process.

Recommendations

Implement new lease.

Protocol be developed with SBC to deal with regeneration areas

12.5 Rents & Service Charges

Service charge estimates are sent out one month prior to invoicing, this allows leaseholders time to query the charges before the final invoice is produced. Surgeries are held to ensure leaseholders have access to a member of the LMT to raise concerns. While the service charge estimates contain all the relevant information they are not of a consistent format. As yet systems are not in place to send details of

1 – Recognised positive practice

2 – Identified positive practice

relevant repairs and maintenance expenditure to leaseholders during the year, implementation planned for April 2008.

The recent satisfaction survey indicates low satisfaction with service charge invoices. Currently statements of service charge accounts are not provided, we are advised that this is a development planned for 2009/10.

Service charge collection rates are monitored and reported to Performance and Finance Committee, due to the charging procedure the team have been unable to set a target for collection but the team are aware of collection rates and 2007/08 collection rates are higher than 2006/07.

SBC have opted against having a Sinking Fund, a decision based to some degree on the transition period between the current pay on delivery system and contributing to a Sinking Fund as this may cause hardship to some leaseholders. There are a number of ways for leaseholders to pay, advice on how to pay and signposting is good. There is little information readily available for loans for leaseholders for high cost bills.

There is a clear procedure in place for dealing with collection of arrears, however, the procedure is entirely manual.

Recommendations

Produce service charge estimates in a clear and consistent format.

Introduce regular statements to leaseholders.

Introduce estimates of repairs and maintenance expenditure to leaseholders.

Agree mechanism for monitoring service charge collection performance.

Introduce an automated arrears collection procedure.

12.6 Value for Money

Customers have expressed the opinion that the service does offer value for money and that they receive a good service.

Value for money exercises have been carried out, the new cleaning contract has achieved improved standards at a minimal extra cost, which leaseholders already feel is delivering improved performance. The concierge service and the insurance provision were recently reviewed to ensure VFM.

The responsive repairs service recently completed a market testing exercise, and were proved to be delivering a competitive service and the gas servicing contract was favourably benchmarked with other providers prior to being offered to leaseholders.

VFM issues remain, including communal heating equipment, although discussions have commenced through the High Rise Customer Group, giving leaseholders input to the process.

Conclusion

Overall there have been improvements in the service provided to leaseholders since the last inspection. Leaseholders are receiving a good service, with the report indicating areas for improvement.

The team would like to thank everyone who participated in the review, with an acknowledgement to Vicky Meadley for arranging the meetings and focus groups