

NETWORK STADIUM HOUSING ASSOCIATION LIMITED

**SCRUTINY PANEL REPORT:  
ESTATE INSPECTION SERVICE**

CONDUCTED JULY – SEPTEMBER 2014  
FOR PRESENTATION TO THE HUB ON TUESDAY 18 NOVEMBER 2014

**PREPARED BY**

NSHA Scrutiny Panel. Panel members involved in this scrutiny:



The Panel was assisted by [REDACTED], NSHA Community Engagement & Investment Officer and the Panel thanks him for his excellent work.

**PRESENTED TO THE HUB BY**

[REDACTED], Scrutiny Panel and Hub member.

**PURPOSE AND SCOPE**

This Report is produced for NSHA by the Panel. It details the Panel's work, methods used, and conclusions reached during its scrutiny of NSHA's estate inspection service.

This Report is accompanied by a service improvement report produced by the Director of Operations, detailing how her department has responded to the Report's recommendations.

Both the Report and the plan will be presented for review and approval by The Hub.

**RESOURCE IMPLICATIONS**

These are limited because the Report primarily recommends redirecting existing estate inspection service resources/allocations.

Resource implications include:

- Reallocation of Neighbourhood Officer time (once the responsive repairs service is working satisfactorily);
- More strategic use of existing 360 Project and other resources (to counteract the perception of "managed decline" of most housing stock);
- The cost of upgrading tenant noticeboards;
- Enhanced Neighbourhood Officer training to enable them to broaden the scope of the estate inspection service to include regular consideration of estate enhancement;

- More resources directed towards enhancing NSHA-tenant communications; and
- Reallocation of Leadership Factor costs so as to gather specific statistical data on estate inspections.

### **STRATEGIC IMPLICATIONS**

- A move away from the mechanistic approach/key performance indicators currently used to evaluate estate inspection service performance, towards a broader concept encompassing estate enhancement. This will require Neighbourhood Officers to work more collaboratively with contractors;
- A cultural shift away from accepting “managed decline” of housing stock as the norm, towards a culture where incremental enhancement of housing stock is regularly considered (and implemented when, where and if circumstances and resources allow);
- An increase in the authority and responsibilities of Neighbourhood Officers;
- An overhaul of the purpose, tone and frequency of tenant-related estate inspection communications, with a longer-term goal of increasing tenant participation; and
- More rigorous/redesigned polling of tenant satisfaction.

### **RISK: FINANCIAL, OPERATIONAL AND REPUTATIONAL**

Implications if this Report’s recommendations are not implemented:

#### Financial

- Quicker dilapidation of the housing stock;
- Poorer quality living environments resulting in less income realised from property/freehold sales;
- Greater on-going maintenance costs;
- Diminution in asset value of housing stock, overall potentially reducing financial leverage and treasury financing returns; and
- Less motivated and thus less productive Neighbourhood Officers.

#### Operational

- The Panel’s effectiveness as a change agent will be lessened if too few recommendations are embraced by the service improvement plan without good reason;
- Less easy to retain the best Neighbourhood Officers and keep morale high;
- Missed opportunity to evolve both the NSHA/contractor relationship and the estate inspection service generally;

- Service delivery will remain mechanistic in approach and largely reactive;
- The gap between the excellence aspirations of the NSHA Board and current “good enough” key performance indicators will remain;
- Tenant engagement will not improve significantly; and
- Contractors will not be encouraged or incentivised to innovate, experiment or evolve a service offering that is little changed from the 1950’s.

Reputational

- NSHA will miss an opportunity to further its goal of improving its reputation for:

excellence;  
innovation;  
modernity;  
caring about its tenants;  
being an exceptional employer; and  
industry leadership.

- The problem of:

low levels of tenant satisfaction; and  
tenant failure to engage with NSHA

will not only continue, but become more deeply entrenched.

**SUMMARY OF RESIDENT AND DIVERSITY IMPACT**

None conducted.

**RECOMMENDATIONS/NEXT STEPS**

That the Hub considers the Report and implementation plan and endorses both if in agreement.

**1. PURPOSE OF THIS REPORT**

- 1.1. Explain how the scrutiny was conducted;
- 1.2. Identify issues arising; and
- 1.3. Make recommendations for improvements to the estate inspection service.

**2. REPORT**

**Executive Summary**

- 2.1. Judged by current measures of success, the estate inspection service is generally performing well. Although there are estates which still have not achieved and/or maintained satisfactory standards, there are clearly concerted efforts to improve them.
- 2.2. Neighbourhood Officers, senior management and the contractors are all broadly satisfied with the estate inspection service as delivered, although they all acknowledge there is on-going room for improvement.

The Panel is not yet able to determine that the estate inspection service is performing well because it (a) questions the current methods of measuring success and (b) is concerned that the list of satisfied stakeholders in paragraph 2.2 above does not include the tenants. Looking at (a) and (b):

2.2.1. (a) The Panel questions the current methods of measuring success

The Panel has two concerns:

- (i) The estate inspection service performance indicators are too mechanistic. They focus on measuring individual actions to be done, and not the quality or totality of the outcome: thus a grassed common area will be rated grade A because it is litter free and the grass is the right length. It matters not that the said grassed area is dull, sterile, uninviting, unloved and unused and may even be directly or indirectly reducing the quality of the estate's overall environment.

Further, it is a marker for discussion that a caretaker transported from the 1950's would probably be able to immediately work to meet the contractors' service requirements with little or no additional training. This does raise questions about possible complacency/low expectations.

- (ii) The estate inspection service performance indicators are also too narrow in scope. Overall there appears to be a paucity of ambition and insufficient consideration of cumulative consequences: the estate inspection service is an exercise entirely focused on the 'body' of the estate to the exclusion of its 'soul'. When used in isolation, estate inspection service key performance indicators can encourage the view that estates are more "machines for living" rather than complex communities.

2.2.2. (b) The list of satisfied stakeholders does not include tenants

It is simply not known whether tenants agree with the contractors, senior NSHA managers and Neighbourhood Officers that the estate inspection service is broadly satisfactory.

Tenant satisfaction with the service is not measured by Leadership Factor. Anecdotal evidence (and research conducted for this Report by mystery shoppers) does not help.

That anecdotal evidence/mystery shopper research indicates widespread tenant apathy coupled with (generally) a low-level dissatisfaction. However there is insufficient evidence to determine if the apathy is because the estate inspection service is done well, or because tenants are disenchanted. Similarly it is not possible to determine if the dissatisfaction is with the estate inspection service specifically or because of other issues (most notably deficiencies with the responsive repair service).

The Panel believes that in the absence of reliable tenant feedback the said NSHA and contractor satisfaction with the estate inspection service is premature – after all who are they doing it for if not the tenants?

The Panel acknowledges that the said satisfaction might turn out to be entirely well-founded; but until tenant satisfaction is confirmed, NSHA/contractors ought to acknowledge that, at best, their satisfaction is really just them being satisfied that they are meeting their own requirements, goals and standards. They should not assume that tenants either agree with those said requirements, goals and standards or agree that they are being met.

This Report cannot replace proper investigation of tenant satisfaction with the estate inspection service.

2.3. The limited scope of this scrutiny means this Report can only have limited utility.

Estate inspection is not a free-standing service. In the eyes of tenants it is a cog in a machine, a step in a process. From a tenant perspective, focusing on the estate inspection service in isolation is like trying to gauge a customer's experience of their supermarket visit by looking solely at what happened at the checkout till.

To continue the analogy, the Panel found that the procedures seem to work well enough in isolation (hence the said NSHA/contractor satisfaction) but that customers do not separate their checkout experience as a distinct and distinctly measurable part of the overall process of shopping in the supermarket. This severely limited what the Panel could investigate.

2.4. The estate inspection service is so entwined with overall estate maintenance, improvement and responsive repairs that it cannot be considered in complete isolation from these other factors as it is perceived by tenants as indivisible from them.

**Neighbourhood Officers**

2.5. Neighbourhood Officers feel they have sufficient management support in delivering the estate inspection service. However, there appears to be inconsistent levels of performance between Neighbourhood Officers which needs to be addressed.

- 2.6. The only significant dissatisfaction expressed by Neighbourhood Officers was with the responsive repairs service and the corrosive effect its disarray continues to have, they believe, on tenant satisfaction; their own personal productivity and their credibility with tenants.
- 2.7. Clean Green and Pinnacle appear, overall, to be performing satisfactorily. Contractor performance is enhanced where Neighbourhood Officers make efforts to build personal relationships with cleaners and their supervisors.
- 2.8. Neighbourhood Officers are at least partially aware of the limitations of the estate inspection service as set out above, but feel they have insufficient time to do anything but meet the current key performance indicators. They blame the responsive repair shambles for this lack of time.
- 2.9. Neighbourhood Officers feel they should be given increased authority and responsibility as they are best placed to understand the needs of residents on any given estate.
- 2.10. The Panel has identified a number of practical ways in which the estate inspection service (as currently shaped) could be improved. These are set out in the recommendations section below.

### **3. BACKGROUND TO THE REPORT**

- 3.1. Between July - September 2014 the Panel scrutinised NSHA's estate inspection service.
- 3.2. The Panel reviewed current policy; practice and procedure; communications (contractor-resident, NSHA-contractor and NSHA-resident); and the views of Neighbourhood Officers and senior NSHA management responsible for the estate inspection service. The Panel also sought (to a statistically non-valid degree) residents' experiences and advice from an external estate inspection service consultant. A mystery shopping exercise was conducted and the contractors were interviewed.
- 3.3. This Report relies on evidence based observations following document review; staff interviews; attending estate inspections; resident interviews and comparative studies of the estate inspection service offered by other housing associations.
- 3.4. This Report should be accompanied by a service improvement plan prepared by the Director of Operations which seeks to convert this Report's recommendations into tangible and achievable activities to be undertaken by NSHA.
- 3.5. Since the revision of the regulatory framework under the Housing and Regeneration Act 2008, central government's involvement in the regulation of housing providers is much reduced. The task of ensuring that regulatory standards are met (and exceeded) is now achieved through *co-regulation* undertaken directly by housing providers (e.g. NSHA) and residents through statutory bodies such as the Panel and the Hub.
- 3.6. This trend has been hastened by the abolition of the Tenant Services Authority and regulatory responsibility for national consumer standards in social housing passing to the Homes and Communities Agency which operates as a 'longstop'/appellate regulator.

#### **4. THE SCRUTINY PROCESS**

This section gives a brief overview of some elements of the scrutiny process worthy of note.

##### Interview with Senior Management

4.1. The Panel discussed key aspects of the estate inspection service with NSHA senior managers.

Overall the managers:

4.1.1. Were happy with the estate inspection service, although felt there was still room for improvement.

4.1.2. Agreed with Neighbourhood Officers that the dysfunctional responsive repairs service was a major problem because it impacted the estate inspection/maintenance service. However they noted that the Repairs Procurement Panel is to have a Housing Officer joining it so that repair issues will be a regular agenda item and (hopefully) decisions acted upon more quickly.

4.1.3. Felt the budget for estate cleaning services was adequate.

4.1.4. Acknowledged the lack of resident engagement. They hoped to have Resident Champions attend estate inspections where possible.

4.1.5. Acknowledged tenant dissatisfaction, but felt there was no simple solution. NSHA is acting on issues as they arise but the limits of such a reactive service were acknowledged, as was the need for the estate inspection service (and maintenance generally) to become proactive. Estate Monitoring Officers have been appointed to help with this.

4.2. iPads have been introduced so that Neighbourhood Officers can record their visits electronically. Staff already has NSHA mobile phones. Staff security is under review and staff will have GPS trackers.

4.3. The resident quality inspector's concerns about the adequacy and state of tenant noticeboards was understood: the boards are in the process of being reviewed.

##### Resident Quality Inspector Report

4.4. The Inspector visited three estates - chosen to represent estates with (broadly speaking), low, average and high levels of tenant satisfaction.

4.5. The various comments and suggestions made by the Inspector have, as appropriate, been incorporated into this Report. The Panel appreciates the Inspector's hard work and thanks him for his useful feedback and recommendations.

4.6. The main mode of tenant communication re estate inspection is via estate noticeboard. These were found too often to be either inappropriate, not updated or difficult to use because the contents were not easy to read.

##### Interview with Neighbourhood Officers

4.7. A number of Neighbourhood Officers were interviewed:

4.7.1. All were positive about both their roles and the estate inspection service in general.

- 4.7.2. Although all felt they had good managerial support, there was wide-spread concern at with insufficient information generally, and in particular about whom they should speak with on technical matters. There was insufficient guidance on such things as NSHA policy on satellite dishes and doormats. The Panel noted considerable confusion on many issues.
- 4.7.3. There was general agreement that the Neighbourhood Officer role should be made slightly more senior, and broader. The Neighbourhood Officers saw themselves as, more than anyone else in NSHA having “their finger on the pulse” and understanding tenant needs, desires and problems. They felt they were best placed to both deliver immediate service improvements and to better represent NSHA. In particular, there was desire for greater autonomy in being able to authorise small spends on repairs or improvements.
- 4.7.4. By far the biggest source of concern to Neighbourhood Officers was the responsive repairs service. All of the Officers reported spending at least one day a week (sometimes more) just chasing outstanding repair jobs. Their irritation and frustration was plain to see. Although the responsive repairs service is not within the ambit of this Report, its failings have a direct knock-on effect on the estate inspection service:
- The loss of between 20% – 25% of the typical Neighbourhood Officer’s working week chasing the responsive repairs service means they have little time to be proactive.
  - Their credibility is constantly undermined because tenants see that Neighbourhood Officers have no more power to influence the responsive repairs service than they do.
  - Their enforcement authority is continually undermined because NSHA’s responsive repairs service failings are placed on the shoulders of Neighbourhood Officers as NSHA’s on-the-spot representatives. for example, demands that tenants honour their tenancy obligations not to put personal belongings (e.g. shoe racks) outside their doors in the communal corridors are often met by counter-allegations that such demands are hypocritical given that NSHA is failing to meet much larger responsive repair obligations.

#### Mystery Shopper Exercise

- 4.8. The mystery shopper research suffered from the previously mentioned tenant apathy. Conclusions were therefore drawn from a sample which the mystery shoppers felt too small to be statistically valid.
- 4.9. Overall the mystery shoppers experienced tenant satisfaction to be low across all indicators/measurements, with no specific areas standing as needing for drastic change.
- 4.10. The average tenant satisfaction rating with communication before estate inspections was 2.8 (1= very poor - 5=excellent).
- 4.11. 64% of tenants felt that estate inspection procedure was followed.
- 4.12. Tenants were asked to rate their experience (1 = poor – 5 = excellent) of each section of the inspection: garden maintenance, hard landscape, internal communal areas and neighbourhood



management. The average rating was 3 (the best rating was management of internal communal areas: 3.125).

- 4.13. Tenant feedback on dealing with Neighbourhood Officers during an estate inspection averaged 5.78 (1 = poor and 10 = excellent).

## **5. THANKS TO NSHA STAFF**

- 5.1. The Panel wishes to thank all the NSHA staff involved for their time, commitment and the honesty of their feedback. In particular [REDACTED] are thanked for acting as mystery shoppers and for producing a mystery shopping report of impressive depth and sophistication.

## **6. CONCLUSIONS**

- 6.1. Estate inspections are a dull and mechanistic process by which Neighbourhood Officers work through various required observations. Inviting tenants to accompany them is not an attractive proposition for many tenants. Most tenants (the Panel suspects) do not want to inspect estates. They simply want to know that estates are inspected and deficiencies addressed. Lack of interest in attending may be a conscious decision for many.
- 6.2. There are no grounds for complacency however: tenants are underwhelmed and disengaged. The general level of tenant satisfaction was low for the inspections at just 49.1% - which falls far short of the 90% group target.
- 6.3. The view that the estate inspection service is, broadly speaking, working well only has validity if one accepts the three assumptions underpinning that view (all of which need to be questioned):
- 6.3.1. That the scope of the current service is sufficiently broad and ambitious.
  - 6.3.2. That the current key performance indicators are sufficient. The Panel believes these indicators to be both helpful and essential, but incomplete. For tenants to believe their estate is well maintained requires more than mechanistic key performance indicators.
  - 6.3.3. That the lack of tenant interaction is because tenants are largely satisfied and that 'largely satisfied' is itself sufficient from a performance perspective.
- 6.4. Neighbourhood Officers could do significantly more if the responsive repairs service was fit for purpose.
- 6.5. If the estate inspection service is felt sufficiently important to submit to scrutiny then presumably it is worth measuring tenant satisfaction about?
- 6.6. Tenant communication has suffered from too many noticeboards not being maintained. A typical noticeboard announcement re estate inspections may say: "a.m on 22<sup>nd</sup> October". This is not sufficient. Does that mean 8am or noon? Does it mean meet in block 1 or block 12? What does turning up imply for the tenant? How does one recognise the Neighbourhood Officer? How much time does one have to set aside: 30 minutes, 100 minutes?

The current approach seems to be entirely designed for the convenience of NSHA and does not take into account tenant's needs at all.

- 6.7. The estate inspection service cannot and should not be seen as an end in itself. It is merely a process to help maintain the physical fabric of housing stock and ensure that tenants are provided with a liveable environment by the maintenance of minimum standards of cleanliness and repair. However, what should be a process towards a greater goal has become in many ways the goal itself. Accordingly the estate inspection service does not address the true question - is this estate the best it can be with the resources available and are the resources allocated the necessary amount? In failing to address that question it also fails:
- 6.7.1. To align itself with the NSHA Board's aim of providing *"the best possible services in line with our customers' needs and aspirations"*. At present the estate Inspection service merely aspires to meet target. When the targets to be met are merely "good enough" then the bigger goals are not achieved.
  - 6.7.2. As structured, the estate inspection service fails to systemically ask the question on an estate-by-estate basis, *"What thing, however small, can we do this month/quarter, to make this estate a nicer place to live in than it was last month/quarter?"* The reactive mechanistic approach of the estate inspection service does not encourage innovation or sophistication.
- 6.8. Other than the 360 Project (about which there was little understanding, some cynicism and a feeling that there seemed to be no coherent strategy underpinning it) the Panel saw no indication of any aspiration towards enhancing estates.
- 6.9. NSHA's estate inspection service is seemingly disinterested in improvement and its responsive repairs service is based upon replacing like-with-like. Given this, NSHA appears to have a de facto default policy of managed decline of its housing stock. Contrast this with the private sector where properties are regularly improved and not just allowed to decline with age.

## **7. RECOMMENDATIONS**

- 7.1. Introduce "Meet your Neighbourhood Officer" surgeries before each inspection so that those not wishing to attend on the actual inspection can communicate with Officers.
- 7.2. Consider holding some surgeries at night or weekends.
- 7.3. Give more specific data re inspection times, locations, duration and "agenda". Make sure tenants can recognise the Neighbourhood Officer.
- 7.4. Use emails to remind tenants of forthcoming inspections/surgeries. Have a contractor present if possible.
- 7.5. Noticeboards should be "audited" to ensure they are large enough, clean enough and maintained well enough.
- 7.6. Develop a post-inspection process that gives tenants access to at least some inspection feedback and resulting actions if any.
- 7.7. Provide better support for inexperienced Neighbourhood Officers.
- 7.8. Provide more senior management guidance for, and better communications with, Neighbourhood Officers generally.

- 7.9. Neighbourhood Officers should have slightly more authority and autonomy and be able to self-approved repair or improvement works up to an agreed maximum (details to align with NSHA budget protocols).
- 7.10. Ensure better identification and dissemination of best practice amongst Neighbourhood Officers.
- 7.11. More effective intervention with underperforming Neighbourhood Officers.
- 7.12. All contractors (cleaning, repair, etc – all of them) going on site should have the mobile number of the relevant Neighbourhood Officer and it should be mandatory for them to contact the Neighbourhood Officer before leaving the estate if, in any aspect whatsoever, the job they came to do remains uncompleted for any reason.
- 7.13. Devise and implement a coherent, consistent series of tenant communications relating to estate inspections – advance notifications and post inspection follow ups.
- 7.14. Review the purpose and scope of the estate inspection service and be more ambitious about what its goals should be. Review the estate environment more holistically and less mechanistically.

END