

Inspection report

Ferguslie Park Housing Association

July 2005

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Summary

The inspection of Ferguslie Park Housing Association took place during February and March 2005. We awarded Ferguslie Park the following grades:

| | | | |
|----------------------|---|------|--|
| Housing management | B | Good | Many strengths and some areas where improvement is needed. |
| Property maintenance | B | Good | Many strengths and some areas where improvement is needed. |

Inspection Findings

Ferguslie Park Housing Association owns 773 houses in the Ferguslie Park area of Paisley. The Association is a key player in the regeneration of the area, and continues to make a contribution to regeneration through its new developments and wider role initiatives.

The Association is run by a management committee, 11 of whom are tenants. Committee members have a wide range of skills and experience which enable them to guide and control the Association effectively. The committee is very supportive of the Association's staff. Ferguslie Park has a good financial management framework and its business plan indicates that it is financially viable in the medium term, although more work will be needed to contain its costs in the future.

Ferguslie Park is strongly focused on its tenants and is good at listening to their views and acting on feedback. It has a good awareness of where it can improve, and is responding positively to many of the challenges it faces. The Association is developing robust performance management systems so that it can monitor its activities more closely, and is committed to improving services across the organisation.

Key strengths in Ferguslie Park's services are:

- it has good quality houses which it maintains to a high standard;
- it is committed to maximising access and choice for applicants;
- it is meeting housing need through the way it allocates its houses;
- it supports vulnerable applicants and tenants well and works hard to help people maintain their tenancies;
- it takes effective action to reduce the level of turnover, abandonments and evictions;
- it takes a proactive approach to gathering tenants' views in a range of ways; and
- the level of tenant satisfaction with almost all aspects of its services has risen significantly over the past three years.

Key areas for improvement in Ferguslie Park's services are:

- its poor performance in debt recovery, especially the collection of rent arrears;
- its management of gas safety and asbestos in its houses;
- delays in turnaround times for some of its empty houses;
- the effectiveness of its relationship with Community Police;
- the level of information on actions and outcomes in estate management and complaints about neighbours or antisocial behaviour;
- delays in adding applicants onto its housing list; and
- the consistency and quality of written information provided to applicants who are suspended.

Next steps

Ferguslie Park Housing Association should respond to our findings. It does not need to submit an improvement plan.

How to get more information and contact details

If you would like to find out how Ferguslie Park plans to respond to the findings of this inspection you should contact:

Ferguslie Park Housing Association Ltd
The Tannahill Centre
76 Blackstoun Road
Ferguslie Park
Paisley
PA3 1NT

Tel: 0141 887 4053
E-mail: admin@fpha.org.uk
Website: www.fpha.org.uk

The full report is on our website at <http://www.communitiesscotland.gov.uk>.
This Summary can also be made available on tape, in Braille, large print and community languages. For information please contact Janette Campbell on 0131 479 5163 or email: Janette.Campbell@communitiesscotland.gsi.gov.uk.

1. Introduction

About this inspection

1.1 This inspection was carried out by Communities Scotland under section 69 of the Housing (Scotland) Act 2001 on behalf of Scottish Ministers. Our purpose in inspection is to provide an independent external assessment of the effectiveness of housing service delivery and make recommendations to help improvement. Inspections are conducted within a published framework of Performance Standards.

How we assessed performance

1.2 Our inspectors asked two key questions:

- How good are the services we have inspected?
- How well are these services being managed for improvement?

1.3 In order to answer these questions inspectors:

- spoke to tenants, staff and members of the governing body;
- asked other partner organisations for their views;
- visited homes and local areas;
- saw and tested first hand how well services were being delivered;
- examined key policies, publications, information and the organisation's self-assessment submitted for this inspection; and
- analysed published performance and financial information.

1.4 We have awarded grades for the housing management, and property maintenance.

1.5 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 many areas where improvement is required or with a small number of significant weaknesses |
| D | Poor | Major areas where improvement is needed or where a number of very significant weaknesses are found. |

- 1.6 The inspection team was managed by Hilary Third (Inspection Manager) supported by Tom Burns (Inspector), Roisin Harris and Georgina Kent (Inspection Officers) and Luise Siekman (Financial Analyst). We were on site between 28 February 2005 and 11 March 2005. We would like to thank everyone involved in the inspection, particularly the management committee, staff and tenants for their time and co-operation.

Responding to this inspection

- 1.7 We expect all inspected bodies to make the summary of this report available to anyone that wants it, report our findings to tenants and other stakeholders and respond to the issues raised in this report.

2. Context

- 2.1 Ferguslie Park Housing Association is based in the Ferguslie area of Paisley within Renfrewshire. It provides 773 houses for rent, the majority of which are new build, semi detached, bungalow and terraced properties with three to five apartments. The Association's offices are located centrally within the Tannahill Community centre. The Local Authority is the only other landlord in Ferguslie; however the Association hold the majority of stock.
- 2.2 The Annual Performance and Statistical Return asks RSLs to select a peer group which best describes their organisation. Ferguslie selected the group described as operating in post 1919 urban area with more than 250 units. This is the group we use to compare Ferguslie Park's performance.
- 2.3 Ferguslie Park Housing Association was first registered in May 1988 as an Industrial and Provident Society under Co-operative rules. In 1992 the Association went through a rule change, which allowed them to drop the status of Co-operative and become an ordinary Housing Association. In 2003 Ferguslie Park underwent another rule change and became a charitable organisation.
- 2.4 The Association is governed by a voluntary committee elected annually at its annual general meeting. It currently has 13 committee members, 11 of whom are tenants.
- 2.5 At the time of the inspection, Ferguslie Park had a team of 23 employees to carry out day to day activities and tenancy management functions, and the Association's Wider Role activities (see 2.8). The Association was accredited as an Investor in People in September 2004.
- 2.6 The Ferguslie area of Paisley has benefited from a number of regeneration initiatives. In 1988, Ferguslie along with three other peripheral estates in Scotland was selected as one of the Scottish Office's new urban regeneration Partnerships. The Partnerships aimed to provide valuable lessons on how to tackle urban regeneration, thus setting a pattern for the future. This led to Ferguslie became one of the 11 Social Inclusion Partnerships in Renfrewshire, which came under the umbrella of the Paisley Partnership in 1998.
- 2.7 The Ferguslie area ranks in the lowest deciles of the Scottish Index of Multiple Deprivation 2004. Characteristics of Ferguslie's population include:
 - a large proportion of young people; 36.8% are under 20 years old, this is 12.7% more than the national figure;

- unemployment levels at 7.1%, which is almost twice the national level of 4%;
- 10.8% of people who are permanently sick or disabled compared with 7.4% nationally; and
- more than twice the level of lone parent households at 23.8% compared to Renfrewshire at 18.8% or Scotland at 17.9%.

2.8 Ferguslie Park Housing Association has always been a key player in regeneration, initially as a developer and then as part of the more diverse Area Development Framework. The Association is making an ongoing contribution to regeneration through wider role initiatives; at the time of the inspection it had three staff who deal with community participation, promotion and communication who were all funded by Wider Role grant.

2.9 A change in Director in July 2003 contributed to the Association taking a different direction. While the Association is maintaining its role as a key partner in regenerating the Ferguslie Park area, it is also now pursuing a strategy aimed at securing growth and long-term sustainability as an independent organisation.

2.10 The table below gives background information about Ferguslie Park Housing Association, and shows trends over the last three financial years.

| | 2001-2002 | 2002-2003 | 2003-2004 |
|------------------------------------|------------------|------------------|------------------|
| Houses owned | 749 | 745 | 773 |
| Employees | 20 | 24 | 23 |
| Annual turnover | 1,760,200 | 2,075,900 | 2,203,582 |
| Total possible rental income | 1,780,139 | 1,909,365 | 2,003,085 |
| Rental income from housing benefit | 73.8% | 73.6% | 74.6% |
| Average weekly rent | £46.55 | £48.53 | £50.97 |
| Average rent increase | 5.4% | 4.9% | 4.9% |
| Houses re-let | 109 | 126 | 93 |
| Responsive repairs carried out | 2,821 | 3,547 | 3,467 |
| Maintenance spend per house | £670 | £751 | £661 |
| Right To Buy sales | 0 | 0 | 2 |

2003/04 APSR & Annual Accounts

3. Housing management

3.1 The grade awarded for housing management is:

| | | |
|---|------|--|
| B | Good | Many strengths and some areas where improvement is needed. |
|---|------|--|

We explain at the end of this section how the assessments we have made result in this grade.

How good is the service?

Access

Social landlords should provide open, fair and equal access to their housing lists and should work with partners to maximise access to housing.

- 3.2 Ferguslie Park operates an open housing list that people aged 16 and over can join at any time. It publicises access to its housing in its office reception, in public offices in the area, through articles in its newsletters, website and its closed circuit television service (FPTV). The Association provides applicants with useful information on its stock and on how it lets its houses and is working with other landlords to develop shared information on housing options in Renfrewshire. Frontline staff help people to apply for housing and extra assistance is provided to young applicants. The Association has access to translation services and provides information in alternative languages and formats for people with particular needs.
- 3.3 At the time of our inspection Ferguslie Park had 187 people on its housing list, an increase of 25 applicants since March 2004. The Association has adopted a common Renfrewshire Housing Application Form with five RSLs and the local authority, and is working with these landlords to develop a Common Housing Register (CHR). This is a good approach to maximising access. The proportion of lets to people nominated by Renfrewshire Council has decreased from 23% in 2002/03 to 11% during the period April to December 2004, against the Council's standard quota of 50%. The Association is working with the Council to explore ways of increasing the number of nominations.
- 3.4 Ferguslie Park aims to complete the processing of applications within 14 calendar days of receiving all necessary information but does not routinely monitor how long it is actually taking. Although the target is not challenging, around three quarters of applications processed between April-December 2004 took longer. During the same period, the average total time to add people to the housing list from the date they applied was

33 days. All applications are reviewed annually, on the anniversary of the application.

- 3.5 Ferguslie Park aims to minimise suspensions and we found that it uses suspensions appropriately and in line with its policy. At the time of our inspection 16 people (or 8.5% of people on its list) were suspended, generally because of rent arrears. We found that Ferguslie Park does not always write to applicants explaining the reason for and length of their suspension, telling them what they need to do have the suspension lifted, and providing information about their right to appeal.
- 3.6 The Association collects equalities information on applicants as part of the application process. The response numbers, which during the period April 2005 to December 2005 were around 88% of application forms returned, are reported to the Management Committee each month. The Association has firm plans to extend reported information to include equalities information on applications and housing outcomes.
- 3.7 Ferguslie Park provides good access to its housing list although the time taken to add new applicants once all necessary information has been received, and the arrangements for monitoring timescales could be improved. While the Association has a positive approach to suspensions, providing written information to all suspended applicants would help strengthen performance in this area.

Meeting need and maximising choice

Social landlords should meet housing need through lettings and should maximise choice for applicants.

- 3.8 Ferguslie Park's allocation policy is based on a range of housing needs which clearly reflect the statutory reasonable preference categories. From the cases we looked at we found that allocations are made to people with one or more of these needs. The Association has an agreed protocol with Renfrewshire Council to help both parties meet their duties to homeless people under section 5 of the Housing (Scotland) Act 2001. The Association had received its first two referrals shortly before our inspection and one of these had resulted in a successful let.
- 3.9 Ferguslie Park provides good information to applicants on the level and range of points they have been awarded, likelihood of rehousing, and their right to appeal. Some literature refers to a 'cut off point' for applicants and transfers with a low level of housing need. The Association told us that in practice people in this category are treated no less favourably than other applicants which means this distinction is unnecessary. However, referring to a cut off point may act as a disincentive to some applicants.

- 3.10 All allocations are authorised by a senior member of staff who also checks the original assessment of the application for accuracy. This is a good arrangement but applies only to applicants who are being considered for an offer. Failure to check the points awarded at the point of application may mean that some inaccuracies are never revealed. Of the 20 cases we looked at, two had been incorrectly assessed and this adversely affected the applicants position on the housing list.
- 3.11 Ferguslie Park allocates its houses on a quota basis between three categories: its own housing list, its transfer list and nominations. It monitors the proportion of lets against these quotas although:
- it has not formally reviewed the quotas in the light of the reduced proportion of lets to nominees;
 - there are no written procedures for determining which group any particular allocation should be made to; and
 - It does not routinely examine the types of housing need it is meeting through its allocations.

These weaknesses make it difficult to assess whether the Association is being successful in achieving its objectives and limits the transparency of the allocations process.

- 3.12 Applicants can choose any number of areas and can apply for houses in individual streets. While the Association has a policy to suspend applicants who have refused three reasonable offers, it manages this procedure well. Applicants refusing a second offer are invited to meet staff to refine their initial choices to try to ensure that the third offer meets their requirements. This is a good approach to maximising choice.
- 3.13 We saw examples of where Ferguslie Park had successfully used local lettings initiatives to help it deal with situations where there was no demand for small numbers of its houses because of anti-social behaviour, high turnover and/or other negative factors. There are currently three of these initiatives; we noted that one includes the granting of priority to applicants over 29 years of age when allocating a small number of flats positioned above amenity flats. This aspect of this initiative is unlawful as legislation prohibits taking account of age in the allocation of housing.
- 3.14 Ferguslie Park gives applicants a good level of choice and is meeting housing need through the way it allocates its houses. Some minor improvements would further strengthen this performance. The use of age as a criteria for allocating some stock is a weakness.

Sustaining tenancies and preventing homelessness

Social Landlords should maximise security of tenure for all residents of their accommodation, and should work to sustain tenancies and prevent homelessness through their delivery of housing management services.

- 3.15 Ferguslie Park has achieved sign up of 98% of its tenants to the Scottish secure tenancy (SST) agreements. There are plans to sign up the remaining 14 tenants and a staff member has been identified to do this. A short SST has been adopted by the Association, however this has never been used and there is no guidance for staff on its use.
- 3.16 The Association provides permanent housing for six people in shared accommodation leased to Renfrewshire Association for Mental Health (RAMH). It decided to use occupancy agreements because this accommodation is shared, but did not assess whether it would have been competent to provide Scottish Secure Tenancies. This approach means that the Association may not know if it always maximises security of tenure. However, the Association acted in good faith when it adopted this approach on the basis of appropriate advice.
- 3.17 The Association aims to identify vulnerable applicants when they make an application so that they can offer support throughout the application process and during their tenancy. Existing tenants can also be identified by staff for the offer of additional support to help them maintain their tenancies. The Association has a target to carry out eight visits each month to tenants identified as needing additional support, and is monitoring this. Ferguslie Park recognises that resources to deal with tenants needing support are currently limited and has submitted a wider role funding application for a tenancy intervention officer.
- 3.18 The provision of good information and access to appropriate support are important ways in which landlords can help to sustain tenancies. Ferguslie Park provides an excellent information pack for all new tenants. This includes a range of leaflets and a good, up to date handbook. The pack also contains a housing benefit form, which staff help applicants to complete during sign up. Ferguslie Park also fax an 'intent to claim' letter to Housing Benefit, from the applicant.
- 3.19 Ferguslie Park carries out settling in visits for all new tenants and recently set a performance monitoring target of within four weeks of the tenancy starting. From the cases we looked at we found that the Association is meeting this target in nearly all cases. The visits are used to reiterate tenancy conditions, allow tenants to highlight any difficulties and check if all information has been supplied to Housing Benefit. Staff use a comprehensive checklist during these visits.

- 3.20 We found that Ferguslie Park helps people sustain their tenancies through effective working relationships with organisations who provide support for vulnerable tenants. These include:
- Paisley Threads a Barnardos project for young people with whom they have a referral arrangement;
 - Paisley Association for Mental Health who are care providers for some of their tenants;
 - Throughcare, a social work service for young people leaving care, with whom they are developing referral arrangements; and
 - Positive Steps, a support agency for people with addictions, learning difficulties or mental health issues and who are currently providing support to one of the Association's tenants.

The Association also provides contact details for a limited number of welfare advice agencies in the tenants handbook, but does not have formal referral arrangements in place.

- 3.21 Ferguslie Park has an excellent approach to young tenants, including young applicant interviews and a young tenant information pack. In addition to this, all tenants are offered a range of assistance to help them maintain their tenancy including:
- Extensive sign up process with a checklist for staff and tenants
 - Assistance with Housing Benefit claims
 - New tenancy visits within four weeks
 - Membership of the Good Neighbour Union which offers incentives to people who comply with their tenancy conditions (this is described further at 3.35 and 3.39).

- 3.22 The Association recognises that the level of abandonments is high and is addressing this issue. In 2003/04, a total of 30 properties were abandoned, which accounts for 4.04% of the total stock, compared with the peer average of 0.99% and the national median of 1.30%. Increased efforts by housing management staff to identify potentially abandoned properties and early contact with tenants has reduced the level of abandonments significantly. At the time of our inspection there had been only eight abandonments between April 2004 – February 2005. During the same period, 16 potential abandonments had been cancelled, with the majority being converted into terminations where the Association had managed to make contact with the tenant. Wherever possible it tries to collect information about why people leave.

- 3.23 All the legal action that Ferguslie Park has taken to recover possession of its houses is in response to rent arrears. In 2003/04 the Association issued notice of proceedings for recovery of possession to 81 of its tenants and qualifying occupiers and initiated court action against 43. 15 orders for recovery of possession were obtained, however, 11 or 0.3% of

- tenants abandoned their homes after decree was granted, but before the Association recovered vacant possession; this is higher than peer and national figures.
- 3.24 Our case reviews found that policy, procedures and good practice in taking legal action are generally followed. The Association takes a positive approach, considering each case individually. However, we found weaknesses in one case where the Association allowed the person to remain in the property after an order for possession had been granted and continued to accept payments into the same rent account without creating a new tenancy.
- 3.25 Legal action and evictions are always approved by a senior member of staff. The Association notifies the Local Authority of intended evictions shortly before it intends to obtain vacant possession but this is only done for families with children and not for other vulnerable households.
- 3.26 From the cases we looked at, we saw that Ferguslie Park sought to recover vacant possession only as a last resort. The Association initiated court action and enforced decree only after extensive efforts to find alternative solutions had failed. However, while contact with tenants subject to legal action is regular, our case reviews found that this was not generally the case for tenants at earlier stages in the process when additional contact may help to avoid further problems.
- 3.27 Ferguslie Park is good at maximising security of tenure for the residents of its houses. It works hard to sustain tenancies and prevent homelessness. However, a greater emphasis on regular personal contact with tenants at the earlier stages of rent arrears would strengthen performance in this area.

Quality of neighbourhoods

Social landlords should deliver services to ensure that neighbourhoods are attractive, well-maintained and safe places to live. They should deal appropriately with antisocial behaviour.

- 3.28 Ferguslie Park's 2004 Residents' Satisfaction Survey (referred to hereafter as the 2004 survey) found that the proportion of the Association's tenants happy with their neighbourhood rose from 57% in 2001 to 66% in 2004. Turnover in the Association's stock has reduced from 15% in 2002/03 and 12% in 2003/04 to 10% by the end of 2004/05. This is an improvement which the Association attributes to the efforts it has made to stabilise communities. The neighbourhoods we saw varied in their appearance. Some showed little sign of graffiti, vandalism, and litter or poorly maintained private gardens while others were affected by some or all of these problems. The Association is committed to improving the quality of

its neighbourhoods and takes a positive approach to dealing with estate management issues.

- 3.29 The Association has set itself targets to conduct monthly inspection visits to all closes and external areas, including private gardens and fortnightly visits to common landscaped areas, although during 2004/05 the number of inspections carried out fell short of the target. During our inspection we saw the Association's staff responding effectively to a range of estate management issues identified during these visits. Although Ferguslie Park has systems in place for monitoring the quality of its estates, and for recording and reporting of information on actions and outcomes for estate management, this could be improved in terms of the level and type of detail included.
- 3.30 As part of a wider strategy for the regeneration of the Ferguslie Park area the Association has entered in to an Estate Management Agreement (EMA) with Renfrewshire Council and other stakeholders which sets standards for maintaining common land and property. Although the results of the recent evaluation of the EMA were inconclusive, staff we spoke to thought there had been improvements in some services since the introduction of the agreement. The Association recognises the need to assess the impact of the EMA in the longer term, and its commitment to achieving ongoing improvements in common areas is reflected in its agreement to chair the EMA Monitoring Group.
- 3.31 Neighbour complaints and antisocial behaviour are a very significant issue in Ferguslie Park. When problems do occur, the Association has clear policies, procedures and target timescales for dealing with antisocial behaviour and cases of harassment. There are good arrangements in place for recording complaints and for categorising them by type and degree of seriousness. Case reviews that we carried out showed that the Association generally responded to complaints within its target timescales. However, we found cases where the recording of information about complaints lacked sufficient detail, especially in relation to actions taken and outcomes. We also found that the Association does not always communicate the outcome of a complaint clearly to both the complainant and any other people involved.
- 3.32 The cases we looked at confirmed the Association's assertion that tenants are often apprehensive about pursuing complaints, particularly where these are of a serious nature or involve criminal behaviour. Despite this, the level of complaints about neighbour disputes and antisocial behaviour is high and increasing. The number of serious complaints received during the 9 months from April to December 2004 was 66, compared with a total of 72 received during 2003/04. However, this increase coincided with

recent publicity about the Association's approach to dealing with antisocial behaviour.

- 3.33 Ferguslie Park has established good working relationships with the Neighbourhood Wardens who have been working in the areas since mid 2002, and with Renfrewshire Council's Anti Social Investigations Team (ASIST). Effective referral arrangements are also in place with a range of support agencies who work with the Association to support vulnerable tenants and help to tackle antisocial behaviour. Two members of staff are trained in mediation techniques and use these skills in dealing with complaints. Tenants can also use the mediation services provided by Renfrewshire Council, but take-up of this facility has been poor.
- 3.34 Despite considerable efforts, the Association's relationship with the Community Police is under-developed and that this impacts on its ability to deal effectively with antisocial behaviour involving criminal activity. The Association is actively seeking to encourage greater involvement of the Community Police in the area, in conjunction with other partners.
- 3.35 The Association works with tenants to improve neighbourhood quality, for example by developing the Good Neighbour Union which rewards tenants who take good care of their homes and neighbourhoods. This is used to reinforce the conditions of their tenancy, and to avoid tensions within communities. Other examples include:
- Developing play facilities in all new schemes;
 - Improving back courts and responding to other landscaping requests;
 - Holding garden competitions; and
 - Offering enhanced security (including locks, lights and CCTV) to vulnerable tenants.
- 3.36 The Association introduced special health and safety measures in one of its areas in 2001 as a result of incidents involving thefts from vehicles and harassment of staff and contractors. This included making provision for staff and contractors to visit these streets in pairs, and limiting the time of day/night it carries out visits. As part of this approach, out of hours services in certain areas are also coordinated with the Neighbourhood Wardens and the Police. The use of these measures has not been reviewed, despite changing circumstances in these areas.
- 3.37 Ferguslie Park Housing Association takes a very positive approach to involvement with the community where its houses are situated. Effective partnership working is also an increasing feature of the Association's wider community regeneration activity. The Association uses a range of tools to deal with estate management and problems of antisocial behaviour, and works proactively with a range of partners to deal with

problems in its neighbourhoods. Ferguslie Park's overall performance in this area is good.

Responsiveness to tenants

Social landlords should place the people they serve at the heart of their work, treat them with respect and be responsive to their views and priorities.

- 3.38 Ferguslie Park's 2004 survey found that 86% of tenants were satisfied or very satisfied with the Association as a landlord, and the proportion very satisfied was 46%. This is a significant improvement since 2001 when the figures were 81% and 27% respectively. The 2004 survey reported a good level of satisfaction with office location, reception area, helpfulness of staff, and quality of assistance and advice. Tenants that we spoke to generally confirmed this position. The 2004 survey also found that 96% of tenants found it easy to contact the Association and 85% thought it provided good customer service.
- 3.39 As noted at 3.35, Ferguslie Park introduced a tenants reward scheme in Autumn 2004. Two thirds of tenants have joined the scheme which is known as 'The Good Neighbour Union'. Participating tenants who meet their tenancy conditions are rewarded with incentives including up to £60 gift vouchers per year, and an extended range of choices of fittings for kitchen and bathroom upgrades. The Association anticipates that the scheme should be self financing through the costs that it requires to bear as a result of tenants failure to meet tenancy conditions being reduced although there is no clear evaluation framework in place.
- 3.40 Ferguslie Park revised its complaints policy in November 2004. It has a positive approach to dealing with formal and informal complaints about its housing management services, and records all complaints, actions and outcomes. In the 12 months leading to our inspection no formal complaints had been made. All the informal complaints we looked at had been dealt with effectively and quickly. The Association informs tenants and other service users about their right to complain in a variety of ways. It also produces a booklet providing clear information on the complaints procedure, including the right of complaint to the Scottish Public Services Ombudsman, and a standard form to assist the complainant. The association welcomes complaints as a form of feedback which can help it to improve its services to tenants.
- 3.41 Ferguslie Park is committed to providing equal access to its housing services. The Association offers translation facilities and can provide information in a range of formats. It has an Equality Action Plan in place which includes arrangements to integrate equality planning into all service areas. The plan also includes provisions for staff and committee training on equalities issues, and for continued assessment of its policies and

procedures against accessibility standards. It is currently implementing recommendations from a recent disability audit to ensure its office is fully compliant with legislation.

- 3.42 Ferguslie Park is good at listening to tenants' views on its housing management services. It collects feedback in a variety of ways and we saw examples of where it had used this to improve services. Tenants are increasingly satisfied with the Association as a landlord and with the services it provides.

Is the service managed for improvement?

Resource management and efficiency

Social landlords should maximise their income, in a way that is fair to service users, and manage cost effectively.

- 3.43 Ferguslie Park offers tenants a good range of methods by which they can pay their rent, including standing order, by cheque or at the post office. The 2004 survey found 99% of tenants were satisfied with rent payment methods and there was no demand for alternative payment methods.

- 3.44 The table below summarises Ferguslie Park's reported performance in collecting rent arrears.

| | At March 2003 | At March 2004 | | | At Dec 2004 |
|---|---------------|---------------|--------------|-----------------|-------------|
| | FPHA | FPHA | Peer Average | National Median | FPHA |
| Total arrears as % of total gross rental income | 14.52 | 14.74 | 6.79 | 6.2 | 14.64 |
| Total current arrears as % of total gross rental income | 7.5 | 8.1 | 4.92 | 4.4 | 9.9 |
| Current arrears (non technical) as % of total gross rental income | 6.0 | 6.4 | 3.29 | 3.0 | 9.0 |
| % of current tenants in serious arrears* | 9.9 | 12.0 | 6.3 | - | 10.1 |
| Total former tenant arrears | £134,858 | £133,010 | - | - | £69,530 |
| As % of total gross rental income | 7.06 | 6.64 | 1.87 | 1.1 | 4.7 |
| Rent arrears written off | £65,625 | £43,714 | - | - | £91,857 |

*Owing more than 13 weeks rent and > £250

Source: APSR Published tables 2003/04 and Inspection Submission

- 3.45 Ferguslie Park's total arrears as a percentage of total rental income increased between March 2003 and March 2004. At March 2004:
- total arrears was more than double the average figure for the peer group;

- it had the third highest figure of the 51 RSLs in its peer group; and
- it was in the bottom quartile of all Scottish RSLs for total arrears.

Latest available figures for 2004/05 show that there has been a small overall decrease since March 2004. This has been influenced in part by the former tenant arrears write off, and the close work with Housing Benefit to reduce the level of technical arrears.

- 3.46 Ferguslie Park's current non-technical arrears¹ level was higher than its peer group average and it was ranked 48th out of 51 RSLs at March 2004. The proportion of Ferguslie Park's tenants in serious arrears was above its peer average at March 2004. While current non-technical arrears continued to increase during the first half of 2004/05, this was starting to show a very slight decline during the second half of the year. Serious arrears had reduced from 12% to 10% between March-December 2004.
- 3.47 The Association takes reasonable steps to recover former tenant arrears. However, the significant reduction in the level of former tenant arrears is more a consequence of the Association writing off a total of £201,196 since April 2002 than improved performance in recovering these debts. Despite the high level of write off, former tenant arrears remain higher than the peer average and national median.
- 3.48 Ferguslie Park receives 74.6% of its rental income from Housing Benefit; nevertheless current tenant technical arrears are relatively low at 1.07% of total gross rental income. We compared Ferguslie Park's figures for technical arrears with those of the six other RSLs operating only in Renfrewshire; while Ferguslie Park's figure is third highest, they receive the largest percentage of rental income from Housing Benefit. The Association has a good approach to the management of technical arrears:
- it helps new tenants to complete housing benefit application forms; and
 - staff meet weekly with Housing Benefit staff to pursue outstanding claims.
- 3.49 The last performance audit in 1999 identified rent arrears as a priority, and although there were two reviews of the service between 1999 and 2003 resulting in some changes, the comprehensive measures now in place to deal with historically high levels of arrears have only recently been introduced. The 2004 Internal Management Plan identified rent arrears as a key performance management priority for 2004/05. Following a detailed review led by the director and senior management team, the rent arrears service was moved from Finance to Housing Services in June 2004, staffing resources were increased, and housing officers were given their own patches for managing rent arrears.

¹ Non-technical arrears exclude outstanding housing benefit not yet received by the landlord

- 3.50 Despite these initial changes, we found weaknesses in the Association's recent management of arrears cases. Focusing on of the management of arrears cases in the four months prior to our inspection, we found monitoring was sporadic. Four out of the nine cases we looked at had gaps in monitoring of at least a month between November 2004 and March 2005, and two of these had lapses of up to three months.
- 3.51 Following the restructuring of the rent arrears service, the Association also reviewed its policy and procedures for arrears, as a result of which a number of positive changes were about to be implemented at the time of our inspection. The new approach includes an emphasis on prompt, early and personal contact with tenants in arrears and enhanced management of staff pursuing arrears cases. Although it is too early to comment on the effect, senior staff have set challenging new targets for rent arrears and are confident that these will be achieved.
- 3.52 The Association has also recently introduced performance management systems so that it can monitor more closely the management and delivery of the service. Monitoring reports show performance measured against patch targets, showing trends over time, by patch and by level of arrears. The targets cover early contact, home visits, arrangements and lump sum payments. This is a good approach to monitoring the implementation of recent changes, and the impact on levels of rent arrears.
- 3.53 The table below summaries Ferguslie Park's reported performance in letting houses that have become empty.

| | 2002-03 | 2003-04 | | 2004-05* | |
|--|---------|---------|--------------|-----------------|---------|
| | FPHA | FPHA | Peer Average | National Median | FPHA |
| Rental income lost due to empty houses | £34,492 | £28,168 | - | - | £20,096 |
| As % of total rental income | 1.8% | 1.4% | 1.6 | 0.9 | 1.3% |
| Total no. of re-lets | 126 | 93 | - | - | 60 |
| % re-let in <2 weeks | 51.6 | 39.8 | 44.4 | 27.0 | 18.3 |
| % re-let in 2-4 weeks | 18.3 | 23.7 | 23.9 | 27.3 | 23.3 |
| % re-let in >4 weeks | 30.2 | 36.6 | 31.7 | 45.7 | 58.3 |
| Average time to re-let (days) | 26 | 36 | 24 | 34 | 40 |
| Turnover | 15% | 12% | - | - | 9% |

* For the period April to December 2004
Source: APSR & Landlord

- 3.54 In 2003/04 the proportion of rental income lost because of houses lying empty was 1.4%. The Association ranked 35th out of 51 RSLs in its peer group for rental income loss performance. It is in the second lowest quartile nationally and its rent loss is higher than the national median, but lower than the peer average. Nevertheless, the percentage of rent loss

due to empty houses has decreased significantly from 3.5% in 2001/02 and to 1.3% at December 2004.

- 3.55 In 2003/04 Ferguslie Park's 36 day average relet time placed it 41st of the 51 RSLs in its peer group; this performance is in the second lowest quartile nationally and slower than the national median. The average relet time had increased to 40 days at December 2004. The Association is trying to improve the relet time and has set targets to address this; for example housing maintenance staff have seven days to carry out an inspection after a termination notice is received and ten days to make a property fit to let. The February 2005 management committee reports shows that these targets are a continuing challenge for the Association.
- 3.56 The Association's performance in letting new houses is excellent. The handover of all of 30 of the Association's new houses available in 2004/05 was immediate.
- 3.57 The Association has achieved a good reduction in turnover, from 15% in 2002/03, to 12 % in 2003/04 and 10% in 2004/05 (see also 3.28). As noted in 3.13 the Association has used local letting initiatives to decrease the number of empty properties in the area, reduce void periods, and stimulate demand. We saw how this has successfully worked at Ferguslie Park Avenue, using enhanced decoration, rehabilitation and an amended allocation policy. The Association is currently repeating this initiative for two low demand blocks on Dalskeith Road. This is a good approach to improving areas which have become difficult to manage.
- 3.58 Apart from lettings initiatives, Ferguslie Park has a number of other good measures in place to reduce relet time and void loss. These include:
- Pre termination visits to agree repairs;
 - Weekly void meetings involving repairs and allocations staff;
 - Void database, showing key dates and commentary;
 - Accompanied viewings starting before the property becomes void;
 - Void turnaround target of ten days;
 - Committee reports focused on void periods and subsequent rent loss; and
 - Decoration allowances.
- 3.59 Ferguslie Park's costs for delivering its housing management services were £753.97 for each of its houses in 2003/04. This is a significant increase of 19.3% on the figure for 2002/03. It is also higher than both the peer and national average.
- 3.60 The Association has a good approach to managing the security and condition of void properties, using targeted housing management to

prevent damage and antisocial behaviour, and improve demand. For example:

- shutters for all properties;
- wheelie bins removed and stored for the next tenant;
- window and door checks for all voids;
- statutory gas and electrical safety checks; and
- deep cleaning and litter picks.

3.61 Ferguslie Park's overall performance in maximising rental income is fair. While the reduction in turnover and the efficient let of new properties is good, relet times are an area where improvement is needed. The Association is aware of this and has introduced new targets to monitor turnaround times. The collection of rent arrears continues to be a significant weakness, but the Association has recognised this weakness and is now implementing a comprehensive range of measures to improve its performance in this area.

Performance management

Social landlords should have clear objectives, standards and targets for housing management services, should monitor achievement of these, and should work to continuously improve services.

3.62 Ferguslie Park's Internal Management Plan (IMP) sets out its aims for its housing management services and the factors that will influence how well they will be met. It includes operational information on how it intends to achieve its aims and on financial and of non financial performance targets and indicators against which it will measure how well it is doing. The IMP identifies many of the Association's strengths and weaker areas, also risks and opportunities which impact on the delivery of services. We saw evidence of where changes it had made to the housing management service had resulted in improved performance, for example in reducing the number of abandonments.

3.63 Linked to IMP priority areas, the Association has also developed a range of policies and procedures relating to specific areas, and has introduced more detailed operational monitoring targets to enable senior staff to track performance more closely. An example of this is the Association's new approach to tackling rent arrears, which was identified in the IMP as key priority.

3.64 Ferguslie Park has in place good frameworks for performance reporting which are frequently reviewed. The Association monitors and reports regularly on its performance, against a wide range of targets which it plans to expand. Half yearly and annual reports provide context, analyse trends and provide further background information. However, we found a number of gaps in performance monitoring:

- the time it takes to add applicants to the housing list;
 - analysis of the different types of housing need it is meeting through its allocations policy;
 - evaluation of the effectiveness of the Good Neighbour Union;
 - review of areas subject to enhanced health and safety measures; and
 - information on actions and outcomes for estate management and complaints.
- 3.65 The Association benchmarks its performance against that of other RSLs in the Federation of Local associations in Renfrewshire (FLAIR). This information is recorded in the IMP though not in other reports and it is not clear how it is being used. The Association intends to introduce an annual report on the benchmarking exercise to the committee.
- 3.66 Ferguslie Park has a comprehensive range of policies and procedures covering most key areas to guide staff providing its housing management services. Together with their proposed review dates they are recorded in the Internal Management Plan.
- 3.67 Ferguslie Park is making good progress towards improving its approach to managing performance in housing management services. Ensuring that all activities are covered, and including more detailed information in some reports would strengthen the Associations ability to manage performance effectively.

Grade and overall assessment of housing management

- 3.68 Our overall assessment is that Ferguslie Park's housing management service is good. We found it has some strengths which impact directly on tenants and other service users, and a number of areas where improvement is required. We set out below the key factors we have taken into account in coming to our overall assessment.
- 3.69 Ferguslie Park provides open access to its housing list, has a good approach to maximising choice, is meeting housing need, and maximises security of tenure for the vast majority of its tenants. We found that the Association supports vulnerable applicants and tenants well, works hard to help people maintain their tenancies, and takes a good approach to reducing the level of turnover which has had a positive impact on minimising lost rental income. The Association has also taken effective action to reduce the level of abandonments and evictions. Ferguslie Park is committed to gathering and responding to feedback from service users, tenants' satisfaction with the services they receive is generally increasing.
- 3.70 We found a number of weaknesses in the housing management service:
- there are unnecessary delays in processing of housing applications;

- there is no quality control for assessing applications received prior to the point of offer;
- suspended applicants do not always receive clear written information about their suspension;
- information on actions and outcomes relating to complaints about neighbours and antisocial behaviour is not always clearly recorded or communicated;
- its relationship with Community Police is under-developed; and
- the length of time it takes to relet empty houses is long and increasing.

3.71 The Association's primary area for improvement is its collection of rent arrears. The award of a B grade despite this weakness takes into account the recent introduction of a comprehensive range of new policies and procedures aimed at tackling this area, and the detailed plans to support and monitor their implementation.

3.72 Ferguslie Park is committed to achieving continuous improvement across the organisation. It has made recent progress in promoting a stronger performance culture amongst staff, and is improving its systems for monitoring, managing and reporting its performance. The Association has shown a willingness and a capacity for addressing some areas of weakness and achieving improvements in the way it delivers its services.

4. Property maintenance

4.1 The grade awarded for property maintenance is:

| | | |
|---|------|---|
| B | Good | Many strengths and some areas where improvement is needed |
|---|------|---|

We explain at the end of this section how the assessments we have made result in this grade.

How good is the service?

Access to the repairs service

Social landlords should have arrangements in place that make it easy for tenants to report repairs and to have them carried out.

- 4.2 Ferguslie Park provides useful information on the repairs service to tenants through a range of publications, as well as on its website and closed circuit television service (FPTV). The Association can provide this information in a variety of formats.
- 4.3 Tenants can report repairs in person, by phone or by letter or by notifying any member of the Association's staff. Tenants can also report repairs out of hours by contacting the 24 hour call centre operated by one of its main contractors. The 2004 survey showed that 95% of tenants found reporting a repair within office hours "easy" or "very easy". In the same survey, 83% of tenants said they were satisfied with the out of hours service.
- 4.4 Ferguslie Park offers morning or afternoon repairs appointments. Tenants are given a copy of the repairs order which provides useful information including the name of the contractor, nature of the work, target completion time and agreed access arrangements. Tenants' net satisfaction² level with the appointments system rose from +66% in 2001 to +74% in 2004.
- 4.5 Overall, Ferguslie Park provides good access to its repairs service.

Speed and quality of response repairs service

Social landlords should set challenging targets for completing repairs, strive to achieve them and ensure repairs are completed to a high quality.

- 4.6 The targets Ferguslie Park sets itself for completing repairs are the same as the national medians for repairs categorised as emergency, urgent and routine. The 2004 survey found that around half of the Association's

² The 2004 Resident's Satisfaction Survey reports net satisfaction as 'those satisfied less those dissatisfied'.

tenants thought the target of 10 working days for routine repairs was too long. Across all categories of repairs, net satisfaction with the length of time to undertake repairs increased from +43% in 2001 to +74% in 2004.

4.7 The table below summarises Ferguslie Park's reported performance against these targets over the last three years.

| | FPHA target response time | Performance | | | | |
|--------------------------|---------------------------|-------------|---------|---------|-------------------------|--------------------------|
| | | FPHA | | | National median 2003/04 | RSL peer average 2003/04 |
| | | 2001/02 | 2002/03 | 2003/04 | | |
| Emergency Repairs | 6 hrs | 99% | 99% | 100% | 97% | 97.5% |
| Urgent Repairs | 3 working days | 96% | 96% | 99% | 93.4% | 92.5% |
| Routine Repairs | 10 working days | 97% | 97% | 99% | 94.6% | 95.4% |

Source: inspection submission / APSR data

4.8 Ferguslie Park has improved its performance in completing repairs against its target timescales in all repair categories over the last three years. It is meeting its target in nearly all repairs that it carries out, and its reported performance is consistently above national and peer group levels. Case reviews that we carried out showed that in all but one case, the repair had been completed within target.

4.9 Pre and post inspections are important methods that landlords can use to ensure that repairs are targeted accurately and carried out to a high standard. Ferguslie Park post inspected around 9% of completed repairs in 2003/04 which is close to its 10% target. Post inspections are concentrated on repairs which are large, complicated or unusual, as well as those carried out by new contractors. We found that the Association uses the information it obtains from post inspections to monitor and assess contractors' performance, and that it takes remedial action where work is identified as substandard.

4.10 The Association has recently introduced a target of pre inspecting 10% of reported repairs and this is now being monitored. However, the outcomes of pre or post inspections are not routinely reported to staff or committee. The 2004 survey found that 70% of tenants were satisfied with the quality of repairs, and while this is still relatively low, it had increased significantly since 2001 when only 49% of tenants said they were satisfied with the quality of repairs³.

4.11 Ferguslie Park operates a Right to Repair scheme which complies with most of the statutory requirements, but it does not provide tenants with

³ These are net satisfaction figures reported in the 2004 survey.

contact details of an alternative contractor at the time when they report a qualifying repair. It provides good information about the scheme to tenants through the Tenants Handbook, Repairs Guide, website, closed circuit television system (FPTV) and annually in one of its newsletters. We found that the Association correctly identifies qualifying repairs and that it has effective arrangements to monitor the repair process. Tenants are advised of qualifying repairs verbally and in writing on the copy of the repairs order they are given when they report a repair.

- 4.12 Ferguslie Park's response repairs service overall is good, and according to the 2004 survey 82% of tenants expressed satisfaction with the repairs service overall. Reported performance at completing repairs within set timescales is excellent, although there are some weaknesses in how it reports on quality checks and the amount of information it gives to tenants reporting qualifying repairs under the Right to Repair. The Association has effective arrangements in place for monitoring the quality of repairs, and for taking action to improve the service wherever possible.

Physical quality of houses

Social landlords should have good information about the condition of their houses and should deliver effective maintenance programmes that take account of housing quality and home safety needs.

- 4.13 Scottish Ministers have set a target that all social landlords' houses should meet the new Scottish Housing Quality Standard (SHQS) by 2015. Landlords are expected to prepare a plan showing how they will achieve this, by April 2005. Since Ferguslie Park's houses are relatively new or have been extensively refurbished it expects that it will comfortably meet this standard.
- 4.14 Ferguslie Park has good information on the condition of its stock, and has effective arrangements to update the information, and to use it to help plan its investment programme. A review of information that it held on the condition of its stock and its 30 year lifecycle costings exercise was carried out in 2004/05 to ensure accuracy. The Association plans to incorporate information on areas of high reactive repairs costs into its planned maintenance programme.
- 4.15 Ferguslie Parks new homes have been designed to good standards, recent developments:
- are built to Secured by Design standards to create safe homes that minimise the risk of crime and antisocial behaviour;
 - have good levels of energy efficiency; and
 - are designed to Housing for Varying Needs standard to accommodate the range of housing needs that people have through their lifetime.

- 4.16 Ferguslie Park's houses have been equipped with the safety and security of tenants in mind. All of its stock has hard wired smoke detectors that it inspects every 12 months. Electrical installations are inspected every 5 years. None of its houses have internal plumbing made of lead and the common entrances to all flatted blocks have heavy duty door entry systems. The 2004 survey found that 100% of tenants were satisfied with the door entry systems. This is a significant achievement for the Association.
- 4.17 Ferguslie Park is required to carry out safety checks every 12 months on all gas appliances and flues which it provides for its tenants' use. At the time of our inspection seven houses (just over one percent) did not have a valid safety certificate in place. The Association does not achieve continuity between certificates for a high proportion of its houses: there was a gap between safety checks in 157, or 23% of houses. The table below summaries Ferguslie Park's performance in carrying out gas safety checks. We reviewed 30 cases which confirmed this level of performance.

| | Number of houses | % of houses |
|--|------------------|-------------|
| Houses with gas appliances | 661* | |
| Houses with current gas safety certificates | 654 | 98.9% |
| Houses where safety check was carried out within 12 months of previous check | 413 | 62.5% |
| Houses where safety check was up to 1 month late | 91 | 13.8% |
| Houses where safety check was between 1 and 3 months late | 50 | 7.6% |
| Houses where safety check was more than 3 months late | 16 | 2.4% |

Source: inspection submission

*Does not include 14 properties that have been drained down at tenants request

- 4.18 We found that the Association follows comprehensive procedures for managing gas safety. It has good recording and monitoring systems and holds detailed information on inspections. Committee reports on gas safety clearly indicate where it has not been able carry out safety checks within the 12 months allowed. Ferguslie Park post inspects 10% of all gas safety checks carried out by its contractors which is a good approach to quality control. The Association has recently amended its procedures to start at 10 rather than 11 months.
- 4.19 From May 2004 social landlords have had a statutory duty to manage asbestos in the common areas of their properties. Although the Association has implemented a programme of training to equip staff to identify and deal with any likely incidences of asbestos, it failed to finalise its response to these new responsibilities until December 2004. As a

result, many of the steps it needs to take will not be completed until early 2006. While the Association has said it is confident its stock does not have a high incidence of asbestos, its failure to produce a plan to comply with the new regulations until well after they came into effect is a weakness.

- 4.20 Ferguslie Park aims to ensure that it relets houses which are safe and in a good condition. It carries out standard safety checks and there is a written relet standard providing guidance to staff on whether to redecorate or offer a redecoration allowance. The Association gathers and reports on applicant's reasons for refusing offers and there was no evidence of offers being refused because of the quality of property.
- 4.21 Ferguslie Park's houses are in good condition and the Association has a good approach to gathering up to date stock condition information and using this to plan for future maintenance needs. However, the Association has a weakness around complying with its statutory duty on gas safety, and is not fully complying with its duty to manage asbestos.

Responsiveness to tenants in repairs and maintenance

Social landlords should place the people they serve at the heart of their work, treat them with respect and be responsive to their views and priorities.

- 4.22 As noted at 4.12 tenants are increasingly satisfied with Ferguslie Park's repairs service. The Association also collects feedback from tenants on completed repairs, by issuing a questionnaire with each repair. This is either returned to the Association by the contractor, or directly by the tenant. The feedback we saw showed that tenants were satisfied with the repair in almost all cases.
- 4.23 Ferguslie Park conducts satisfaction surveys of all tenants who move into its new homes. It has not yet surveyed tenants in the last phase of its most recent development (Candren South Phase 2) but tenants in its previous development (Candren South Phase 1) were pleased with their homes. In the wider 2004 survey, which included tenants living in both new and relet houses, satisfaction levels with different aspects of the home were generally high and in almost all cases higher than they had been in the 2001 survey.
- 4.24 Ferguslie Park used its 2004 survey to canvass tenants' views on their priorities for planned maintenance. Kitchens emerged as the top priority, and the Association now plans to bring forward the replacement of kitchens in its maintenance programme. We also saw other examples of where the Association had responded positively to tenants feedback in the way that it plans and delivers its property maintenance service:

- it established a budget for the replacement of electric heating systems with gas in appropriate cases; and
 - in its most recent development at Candren South Phase 2, it avoided building flats and provided larger private gardens.
- 4.25 The Association provides good written information on its complaints procedure, including the right to complain to the Scottish Public Services Ombudsman, and a standard form to assist the complainant. In the 12 months prior to our inspection, it had received a number of informal complaints and although it does not have target timescales for dealing with these, the cases we looked at it were dealt with promptly and effectively. It had not received any formal complaints about its property maintenance services
- 4.26 Ferguslie Park has a good approach to gathering and responding to tenants views. It uses a range of methods to obtain feedback on its property maintenance services. We found that the Association acts on the information it receives to improve services, and that tenants are increasingly satisfied with the repairs service.

Is the service managed for improvement?

Resource management and efficiency

Social landlords should manage the cost of their services effectively and procure repairs and maintenance services in a way that takes account of quality and cost.

- 4.27 Ferguslie Park's management costs for delivering its property maintenance services are high. Costs per unit of stock in 2003/04, were £411 which is a rise of around 21% on the previous years costs (£340). The equivalent national and peer group averages in 2003/04 were £256 and £221 respectively. Its costs for planned, cyclical, response and major repairs was £751 in 2002/03, which is significantly higher than national and peer groups averages of £636 and £528. However, the Association's maintenance cost per unit in 2003/04 was around 14% lower at £661. This is higher than the peer average (£572) but lower than the national median (£747).
- 4.28 The Association has identified that although its stock of housing is relatively new its maintenance costs and the costs of managing maintenance service are high and this has a negative effect on the overall cost of running the business. It attributes the high level of repair costs to:
- unnecessary wear and tear to its houses by some tenants;
 - damage to its houses as a result of antisocial behaviour;
 - high but reducing turnover levels; and
 - its objective of maintaining its housing to high standards despite these negative factors.

- 4.29 Ferguslie Park carries out a large number of rechargeable repairs due in part to the factors listed above, but performance in recovering these costs is poor. The Association spent £79,908 on 642 rechargeable repairs between April 2002 and December 2004 and recovered only 5% of the cost of the repairs. From April 2002 – April 2004 64% of these repairs were invoiced, but this has increased to 100% during April-December 2004.
- 4.30 Although its overall costs are high, Ferguslie Park manages the procurement of its property maintenance services very well. It uses competitive tendering to let larger repairs and cyclical maintenance contracts using selection criteria determined by the type of work involved. It reviews its approved contractors list annually, using a weighted matrix to evaluate each contractor's performance on a range of factors, including response times, quality and cost.

Performance Management

Social landlords should have clear objectives, standards and targets for property maintenance services, should monitor achievement of these, and should work to continuously improve services.

- 4.31 Ferguslie Park's property maintenance services are well managed and we saw a clear commitment to continuous improvement of performance across the service. The Association has a comprehensive range of policies and procedures to guide staff and these are reviewed and updated on a regular basis. The 2004 Internal Management Plan identified objectives for its property maintenance services and although there were some linkage to specific actions that were needed, staff responsibilities and timescales were not always clearly stated. Nevertheless, we saw that Association had made good progress towards meeting its overall objectives.
- 4.32 We saw a number of strengths in the Association's approach to performance management, as well as areas which could be developed further. Staff provide committee with good, clear reports on a monthly basis, setting out performance information against operational targets, where they apply. Six monthly summary reports to Management Committee identify trends and give an overview of performance. Examples of areas of where we saw gaps in performance reporting include:
- the outcomes of post inspections of completed repairs;
 - nature and outcomes of formal and informal complaints; and
 - comparison of management and repairs costs against peer and national averages.

4.33 Ferguslie Park has a good and improving system for monitoring and reporting on its performance in delivering its property maintenance service and has recently made good progress in this area.

Grade and overall assessment of property maintenance

4.34 Our overall assessment is that Ferguslie Park's property maintenance service is good. We found many strengths along with some areas where improvement is needed.

4.35 In coming to our overall assessment we have taken account of the balance of strengths and areas for improvement. An important factor in our assessment is that a number of Ferguslie Park's areas of strength impact directly on its tenants, such as:

- the accessibility and responsiveness of its repairs service;
- the good physical quality of its houses;
- an effective approach to using up to date stock condition information to help plan future maintenance; and
- Increasing levels of tenant satisfaction with all aspects of the repairs service.

4.36 Alongside these strengths, Ferguslie Park has a weakness in property maintenance, which relates to its performance on gas safety checks. It does not ensure that all safety checks are carried out within the required 12 month period. It also needs to:

- comply fully with the new duty to manage asbestos; and
- provide tenants with the details of an alternative contractor under its Right to Repair scheme.

4.37 Ferguslie Park has good performance management systems in place, although we found some gaps in the type of information recorded and reported for some parts of the service. The Association should analyse the reasons for tenant dissatisfaction with aspects of the repairs service, and build this information into its performance management framework.

4.38 Ferguslie Park takes a positive approach to assessing tenants' satisfaction with its property maintenance services, and it is committed to continuous improvement. We found that it is willing to listen to tenants and takes action to improve the services in response to their feedback.

5. Governance and Financial Management

Governance

Leadership and direction

A clear vision or purpose and an inclusive, well-informed planning process are key to effectively delivering the services that tenants want.

- 5.1 Ferguslie Park sets out its vision for the future of the Association and its priorities for service development in its Internal Management Plan (IMP). The Association takes an inclusive approach to developing its IMP, and it is comprehensively reviewed on an annual basis. Whilst this process is led by the senior management team, the management committee and staff are fully involved at every stage.
- 5.2 The IMP includes medium and long term financial projections and a three year internal audit framework. However, service planning and operational targets set out in the IMP relate only to the current financial year. This is a relatively short term approach to planning how it will achieve its strategic aims. We also found areas where operational objectives underpinning strategic objectives were not always SMART⁴ and who is responsible for taking forward specific objectives is not always made clear.
- 5.3 The Association has good arrangements in place to monitor progress towards objectives identified in the IMP. It is a standing item at senior management team and departmental meetings, specific activities set out in the IMP are linked into staff appraisals, and progress against objectives is reported to the management committee every six months.

Clear functions and proper control

Social landlords should be clear about the functions of the governing body, and take informed, transparent decisions within a framework of controls.

- 5.4 The Association's management committee is clear on the role it plays in deciding on the Association's direction, taking decisions and overseeing how services are delivered. The committee has identified that it wishes to play a greater role in promoting continuous improvement in future and has asked that this is recognised in a review of the governance structure that will take place before the next AGM. It is supportive of the Director, the senior management team and front line staff.
- 5.5 The full management committee meets twice monthly, dealing alternately with the areas of housing services; and corporate governance and finance. Three sub committees that deal with internal audit; staffing and

⁴ SMART objectives are Specific, Measurable, Achievable, Relevant and Timebound.

administration; and complaints, support the role of the management committee. The structure is working well, and members we spoke to said they were happy with these arrangements. All management committee meetings in the last 3 years have been quorate.

- 5.6 The Association has a good approach to performance monitoring and reporting. Information that covers most areas of housing management and repairs services is given to the management committee at appropriate intervals. However, the Association's ongoing commitment to improving its frameworks for monitoring performance has already resulted in an extended range of operational targets for some activities, and it has firm plans to extend its monitoring in other areas.

Developing capacity

Social landlords should ensure their governing bodies have the skills and experience they need to perform well, develop their capacity and evaluate their performance.

- 5.7 Ferguslie Park's management committee has strong tenant representation, and includes a good mix in terms of gender and age. Committee members have wide range of experience and skills which enables them to guide and control the Association's activities effectively.
- 5.8 The Association has an effective approach to identifying the training and development needs of new and existing members of its committee. It carries out an annual skills audit to identify training or development needs. These are met through a varied training programme provided by its own staff or external sources. New members are also offered induction training.
- 5.9 Ferguslie Park has an excellent approach to ensuring that committee members have the knowledge and skills they need to be able to control and guide the Association.

Accountability

Engaging stakeholders, public reporting and making accountability real.

- 5.10 A strong membership and good levels of participation are important ways for a landlord to demonstrate accountability. Membership levels at Ferguslie Park are relatively high, at March 2004 there were 305 members, 223 were tenants of the Association. However, participation at Annual General Meetings (AGMs) is not high; the Associations last three have been attended by 10% - 11% of members, only just enough to be quorate under its rules.

- 5.11 Attendance at committee meetings has been good at around 81% during 2003/04 and 73% during the period April to December 2004. National and peer group comparisons in 2003/04 were around 72%.
- 5.12 At March 2004 all of the 15 places on Ferguslie Park's Management Committee members were filled, At the time of our inspection the number of members had dropped to 13; 11 of these were tenants.
- 5.13 The Association has a positive approach to encouraging tenants to become more involved in its work, providing good information in a range of different ways. A good example of this was the community conference it held in September 2004 which was attended by around 150 people including residents, community representatives, local school children and housing professionals. The event was rated a success by staff and committee. This view was mirrored by the tenant and residents group we met when we were on site. However, the 2004 survey found that residents had very little knowledge about who controlled the Association and only 4% of respondents said they would like to be involved in decision making.
- 5.14 Social Landlords should place people they serve at the heart of their work and be responsive to their views and priorities. Ferguslie Park is good at listening to tenants and acting on feedback it receives. The Association has reviewed its tenant participation strategy and now plans to consult with tenants and residents on a continuous basis through focus groups and targeted surveys, as well as conducting comprehensive satisfaction surveys every three years. However, the 2004 survey found that just over a third of tenants still didn't think the Association was good at taking account of their views. This suggests that the Association has some way to go to show its tenants that it is listening to what they say.
- 5.15 Social Landlords should give stakeholders the information they need about the organisation and its plans, services and performance. Ferguslie Park has used Wider Role funding to employ a dedicated member of staff to improve its communication. According to the 2004 survey, 87% of tenants felt the Association was good at keeping them informed about its activities and services. We saw a number of examples of the high quality information the Association produces for its tenants, these included:
- informative annual reports;
 - high quality quarterly newsletters;
 - a comprehensive tenants handbook;
 - a good range of internally produced leaflets and booklets;
 - a good quality website, that it plans to improve; and
 - Ferguslie Park TV.

- 5.16 Ferguslie Park has a good approach to ensuring it is accountable to its tenants and other stakeholders. The 2004 survey found that 85% of tenants thought the overall quality of customer service provided by the Association was good. As part of an ongoing commitment to improve its customer focus the Association has established a group dedicated to monitoring and reviewing its customer care standards.

Ethical standards

Staff and governing body members should promote values that underpin good governance and should act with honesty and integrity, focusing on the best interests of the organisation and its service users.

- 5.17 Ferguslie Park is very aware of the importance of committee members maintaining high ethical standards. It has adopted a code of conduct and requires members to complete a conflict of interest declaration on an annual basis. Members are also asked to declare an interest in any agenda item at the start of each meeting. However, at the time of our inspection some members of the management committee had rent arrears. The amount of rent owed in all cases was relatively low and did not amount to a serious conflict of interest. The cases were being monitored by the Director, but the members did not withdraw from committee meetings when matters relating to rent arrears were being discussed.
- 5.18 We found that the Association acts in accordance with statutory requirements relating to the granting of benefits set out in Schedule 7, of the Housing (Scotland) Act 2001, and that generally it achieves high standards in preventing any potential conflicts of interest. There has been a strong emphasis placed on training to achieve this.

Managing risk

Social landlords should be aware of all the risks they face and put in place robust arrangements to minimise these risks and to deal with them if they do occur.

- 5.19 Ferguslie Park has arrangements in place for identifying, monitoring and reviewing strategic, financial and operational risks and is engaged in ongoing work to improve its approach. The IMP identifies risk management as an integral part of its business and the Association seeks to include the assessment of risk in all its activities. Risk management is included as a standing item on the agendas of senior management team and departmental meetings, and committee members and staff are provided with relevant training in this area. As part of an ongoing review of how it identifies, assesses and deals with risk, training for Committee Members and staff in December 2004 provided by an external consultant, led to further improvements in how it categorises risks.

- 5.20 The Association has a good approach to managing risk. It's Internal Audit Sub Committee oversees an internal audit function aimed at reducing risk. The audit programme is agreed on a 3 year rolling basis which is reviewed annually. Areas subject to audit are prioritised on the basis of their significance and the level of risk they present, as assessed by the auditor. The Association intends to strengthen the links between the audit procedure and its risk map.
- 5.21 Ferguslie Park has a number of strengths in governance. Tenants are well represented on its Management Committee and committee members have a good mix of experience and skills to control the organisation effectively. There is a good planning framework which is subject to ongoing review. The Association provides tenants with good information about the organisation, and encourages their involvement in a variety of ways. It has shown good awareness of the importance of high ethical standards but needs to improve its management of potential conflicts of interest in the area of rent arrears.

Financial Viability & Management

Social landlords should be financially viable in the medium term, and sustainable in the longer term, and should have a robust financial management framework.

- 5.22 Ferguslie Park has a 30 year business plan in place which forecasts that it will be financially viable in the medium term and sustainable in the longer term. The plan indicates that there are specific years where expenditure is expected to be particularly high but projects that the association will have the money available to fund them.
- 5.23 The business plan is based on assumptions which set the association challenging targets. Meeting the targets will require Ferguslie Park to continue to work at bringing its high cost base down, effectively reducing costs in comparison to its classification group and the RSL sector as a whole.
- 5.24 The Association recognises that any adverse deviation from the assumptions used within the business plan will have an impact on its future sustainability. Ferguslie Park must ensure that it regularly reviews its plans to protect its tenants and housing assets in years to come.
- 5.25 Since 2000, Ferguslie Park has generated surpluses most years, although its performance in this area has tended to be below other housing associations of the same classification. It is acknowledged that the environment Ferguslie Park operates in does contribute to the association's high costs which will affect its surplus.

| | £'000's 2000/01 Actual | £'000's 2001/02 Actual | £'000's 2002/03 Actual | £'000's 2003/04 Actual | £'000's 2004/05 Budget |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Turnover | 1,559.2 | 1,760.2 | 2,075.9 | 2,203.6 | 2,096.0 |
| Operating Surplus/(Deficit) | 262.5 | 332.9 | 385.5 | 446.5 | 388.5 |
| Net Surplus/(Deficit) | (42.7) | 32.7 | 53.1 | 153.7 | 75.5 |

- 5.26 Ferguslie Park has a good annual budget which it uses as a key planning tool. The budget is detailed and provides the management committee with much of the information it routinely needs for decision making. While it does not have separate medium term plans at present, these are being incorporated into its Internal Management Plan.
- 5.27 The committee monitors the Association's performance against the annual budget using good quality quarterly financial reports. The reports are detailed and compare Ferguslie Park's actual performance with budget and provide explanations for any large variances.
- 5.28 Ferguslie Park's business plan indicates that it is financially viable in the medium term. However, it has areas of weakness that may have a financial impact. It has a good financial management framework, but more work will be needed to contain its costs in the future.

6. Areas for Improvement Action

These are the key areas that need to be targeted for improvement action. They are broadly in order of priority within each of the key service areas:

Across all of its activities, Ferguslie Park should:

- Strengthen its internal management plan by linking it to the longer term planning process.

In housing management, Ferguslie Park should:

- significantly improve its performance on rent arrears, monitoring closely the impact of its new approach, and continuing to make further improvements as necessary;
- ensure that delays to void turnarounds are minimised;
- reduce the time to process of housing applications, provide information to suspended applicants and ensure it has good quality control and assessment processes for housing applications;
- continue its efforts to strengthen its working relationship with Community Police; and
- provide greater detail of actions and outcomes on estate management and antisocial behaviour, incorporating more consistent feedback for tenants.

In property maintenance, Ferguslie Park should:

- ensure that it complies with its statutory duties relating to gas safety, asbestos management and Right to Repair; and
- analyse reasons why some tenants are dissatisfied with aspects of the repairs service and develop effective responses.

In Governance and Financial Management, Ferguslie Park should:

- ensure that it manages all potential conflicts of interest appropriately; and
- continue to work on reducing its costs to ensure that it can meet its business plan targets.

7. Next Steps

- 7.1 This report highlights our findings following this housing inspection. We expect all organisations to respond effectively to our recommendations using their own improvement planning processes. We ask organisations that receive fair or poor assessments overall in their housing management, property maintenance or governance and financial management to submit an improvement plan to us within eight weeks of the publication of this report. The plan should show how the organisation intends to respond to our findings. The plan will be agreed with us. We will inspect once every five years and follow up improvement plans at regular intervals.
- 7.2 If you would like to find out how Ferguslie Park intends to respond to the findings of this inspection you should contact:

Ferguslie Park Housing Association
The Tannahill Centre
76 Blackstoun Road
Ferguslie Park
Paisley
PA3 1NT

0141 887 4053
admin@fpha.org.uk
www.fpha.org.uk

Sources of evidence

Groups and third parties consulted

- Bridgewater Housing Association
- Communities Scotland Area Investment Team
- FLAG Forum
- HomePoint, Communities Scotland
- Renfrewshire Council
- Renfrewshire Neighbourhood Warden Service
- Renfrewshire Police
- St Ninians Eden Project
- Tenant Participation Development Team, Communities Scotland

Interviews / meetings

- Members of the Association's Committee
- Director and Senior Management Team
- Finance Consultant
- Frontline Staff
- Discussions with a range of tenants and service users
- Ferguslie North Tenants and Residents Group

Reality Checks

- Estate visits
- Observation of committee meetings
- Observation of the provision of information and advice
- Review of abandonment procedures
- Review of arrears cases
- Review of complaints
- Review of empty house management records
- Review of gas safety documents
- Review of housing list applications and allocations
- Review of information for applicants and tenants
- Review of legal actions against tenants
- Review of neighbour complaints and anti-social behaviour cases
- Review of Occupancy Agreements
- Review of reported repairs
- Shadowing arrears visits and interviews
- Shadowing repairs post-inspection
- Shadowing tenancy sign-up
- Shadowing void inspection

Key documents reviewed

- Inspection submission
- 2005/06 Annual Budget
- Abandoned Properties Record
- Allocations Policy
- Annual performance and statistical returns to Communities Scotland
- Annual Report 2003/04
- Arrears policy
- Committee agendas and reports (various)
- Equalities Policy
- Ferguslie Park Estate Management Agreement Evaluation Survey Report
- Gas Access Procedures
- HCH Scotland Report
- Hilland Ritchie Report
- Internal Audit Report
- Internal Management Plan 2004
- Lettings Log
- Maintenance Policies
- Management Committee Training and Development Plan 2004-05
- Minutes of Management Committee meetings
- Minutes of senior staff team meetings
- Procurement Policy (various)
- Quarterly newsletters
- Residents' Satisfaction Survey 2004
- Schedule 7 Register
- Standing Orders and Committee Remits.
- Statutory Accounts
- Strategy and development Funding Plan
- Tenant Participation and Information Policy
- Tenants Handbook
- Voids database

Appendix 2

Examples of positive practice

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

Access

Ferguslie Park uses its own closed circuit television system to publicise its services and provide other public information material to people visiting its office reception. The service is soon to be extended to main public area in the complex where its office is located. It produces much of the broadcast material itself, and through local groups. providing participants with useful experience in production techniques.

Sustaining tenancies and preventing homelessness

Ferguslie Park has a proactive approach to young applicants. All applicants under 21 years old go through a Young Tenant Interview with a Housing Officer. This is used to explain the responsibilities of a tenancy and help identify any support needs. Applicants receive help to complete their application form and are also given a Young Tenant Information Pack. This is a comprehensive step by step guide to setting up home; used throughout Renfrewshire.

Ferguslie Park have enhanced normal abandonment procedures to identifying potentially abandoned properties and making early contact with the tenant. This includes:

- Contacting tenants on their mobile phones;
- Contacting next of kin;
- Sending notices to all know addresses since the tenant was 16 years old;
- Including a termination form with the abandonment notices and a freepost envelope; and
- A culture of early notice from neighbours of potentially abandoned properties.

This had led to abandonments being turned into terminations on 16 times during 2004/5.

Resource management and efficiency

Ferguslie Park have a good relationship with Housing Benefit. They helps new tenants to complete housing benefit application forms; and staff meet weekly with Housing Benefit staff to pursues outstanding claims. This has led to relatively low technical arrears.

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. |
| Amenity Flat | Flats with special modifications for people with particular needs, but not supported by a warden. |
| Average | The arithmetic mean – the sum of all the values divided by the number of values. |
| Benchmarking | A process used by organisations to systematically compare service processes and performance to identify best practice. |
| Common housing register | A register of all applicants for social housing used by two or more landlords within an area. |
| Cyclical maintenance | Planned programme of work to deal with predictable deterioration of building components, for example regular painting of window frames. |
| Focus group | 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. |
| Industrial and Provident Society | Many RSLs are legally incorporated as industrial and provident societies. I&Ps can be charitable or non-charitable, or housing cooperatives. They must be non-profit making and supervised by the Register of Friendly Societies. |
| Inspection submission | Documents submitted by the landlord at the start of the inspection to provide information on its performance, context and how it is structured. |
| Investors in People | An accreditation system for organisations which achieve certain standards in staff management and training. |

| | |
|--|---|
| Life cycle costing | A method of calculating the cost and timing of the repairs to, and replacement of, major building components. |
| National median | The central value of the ordered performance of all Scottish RSLs. |
| New Urban Regeneration Partnerships | The New Life for Urban Scotland (New Life) was announced in 1988. Four peripheral housing estates were selected for the establishment of new urban regeneration Partnerships, Castlemilk in Glasgow, Ferguslie Park in Paisley, Wester Hailes in Edinburgh and Whitfield in Dundee. The Partnerships were Scottish Office led and were expected to provide valuable lessons on how to tackle urban regeneration, thus setting a pattern for the future. |
| Peer group | A group of organisations facing similar tasks and challenges with which comparisons can be made. RSLs choose which peer group they belong to when they submit their APSRs. |
| 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. |
| Performance Standards | Housing standards for all social landlords in Scotland. |
| Planned maintenance | The planned renewal or maintenance of key property components. |
| Quartile | The range represented by one quarter of the ordered performance of all Scottish RSLs. So for example, the upper quartile is the top 25% of RSLs. |
| Rechargeable repairs | Work that is the responsibility of the tenant but has been done by the landlord. |
| Registered social landlord (RSL) | A landlord providing social rented housing that is registered and regulated by Communities Scotland. |

| | |
|---|---|
| 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. |
| Right to Repair | A scheme which gives tenants legal rights to have certain repairs in defined times. |
| Scottish secure tenancy (SST) | The Housing (Scotland) Act 2001 creates the Scottish Secure Tenancy as the tenancy for all tenants of social landlords in Scotland. |
| Secured by Design | Design standards to create safe homes and minimise the risk of crime and antisocial behaviour. |
| Serious arrears | Where a tenant owes more than 13 weeks rent payments and this is more than £250. |
| Shadowing | An inspection technique that involves accompanying and observing staff while they carried out their day-to-day tasks. |
| SMART | Objectives and targets that are Specific, Measurable, Achievable, Relevant and Timebound. |
| Social Inclusion Partnership | A government initiative aimed at developing a multi-agency approach to dealing with problems of deprivation within a given area for a particular group of people. |
| Statutory reasonable Performance Audit | People who have one of these housing needs: This is the process of monitoring registered social landlords by Scottish Homes. It involves regular reports as well as visits. |
| Preference categories | homelessness, overcrowding, large families, living in below tolerable standard housing or unsatisfactory living conditions. |

Wider Role Grant

A funding initiative which supports RSLs wider role activities; the aim is to improve economic, social and environmental circumstances of the communities within which RSLs operate. Wider Role Grant is administered by Communities Scotland.

Regulation & Inspection

EDINBURGH

Rosebery House
9 Haymarket Terrace
Edinburgh EH12 5YA
Tel: 0131 313 3700

GLASGOW

Highlander House
58 Waterloo Street
Glasgow G2 7DA
Tel: 0141 226 4611