

Pathfinder Inspection Report

October 2004

Clydebank Housing Association



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1. Introduction

The role of Communities Scotland

- 1.1 Communities Scotland is the executive agency for regeneration and housing, directly responsible to Ministers. Our aim is to work with others to improve the quality of life for people in Scotland.
- 1.2 The Housing (Scotland) Act 2001 gives Communities Scotland the role of regulating Registered Social Landlords (RSLs) and the landlord, homelessness and factoring services of local authorities. Our purpose as a regulator is to promote quality, continuous improvement and good practice in these services, for the benefit of current and future tenants, and other service users. One way we do this is through the inspection of RSLs and local authorities. Inspections provide an in-depth assessment of an organisation, its service quality and its ability to improve. Our *Guide to Inspection* describes how we carry out inspections.

The standards we use

- 1.3 We have published *Performance Standards* with the Convention of Scottish Local Authorities (CoSLA) and the Scottish Federation of Housing Associations (SFHA). These standards set out our joint expectations for the performance of all social landlords and homelessness functions. The inspection process is built around an assessment of how well these standards are being met. We tailor our inspections to take account of the RSL's role, the local context in which it operates and the standards the RSL and local authority has agreed with its own tenants and service users.
- 1.4 The Guide to Inspection and Performance Standards are available on our website at <http://www.inspection.communitiesscotland.gov.uk>

How we assessed performance

- 1.5 Our inspectors asked three key questions about this RSL:
 - How good are the services we have inspected?
 - How well are the RSL and its services being managed?
 - Are the services and the RSL likely to improve?
- 1.6 In order to answer these questions inspectors:
 - spoke to tenants and staff at Clydebank and to members of Clydebank's governing body;

- asked other organisations that work closely with Clydebank for their views;
- visited homes that it owns and manages;
- saw and tested first hand how well services were being delivered and how well Clydebank responds to its service users by doing things like shadowing and observing staff and sampling cases;
- checked key policies, publications and information for service users; and
- took account of Clydebank’s self-assessment submission.

1.7 You will find more details about who we spoke to, what kind of checks we carried out and what documents we reviewed in Appendix 1. Aspects of Clydebank’s performance that we consider to represent particularly positive practice are highlighted in Appendix 2.

1.8 Following our assessment, we awarded grades for:

- the overall performance of the RSL;
- governance and financial management;
- housing management services; and
- property management services.

1.9 This is what our grades mean:

A	Excellent	Major strengths
B	Good	Many strengths and some areas where improvement is needed
C	Fair	Some strengths, but with significant areas where improvement is required
D	Poor	Major areas where improvement is needed

1.10 We also assess the RSLs likelihood to improve and describe this overall, and in each service as:

- Excellent
- Promising
- Uncertain; or
- Poor

The inspection of Clydebank

1.11 The inspection team for Clydebank was led by Paul Milligan (Inspector) and was supported by Jonathan Grant (Inspector) Luise Seikman (Financial Analyst) and Roisin Harris (Inspection Officer). We were on site

at Clydebank between 29 June 2004 and 22 July 2004. We would like to thank everyone involved in the inspection, particularly the Board, staff and tenants for their time and co-operation.

- 1.12 This report presents our findings and recommendations. It is published, together with a summary, on our website at <http://www.communitiesscotland.gov.uk>. Clydebank must make the summary available to anyone that wants it, report our findings to tenants and other stakeholders and implement an improvement plan to respond to our recommendations and the issues raised in this report.

2. Context

Clydebank Housing Association Ltd

- 2.1 Established in 1984 by local residents, Clydebank Housing Association Ltd was registered with Scottish Homes as a Registered Social Landlord in January 1985. It is a general needs, community based, charitable housing association, whose office is situated in the centre of Clydebank at Kilbowie Road.
- 2.2 Clydebank is governed by a Management Committee drawn from its membership. The Committee includes tenants and general representatives from the community in which it operates.
- 2.3 In 1999, the Association acquired over 750 properties from Scottish Homes. The Association's total rented stock is 1,057 properties and it provides a factoring service to a further 632 owner-occupiers.
- 2.4 The Association's offices have been affected by two major fires over recent years. Contextually this is highly significant as the Association lost the majority of office files and equipment at these times. Staff were also required to relocate offices on seven occasions due to the lack of appropriate temporary office accommodation. These problems were a major challenge for both the management committee and staff. The Association moved into its current accommodation in 2003

Key statistics

- 2.5 Approximately 10% of the Association's stock was built pre 1919, 2% from 1919 to 1944; 31% between 1945 and 1964; 36% between 1965 and 1982; and a further 21% was built after 1982.

Clydebank's Property Types

	Number and %
House	212 (19.7%)
High Rise	389 (36.1%)
Tenement	109 (10.1%)
4 in a block	69 (6.4%)
Other flat/maisonette	298 (27.7%)
Total	1,077 (100%)

Source: Annual Performance and Statistical Returns 2002/2003

- 2.6 The table below presents summary contextual information for Clydebank, showing trends over the last four financial years.

Key Statistics

	2000-2001	2001-2002	2002-2003	2003-2004
Number of properties owned	1,063	1,090	1,077	1,057
Number of properties factored	529	579	560	632
Number of members	N/a	248	236	238
Number of board members	12	11	11	13
Number of tenant board members	8	5	6	7
Number of employees	17	18	20	20
Annual turnover (£000)	2,359	2,431	2,454	2,568
Total possible rental income (£)	2,358,288	2,428,992	2,445,772	2,536,050
Rental income from housing benefit (%)	N/a	58.00%	57.00%	60.00%
Average weekly rent	£41.25	£40.45	£40.89	£45.93
Average rent increase	3.4%	1.2%	1.19%	3.7%
Number of relets	68	77	73	72
Number of responsive repairs	1,639	1,839	1,822	1658
Number of Right To Buy Sales	13	13	14	15

Sources: Annual Performance and Statistical Returns
Clydebank Housing Association Annual Accounts 2000/01 – 2003/04 (draft)

3. Overall Performance

- 3.1 Clydebank Housing Association is a very good landlord. It provides good quality repairs and housing management services and has developed an excellent approach to performance management . The Association clearly demonstrates that it takes account of tenants views in developing services, and it is continuing to develop tenant participation in order to further improve its consultation methods. It demonstrates a good understanding of its strengths and weaknesses and it has a very good strategic planning system in place.
- 3.2 Its performance against key indicators is very good, particularly when compared to peer and national medians. Trend information shows that the Association has maintained a good level of performance across key indicators despite periods of significant change. Most notably there has been no deterioration in performance despite a large-scale transfer of stock from Scottish Homes, the difficulties in coping with the destruction of the majority of office files and equipment in major fires, and the lack of permanent accommodation for significant periods of time.
- 3.3 There are improvements that the Association still has to complete such as fully complying with gas safety regulations and always operating a full range of contact methods with tenants in rent arrears. However, the Association has shown that action will be taken in areas where performance can be improved. For example during the inspection it renegotiated the gas safety contract and put in place more robust procedures.
- 3.4 The overall grade takes account of Clydebank's performance in governance and financial management, performance in each service area, its organisational effectiveness, its commitment to social inclusion, and its likelihood of improvement.

B	Clydebank is a good performer with many strengths and some areas where improvement is needed. The prospects for improvement overall are excellent.
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- 3.5 These are the inspection grades achieved by Clydebank for its main areas of service delivery:

Governance and Financial Management	B	<p>Clydebank is a good performer in governance and financial management with many strengths and some areas where improvement is needed.</p> <p>The prospects for improvement in governance and financial management are promising.</p>
Housing Management	A	<p>Clydebank delivers an excellent housing management service with major strengths.</p> <p>The prospects for improvement in housing management are excellent.</p>
Property Management	B	<p>Clydebank is a good performer in property management with many strengths and some areas where improvement is needed.</p> <p>The prospects for improvement in property management are excellent.</p>

Key findings on overall performance

3.6 Overall, these areas are working well in Clydebank:

- ✓ Clydebank's services are accessible to tenants and other service users.
- ✓ It provides good quality information to its tenants and other service users.
- ✓ It has an excellent approach to strategic planning and operational management.
- ✓ It has a good awareness of its strengths and weaknesses and has plans in place to continue to develop its services.
- ✓ Clydebank manages its resources efficiently and effectively.
- ✓ Clydebank has a very good approach to monitoring, assessing and taking action in relation to equality issues.
- ✓ Clydebank is developing good plans in relation to community regeneration through its wider action role.
- ✓ It has a well developed approach to risk management.
- ✓ Clydebank has a very good approach to performance management.

3.7 Overall, these areas could be working better:

- The Association is not doing all it could to visit new tenants, and tenants in arrears.
- The Association should consider all available options, including external mediation, when encountering communication difficulties with tenants' groups.
- It could better manage and record the skills, experience and the training undertaken by the Management Committee.
- It should ensure that it can demonstrate that it fully complies with gas safety regulations.

3.8 These are our key recommendations. They are broadly in order of significance:

- ❖ The Association should take all possible action to ensure that it achieves personal contact with tenants in serious rent arrears.
- ❖ The Association must ensure that the operation of new gas safety procedures, which have now been put in place, meet the requirements of legislation.

How good are the services overall?

3.9 This section assesses how good the services are overall that people get from Clydebank. We have considered services against the five broad criteria of accessibility; participation and responsiveness; accountability; equalities; and sustainability. Some issues outlined here are dealt with in more detail in later parts of the report. We have not, therefore, repeated all the recommendations about service improvements in this section.

Accessibility

3.10 Clydebank provides a variety of methods through which users can access services, and pay rent. It provides information on services through its regular newsletter, information leaflets, area specific newsletters, a tenants handbook and through a very informative website. The Association's offices are centrally placed in relation to the housing stock, and are easily reached by public transport. There is good access for disabled people.

3.11 The Association maintains a database that ensures individuals receive information in a format suitable to their needs. As discussed further in paragraph 3.22, Clydebank provides information in a range of formats. This makes it accessible to service users with diverse needs.

- 3.12 The Association commissioned a satisfaction survey of its tenants in August 2003. The survey showed that 88% of tenants thought the office opening hours were convenient or very convenient. The Association could however, examine the possible demand for a regular contact point for residents on estates, particularly where there is a higher concentration of elderly people.

Participation and responsiveness

- 3.13 Clydebank demonstrated that it has carried out significant consultation with tenants on a range of issues. Some good examples of consultation have occurred in relation to the Housing (Scotland) Act 2001 and the introduction of the Scottish Secure Tenancy. A variety of information leaflets were issued periodically to inform tenants how the new legislation would affect them. The Association also offered training via the Chartered Institute of Housing for tenants who wished to develop their understanding of the new Act. The Association regularly provides workshops, public meetings and open days in order to give information and allow tenants to influence the services they receive.
- 3.14 The Association also periodically undertakes a large scale satisfaction survey of its tenants and collects feedback on services on a ongoing basis. Results from the last large scale satisfaction survey in August 2003 produced very positive results. In particular, 90% of respondents (728), thought the Association was good or very good at taking their views into account.
- 3.15 Our discussions with tenants during the inspection also indicated that tenants were generally happy with the way the Association delivers services. Overall we found that the Association is committed to developing user involvement.
- 3.16 The Association has 2 recognised tenants' and residents' groups operating in its area. One of these groups is a Registered Tenants Organisation (RTO) and is receiving funding from the Association.
- 3.17 There have, however, been significant registration requirement difficulties with the other tenants and residents group. An offer of funding was made to this group, but, at the time of our inspection this offer had been withdrawn, as funding requirements could not be met. Furthermore in advising the tenants and residents in the estate concerned about the withdrawal of the offer of funding, the standard of communication sent to tenants fell well below that which is normally issued by the Association.

Recommendation 1:

The Association should investigate all possible options, for example, external mediation, to ensure effective communication is achieved with recognised service user groups.

Accountability to service users

- 3.18 Clydebank provides good quality information to its service users. Key performance information is publicised in the Association's annual report which is issued to all tenants. The Association also published the results of the August 2003 satisfaction survey. The Association does not, as a matter of course, publish performance information regularly throughout the year and should consider doing so.
- 3.19 Clydebank is, however, open and accountable in relation to the services that it provides. We examined numerous examples of how tenants are kept informed about services and ongoing developments. Overall, the quality of the information provided is very good.
- 3.20 Clydebank's complaints policy and procedure is clear and comprehensive. The policy is well publicised in the Annual Report, newsletters, in the tenants handbook and at the office reception. The Association records all complaints either formal or informal and reviews these in order to assess service delivery, influence policy development and implement improvements where possible. We found that the Association deals appropriately with the complaints they receive and deals with these within appropriate timescales.
- 3.21 The Association has had 2 complaints referred to the Ombudsman over the last 4 years. Neither of these complaints was upheld.

Promoting equality and embracing diversity

- 3.22 We spoke to staff across the organisation about their approach to equality and diversity, and found good levels of awareness about how to deal with the varying needs of service users. The Association has been proactive in this area. An excellent example of this is a database that allows the Association to issue information in a format that the user prefers. File checks confirmed that information was being issued in different languages and different formats such as large type or audio tape, and individuals had received information in the format that they had requested.
- 3.23 Overall, the Association has an excellent understanding of the diverse needs of its residents. It collects equality information when applicants

apply for housing and at the sign-up process. This is monitored and reported to committee. Through its own monitoring, and good understanding of the wider community, the Association identified that black minority ethnic (BME) applicants were underrepresented on its waiting list. In order to deal with this the Association contacted a specialist advice group and asked it to promote the Association. This attracted additional applications, and a 4% allocation of properties was made to people from BME backgrounds in the year 2003/2004.

- 3.24 The Association was also proactive in collecting information from tenants on any medical adaptations they require now, or in the future. This ensured that the Association's records on the demand for adaptations was up to date, and that it could assess, and plan, for future demand.
- 3.25 Overall the Association has very good systems in place to monitor and report on equalities issues across its service areas.

Sustainability

- 3.26 Clydebank demonstrates a positive approach to sustainability. The Association has a Sustainability Policy and an Environmental Policy and Action Plan, and has also undertaken a Sustainability Audit. We found the positive approach to sustainability to be evident across the Association's areas of work.
- 3.27 The Association is currently developing excellent proposals for a community heating system for approximately 400 tenants. The proposals are innovative, and environmentally friendly, and will provide residents with low cost heating and electricity. The proposals will also provide a surplus of energy and the Association is currently looking at how to best use this for the community.
- 3.28 The Association plans to further demonstrate its approach to sustainability through proposals for the development of new build properties as part of the regeneration proposals for Clydebank. The Association is also developing its wider action role which has important implications for sustainability and community regeneration. This is discussed further in section 8 of this report.

How well is Clydebank managed overall?

Planning and performance management

- 3.29 Clydebank's approach to planning is good, and performance management is excellent. The Association has a suite of strategic policies in place to direct the organisation. Importantly the Internal Management Plan (IMP),

financial projections and organisational and operational objectives clearly set out its short, medium and long-term priorities. There is a good process in place to determine annual priorities. The IMP is reviewed by staff and Management Committee members annually, and this links to the setting of more detailed organisational and operational objectives for the following year. As a matter of course the Association should formally review, and report to Committee, the outcomes of the organisational and operational objectives as set out in the original document.

- 3.30 The quality of the performance management framework is excellent. The Association sets clear indicators and targets across all areas of the Association's work, and monitors performance against these on a regular basis. The reporting to the Management Committee is of a very high standard, particularly in areas such as housing management and property management.
- 3.31 The Association compares its performance with that of other RSLs and reports the results to the Management Committee. This is good practice and highlights the Association's robust approach to performance management and continuous improvement. The Association has also shown that where performance is slipping, it takes action in order to improve, such as in dealing with empty houses. The Association has also identified other areas where it plans to undertake reviews in order to improve performance, such as estate management and antisocial behaviour. Overall, when compared against peer and national RSLs, the Association's performance across a range of indicators is good or very good.

Policies and procedures

- 3.32 Clydebank has a good range of policies in place that describe how it will implement its services. The Association has a rolling programme for policy review and this is generally being undertaken on time. Where policies have fallen outwith the review period there has been no adverse impact on service delivery and clear timescales are in place to complete all reviews.

Managing its resources

- 3.33 Indicators show that the current staff structure is operating efficiently. Staff costs as a percentage of turnover is 18.7% which compares to a peer and national median of 24.3%. The combined management costs and maintenance overheads are £522 per unit compared to a national median of £711 and a peer group median of £656. These financial indicators combined with other key performance indicators in service areas suggest that the organisation is efficiently and effectively managing its staff resources.

- 3.34 Staffing numbers increased significantly following the transfer of stock from Scottish Homes in 1999. The staff structure has not been comprehensively reviewed since this time although the Association undertakes smaller reviews when posts are vacated. This allows it to consider the needs and demands of the organisation as a whole, and this is in line with good practice. The Association has also been increasing staffing levels in line with changing demands in service provision and recently a post was created for a tenant participation assistant in order to further develop this area of its work.
- 3.35 Staff appraisals are carried out on an annual basis although the 3 senior staff have not yet had their appraisals this year. A review of appraisals showed that the system was working well, there was good discussion occurring between staff and line managers, with appropriate training being identified. Overall there was a clear link between organisational and operational objectives and individuals performance. Clydebank is supportive of staff wishing to attend further education where it is beneficial to the organisation and the member of staff's personal development.

Recommendation 2:

The Association should ensure that all staff have appraisals carried out annually, as intended.

Procurement

- 3.36 Clydebank has a good approach to procuring goods and services. The Association reviews contractors performance on an ongoing basis and this feeds into an annual review of the approved contactors list. Decisions on which contractor to appoint are based predominantly on lowest cost but this is being balanced, where possible, with a consideration of quality. An example of this newer approach is the good progress Clydebank has made in starting to build longer term partnering arrangements with maintenance contractors.

How likely is Clydebank to improve?

- 3.37 Clydebank's likelihood of improvement is **excellent** because:
- The Association is operating in a very strong performance management culture.
 - It demonstrates a good understanding of its strengths and weaknesses.

- It has shown the ability to maintain service delivery and performance following periods of extreme difficulties.
- It has a robust approach to developing strategic and operational objectives.
- The Association involves service users in developing its services and is continuing to develop ways of increasing user involvement.
- Overall, the Association is performing well in key areas and is continually seeking to improve performance.

4. Governance and Financial Management

Overall Assessment of Governance and Financial Management

- 4.1 Clydebank is a well governed and financially sound housing association. The Management Committee clearly controls the organisation. There is an effective framework to ensure the Committee Members have a good understanding of operational and strategic issues that allows them to direct change where necessary. Financial planning and management is very good and 30-year financial projections indicate that the Association is viable in the long-term.

B	<p>Clydebank is a good performer with many strengths and some areas where improvement is needed.</p> <p>The prospects for improvement in governance and financial management are promising.</p>
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- 4.2 These are the areas that are working well:

- ✓ The Committee demonstrate good control over the Association's operations.
- ✓ Committee membership is at a healthy level.
- ✓ The Management Committee receives good quality reports and excellent performance management information.
- ✓ There is an excellent approach to managing the risks to the Association and a well developed internal audit process.
- ✓ Short, medium and long term financial plans are in place.
- ✓ Management accounts are prepared and presented to committee very promptly after the end of an accounting period.
- ✓ Management accounts and annual budgets are detailed and of high quality.
- ✓ 30-year financial projections include relevant sensitivity analysis.

- 4.3 These are the areas that could work better:

- The 5 year financial plan does not include forecast financial performance targets for every year.
- The Association could develop a more robust approach to identifying the skills and training needs of the Committee and to recording training undertaken.

4.4 This is our key recommendation.

- ❖ Clydebank should prepare balance sheets for each of the 5 years in its medium-term plans, to allow it to forecast all of its financial performance targets.

Context for Governance and Financial Management

4.5 Clydebank's Management Committee is elected from its membership. There were 13 members on the Management Committee at the time of our inspection, of which 7 members were tenants and 6 were general members. The main committee of the Association is supported by 3 sub-committees.

4.6 Clydebank's finance function is led by the Finance Manager who was promoted from Finance Officer in April 2004. The Finance Manager is supported by a Finance Assistant, a Clerical Assistant and a Finance and Administration Trainee. Financial issues are mostly reported to the Finance, Staffing and General Purpose Sub Committee, although issues such as the annual budget and the five year Financial Plan are reported directly to the Management Committee.

4.7 Until early 2004 Clydebank used agency services to oversee its finance function. However, following the appointment of the Finance Manager, the function is now fully managed in-house.

How Good are Governance and Financial Management?

Membership

4.8 Clydebank has an open, accessible and accountable approach to membership. At the end of 2003/2004 the Association had 238 members. The Association promotes membership in a variety of ways particularly during the sign-up process for the Scottish Secure Tenancy, and with new tenants. Overall the Association's approach to membership demonstrates good accountability to those it serves.

4.9 The Association has continually sought a nomination from West Dunbartonshire Council to sit on the Management Committee. Unfortunately, to date, the Association has been unable to secure a member through this route. The Association should continue its attempts to recruit a Council nominee as this may provide a good route to access additional skills and experience for the Association.

Governing body

- 4.10 The Management Committee demonstrates good control over the activities of the Association. The main Committee is supported by 3 sub-committees and the quality of reports presented to these committees is of a high standard. This allows Committee Members to make decisions on a well-informed basis.
- 4.11 Committee members have a good range of skills and experience and receive good support from staff. Discussions with Committee and attendance at a Committee meeting showed that, overall, members have a good understanding of the Association's business and a clear understanding of the strategic and operational objectives of the Association.
- 4.12 The Association does not keep records of training attended by the Committee, although Committee Members are encouraged to attend relevant events. A skills audit was recently undertaken and this identified that members had attended a significant number of training events, although, it was not possible to identify how recent and relevant this training was. The Association also does not have a clear approach for the induction of new Committee Members. A standard Committee Members' Handbook is provided to each new member on joining the Committee, but we could not see that there is a formal and robust way of ensuring that the development needs of new members can be assessed and met

Recommendation 3:

The Association should develop:

- a clear approach to identifying and recording the training requirements of committee members; and
- a comprehensive induction process for new committee members.

- 4.13 Membership of the Management Committee has fluctuated over recent years but successful efforts have been made to introduce new members. Currently the Association has a Committee membership of 13. This provides a sound base from which to govern the organisation.

Risk management

- 4.14 The Association has in place a Risk Management Strategy which defines a clear approach to the management of risk. This document is brief but is

backed up with a more detailed Strategic Risk Matrix which identifies risks to the organisation in relation to political, economic and socio-demographic factors. The document identifies hazards, the risk frequency, the severity, the control actions in place and the review date. The Association also produces Operational Risk Assessments for key service areas.

- 4.15 Internal Audit is also well-developed and further reduces the possibility of risks materialising. A rolling programme of internal audits is being undertaken and results from the audits have continually identified no major weaknesses in the Association's operations. Recommendations are generally of a minor nature. Where recommendations are made, these are presented to the Management Committee for consideration. This performance supports our view that the Association is working in a robust planning and performance management culture. Overall the Association has in place the necessary tools with which to effectively manage the risks to the Association.
- 4.16 The Association has also taken action when risk has materialised in the past, for example, following the extensive fires that affected its offices. One example relates to document management where key documentation is scanned onto the IT system periodically. This reduces the possibility of the large scale loss of important information.

Financial viability

- 4.17 Clydebank has a sound financial position and demonstrates viability in the longer-term.
- 4.18 These features have a positive impact on viability:
- a stable demand for properties demonstrated by low turnover, and good empty property management;
 - manageable levels of loan debt;
 - low management costs;
 - growth through the potential involvement in the regeneration of Riverside;
 - low levels of rent arrears; and
 - general good quality housing stock.
- 4.19 This feature has a negative impact on viability:
- potential for loss of stock, as almost all tenants have the Right to Buy.

Financial management

- 4.20 Clydebank's financial management framework is very good and is underpinned by financial regulations and detailed finance procedures. The Association is very good at financial planning and has short, medium and long term financial forecasts in place.
- 4.21 The annual budgeting process is well structured and meets the needs of the organisation. The budget report is comprehensive and provides the Committee and staff with a clear picture of the Association's plans for the year ahead. The budget and quarterly management accounts include an income and expenditure account, balance sheet and cash flow forecast. Both are also accompanied by detailed narrative and a breakdown of management costs. Overall, this provides the Committee with clear information from which it can make decisions and direct the Association.
- 4.22 Clydebank also monitors its actual performance against budget through its management accounts and provides detailed explanations for any variances. The quarterly management accounts are prepared and presented to committee generally four weeks after the end of the accounting period. This is excellent as the committee is receiving timely information which allows it to act promptly should the need arise.
- 4.23 Clydebank's medium and long term cash flow projections are contained in the Financial Plan. Clydebank uses sensitivity analysis to show how changes in some of the key planning assumptions may affect its viability over the 30 years of the plan. This provides an excellent basis for planning and decision making.
- 4.24 As well as preparing an income and expenditure account as part of the five year medium term projections, Clydebank also calculates whether it will meet the terms laid down in its loan agreements. This is very good planning as it highlights any potential problems and allows the Association time to address them.
- 4.25 Also included in the five year medium term projections are financial performance targets. However, because forecast balance sheets are not prepared, the performance targets shown only relate to past performance and the current year.

Recommendation 4:

Clydebank should include balance sheet information to allow it to forecast future financial performance targets.

- 4.26 Clydebank's approach to treasury management is appropriate. It details the Association's investment and borrowing strategies and identifies which financial institutions it can use. It also differentiates between how short and long term cash surpluses should be managed. In line with the treasury management policy, Clydebank presents an annual treasury management report to committee.

How Likely are Governance and Financial Management to Improve?

- 4.27 Clydebank's strong performance across many of the critical areas in governance and financial management means that there are no major areas where the Association requires to make specific improvements. The Association has demonstrated a very good quality of performance in relation to its financial function and only a small number of areas for improvement in relation to Governance. The quality of planning and general trends in performance lead us to conclude that the prospects for further improvement are promising.

5. Housing Management

Overall Assessment of Housing Management

- 5.1 Clydebank's housing management services are excellent. Importantly, service levels have remained high despite the significant difficulties that the organisation has faced. The 2 key factors that have affected the Association are the extensive fires that have occurred in its offices, and the significant increase in the Association's size, following the large scale stock transfer (LSVT) from Scottish Homes.
- 5.2 Our grading takes account of the difficult circumstances the Association has faced and the ongoing strong performance against key performance indicators, and the use of its performance management framework to monitor and improve service delivery. A key influencing factor in the grading is our confidence in the likelihood of continued improvement.

A	<p>Clydebank delivers an excellent housing management service with major strengths.</p> <p>The prospects for improvement in housing management are excellent.</p>
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- 5.3 These are the areas that are working well:
- ✓ Tenant satisfaction with services is high.
 - ✓ Clydebank provides open access to its housing list and minimises suspensions.
 - ✓ The allocation policy effectively lets houses to those most in need.
 - ✓ The housing list is reviewed on an ongoing basis.
 - ✓ Clydebank has an excellent understanding of the demand for its stock.
 - ✓ Almost all tenants have signed up to the Scottish Secure Tenancy.
 - ✓ There is a high demand for the Association's stock and the management of empty properties is good.
 - ✓ Clydebank has a clear rent policy.
 - ✓ Performance in collecting rent due from tenants is good, and arrears levels are low.
 - ✓ Clydebank's estates are well managed and maintained.
 - ✓ Clydebank provides a good service to tackle antisocial behaviour and has plans to improve this further.
 - ✓ Tenants are generally satisfied with the antisocial behaviour service.
 - ✓ Clydebank has good processes in place to identify weaknesses in service delivery and takes effective action to implement improvements.

5.4 These are the areas that could work better:

- Settling in visits are not carried out, as intended, for all new tenants.
- Clydebank is not doing all that it could to achieve personal contact with all of its tenants in arrears.
- Limited information is available to tenants on the antisocial behaviour service.

5.5 These are our key recommendations. They are broadly in order of significance:

- ❖ Clydebank should ensure that home visits are carried out for tenants in rent arrears, particularly where other methods of making face to face contact are unsuccessful.
- ❖ Clydebank should ensure that settling in visits are undertaken for new tenants.

Context for Housing Management

5.6 Clydebank's housing management team consists of a senior housing officer, a housing officer, 2 housing assistants and a clerical officer. Overall responsibility for the housing management function lies with the property service manager.

5.7 The Association has over 1000 units consisting of a mix of property types which include high rise, tenement, 4-in-a-block, maisonettes and new build properties. In general terms the Association's stock is in high demand with a low turnover of empty properties. The stock is spread out over the Clydebank area and transport is required to the offices from some of the more outlying estates.

How Good is the Service?

Access to houses

5.8 Clydebank Housing Association gives access to its housing list to anyone aged 16 and over, and they can apply for housing at any time. There are no restrictions on access and at the end of March 2004 the Association had 991 applicants on its waiting list.

5.9 Applicants wishing to apply for housing are given an application pack which includes a booklet on how the allocation policy operates, a questionnaire to determine in what format applicants would like information issued in and an equal opportunities questionnaire. The pack also includes a detailed list of the streets where the Association has properties. This allows applicants to make a detailed choice in relation to

- where they would consider offers of housing, and reduces the likelihood of offers being refused. Staff provide assistance in completing application forms when appropriate. Overall, the Association has an open policy in granting access to the waiting lists.
- 5.10 The Association reviewed its allocation policy in light of the implications of the Housing (Scotland) Act 2001. We found that the policy is effectively meeting the requirements of the Act, particularly by giving preference to those applicants in highest need.
- 5.11 The Association identifies a number of circumstances under which it will suspend applicants from the waiting list. Suspension due to rent arrears is in line with the requirements of the Housing (Scotland) Act 2001, with the exception of suspending an applicant if a 'current legal notice' has been served for persistent rent arrears. This is not fully in line with current legislation. The Association also considers suspending applicants with a history of antisocial behaviour. The Association should provide more detail about when a suspension would be applied under these circumstances. In reviewing suspensions, however, it was evident that the Association rarely suspends applicants unless the applicant advises they are not looking for housing at the current time. File checks showed that there were 13 suspensions of which 10 had been requested by the applicants. The other suspensions we reviewed had been appropriately applied.
- 5.12 The Association has a 21 day target to process house applications. File checks showed that these are being processed within this timescale. We also found that points were accurately assessed and checked by another member of staff. Points letters issued to applicants contained appropriate information in relation to the points awarded, how the points total had been arrived at and the right to appeal the decision. The Association does not acknowledge receipt of applications and we suggest that a timescale is set for this, and that it is monitored.
- 5.13 The Association undertakes very detailed monitoring of the housing list and the allocations it makes. It has a very good understanding of demand particularly by gender, ethnicity, disability and in relation to household composition. This information is subject to ongoing monitoring and reporting to the Management Committee. The Association has shown that it takes action based on the information it gathers, for example by setting allocation priorities on a yearly basis, by influencing policy and procedural development and by taking action where minority groups are shown to be underrepresented (see section 3.23).
- 5.14 Clydebank has a nomination agreement with West Dunbartonshire Council and for the year 2003/2004, 34.7% of lets were made through the

agreement. The Association closely monitors nominations and analyses reasons for refusal as a method of improving the service. The Association is also working with partner organisations to assess the possibility of setting up a common housing register in West Dunbartonshire. The Association participates in the HOMES mobility scheme and has a rehousing agreement with Link Housing Association and a nomination agreement with other local providers. Overall, the Association is working well to maximise access to housing.

- 5.15 Overall we found that the Association is operating a fair, open and transparent system in providing access to housing.

Lettings

- 5.16 The Association let 75 properties during 2003/2004 of which 90% were allocated to new tenants. Our sample review (21%) of these, showed that all lets had been made to applicants with high need. Clydebank meets its statutory requirement to give reasonable preference to people in the statutory categories of priority need. Importantly, the Management Committee receives reports on how well the Association is meeting its statutory requirements in this area.

- 5.17 The Association collects data, monitors and reports on allocations in a number of areas. These include:

- the need category that led to the allocation, for example Homeless, Overcrowding, medical;
- the previous living circumstances of the applicant; and
- the household composition, age of the applicant, ethnic origin and disability.

- 5.18 The monitoring information that the Association collects demonstrates that it is rehousing those most in need. However, it also allows the Association to understand the demand and supply issues as they affect the allocation process and this feeds into policy reviews. The Association also sets targets for allocations from different categories of need and it uses its monitoring information to review targets on an annual basis.

- 5.19 Overall, the Association demonstrates an excellent understanding of the needs and demands of its service users and potential users, and has demonstrated that it is meeting these needs.

Tenancy sign-ups

- 5.20 At the time of our Inspection the Association had signed-up 98% of tenants to the Scottish Secure Tenancy. From the file checks we

reviewed, applicants were given good quality information about tenants rights and responsibilities. Standard checklists are retained on file that detail the type of information given and these are signed by both the tenant and the Association's officer. This evidence was contained in all files reviewed.

- 5.21 All tenants have received a good quality tenants handbook. Overall, tenants we spoke to during our visit were happy with the quality of the information they received.
- 5.22 The Association undertakes settling-in visits to new tenants as a method of reinforcing tenants rights and responsibilities. However from the records we examined we found that these had rarely been carried out in the 12 months prior to the inspection. The Association highlighted that this was due to a shortage in staff resources over the period which our sample of cases covered.

Recommendation 5:

The Association should ensure that it meets its commitment to carry out settling-in visits for all new tenants.

Supporting tenants

- 5.23 The Association has been instrumental in developing a supported accommodation project for six people with mental health difficulties. Support for the tenants of this project is provided through a support agency which also leases staff accommodation from the Association. All tenants are signed up to the Scottish Secure Tenancy which is in line with good practice. Regular meetings take place between the Association and the support agency in relation to the management of the project.
- 5.24 The Association also leases six properties to West Dunbartonshire Council as temporary homeless accommodation, to assist the Council to meet its statutory obligations.
- 5.25 The Association provides good quality information on a range of agencies that can provide assistance and support to vulnerable tenants. Information is available at reception, and all rent arrears letters contain key information on these agencies

Empty houses

- 5.26 Clydebank is managing its empty houses well. Performance in 2003/04 in the time taken to re-let houses is good, and improved on the 2002/03

performance. This is now within Clydebank's target of 25 days. Rent lost through having empty houses has also improved, and is now lower than in 2001/02. Clydebank performs well against its peers and is better than the average in both measures. It systematically records, monitors and reports performance, and sets realistic targets based on a good understanding of its service.

	Clydebank 2003/04	Peer group average 2002/03	Clydebank 2002/03	Clydebank 2001/02
Average re-let time (general tenancies)	20 days	42 days	27 days	18 days
Void loss as a % of rental income	0.47%	1.71%	0.77%	0.54%

Source: Annual Performance and Statistical Return (APSR), Communities Scotland

5.27 Clydebank is working well to identify and improve areas of weaker performance. It reviewed its policy and procedures in 2003 and reviews targets annually. By using its monitoring framework to assess performance, Clydebank has taken action to:

- reduce contractor target times for empty house repairs by 5 days;
- plan training for two additional staff members to enable them to pre-inspect empty houses;
- reduce pre-inspection targets from 5 days to 1 day;
- get feedback from tenants on their new homes by issuing new-tenant satisfaction surveys;
- provide new tenants with a list of repairs due for completion;
- contact tenants by telephone to advise on re-chargeable repairs policies shortly before they move house; and
- identify poor performance from its utility suppliers as contributing to delays in finishing repairs to empty houses.

5.28 Clydebank is also planning further improvements to its service. While void quality is good, Clydebank does not have a published empty house re-let standard. It plans to introduce one in May 2005, following consultation with tenants. It also plans to develop information packs for new tenants which will include detailed information on local services and facilities.

Rents

5.29 Clydebank has a clear structure for setting its rents. It is based on the size of the house with additional premiums either added or subtracted depending on the property's amenities. For example, central heating

increases the annual rental cost, while having no parking space reduces it. Clydebank provides good information on what rent pays for, and delivers annual rent statements to all of its tenants.

- 5.30 In 2003/04 Clydebank charged an average monthly rent of £199.07. This compares reasonably well with other local RSLs in West Dunbartonshire, whose average rents range from £186.57 to £225.86. Its survey of residents in 2003 showed that 98% of tenants knew what their rent paid for and 78% said that this was good value for money.
- 5.31 For 2004/05 Clydebank's average rent increase is 3.8%. This increase was implemented after the Association followed its policy for a full financial viability check and ensures that it meets its financial obligations towards tenants who transferred from Scottish Homes. It also takes account of an assessment of affordability which found 27% of working households may have difficulties paying their rent in their current circumstances. Clydebank established that under-occupancy was the main reason for affordability difficulties. Through an article in its newsletter, it offered any tenant who was under-occupying the opportunity to apply for a transfer. No tenants accepted the offer.
- 5.32 Clydebank asks for tenants' views on rent increases through an annual article in its newsletter. This approach to consultation produced a limited response. Clydebank could do more to involve tenants in this important decision.

Recommendation 6:

Clydebank should review how it asks for tenants' views on rent increases and consider the use of other consultation methods.

Arrears

- 5.33 Clydebank is good at collecting rent and pursuing tenants in arrears. Its rent arrears levels are very low and have improved for the last 3 years.

	2003/04	Peer Average 2002/03	2002/03	2001/02
Total non-technical arrears as a % of rental income ¹	1.84	4.7%	2.47	2.96
Current tenant non-technical arrears as a % of rental income	1.15	3.23%	1.87	1.85
Former tenant non-technical arrears as a % of rental income	0.7	1.47%	0.6	1.11

Source: Annual Performance and Statistical Return

- 5.34 Tenants are offered a wide range of payment methods, including direct debit, standing order and use of the Association's rent payment card. Information on how to pay rent is included in the tenants' handbook and the importance of paying rent is emphasised in sign-up interviews. The Association is working well with West Dunbartonshire Council to maximise housing benefit entitlement.
- 5.35 Clydebank monitors its rent accounts well and makes early contact with tenants when payments have been missed. Three housing management staff set aside one day per week to concentrate only on rent arrears work. Clydebank provides good information on support services and agencies in its arrears letters. When the Association achieves personal contact with tenants it completes income assessments to assess the affordability of repayment arrangements. These arrangements are then followed up in writing. It is also good at referring tenants to debt management advice agencies.
- 5.36 The arrears policy was reviewed in 2003 and Clydebank did some limited consultation work with tenants' groups on the draft proposals. The Association has recognised that it needs to gather additional feedback on its arrears service. It is now planning to use a focus group to gather further information after receiving few responses to a recent satisfaction survey.
- 5.37 Almost all legal action taken by Clydebank is for rent arrears and decisions to use legal remedies follow good practice guidance. All proposed legal actions are approved by the Management Committee which receives good quality reports. All cases are presented anonymously in line with good practice.

¹ "non-technical arrears" - These are arrears for which tenants may be held liable. It excludes rent on which Housing Benefit is payable.

- 5.38 Clydebank evicted 4 tenants in 2003/04 for rent arrears. In 3 of these cases we found that very low levels of personal contact had been achieved. Clydebank does not encourage staff to conduct home visits. It prefers to use standard and personal letters, most of which encourage tenants to make an appointment to visit the Association's offices to discuss their arrears. While the use of letters is usually successful for Clydebank, it does mean that it is not doing all that it could to achieve personal contact with all of its tenants in arrears.
- 5.39 Low levels of personal contact has meant that Clydebank does not always follow its own procedures. For example:
- Three of the cases had not received the required income assessment as Clydebank did not conduct face to face interviews with the tenants before evicting them. High value arrangements were accepted by the Association, in one case of £150 per week, without being able to refer to income information. These repayment arrangements were not kept; and
 - in one case involving a young person, Clydebank did not make the required checks to identify if the young person had support needs. The tenant was then only referred to West Dunbartonshire Council's homeless team eight days before the eviction took place.

Recommendation 7:

Clydebank should:

- make sure that it uses a full range of methods to achieve personal contact with all tenants in arrears; and
- make sure referrals to the Councils' homelessness service, and relevant support services, are made in enough time to be effective.

Antisocial behaviour

- 5.40 Clydebank considers neighbour nuisance and antisocial behaviour to be an increasingly significant issue for its tenants. It received 121 complaints in 2003/04, though many of these are further incidences of a previous complaint. The bulk of complaints are neighbour nuisance issues and cases of serious anti-social behaviour are rare.
- 5.41 Clydebank does some good prevention work. It uses tenancy sign-up interviews to emphasise tenants' responsibilities to show respect to their neighbours. Tenants that we spoke to during the inspection were all aware of these responsibilities. An awareness of the high risk of clash of

lifestyles within its multi-storey blocks has led Clydebank to provide additional advice to new tenants in these neighbourhoods.

- 5.42 It is easy for tenants to make a complaint about anti-social behaviour. Clydebank includes information on how to report problems in regular newsletters, in its tenants handbook and on its website. Tenants that we spoke to, while clear on how to report anti-social behaviour, were unclear on what action Clydebank is able to take. This is leading to unrealistic expectations amongst some tenants regarding the Association's powers and responsibilities.

Recommendation 8:

Clydebank should broaden its good work in providing information to tenants by producing more detailed information on its antisocial behaviour services.

- 5.43 Clydebank responds well to reports of antisocial behaviour. It classifies complaints by seriousness and uses appropriate responses, including written warnings, mediation, legal action and management transfers. Tenants are kept well informed of actions taken to resolve their complaints. Its performance target for investigation of 10 days is challenging and is achieved in 88% of cases. Clydebank regularly monitors this performance and provides detailed reports to the Management Committee.
- 5.44 Satisfaction with the service is also fairly high. Clydebank collects user feedback on the service through satisfaction surveys. Returns are quite low but show that 78% of service users were fairly or highly satisfied with the resolution of their complaint. Tenants that we spoke to were generally satisfied with the service they had received.
- 5.45 Clydebank is also working well to tackle antisocial behaviour with several partners and different agencies. These include recent cases jointly managed with West Dunbartonshire Councils specialist antisocial investigations team (ASIST). Support is arranged through Social Services and local agencies, e.g. those giving advice on substance abuse. It is also finalising an information sharing protocol with local police.
- 5.46 To enable it to deal more effectively with neighbour nuisance and antisocial behaviour, Clydebank plans to review its policy in early 2005. The Association has already identified areas where it plans improvements including:

- new policy and procedures for Short Scottish Secure Tenancies, mediation and referrals to ASIST;
- a review of its categorisation and recording system for complaints; and
- a proposed conference for tenants on antisocial behaviour and estate management issues.

Estate management

- 5.47 Clydebank maintains its properties and surrounding environment to a good standard. Regular inspections are carried out including quarterly checks of common areas. Clydebank is continuing to develop the service and held its first gardening competition in 2003/04.
- 5.48 Clydebank's survey of tenants in 2003 found that 82% were satisfied with the condition of their neighbourhood. It also found that 9% were dissatisfied. The majority of the dissatisfaction related to one estate. We looked at this estate during our inspection and found it to be maintained to a high standard.

How Well is the Service Managed?

- 5.49 Clydebank's housing management service is run in an efficient, effective and responsive way. The Association has a range of policies and procedures to support service delivery. Importantly the outcomes from the Association's practices are very good, with performance indicators and tenant feedback demonstrating that this is a well run service.
- 5.50 The Association has a very strong framework for monitoring and reporting on performance across the housing management service. Monthly and annual reports include current performance, trend information and comparison with peers. The Association clearly understands the environment in which it works and has a very good understanding of the demand factors for its housing.

How Likely is the Service to Improve?

- 5.51 We consider that the prospects for improvement in housing management are excellent because;
- Clydebank has a good understanding of its strengths and weaknesses;
 - It is committed to improving performance;
 - key performance indicators are good and tenant satisfaction levels are high; and,
 - the Association has maintained, and in some areas improved performance despite times of significant difficulties and major change.

6. Property Management

Overall Assessment of Property Management

- 6.1 Clydebank provides a very good repairs service and its housing stock is maintained to a high standard.
- 6.2 We have awarded a B grade for property management. Our grading reflects the fact that Clydebank provides high quality, well maintained houses and has a good awareness of its own performance. We have also taken account of a serious weakness in meeting statutory gas safety regulations which applies to a high proportion of its houses supplied with gas.

B	<p>Clydebank delivers a good property management service with many strengths but with some areas where improvement is needed.</p> <p>The prospects for improvement in property management are excellent.</p>
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- 6.3 These are the areas that are working well:
- ✓ Clydebank's houses are maintained to a high standard.
 - ✓ Tenants are very satisfied with the property management service.
 - ✓ Performance in completing responsive repairs is very good.
 - ✓ Clydebank offers a flexible appointment system and is active in promoting it to service users.
 - ✓ Clydebank provides good information on its property management services.
 - ✓ Clydebank has a good 30-year investment programme for its stock which it reviews annually.
 - ✓ Clydebank is progressing with an innovative community heating project that will provide affordable heating and hot water to one third of its tenants.
 - ✓ Clydebank has comprehensive information on the condition of its stock.
 - ✓ Clydebank delivers a major repairs service that is responsive to service user demand.
- 6.4 These are the areas that could work better:
- Clydebank does not carry out gas safety checks every 12 months for a relatively high proportion of its houses supplied with gas.

- Clydebank has not consulted with its tenants on changes to its maintenance policy.
- Clydebank does not have a completed Asbestos management plan.

6.5 These are our key recommendations. They are broadly in order of significance:

- ❖ Clydebank must make sure it complies with legal requirements relating to gas safety.
- ❖ Clydebank must ensure it consults with tenants on all significant changes to its repairs service.
- ❖ Clydebank should ensure it completes its Asbestos management plan.

Context for Property Management

6.6 Clydebank's property management services are delivered by staff within the property management section. Staff have responsibility for managing responsive and planned maintenance works. Clydebank manages a mixture of older and newer houses, including seven multi-storey blocks acquired through stock transfer from Scottish Homes.

6.7 Clydebank has an approved list of maintenance contractors who complete responsive and planned maintenance works. It allocated £1.5 million in 2003/04 for planned works and completed 1658 responsive repairs.

How Good is the Service?

Responsive repairs

6.8 Clydebank provides an accessible and good quality responsive repairs service. Tenants can report repairs by telephone, in writing, or by calling in person at the office. Clydebank provides an increasingly popular "Date Specific" appointment system. Thirty-eight percent of repairs were subject to appointments in 2003/04, an increase from 30% in 2002/03. Staff are knowledgeable and showed a good understanding of all aspects of the repairs service.

6.9 The quality of repairs information provided to tenants is good. Staff advise tenants about their repair responsibilities at the tenancy sign-up, information is available on the web-site and in regular newsletters. The tenants' handbook is a comprehensive document, providing useful information on all aspects of the repairs service.

6.10 Clydebank sets itself challenging timescales for completing responsive repairs. Performance in achieving these targets has been consistently very good for emergencies and urgent work. Routine repairs performance

for 2003/04, while still good, has dropped below the level it achieved in 2001/02.

Year	2001/02	2002/03	Peer Avg 2002/03	2003/04
Emergency (4 Hours)	97.5%	100%	98.2%	100%
Urgent (3 Days)	97.4%	99.2%	93.9%	99%
Routine (10 Days)	95%	97.5%	93.2%	93%

Source: Annual Performance and Statistical Returns (APSR), Communities Scotland

- 6.11 Clydebank does not accurately report its performance on emergency repairs. Its Information and Communication Technology (ICT) system does not record the time that a repair is reported due to a fault. This means Clydebank cannot always be certain that emergency repairs have been completed within the 4 hour target it has set itself.

Recommendation 9:

Clydebank should record the time that repairs are reported to make sure that it fully understands and accurately reports its own performance in emergency repairs.

- 6.12 Tenants are very satisfied with Clydebank’s repairs service. Results from its most recent large-scale survey showed satisfaction rates of 94%. Clydebank also collects regular feedback from tenants who complete a satisfaction section on their repair order form, and from a monthly telephone survey. These also show very high satisfaction levels. This information is well monitored and regularly reported to the Maintenance Sub-Committee. It is also used to assess contractor performance as part of the Association’s annual review.
- 6.13 Clydebank is effectively using pre and post inspections to confirm the quality of the repairs service. Targets of 25% for pre inspections and 15% for post inspections are realistic and achieved. Clydebank has a good approach to identifying repairs for inspection. It uses team meetings to choose appropriate repairs, although we found that the lack of any written guidance has produced some inconsistencies between staff members’ understanding of which inspections are to be carried out.

Recommendation 10:

Clydebank should formalise its pre and post inspection policy to ensure clarity and consistency on what works should be targeted for inspection.

- 6.14 Clydebank has recently started to operate a Right to Repair scheme as required by the Housing Scotland Act (2001). We found that staff do not correctly identify Right to Repair works in cases where the tenant asks for an appointment. This means that these tenants are not made aware of their rights to compensation if the work is delayed. Our file checks found five examples of repairs with appointments which were not identified as Right to Repair works by staff. Clydebank responded positively to our findings and amended its procedures for appointments during our visit.

Lifetime Maintenance

- 6.15 Clydebank holds good quality information on the condition of all of its housing stock. Stock condition surveys are carried out every five years and maintenance history records are updated following contract completions and some pre-inspections. A detailed thirty-year life-cycle costing is in place and investment plans are reviewed annually. The introduction of improved ICT later this year will also improve the accuracy and responsiveness of the life-cycle plans. This is a good approach by the Association. Clydebank is at the early stages of identifying stock which will not meet the Scottish Housing Quality Standard and considers that insulation standards may be difficult to achieve.
- 6.16 Clydebank is progressing well with its planned Community Heating and Power (CHP) plant. This project will deliver cheap energy to seven multi-storey blocks and ensure affordable heating and hot water for tenants and residents. Clydebank was awarded £750,000 from the Energy Savings Trust to help fund the project. A wide range of consultation was carried out with residents before the project was committed. Residents we spoke to were strongly in favour of the project and very satisfied with the Association's work. This is an example of both innovation and positive practice.
- 6.17 Clydebank provides good information to residents on proposed maintenance and improvement works. It has consulted on individual projects and changed its programme of repairs in response to tenant preferences. An example of this is in Linnvale where a new central heating programme was brought forward in place of new kitchens. Feedback is collected on completed projects and any issues raised by tenants is pursued with the contractor. Clydebank plans to improve how it

gathers tenants views on planned maintenance projects and it is considering using tenant focus groups.

Gas Safety

- 6.18 Clydebank has failed to meet its legal requirements in relation to gas safety. This is a significant weakness and a risk to the Association and its tenants.
- 6.19 Gas safety regulations require that landlords carry out safety checks to all their gas appliances every 12 months. Clydebank has good recording and monitoring systems and holds detailed information on its inspections. Gas appliances are generally in good order with only seven repairs required from 735 inspections in 2003/04.
- 6.20 Clydebank inspected only 18% of its gas systems within 12 months in 2003/04, with 14% tested over 60 days late. Performance has improved in 2004/05 with 81% of inspections completed within 12 months, though this is still failing to meet the requirements of the regulations. Clydebank's poor performance is caused by weaknesses in its gas maintenance inspection procedures. Inspections are programmed to coincide with the 12 month anniversary. By operating in this way, Clydebank cannot ensure that properties where access is delayed are inspected within 12 months.
- 6.21 Our sampling highlighted this issue and when we raised it with the Association it undertook a review of the service. As a result of this, Clydebank has already changed its procedures and instructed staff and its gas contractor on them. Clydebank has shown a strong commitment to achieving improvement in this area.

Recommendation 11:

Clydebank must ensure it inspects all of its gas appliances every 12 months as required by the Gas Safety (installation and use) Regulations 1998.

- 6.22 The Control of Asbestos at Work regulations 2002 require landlords to have a management plan in place to show how it will deal with asbestos in the common areas of its houses. At the time of our inspection Clydebank had provided training to all of its staff and was developing stock survey plans, but did not have a management plan in place.

Recommendation 12:

Clydebank must fully implement its strategy and make sure it meets legal requirements for the management of asbestos.

Adaptations

- 6.23 Clydebank provides an accessible adaptations service with good levels of information available to its service users. The service is funded by grants from Communities Scotland. Adaptations are carried out to a high standard and feedback from tenants shows high levels of satisfaction with the completed work. The Association also works well with West Dunbartonshire Council's occupational therapists to respond to changes in tenants' needs.
- 6.24 Clydebank has a high proportion of elderly tenants and recognises that demand for the service is increasing. To assess demand, the Association conducted a survey during its SST sign-up exercise and asked tenants to indicate their current and future needs. It plans to use this information as part of a review of the service due to be completed in 2005.
- 6.25 Clydebank does not meet demand for its adaptation service and it maintains a waiting list prioritised by need. While it completed 31 adaptations in 2003/04, average waiting time was 311 days, and 30 tenants were on the waiting list at the time of our inspection. While Clydebank monitors agreed adaptations and reports completed work to the maintenance sub-committee, it does not regularly report waiting time information. It has also not set any targets to reduce waiting times.

Recommendation 13:

Clydebank should ensure it improves reporting and target setting for the adaptations service during its planned review.

How well is the service managed?

- 6.26 Clydebank's property management service is generally well managed. Performance recording, monitoring and reporting is generally good, although it could be improved in some areas. The maintenance action plan identifies clear areas for improvement and the staff responsible for delivering them. Tenant satisfaction information is collected and used to improve services. Staff providing the services are well trained and supported with good policies and procedures.

- 6.27 It is a requirement of the Housing (Scotland) Act 2001 that landlords consult with their tenants on significant changes to services that affect them. Clydebank reviewed and changed its maintenance policy in 2003 but did not consult with service users on all the changes.

Recommendation 14:

Clydebank must ensure that it consults with tenants on significant changes to its repairs and maintenance services.

- 6.28 Clydebank manages the procurement of its property maintenance services well. The Association considers quality as well as cost when re-tendering contracts. Reviews of current contractor performance are completed annually and the results are reported to the management committee. Clydebank is also in the final stages of confirming a partnering agreement for its painter-work with a contractor who has been a good performer for them in the past.

How likely is the service to improve?

- 6.29 There are a number of signs that performance will continue to improve across the property management service. We consider the prospects for further improvement are excellent because:
- Clydebank is aware of the level of service it has achieved, how the service can be improved and has plans in place to achieve these improvements.
 - Clydebank has demonstrated its willingness to improve services by putting plans in place during the inspection period in response to our findings.
 - Clydebank responds to tenant feedback and has changed some projects to address tenant priorities.

7. Services for Owners

Overall Assessment of Services for Owners

Context

- 7.1 Clydebank has sold 42 houses through the Right to Buy during 2001-2004 and expects around 14 sales for 2004/05. It factors 632 houses.

House sales

- 7.2 Clydebank provides a fair house sales service. It provides good quality information and new owners are satisfied with the service they receive. However, Clydebank takes a long time to sell its houses and does not always meet statutory timescales in making an offer to sell.
- 7.3 Clydebank makes sure that purchasers are aware of their rights and responsibilities by providing pre-purchase interviews to all prospective buyers. It also provides a good sold property pack that contains comprehensive information.
- 7.4 Clydebank collects feedback on the service by issuing satisfaction surveys to all home buyers. Satisfaction with the house sales service in 2003/04 was high at over 87%. Clydebank also produces an annual owners' newsletter and this provides further opportunities for owners to feedback their views to the Association.
- 7.5 We found that Clydebank does not always issue letters offering to sell its houses within the 2 months required by legislation. Monitoring by staff of this stage of the sale process is weak.

Recommendation 15:

Clydebank must ensure that it complies with statutory timescales for issuing offer letters.

- 7.6 Performance in the time it takes Clydebank to sell its houses is poor. The Association was working to a long target of 9 months in 2003/04 but 26% of sales were taking over 10 months to complete. New owners also reported some dissatisfaction with the length of time being taken to complete a sale. Clydebank responded well to these findings. It improved its performance monitoring and introduced a number of improvements in 2003/04 including:

- weekly updates on the progress of applications to buy from its solicitor;

- setting a new target of 6 months for completions;
- introducing some key processing targets; and
- introducing quarterly reports to the management committee.

Factoring

- 7.7 Clydebank provides a good factoring service. It calculates service charges annually and sets them to ensure that all the costs of providing the service are covered. Common repairs are well managed and owners are provided with good levels of information on future major repairs works.
- 7.8 Clydebank encourages payment by offering a wide variety of ways to pay, for example by issuing a factoring account card to all owners. Despite this good work, factoring arrears have more than doubled from 23% in 2002/03 to 49% in 2003/04. While Clydebank has taken positive action to tackle this growth in arrears, for example by obtaining 4 decrees for repayment, it has not set any targets to reduce its arrears.

Recommendation 16:

Clydebank should set performance targets for arrears recovery.

8. Wider Action

Overall Assessment of Wider Action

- 8.1 Clydebank is developing its involvement in wider action. In 2003 the Association developed a detailed plan to contribute to the wider regeneration of the community. To date, the Association has secured over £1 million in funding from various sources to develop its plans.
- 8.2 The Association is involved in various projects including:
- the development of a combined heating and power project for 7 blocks of multi-storey flats;
 - the development of a Social Economy Centre in Clydebank's Town Centre; and
 - facilitating the development of a regeneration centre.
- 8.3 The Association has demonstrated good planning for the work it is undertaking, but has also shown to effectively react to opportunities that present themselves. This was evident when the opportunity presented itself to purchase the former Bank of Scotland in Clydebank with the purpose of developing the Social Economy Centre.
- 8.4 The Association is aware of the risks that it faces in extending its role from a housing provider, to include a wider community regeneration role. The Association has a good approach to, and track record of, managing risks and this suggests that risks will be minimised. The Association is also aware that as a charity it is restricted in certain activities that it can carry out. The Association is monitoring this situation and is taking appropriate advice to ensure that no rules are breached.

9. Next Steps

- 9.1 This report is not the end of the process. We have asked Clydebank to produce an improvement plan within eight weeks of the publication of this report. This plan should show how it intends to respond to all our recommendations. The plan will be agreed with us.
- 9.2 If you would like to see the improvement plan you should contact:
- Clydebank Housing Association Ltd
77 – 83 Kilbowie Road
Clydebank
G81 1BL
Tel: 0141 941 1044
E-mail: info@clydebank-ha.org.uk
Website: www.clydebank-ha.org.uk
- 9.3 We will re-inspect Clydebank in five years' time.

i. APPENDIX 1 – List of Evidence Sources

Groups and third parties consulted

- Care Commission
- Clydebank Unemployed Resource Centre
- Communities Scotland's Investment and Tenant Participation teams
- Community Links West Dunbartonshire
- Linnvale Residents Association
- Radnor Park Tenants and Residents Association
- The Scottish Public Services Ombudsman
- The Richmond Fellowship Scotland
- Urban II Co-ordinator – Community Links Dunbartonshire
- West Dunbartonshire Council
- West Dunbartonshire Partnership
- Whitecrook Community Group

Interviews / meetings

- Clerical Assistant
- Director
- Housing Officer
- Finance Officer
- Maintenance Assistants
- Maintenance Officer
- Senior Housing Officer
- Sold Property Assistant
- Tenant Liaison Assistant
- Property Services Manager

We also met with

- Representatives of the Management Committee
- A focus group of tenants

Reality checks

- File Checks
 - Abandonment
 - Allocation
 - Anti-social Behaviour
 - Application
 - Applications awaiting references

- Cancelled Application
 - Complaints
 - Empty Houses
 - Eviction
 - Factoring
 - Gas Servicing
 - House Sales
 - Major Works
 - Mutual exchanges
 - Rent Arrears
 - Responsive repairs
 - Section 5 referrals
 - Suspended Application
 - Tenancy
 - Void
- Shadowing staff
 - Void property visits
 - Potential new tenants viewing
 - Responsive repairs ordering
- **Others**
 - Equal opportunities testing
 - Estate visits
 - Focus group of residents and tenants
 - Observed arrears interview and follow-up interview with tenant
 - Observed meeting of Clydebank’s Management Committee
 - Telephone survey of new tenants and waiting list applicants

Key documents reviewed

- Inspection Submission
- Policies, Procedures & Strategies
 - Abandoned Houses
 - Allocations
 - Anti-Social Behaviour
 - Approved Contractors & Consultants
 - Arrears
 - Complaints
 - Confidentiality
 - Declaration of Interests
 - Equal Opportunities
 - Estate Management

- Expenses for Committee Members
- Factoring
- Financial Regulations
- Former Tenants Arrears
- Gifts & Hospitality
- Membership
- Neighbour Disputes & Anti Social Behaviour
- Nominations
- Open Space Maintenance
- Owner Occupiers
- Rechargeable Repairs
- Rent
- Repairs & Maintenance
- Repairs Responsibility
- Right to Buy
- Risk Management
- Internal Audit
- Safety
- Section 15 Payments & Benefits
- Staff Appraisal
- Sub Letting
- Successions, Transfers & Assignations
- Sundry Charges
- Sustainability
- Tenant Participation
- Tenants Right to Compensation for Improvements
- Tenants Right to Repair
- Tendering Arrangements
- Training
- Treasury Management
- Void Management

APPENDIX 2 - Key Examples of Positive Practice

These are areas we would highlight as working particularly well, taking account of Clydebank's operating context:

- The Association's approach to equalities issues is of a very high standard. Monitoring and reporting is excellent and the Association has taken action to encourage access to its waiting list from people from BME backgrounds, which has been successful. The Association also operates a disability/language data basis in order to issue information to tenants in a suitable format e.g. type of language, large print, audio, etc.
- Performance Management is a key strength. The Association monitors all key operational areas, setting appropriate indicators and targets. There is a very high standard of reporting to the Management Committee which allows the Committee to control the organisation and direct change when necessary.
- Risk management is particularly well developed and internal audit is well established.
- Clydebank's excellent work on sustainability is best shown in its innovative Community Heating and Power (CHP) plant project, which is progressing well. When completed, the predominantly elderly residents of the community will have access to affordable heating and hot water. The project is based on a good understanding of the needs of the local community and is supported by thorough consultation work with residents.
- The Association assesses, and reports to Committee, on how well the allocation policy, and actual lets, have met the requirements of the Housing (Scotland) Act 2001, by giving reasonable preference to those in need.

Glossary

Annual Statistical and Performance Return (APSR)	Annual questionnaire completed by RSLs and sent to Communities Scotland. Used to keep the Register of Social Landlords up to date and to track the performance of RSLs.
Benchmarking	A process used by organisations to systematically compare service processes and performance to identify best practice.
Common housing registers	A register of all applicants for social housing used by two or more landlords within an area.
Convention of Scottish Local Authorities (COSLA)	The membership body for local authorities in Scotland.
Focus groups	A group of people brought together to have a structured discussion on a specific subject or set of subjects, facilitated by an independent person.
Housing list	A list of applicants for housing which is used by the RSL to allocate its housing stock.
Life cycle costing	A method of calculating the cost and timing of the repairs to, and replacement of, major building components.
Ombudsman	The independent body appointed to investigate individual complaints against Registered Social Landlords (RSL).
Partnering	A structured contract management approach to improve efficiency and reduce confrontation between the RSL and its consultants and contractors. Partnering requires formalised objectives, agreed problem-solving methods and an active search for continued measurable improvements.
Peer group	A group of organisations facing similar tasks and challenges with which comparisons can be made.

Performance indicator	A measure of how a RSL is achieving its objectives. Performance Indicators can be compared with a pre-set standard (a benchmark) or with other organisations.
Planned maintenance	The planned renewal or maintenance of key property components.
Procurement	The way an organisation obtains services or materials from other organisations or agents.
Re-lets	Lets made to the second or subsequent tenant. Distinguished from new lets that are made when the property is first built or modernised.
Right to buy	Many Scottish secure tenants have the right to buy their property at a discounted price subject to length of tenancy.
Registered social landlord (RSL)	A landlord providing social rented housing that is registered and regulated by Communities Scotland.
Scottish secure tenancy	The Housing (Scotland) Act 2001 establishes the Scottish Secure Tenancy as the tenancy for all tenants of social landlords in Scotland.
Scottish Federation of Housing Associations (SFHA)	The membership body for RSLs in Scotland.
Shadowing	An inspection technique that involves accompanying and observing staff while they carried out their day-to-day tasks.
Sustainability	Improving the economic, social and environmental circumstances of the wider communities to create and maintaining communities where people positively want to live.
Tenancy agreement	Legal document or contract between landlord and tenant setting out the rights and responsibilities of each.
Void	A property without a tenant. Voids occur in the period between one tenant leaving and another taking over the tenancy.