

Atrium Homes: Pathfinder Inspection Report Summary

1. Communities Scotland is responsible for the regulation and inspection of all Registered Social Landlords (RSLs). We inspected Atrium Homes in June 2003. This summary report sets out the main findings from our inspection.

Atrium Homes

2. Atrium Homes was set up in 1998 and registered with Communities Scotland (Scottish Homes) in 1999. It provides 849 homes in Kilmarnock and surrounding areas. Atrium acquired its housing through a transfer of Scottish Homes properties. It is a company limited by guarantee and is governed by a Board of Directors.

Inspection Grades

3. These are the inspection grades achieved by Atrium Homes:

Overall Performance	B	Atrium is a good performer with many strengths and some areas where improvement is needed. The prospects for improvement overall are promising.
Governance and Financial Management	B	Atrium is a good performer in governance and financial management with many strengths and some areas where improvement is needed. The prospects for improvement in governance and financial management are promising.
Housing Management	B	Atrium delivers a good housing management service with many strengths and some areas where improvement is needed. The prospects for improvement in housing management are promising.
Property Management	B	Atrium delivers a good property management service with many strengths and some areas where improvement is needed. The prospects for improvement in property management are uncertain.

4. Atrium has made significant progress since becoming a landlord in September 2000. It has developed a comprehensive range of services for tenants and owners, which is a considerable achievement in this time. The quality of services is generally good. Atrium has an effective planning framework, and its performance management systems are satisfactory. It has a good understanding of its strengths and a clear grasp of where and how it needs to improve further. Overall, we consider that Atrium's prospects of improvement are promising.

Overall Performance

5. This section describes how good Atrium's services are overall and how well they are managed.
6. These areas are working well overall:
 - ✓ Atrium's services are accessible to tenants and other service users.
 - ✓ Atrium is developing a good approach to tenant participation and we saw examples of how tenants have influenced the way services are delivered.
 - ✓ The quality of information about services is good, and the appeals process is well publicised.
 - ✓ Atrium has an effective strategic planning framework, and shows a high level of awareness of its own strengths and areas where further improvements are needed.
7. These areas could be working better overall:
 - Atrium's approach to seeking regular feedback on services is basic and covers a limited range of services, though plans are in place to expand it.
 - There is no reporting on performance to tenants and other service users.
 - Atrium has not fully implemented its own equal opportunities policy statement and does not monitor all equalities issues.
8. These are our key overall recommendations:
 - ❖ Atrium must actively address equality and diversity issues.
 - ❖ Atrium must consult with tenants over future annual rent reviews.
 - ❖ Atrium should provide regular information to tenants and other services users on its performance.
 - ❖ In developing its approach to seeking feedback on the services, Atrium should assess what it does now and take a strategic view on what it wants to find out and how best to do so.

Governance and Financial Management

9. This section describes how well Atrium's governing body of volunteer members control the organisation, and examines the wider opportunities for tenants and other members to become involved in managing Atrium. It also looks at Atrium's financial health and how it manages its finances.

10. These areas that are working well in governance and financial management:

- ✓ The Board controls the organisation effectively.
- ✓ There is a good awareness of the risks Atrium faces, and procedures in place to minimise and manage them.
- ✓ Atrium has detailed financial projections that it updates annually. These indicate that the organisation will remain viable in the long term.
- ✓ Atrium has a strong financial management framework, a good approach to budget setting and produces detailed management accounts.

11. These are the areas that could work better in governance and financial management:

- Although Atrium makes membership accessible, it has relatively few members.
- Though the Board controls Atrium effectively, it has not grown significantly in size since taking ownership of the stock, and there are five vacant positions.
- The good approach to budget setting and management accounts would be strengthened further by introducing forecasting and expanding performance monitoring.

12. These are our key recommendations in governance and financial management:

- ❖ Atrium should continue to focus on building the organisation's membership and attracting additional Board members.
- ❖ Atrium should clearly set out its key performance indicators in its budget, along with cash flow and balance sheet forecasting, and should monitor its performance against forecasts in its management accounts.

Housing Management

13. This section summarises how well Atrium controls access to its houses and rents levels, and deals with empty houses and rent arrears. It also describes how Atrium manages its estates and deals with antisocial behaviour.

14. These are the areas that are working well in housing management:

- ✓ Atrium has significantly reduced the number of empty houses it manages.
- ✓ There has been good progress in signing up tenants to the Scottish Secure Tenancy.
- ✓ Atrium recognised weaknesses in its rent arrears performance and has taken action that has led to early improvement.
- ✓ Atrium takes a proactive approach to estate management.

15. These are the areas that could work better in housing management:

- Although the allocations policy gives access to the housing list to all applicants aged 16 and over, the policy has a number of restrictive elements.
- Atrium does not monitor the outcomes of its lettings process on housing need and the make up of its tenant population.
- Though its rent arrears performance is improving, Atrium does not always pursue arrears in line with its procedures.
- Atrium draws on a narrow range of actions to resolve antisocial behaviour.

16. These are our key recommendations for housing management:

- ❖ Atrium should review its allocations policy so that it maximises access to its houses, and should monitor who it houses to ensure that it complies with its statutory duty to give reasonable preference to people in housing need.
- ❖ Atrium should ensure that it follows its rent arrears procedures consistently to consolidate its recent improved performance, and should use eviction only as a last resort where it has tried all other approaches to recover arrears.
- ❖ Atrium should consider a wider range of responses to antisocial behaviour cases.

Property Management

17. This section summarises how well Atrium maintains the fabric of its houses. It describes the quality of repairs that are done when they are needed (“responsive repairs”) as well as maintenance and improvements planned in advance. It also looks at how Atrium adapts houses so that tenants can stay in their homes when their needs change.

18. These are the areas that are working well in property management:

- ✓ Atrium has challenging timescales for completing responsive repairs, and its performance improved in the period immediately before the inspection after two years of fluctuation.
- ✓ Atrium holds comprehensive information on the condition of its housing stock.
- ✓ There is an effective approach to gas safety checks.
- ✓ Atrium has a responsive approach to carrying out medical adaptations.

19. These are the areas that could work better in property management:

- There has been slippage in the planned maintenance programme.
- The current method of obtaining tenant feedback on the quality of the repairs service may not produce reliable information.

20. These are our key recommendations for property management:

- ❖ Atrium should ensure its future contracts are planned and managed closely to avoid further slippage.
- ❖ Atrium should review its approach to obtaining feedback from tenants on the quality of the service.

21. Anyone can ask for a copy of the full inspection report. All reports are on the Communities Scotland website at <http://www.communitiesscotland.gov.uk>

22. This summary can also be made available on tape, in Braille, MOON, large print and community languages. For information please contact Janette Campbell on 0131 479 5162 or email campbellj@communitiesscotland.gov.uk

23. We have asked Atrium Homes to produce an improvement plan within eight weeks of publishing the inspection report to show how it intends to respond to all our recommendations. We will agree the plan with the organisation. We will re-inspect Atrium Homes in five years time.