

# Midland Heart Customer Annual Report 2016/17



# Welcome to our Annual Report

The last 12 months has seen Midland Heart completely transform its services. We have had to respond to the changes and challenges around us, such as cuts to local government spending and welfare reform, whilst making sure that we provide best value and top quality services. This year's annual report sets out the results of a busy year that has brought real improvements to Midland Heart and, most importantly, to the services we provide.

I am delighted to report that overall customer satisfaction is up, as are the number of repairs completed on time and the number of customer complaints are at their lowest level ever. Our Customer Hub has now been live for a year and we are already seeing a significant increase in queries dealt with first time.

I am immensely proud that our teams have been recognised at national awards for their work to support customers with expert money advice and for the innovative new telephone system. These awards reflects our commitment to supporting customers to manage the impact of Universal Credit, providing debt and budgeting advice. Our new People and Place teams are also delivering a more effective response to complex tenancy issues, as well as working to make our communities great places to live.

It is really important that we continue to build desperately needed new affordable homes. This year we built nearly 150 new homes across the Midlands, including working in partnership to build innovative new types of housing and carried out over 1000 home improvements.

We remain committed to our work to support people who are homeless and to provide high quality housing options for older people. In the coming year, we will be increasing our older peoples' services as we take extra care schemes currently managed by the Extra Care Charitable Trust back into direct management.

I am really pleased that we are working more closely than ever with our customers to make sure we provide the best possible service and find new and better ways to do things. Your feedback has shaped many of our improvements and I hope you will work with us even more in the coming year.

This has been a very positive year, but there is much more to do. Our priority is to ensure that we are stronger for the future so that we can continue to deliver quality services for our customers.

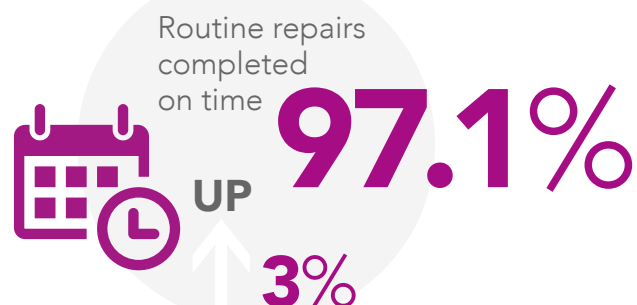
*Ruth Cooke*



**Ruth Cooke**  
Chief Executive Officer

# The year in numbers

## 2016/17



\*General needs customers

Comparisons against 2015/16 figures



# New homes

For more than 90 years, we have remained true to our charitable aim by providing quality homes in the areas that need them most, putting you at the centre of everything we do.

In 2016/17, we delivered:

 **147**  
new homes

 **232**  
new bathrooms

**990**  
new kitchens 

## Top 5 areas that we built new homes:



Comparisons against 2015/16 figures

 Customer satisfaction with new lettings  
**91.4%**  
UP **6%**

 Customer satisfaction with new homes service  
**95.5%**  
UP **3%**

## Your feedback

This is the first time we have found somewhere of our own, we previously lived at my mum's with our daughter. We love it; we didn't expect the flat to be so big. We haven't had the best of years, but now we feel more secure, it's a new start. We are really looking forward to spending Christmas in our new family home.

# Listening to you

You told us getting issues resolved as quickly as possible is important to you, and we listened. Your feedback helped us launch our new complaints policy and customer hub, which is already showing benefits for both customers and colleagues. We have continued to reduce the number of customer complaints, which is now at the **lowest level ever**, just 29 complaints per 1000 properties.

Your feedback also played an important part in the design of our new customer scrutiny framework. Introduced in April, customers work with us to look at how well services are delivered and give ideas about how they can be improved.

If you want to get involved, go to our website to find out more.

## Working with you

- Policy consultations including Repairs and Maintenance, Safeguarding and Right to Buy
- Developing new Service Standards so you know what you should expect from Midland Heart
- Involving customer recommendations in the development of our 2017/18 Corporate Plan
- Helping our Customer Hub to provide a better telephone service when customers call

Customers who gave feedback through surveys:

**11,884\***



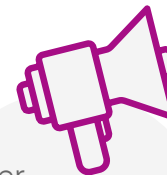
Customers involved in Scrutiny Panels:

**63**



Customer Representatives on our Operational Committees:

**7**



## Your feedback

The meeting was very informative and it was good to see that customers were being asked for their views on this type of issue.

## Your feedback

There have been a number of changes in the involvement structure but this has been a good thing. It's much clearer; customers can clearly see how views and feedback make a difference.

\*Unique customers completing surveys - over 30% of all customers - 20,611 surveys in total



## Complaints 2016/17

Total  
**731**

Upheld  
**59%**

Listening to your feedback to help resolve issues as quickly as possible and reduce complaints to the lowest level ever

## Improving our service by identifying the root cause of complaints



Appointment issues

**141**

Quality of work

**123**

Dissatisfaction with Midland Heart staff

**98**

**36** Follow-on appointment/work issues

Dissatisfaction with contractors

**30**



# Your homes and communities



Average bids  
for Midland Heart  
properties:

**98.1**



% of bids  
made online:

**97.4%**



Number of  
customers on register:

**35,336**



% of families with  
young children:

**45.0%**

## Money advice service

Midland Heart scooped the award for Best Tenant Support Advice Programme at this year's prestigious Housing Excellence Awards, one of the largest awards ceremony in the UK housing sector.

From dealing with debts and unpaid bills, to welfare benefits and everyday budgeting, our Money Advice Team support customers to work through problems and find a solution to sustain their tenancy and become financially able to meet the demands of everyday life. The award, which highlights the best advice and support scheme which has achieved real results by helping tenants, recognised our Money Advice Service as top of its class.



Your feedback

Helen was such a great help to us. She helped us with housing benefit which we thought we were not entitled to, also personal independence payments and carers allowance which we were not told about.



% of single people:

**40.1%**

## Money advice service in numbers



**1788** customer referrals received



**49** food bank vouchers issued



**740** customers given face to face money advice



**48** customers received emergency fuel top ups



**229** customers received telephone advice



**34** travel tickets issued



**99%** of customers helped sustained their tenancy



**6** Welfare Reform training days provided to customers

**£2,356,259**

achieved in income maximisation for all customers

**£1,779,559**

of debt dealt with

**£633,819**

housing benefit



**£64,576** of discretionary housing payment for tenants struggling to meet their rent shortfall due to financial hardship and the effects of welfare reforms

**£61,090** of payments received from charities/trust funds

**£1690** of supermarket vouchers issued to customers in financial hardship



## Improving your services

Through our Customer First programme, we are improving the service we give to you. Putting you at the centre of everything we do, we are focusing on getting it right, first time, every time.

Our Customer Hub, which opened in July 2016, has been crucial to our success over the last year. You now have access to two specially trained teams who have expert knowledge to help you with housing and repair issues. Our dedicated teams take ownership of resolving issues, and will always try to help you the first time you contact us. To support this, we also invested in improving our I.T. systems. We can now clearly identify the reasons customers contact us and take actions to improve our service.

We know many customers want to get information and request services by using the Midland Heart website, so we now offer a range of online services to help answer questions and provide support without you even having to call. This has improved the way we deal with enquires, with 4 out of 5 queries now resolved at the first point of contact.



We are also providing better value for money, by diagnosing problems faster and reducing unnecessary repair visits. Although we have made many improvements, there is lots more still to come and we will continue to find new and better ways of working.

We want to be more proactive, giving you the right support, when you need it. We are introducing 'tenancy triggers' and home checks to help resolve issues and help customers continue their tenancies. We are also introducing a Ranger service to make sure our estates are places people want to live, now and in the future. Rangers will carry out routine safety checks, tackling fly tipping and performing maintenance, cleaning and caretaking duties.

If you have any ideas for further improvements to our services, go to our website to find out how you can get involved.

### Customer First in action

- Housing related calls down by 7,525 compared to last year
- Customer Service Officers have access to specialist training and information to help diagnose repairs and deal with complex issues
- Housing teams can concentrate on more complex cases and assist our customers most in need



Customer Hub contacts resolved on the first call

**83.4%**



% of people who were satisfied with how their query was handled by the Customer Hub –

**81.3%**

(September 2016 – March 2017)



Your feedback

The Advisor on the Phone was very clear at explaining everything to me.



## Award winning innovation

We also won an award for our new telephone system at the Housing Innovation Awards. The new system means we get to talk to more customers who have difficulty paying their rent. This means we can offer better support and money advice, particularly helping people who have been affected by Universal Credit and other welfare benefit changes.

We are thrilled to have won the award for Most Innovative Housing IT system. The dialler system has changed our day-to-day operations and approach to customer contact with a 300% rise since project launch.

Gary Hardy -  
Director of Housing Operations

Benefits of the new system:

- Increased customer contact
- Improved rent collection rates
- Reduced rent arrears from 5.24% to 4.66%
- Reduced eviction levels to the lowest point in 4 years
- Reduced associated void costs to the business by providing customers with the right support at the right time

Your feedback

I think it's really useful that you're trying to call customers as it's better than sending letters. I've always had a problem with letters, but now you say you will call and you explained the system to me.

Your feedback

The service is really, really good, because you are telling people their rent balance, what they need to do about it, and how much they need to pay.



## People and Place teams

We want to help customers as quickly as possible, but we know that some issues are more complicated and need a different approach. Our new People and Place teams deal with tenancy or community queries that cannot be resolved by our Customer Hub.

Our People and Place teams use their specialist knowledge to continue to improve the quality of how we manage our tenancies and neighbourhoods. The People team support customers whose behaviour poses a risk to themselves or others. They deal with antisocial behaviour, safeguarding concerns and tenancy fraud detection. The Place team carry out a wide range of activities, ensuring our properties and schemes are places people want to live, both now and in the future.

We continue to work with victims of, and those committing, antisocial behaviour by helping them to move on with their lives. We give them the opportunity to tell those carrying out antisocial behaviour about the real impact it has, to get answers to their questions and to receive an apology.



## Housing for older people

We continue to provide older customers with tailored services and a home that meets their needs and aspirations, as well as additional support, such as a 24-hour emergency call systems, to enable customers to continue to live independently.





## Restorative justice in action - Daniel and Maria

We received complaints from two long-term customers who were making allegations against each other around issues such as leaving communal doors open, allowing dogs to roam, doing unpermitted work in the garden and verbal abuse. Maria was contacting Midland Heart about the situation weekly and the Police had also been involved. A People Case Officer and a Restorative Justice Coordinator met with both customers individually to support them in preparing for a face-to-face restorative justice conference.

The conference gave both parties the chance to speak to each other in an honest and safe environment, discussing the impact that the other person's behaviour was having on them. Maria had felt intimidated and frustrated when Daniel left the back door of the block unlocked because it was closer to her house and she felt at risk of burglary. Daniel apologised and suggested keeping the door locked every day between 6pm and 6am to ensure she could feel safer again. Maria felt better

at hearing this suggestion and admitted she had felt he was leaving it open to deliberately upset her. Daniel explained that had never been the case and that it was more about supporting his girlfriend who had mental health issues. For him, leaving the door unlocked allowed his partner to get out easily when she wanted to take their baby son out into the garden area if she was having a bad day in the flat.

Through the conference, they learned about each other's lives and feelings that they had not communicated before. Together they were able to reach some outcomes that would help them to be neighbours without the same issues escalating. The calls for service to both Midland Heart and the police have stopped since the conference and both have reported that Restorative Justice Service exceeded their expectations and they feel better about the situation since.

### Your feedback

I am pleased with what has happened so far; a lady called Pauline from Midland Heart was helpful, and I had a visit from two other ladies, but everything went in a progressive way. This gave me confidence something would happen at the end of it, and subsequently the situation has improved.

### Your feedback

They dealt with the interaction between myself and my neighbour very amicably, professionally and sorted it quite quickly.

# Repairs and maintenance

## Increased satisfaction

Making sure everything in your home is safe and working as it should is a priority for us. Our focus on getting things right first time has helped us continue to improve satisfaction with our repairs and maintenance. Satisfaction for the year was **92.1%**, up 2% for the second year in a row. We also completed **97.1%** of repairs on time and **100%** of our homes are gas safe.

## New ways of working

Alongside the introduction of our Customer Hub, we simplified the process of reporting a repair. Working with you to get all the information we need helps us send the right tradesperson at the right time. With a good description of the fault, they can quickly and correctly diagnose the issue and complete the repair while on site.

Diagnosing more repairs correctly first time has helped us reduce the number of unnecessary repair jobs, providing you with a better service and at the same time reducing unnecessary costs. We also reviewed the parts kept on our vans, so we carry what we need to fix the top 100 most common repairs.

## Investing for you

Last year, we made a significant £800k investment into the Holmes Estate by concentrating our planned painting and external repairs, kitchen and bathroom replacements and environmental improvements to provide a brighter, cleaner and safer place to live. Four contractors were involved in the work, which was completed without any problems, and the feedback from customers has been excellent.

### Spend on repairs

for 2016/17

Routine maintenance  
(day-to-day):

**£20,923,000**

Planned maintenance:

**£5,771,000**

Major works expenditure:

**£4,102,000**

**Total spend on repairs: £30,796,000**

### Your feedback

I am pleased with the work to the forecourt, and the ramp having now been resurfaced together with the painting of the railings, so that now we look very smart, thank you all for what you have done.



## Keeping you safe

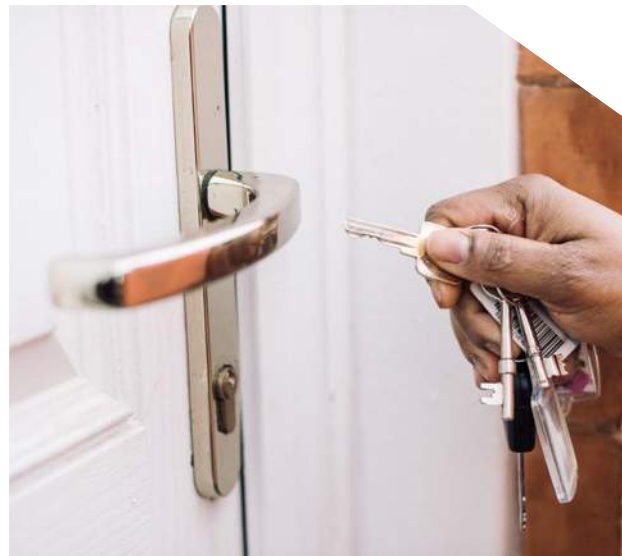
Your safety is our highest priority. We are always looking for new and improved ways to protect you, and your home, from risks. We work with customers and contractors to make sure your homes are safe and that we meet all legal requirements. We carry out regular checks and maintenance, including:

- Our specialist team of fire risk experts carrying out assessments on all blocks of flats
- Installing appropriate fire alarms, fire doors and testing fire systems where required – these are serviced annually
- Our Place Team and scheme based staff working with customers to ensure hazards, both in properties and communal areas, are removed
- Annual Gas Safe, Electrical, Legionella and Asbestos compliance checks in the buildings that need them

You have an important role to play too by:

- Allowing us access to properties to do work
- Making sure hazards in properties and communal areas are removed
- Notifying us as soon as possible about hazards or a repair that's needed
- Not using goods that are unsafe, untrustworthy or don't comply with the legal requirements

You can find out more on our website.



Gas Safe



100%

Number of surveys carried out this year checking the quality of our properties

1,994

### Your feedback

"Ryan came out today and gave an absolutely fantastic service. My home had an attempted burglary and they broke the front and back door, this young man made me feel at ease after a very traumatic situation. Well done to Midland Heart for such a fab service."



# Value for money

Making sure we spend and invest our money wisely is key in allowing Midland Heart to deliver the best service and value for money to you. We have continued to perform well financially, achieving record levels of performance in many areas.

Our Fit for the Future Corporate Plan has helped us simplify our operations and saved us more than £20m over two years. This has helped us be in a good position to face current and future challenges.

## Did you know?

Our focus on delivering value for money will help us deal with the effects of the Local Housing Allowance cap, significant cuts to Local Authority budgets, welfare reform changes and uncertainty about rent levels after 2020.

## Delivering value

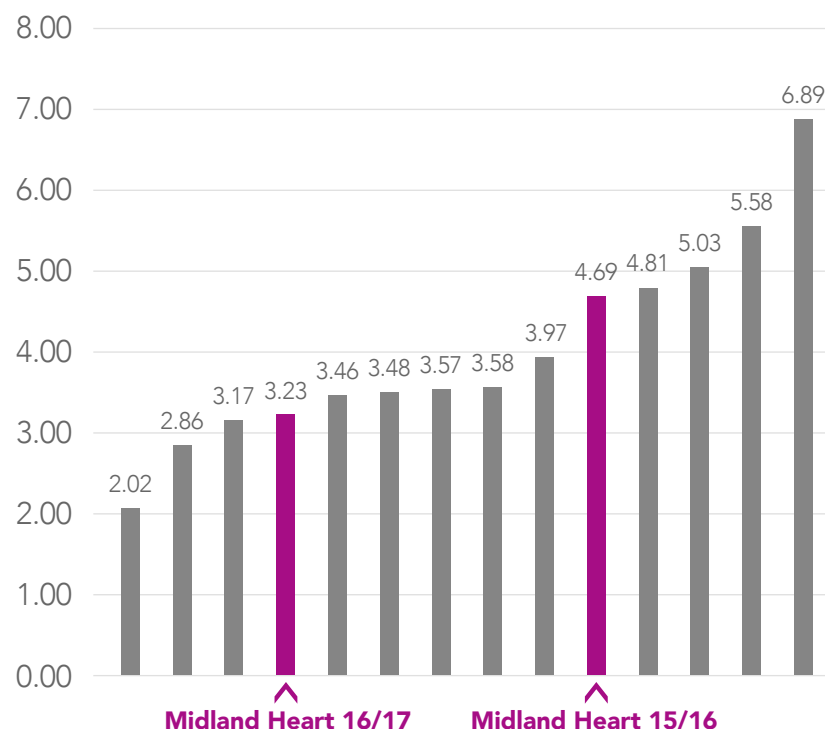
Average cost  
per home

**£3,230**



In February 2017, after all adjustments, the average cost to maintain the upkeep of one of our homes was £3,230. This is a very competitive figure compared to other housing associations and is down £1,460 from 2015/16.

## Average cost per home



Keeping our costs low helps us to continually improve the services we give to you and supports our ability to invest in building new homes. As we move forward with our Fit for the Future Plan, we aim to reduce our average cost per home even further to £3,000 by 2020, and all things being equal, will help us move from 9th to 4th when compared to other housing associations.



Year one of our **Fit for the Future** programme has delivered **£8.1m savings in 2016/17** and identified **£13m for 2017/18**.

Area of Focus	2016/17	2017/18	Efficiencies and Effectiveness
Reshaping community investment	£1,080,000	£1,080,000	Refocussing of customer involvement and engagement activities to enhance customer scrutiny of our services and performance
Customer First programme	-	£490,000	Improvement as a result of our Customer First programme
Voids and mutual exchanges (general needs) – a 17% reduction in the number of empty properties	£100,000	£750,000	Savings made in having less empty properties
Voids (Retirement and Supported Living)	£246,000	£300,000	
Office property review	-	£350,000	Move from using regional offices that only served a very small percentage of customers, offering different ways to access a service at much lower cost
Asset management	£3,800,000	£3,800,000	For example, sourcing parts at a lower cost, reviewing process and expanding Property Care
Back office	£880,000	£880,000	Back office changes that were more economical and less wasteful
Treasury and re-financing	£1,425,500	£2,251,500	Changes to financing arrangements and cheaper debt
Procurement	£300,000	£800,000	Renegotiating contracts and using more cost-effective options
Sickness absence	£124,000	£150,000	Changes to sickness absence policy and procedure to ensure we can support our staff and reduce time lost to sickness
Service charge income (Retirement and Supported Living)	£118,000	£150,000	Increase in service charge income
Care & support review		£2,000,000	Revising how we delivered services and stopping duplication
<b>Total</b>	<b>£8,073,500</b>	<b>£13,001,500</b>	

## More about our Fit for the Future programme

### Operations

In 2016/17, we brought together two directorates - Customer & Communities and Care & Support. This created savings at Senior Management Level and reduced duplication among our back office functions. We fundamentally changed the way we work with the introduction of our new Customer Hub and People and Place teams. In 2017/18, our priority will be to embed these operational changes as well as looking at the way we deliver our Retirement Services.

### Right homes in the right places

We recognise that providing more homes is important. Consistently being in the top 20 nationally for building houses for rent is a key aim. We are looking at building new retirement living accommodation, as well as expanding our in-house maintenance service, Property Care. They will take responsibility for repairs and maintenance for an extra 6,000 homes from April 2017, saving us £5m over 10 years.



### New ways of working

In 2016/17, we closed our regional offices and created new touchdown points for staff at our Retirement and Supported Living schemes, meaning our staff will be closer to where our customers live, improving the quality of service.

### Our focus for 2017/18

We have made many improvements, but we are always looking for ways to be even better. Working with customers to scrutinise our services and shape improvements, we aim to:

- Get it 'Right First Time' for our customers by identifying root causes of problems and adapting our services to be as effective and efficient as possible
- Improve the quality of our services and save money by reducing the use of temporary staff
- Work with customers to improve the standard of catering in our Extra Care and Retirement services



### Did you Know?

Between 2012/13 and 2015/16 we built ranking **12<sup>th</sup>** nationally.

**1,651** new homes for rent,








# Spotlight on

## Expansion of Property Care

By expanding Property Care, we aim to save £5m over the next 10 years. Before April 2017, Property Care served 11,600 homes in the Birmingham area. Since 2014, it has made around £500,000 savings per year compared to our former external contract. Following this success, we decided to expand further, making repairs to an additional 6,160 homes from Stoke-on-Trent and Cannock Chase to Dudley and Wolverhampton.

Key successes:

- Achieved record levels of repairs satisfaction in 2016/17 by listening to our customer feedback and continuously improving
- Trained staff to complete a broader range of repairs when attending call outs
- Partnered with our main parts suppliers at their Walsall and Stoke branches, providing quicker access to materials to carry out faster repairs

- Improved the use of new and existing IT technology to reduce costs, introducing paperless billing with our main suppliers and using customer appointment software to deliver appointments that work better for you
- Introduced a “go local” approach to tendering contracts with local companies, making it simple to deal with us while supporting local businesses

## Simplifying our business

During 2016/17, Midland Heart carried out a review of its two Operational Directorates. We re-focussed our care and support services so that they are anchored in our accommodation and separating them from our Learning Disability and Mental Health services, delivering savings of £2m.

We also aim to bring 14 Extra Care schemes back into our Retirement Living and Care Services. We own the buildings, but other providers currently manage services.

This underpins one of our strategic objectives to continue to be a major provider of Retirement Living accommodation in the Midlands. We are on track to transfer the first scheme back into Midland Heart at the end of August 2017 with a further 13 to transfer by July 2018.





# Where your money goes

## Where each £ comes from (%)

Total income £183,200,000



## How each £ is spent (%)



\*These figures are for Midland Heart managed General Needs and Care and Support Properties

# Glossary of terms

## Antisocial Behaviour (ASB)

Behaviour that causes a nuisance, annoyance, harassment, alarm or distress to any other person. The behaviour must be persistent.

## CQC

Care Quality Commission, the regulator that oversees and checks our registered care services and rate us according to their assessment.

## Eviction

Removal of someone from a property by a Bailiff following the serving of a County Court issued Possession Order.

## Extra Care Scheme

A term used to describe housing that is rented to older people where an element of care is provided to residents by the landlord.

## Fit for the Future

The vision set for Midland Heart from 2016-2020, made up of four key areas:

- Customer First
- Right homes in the right place
- Care & Support review
- New ways of working

## Housing Benefit

A means tested welfare benefit administered by the local council, assisting eligible customers in meeting the cost of their rent. It can be paid directly to the landlord or customer. See 'Universal Credit' for how housing benefit will change.

## Housing Management

A landlord's management of tenancies e.g. rent arrears, letting of the property to a customers, etc. and the provision of services to customers.

## Mutual Exchange

A customer's right, under certain conditions, to exchange their home/tenancy with a customer living elsewhere.

## Local Housing Allowance (LHA)

The name given to the way Housing Benefit is calculated for people who rent from a landlord. The LHA is a flat rate of Housing Benefit that varies according to the size of household and where a customer lives. LHA looks at the number of bedrooms the Customer and household need rather than the actual rent charged.

The LHA rate determines the maximum Housing Benefit a customer can receive, but the amount will depend on things like income, savings, personal circumstances and the people living in the home.

## Repairs

Fixing something that is broken, inside or outside your home e.g. a blocked drainpipe or a dripping tap.

## Rent

Money paid to a landlord by a customer in exchange for occupying a property.



### **Rent Arrears**

If you fall behind with your rent payments (whether paid by Housing Benefit or yourself), you are said to be in rent arrears. This means that you owe your landlord money.

### **Service Charge**

The money customers and leaseholders pay for services such as wardens, common rooms and cleaning, lighting and maintenance of common areas.

### **Voids**

Empty homes, usually waiting for some work to be done or someone to move in.

### **Universal Credit**

A new, means-tested method introduced to simplify the benefits system. It is administered entirely online. A single payment replaces income based Jobseekers Allowance, Employment and Support Allowance, Income Support, Child Tax Credits, Working Tax Credits and Housing benefit payments.

### **Value for Money (VfM or VFM)**

Assessing whether or not an organisation has delivered the maximum benefit from the goods and services it acquires and/or provides, using the resources available.

## **Got a question? Get in touch**



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