

**Pathfinder Inspection Report  
Summary**

**January 2004**

East  
Lothian  
Council



## **Role of Communities Scotland**

- 1.1 Communities Scotland is responsible for the inspection of all Registered Social Landlords (RSLs) and the landlord, homelessness and factoring services of all local authorities. We inspected East Lothian Council between June and August of 2003. This summary report sets out the main findings from our inspection.

## **East Lothian Council**

- 2.1 East Lothian extends from Musselburgh, immediately east of Edinburgh's suburban edge, eastwards to Dunbar and beyond to its boundary with the Scottish Borders. East Lothian's current population is just over 90,000. Population in the area has shown a continued and significant increase over the last 20 years primarily as a result of new house-building. This, in part, reflects East Lothian's role in the wider Edinburgh housing market.
- 2.2 East Lothian Council currently owns and manages around 9,000 properties. It has sold over 7,000 houses under Right To Buy, reducing its housing stock by over 40% since 1980.
- 2.3 The combination of these two factors has resulted in considerable pressure on the supply of social housing in East Lothian. The Council sees this as a key consideration in both its role as a strategic housing provider and as a landlord.
- 2.4 East Lothian Council is a Labour controlled council. Following an independent evaluation in 2001, the Council decided to retain ownership of its housing stock and introduce a programme of improvements to its housing stock and services.
- 2.5 There is an active network of 11 local tenants' and residents' associations (TRAs) within East Lothian, along with an area wide East Lothian Tenants' and Residents' Panel (ELTRP) that is made up of nominees from each of the local groups.
- 2.6 During the period of our inspection the Council went through a reorganisation. This reorganisation has resulted in changes in senior management within the housing function.

## Inspection Grades

3.1 These are the inspection grades achieved by East Lothian Council:

Housing Management	C	<p>The Council delivers a fair housing management service with some strengths, but with significant areas where improvement is needed.</p> <p>We consider that prospects for improvement in the housing management service are uncertain.</p>
Property Management	C	<p>The Council delivers a fair property management service with some strengths, but with significant areas where improvement is needed.</p> <p>The prospects for improvement in Property Management are promising.</p>
Homelessness	D	<p>The Council delivers a poor homelessness service with major areas where improvement is needed.</p> <p>We consider the prospects for improvement in the homelessness function are uncertain.</p>

## Key Themes Influencing Performance

4.1 This section describes some key management issues that affect how well the housing services we inspected are working overall. These themes broadly connect to the Guiding Standards set out in 'Performance Standards for Social Landlords and Homelessness Functions'.

4.2 Overall, these areas are working well:

- ✓ The Council already knows about many of the weaknesses in the way it delivers its housing services, through a range of techniques including peer review, and a wide range of new initiatives has been set up to deal with these weaknesses.
- ✓ It has developed a strong and well resourced structure for supporting service user participation through a network of formal tenants and residents groups.
- ✓ The Council is effectively involving tenants and service users in reviewing many aspects of its services.
- ✓ The Council is developing and improving a strategic planning framework and has set out high-level objectives for its housing service.
- ✓ The Council is making good use of available resources to improve the sustainability of its housing and neighbourhoods.

- ✓ The Council has a good network of local offices and other arrangements in place to make sure that service users across East Lothian can get access to its housing services.
- ✓ The Council is meeting the legislative requirements in relation to reporting its performance against statutory performance indicators to its service users.

4.3 Overall, these areas could be working better:

- Operational staff in the Community Housing teams are not receiving the managerial support they need to deliver a good service and implement proposed changes.
- The new initiatives that have been developed to deal with identified weaknesses are largely operating independently. There are not yet adequate structures in place to monitor the overall progress of the improvement programme, to ensure that the individual projects take account of proposals in other areas and to ensure that implementation takes place in a staged and managed way.
- The performance information available to operational staff is inadequate to assess how well they are performing at a local level or to identify the outcomes from the services they are delivering.
- The Council is not collecting feedback from service users on a regular basis about the quality of the services they receive.
- It is not making best use of available feedback to improve housing services.
- There are gaps and weaknesses in the information being provided to service users.
- Not all staff have a clear understanding of their corporate and individual responsibilities for promoting tenant participation.
- The Council does not have an up to date Business Plan or other document that clearly sets out how the housing service will implement the objectives set for it at a strategic level.
- The Council is not fully complying with statutory guidance on the promotion of equal opportunities.
- There are gaps in the audit trails for the procurement of some major contracts, which means that the Council is not able to robustly demonstrate how it is achieving best value in this area.

4.4 We consider that the inspected parts of the Council's housing service may improve overall because:

- The Council is committed to making services better.
- It knows where the main weaknesses are at the moment.
- It is taking action to deal with a lot of these problems.
- It has set some high-level priorities.
- Service users are involved in reviewing the existing services.

4.5 However, these factors make improvement less likely:

- the weaknesses in staff support;
- not enough performance information at a local level,
- the number of new things going on at once;
- the Council's previous difficulties in delivering service improvements on the ground;
- recent changes in senior staff and management structures.

4.6 On balance we consider that the prospects for improvement in the regulated aspects of the housing service as a whole are uncertain.

4.7 These are our key recommendations relating to these themes. They are broadly in order of significance:

- ❖ The Council needs to manage operational staff in the area offices more effectively to help them improve the quality of the housing services they provide.
- ❖ The Council should map out a realistic timetable for implementing other planned changes which will affect the work practices or support systems for operational staff and carefully monitor the progress and impact of these changes.
- ❖ The Council needs to provide more support for operational staff on key policies and procedures before and after introducing them to ensure they are more effectively and consistently implemented.
- ❖ The Council should improve its performance management information and systems so that it can identify the impact of the services it is delivering.
- ❖ The Council should give service users more opportunities to comment on the quality of the services they are receiving.
- ❖ The Council should make sure that better performance and feedback information influences reviews of its services and policies.
- ❖ The Council should build on the good work it has done in developing tenant participation by looking at ways to widen out the opportunities for participation and feedback from those tenants and other service users who do not wish, or are not able, to get involved in formal groups.
- ❖ The Council should take a more pro-active approach to ensuring that tenants and service users get good information about the standards of service they can expect.
- ❖ The Council should ensure that all of its operational staff are trained and supported to deal appropriately with incidents of racial and other forms of harassment and should explore alternative ways of building links with difficult-to-reach groups within its communities.
- ❖ The Council should ensure that its Race Equality Scheme sets out how its housing service will meet all of the requirements set out in the Commission for Racial Equality's (CRE) statutory Code of Guidance on the specific duties to promote race equality, within a reasonable timescale.
- ❖ The Council should consult its tenants, as part of the consultation on proposed rent increases, on its intention to transfer funds from the HRA into the General Fund.

## Housing Management

5.1 This section summarises how well the Council manages access to its houses, sets its rents, and deals with empty houses and rent arrears. It also describes how the Council manages its estates and deals with anti-social behaviour.

5.2 These areas of the housing management service are working well:

- ✓ Applicants are getting access to the Council's housing list.
- ✓ The Council has set up a transparent and accountable process for making decisions on additional priority awards to applicants through the Rehousing Panel.
- ✓ The Council is taking action to make best use of its stock through the development of Local Lettings Plans.
- ✓ The Council has led on the development of a single new tenancy for all social housing tenants in East Lothian.
- ✓ The Council is promoting housing choice by not restricting the number of offers applicants receive.
- ✓ The Council is managing the early stages of the rent arrears recovery process well.
- ✓ The Council is putting a lot of time and resources into promoting and supporting good tenant participation structures.
- ✓ The Council is consulting effectively with tenants and other major stakeholders in service reviews and the development of key policies.
- ✓ The assessment of needs and the provision of support to vulnerable tenants are working well.
- ✓ The Local Initiative Projects are giving staff an opportunity to work closely with local residents on improving their own estates.

5.3 These areas of the housing management service could work better:

- The Council is not effectively controlling the day-to-day delivery of the Community Housing Service.
- Some applicants are not getting fair access to housing because they are being unfairly suspended.
- Applicants and new tenants get poor information with new tenants not getting all the information they should by law.
- The Council has made limited progress to date in signing tenants up to the new Scottish Secure Tenancy.
- Prospective tenants face unnecessary delays because of the way the Council relets empty houses.
- The Council is not responding to cases of antisocial behaviour effectively.
- The Council is not dealing effectively with serious rent arrears or arrears for former tenants.
- The Council has very limited information about tenant views of its housing management services.
- The implementation of several new initiatives has not been properly supported and as a result new procedures are not being consistently followed.

- The Council is not effectively monitoring the outcomes of its housing management services.

5.4 We consider that the housing management service may improve because of:

- the commitment to improving the housing management services;
- a recognition of the main weaknesses we saw;
- the action being taken to deal with many of these weaknesses;
- the involvement of tenants and service users in making the services better;
- the progress made to date; and
- the hard work being done by staff to deal with the challenges they are facing while continuing to provide the best service they can on a day-to-day basis.

5.5 The factors which may affect the Council's ability to improve the housing management service include:

- the sheer number of initiatives being taken forward at the same time;
- the weaknesses in performance information;
- the time taken to complete reviews in some of the key areas of service delivery;
- the failure to effectively implement changes arising from some of the reviews which have been completed;
- the weaknesses in support for Community Housing Officers to help them drive through the changes which need to happen;
- the limited improvements to date in the quality of the services being delivered on the ground.

5.6 The grading we have awarded for housing management is a very borderline C grade. This reflects the cumulative impact of the weaknesses we saw in most aspects of housing management services compared with what service users should be able to expect from this Council. This is balanced by the Council's clear commitment to providing a better service. However, we do not feel able to rate the actual prospects for improvement in housing management as any better than uncertain because we have not been able to see many instances where this commitment has been successfully translated into service improvements.

5.7 These are our key recommendations for improving the housing management service. They are broadly in order of significance:

- ❖ The Council should improve the efficiency of its reletting process to reduce the time that houses stand empty.
- ❖ The Council should properly implement its new policy on suspensions and should review existing suspensions to ensure they comply with the law.
- ❖ The Council should ensure that its allocations policy clearly sets out the way in which all of its properties will be relet and that it fully complies with all legislative requirements.

- ❖ The Council should update its housing list to get a clearer picture of the level and nature of demand for its houses.
- ❖ The Council should ensure that it has up to date and accurate information about applicants before offering them a house.
- ❖ The Council should improve the information it provides to applicants and tenants.
- ❖ The Council should review its management of current and former tenants' rent arrears and ensure it is taking all possible measures before court action is required.
- ❖ The Council should ensure that staff delivering the housing management service get all the support they require to effectively implement improvements in services.
- ❖ The Council should routinely collect feedback from service users about their satisfaction with the services they receive.
- ❖ The Council should put in place a comprehensive performance planning and management system for the housing management service to ensure it can identify the quality of its service delivery and the outcomes of those services to allow it to target its resources effectively to make improvements.

## Property Management

- 6.1 This section summarises how well the Council maintains the fabric of its houses. It describes the quality of repairs that are done when they are needed (“response repairs”) as well as maintenance and improvements planned in advance. It also looks at how the Council adapts houses so that tenants can stay in their homes when their needs change.
- 6.2 These are the areas of property management that are working well:
- ✓ The Council’s houses are well maintained and in sound condition.
  - ✓ The Council is planning its maintenance programmes on a reasonable basis.
  - ✓ The Council is allocating adequate resources to maintain its stock.
  - ✓ The annual servicing of gas appliances is well managed.
  - ✓ Tenants are involved in developing the service at a strategic level through the sub groups of the Stock Management Forum.
  - ✓ Tenants we contacted reported satisfaction with the repairs service.
- 6.3 These are the areas of property maintenance that could work better:
- The Council’s performance in completing response repairs within its target timescales is very poor.
  - The Council does not have good information about the performance of its repairs service.
  - The Council does not collect regular feedback from service users.
  - The Council does not have adequate quality control systems in place for its response repairs service.
  - Tenants and owners get only very limited information about the repair and maintenance services.

- The Council does not consistently recharge tenants, former tenants or owners for the cost of repairs for which they are liable.
- 6.4 It is the overall sound condition of the stock, along with the Council's structured approach to improvement of this service, which has led us to award a C grade for this function. This is, however, a borderline grade because of the very poor performance on response repairs and the importance of this service to tenants.
- 6.5 We consider that the property management service may improve because:
- There is a strong commitment at a senior level to improvement.
  - The Council is aware of the issues it faces and is taking action in a structured way to address the issues outlined in the various reviews carried out.
  - The Council has already implemented a significant number of changes in line with the peer review recommendations.
  - There have been demonstrable improvements to response repairs performance.
- 6.6 Factors pulling against improvement include:
- The Council has not been able to meet some of the targets set out in the stock management action plan, eg communication with service users.
  - The timescale for replacement of the IT systems and the review of payment arrangements for staff are long term, and any benefits arising from these key policies will not be felt for a number of years.
  - There is a lack of good performance information and limited feedback from service users.
  - Poor quality control systems mean managers are not aware of the quality of service they are currently providing or where problems are occurring.
- 6.7 These are our key recommendations on property management. They are broadly in order of significance:
- ❖ The Council should set up a Right to Repair system that complies with the law.
  - ❖ The Council should improve its control over the repairs service to ensure the efficiency and quality of the service to tenants.
  - ❖ The Council should get better at checking the quality of responsive repairs.
  - ❖ The Council should recoup the cost of any work done for tenants and owners, where they are liable to pay for it.
  - ❖ The Council should provide better information for service users about its repairs and maintenance services.
  - ❖ The Council should collect and use performance information and feedback from its service users to improve the quality of its repairs and maintenance services.

## Homelessness

- 7.1 This section summarises how the Council is responding to the needs of people who are homeless or may become homeless. It also looks at what the Council is doing to help prevent homelessness occurring.
- 7.2 These are the areas in the homelessness service that are working well:
- ✓ Progress is being made in implementing the homelessness strategy.
  - ✓ The Council has developed a good range of strategic partnerships that are working towards the implementation of the homelessness strategy and delivery of homelessness services.
  - ✓ A range of services is being developed for the prevention of homelessness.
  - ✓ There have been positive outcomes from piloting a more integrated assessment process for homeless applicants.
  - ✓ There are strong foundations for the provision of an enhanced information and advice service.
  - ✓ The appeal process for homeless applicants who are unhappy with decisions made by the Council goes beyond the requirements set out in legislation.
- 7.3 These are the areas of the homelessness service that could work better:
- The Council is not making an adequate number of properties available for those homeless people to whom it has a duty to provide permanent accommodation.
  - The Council's provision of temporary accommodation alternatives to bed and breakfast establishments is inadequate to meet the level of need from homeless people who apply to it for assistance.
  - The Council has failed on a number of occasions to provide temporary accommodation to homeless people who were roofless.
  - The Council is not properly co-ordinating developments on the provision of information and advice and is not providing a clear strategic direction for partner organisations.
  - There are some common weaknesses in the assessment process, particularly inadequate or incomplete investigation of applications.
  - Users views on the quality of the homelessness service are collected in a limited way.
  - There are weaknesses in the Council's homelessness information recording and performance monitoring systems.
- 7.4 There are weaknesses in various aspects of the homelessness service but it is the poor outcomes for many of those households towards whom the Council has a statutory duty that is the primary reason for the award of a D grade for this area of service.

7.5 We consider that the homelessness service may improve because of:

- the Council's partnership arrangements;
- the success of the CAT team's approach;
- the work going on to improve information and advice;
- the increases in the supply of temporary accommodation; and
- the commitment and positive attitude of the staff involved in providing the service.

7.6 The factors which may affect the chances of improvement are;

- the Council's failure to address the fundamental weaknesses in its provision of permanent accommodation to homeless people;
- the lack of planning on the part of the Council to deal with the impact of legislative changes;
- the weaknesses in the information being used to monitor performance;
- the poor control of the assessment process;
- the complexity of the Council's partnership networks and initiatives;
- the gaps in joint working between the main homelessness team and other key parts of the Council; and
- the potential cost of rolling out the resource intensive CAT approach.

7.7 We recognise that there is work going on, including the development of additional temporary accommodation, that may help combat some of the poorest aspects of the homelessness service, such as the reliance on bed and breakfast accommodation. However the lack of planning for the longer term may undermine these improvements. The time some households have to wait for permanent rehousing is unlikely to improve significantly unless there is a fundamental change in the Council's approach to making housing available to homeless households. We have, therefore, assessed the prospects for improvement in this part of the service as uncertain.

7.8 These are our key recommendations for the homelessness service. They are broadly in order of significance:

- ❖ The Council should review its allocation quotas to ensure that an adequate number of properties is available to allow it to discharge its duties to homeless people in acceptable timescales.
- ❖ The Council must ensure that it can provide access to suitable temporary accommodation for all homeless people to whom it has a duty.
- ❖ The Council should clearly identify current and future required levels and types of accommodation, review its temporary accommodation programme accordingly and commit the necessary resources to achieve this.
- ❖ The Council must publish a policy with its rules for allocating houses to homeless people. It should ensure that this policy is consistent with statutory requirements.
- ❖ The Council should ensure homeless applicants are always referred to an appropriate officer for assessment, that any discussion of applicants'

circumstances is conducted in private and that information on accessing homelessness services is widely available.

- ❖ The Council must ensure that it makes proper and adequate enquiries about homeless people's circumstances.
- ❖ The Council should review its housing advice strategy to ensure that it works with key partners to maximise available resources and effectively co-ordinates the provision of comprehensive information and advice services.
- ❖ The Council should ensure that the homelessness strategy is implemented and monitored at a corporate, operational and local office level.
- ❖ The Council should improve its homelessness information and recording systems and put in place effective quality control processes.

## **Services for Owners**

8.1 This section summarises how the Council deals with Right to Buy sales and the provision of repairs and maintenance services to owners.

8.2 These areas of services to owners are working well:

- ✓ The Council's performance in completing houses sales within the 26 week period has improved significantly. The Council House Sales Working Group (CHSWG) has led this service improvement in an effective way.
- ✓ There is good procedural guidance for house sales staff.
- ✓ The Council encourages owners to take part in relevant planned maintenance programmes.
- ✓ The Council provides owners with the same information and consultation opportunities as tenants in planned maintenance projects.

8.3 These are the areas of services to owners that could work better:

- The Council does not have good legal agreements in place with purchasing tenants to ensure it is able to carry out necessary maintenance and repair work to common areas.
- The Council is not effectively recovering from owners their share of the costs of work it does to common areas.
- The information the Council provides to applicants and homebuyers about their rights and responsibilities is inadequate.

8.4 Our expectations of improvement in the two elements of services to owners are very different. We consider that prospects for improvement of the house sales processes are promising because:

- good joint working arrangements have been put in place;
- there are clear procedures for staff to follow;
- the Council has set targets to improve service delivery; and
- significant improvements have already been achieved.

- 8.5 We consider that the prospects for improvement of factoring services for owners are uncertain because:
- There are no detailed plans for the development or implementation of a factoring service other than the high-level commitment in the Local Housing Strategy.
  - Owners have not been consulted about how the factoring service would operate or be introduced.
  - Key staff are unaware of how the Council intends to deliver this commitment.
- 8.6 These are our key recommendations on service for owners. They are broadly in order of significance:
- ❖ The Council should put systems in place, as a matter of priority, to ensure it is able to carry out any work needed to common areas.
  - ❖ The Council should reclaim the cost of all work it carries out on behalf of owners.
  - ❖ The Council should send offer letters to all prospective purchasers within the specified two-month period.
  - ❖ The Council should improve the information and advice it gives to applicants and new owners about their rights and responsibilities as homeowners.

## **Services for Gypsies/Travellers**

- 9.1 This section sets out how well the Council is managing the site for Gypsies/Travellers that it runs on behalf of itself and Midlothian Council.
- 9.2 These are the areas that are working well:
- ✓ The site is generally well managed and maintained.
  - ✓ A multi-agency Joint Forum has been set up by East and Midlothian Councils to develop a strategy for the site.
  - ✓ The Council has carried out a physical survey to identify possible improvements to the site.
  - ✓ The Council has started to take needs factors into account in letting pitches.
  - ✓ Site residents have good access to information on the Council's services.
  - ✓ Residents' access to electricity cards has been improved.
- 9.3 These are the areas that could work better:
- The Council does not have a good understanding of Gypsies'/Travellers' needs and priorities.
  - Consultation with Gypsies/Travellers has been limited to date.
  - The written agreement that the Council gives to site residents is inadequate.

- The Council has not identified resources or timescales for the work it intends to do to improve services.
- 9.4 We consider that services for Gypsies/Travellers are likely to improve because of:
- the Council's awareness of its weaknesses in this area;
  - the Council's positive response to the findings of the thematic study and its progress in achieving improvements.
  - the Council's commitment to involving and consulting Gypsies/Travellers in the management of its site and the delivery of its services;
  - the establishment of the multi-agency Forum to drive through further improvements.
- 9.5 The factors pulling against improvement include:
- the lack of action on a number of key points raised by the thematic study;
  - the absence of timescales or agreed resources for implementing many of its intended improvement actions; and
  - the fact that Midlothian Council has not yet agreed to the programme of work.
- 9.6 These are our key recommendations on services for Gypsies/Travellers. They are broadly in order of significance:
- ❖ Gypsies/Travellers should be provided with comprehensive, up to date information about their rights and responsibilities, including a clear tenancy agreement.
  - ❖ The Council should assess Gypsies'/Travellers' needs and aspirations to inform the future development of services.
  - ❖ The Council should continue its efforts to improve consultation with Gypsies/Travellers.
  - ❖ The Council should make sure that its proposed actions are properly resourced and carried out within defined timescales.
  - ❖ The review of the allocations policy for the site should be taken forward as a priority.

## Inspection Report

- 10.1 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>
- 10.2 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](mailto:campbellj@communitiesscotland.gov.uk)
- 10.3 We have asked East Lothian Council 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 Council.

We will liaise regularly with the Council to ensure that progress is being made against the improvement plan for its homelessness service and will reassess this service in two to three years time. We will track progress in the other inspected areas until the next scheduled inspection which will take place within five years.