

Pathfinder Inspection Report

Summary

June 2004

Orkney Housing Association



Role of Communities Scotland

1. Communities Scotland is responsible for the regulation and inspection of all Registered Social Landlords (RSLs). We inspected Orkney Housing Association Ltd in January/February 2004. This summary report sets out the main findings from our inspection.

Orkney Housing Association Ltd

2. Orkney Housing Association Ltd was registered with the Housing Corporation in 1985. Orkney has a stock of 463 properties, including 84 shared ownership properties. Orkney is an Industrial and Provident Society with charitable status. Its houses are distributed throughout Orkney with around 90% of the properties located in Kirkwall or elsewhere on the mainland. Its main objective is to provide rented and shared ownership housing. It is governed by a Management Committee, drawn from its membership and up to two nominees of Orkney Islands Council.

Inspection Grades

3. These are the inspection grades achieved by Orkney Housing Association Ltd:

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

Property Development	A	Orkney delivers an excellent property development service with many strengths and some areas where improvement is needed. The prospects for improvement in property development are excellent.
----------------------	---	--

Overall Performance

4. This section describes how good Orkney's services are overall and how well they are managed.
5. These areas are working well overall:
 - ✓ Tenants and other service users find it easy to access Orkney's services.
 - ✓ Orkney is developing a good approach to resident participation and tenants have influenced the way services are delivered.
 - ✓ Orkney has made a significant contribution towards sustainability issues.
 - ✓ Orkney has an effective strategic planning framework, and shows a high level of awareness of its own strengths and areas where further improvements are needed.
 - ✓ Orkney has developed a good performance management framework.
6. These areas could be working better overall:
 - Orkney cannot show that it is meeting its legal obligations relating to equal opportunities.
 - Orkney does not monitor complaints or use information from complaints to improve services.
7. These are our key overall recommendations:
 - ❖ Orkney must actively address equality and diversity issues.
 - ❖ Orkney should monitor complaints, report complaints to the Management Committee and use the information to improve services.

Governance and Financial Management

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

9. These areas are working well in governance and financial management:
- ✓ The Management Committee controls the organisation effectively.
 - ✓ There is a good awareness among Committee members and staff of Orkney's strengths and weaknesses.
 - ✓ Orkney is a well-established organisation with a sound financial position.
 - ✓ Orkney prepares detailed management accounts.
 - ✓ Orkney prepares good budget papers.
 - ✓ Orkney has good short, medium and long-term financial plans in place.
10. These are the areas that could work better in governance and financial management:
- Tenant and sharing owner representation on the Management Committee is limited.
 - There are gaps in the way Orkney manages risk.
 - Orkney does not implement its internal audit recommendations quickly.
 - Orkney does not regularly monitor its financial ratios.
11. These are our key recommendations in governance and financial management:
- ❖ Orkney should review its risk management strategy and take into account the recommendations made in its internal audit report.
 - ❖ Orkney should implement all internal audit recommendations quicker.
 - ❖ Orkney should monitor its financial ratios and lender's requirements throughout the year.
 - ❖ Orkney should increase its efforts to encourage tenant and sharing owner representation on the Management Committee.

Housing Management

12. This section summarises how well Orkney controls access to its houses and rents levels, and deals with empty houses and rent arrears. It also describes how Orkney manages its estates and deals with antisocial behaviour.
13. These are the areas that are working well in housing management:
- ✓ Orkney's rent arrears are very low.
 - ✓ The time taken to relet properties is very low.
 - ✓ There has been good progress in signing up tenants to the Scottish Secure Tenancy.
 - ✓ The estates Orkney manages are well kept.

- ✓ The Association has a good working relationship with Orkney Islands Council.
14. These are the areas that could work better in housing management:
- Orkney’s service delivery relating to allocations and tenancies, in some instances, is not in line with its policy.
 - Orkney does not monitor its performance in all areas of service delivery.
 - Settling in visits are not carried out for all its new tenants.
 - Orkney has not recovered all its costs incurred in the provision of services.
15. These are our key recommendations for housing management:
- ❖ Orkney should ensure that its service delivery relating to allocations and tenancies is in line with its policy.
 - ❖ Orkney should monitor and report on its performance in all areas of service delivery.
 - ❖ Orkney should ensure that settling in visits are carried out for all its new tenants.
 - ❖ Orkney should ensure that it recovers all its costs incurred in the provision of its services.

Property Management

16. This section summarises how well Orkney maintains the fabric of its houses. It describes the quality of repairs that are done when they are needed (“responsive repairs”) as well as maintenance and improvements planned in advance. It also looks at how Orkney adapts houses so that tenants can stay in their homes when their needs change.
17. These are the areas that are working well in property management:
- ✓ Orkney has set targets for its responsive repairs service and, given the shortage of contractors on the islands, generally performs well in meeting them.
 - ✓ Orkney holds comprehensive information on the condition of its housing stock.
 - ✓ There are good arrangements in place for tenants to report repairs.
 - ✓ Tenants report good levels of satisfaction with the repairs service.
 - ✓ Orkney has a responsive approach to carrying out medical adaptations.

18. These are the areas that could work better in property management:
- There is no formal agreement in place for the provision by Orkney Islands Council of the out-of-hours repairs service.
 - The high level of pre and post-inspections carried out by Orkney may not be the best use of its resources.
 - Orkney has not been implementing the Right to Repair scheme.
 - Orkney is not completing routine repairs quickly enough.
19. These are our key recommendations for property management:
- ❖ Orkney must implement the Right to Repair scheme.
 - ❖ Orkney should ensure that it enters into a formal agreement for the provision by Orkney Islands Council of the out-of-hours repairs service.
 - ❖ Orkney should attempt to speed up the completion of its routine repairs.
 - ❖ Orkney should consider whether its high level of pre and post-inspections is the best use of its resources.

Property Development

20. This section summarises how good Orkney's newly built houses are. It also looks at how Orkney managed the construction of these houses.
21. These are the areas that are working well in property development:
- ✓ A strategic partnership with the Council is in place.
 - ✓ The development programme is managed effectively.
 - ✓ Orkney builds high quality houses which are popular with residents.
 - ✓ Orkney has a good approach to sustainability and reuse of materials.
 - ✓ The Association is involving communities in new developments.
 - ✓ Orkney uses resident feedback to improve design features of its houses.
22. These are the areas that could work better in property development:
- Risk management has not been formalised in all developments.
 - Feedback is not provided to residents on the outcome of New Homes Surveys.
23. These are our key recommendations for property development:
- ❖ Risk management should be formalised in all developments.
 - ❖ Residents should receive feedback on the outcome of New Homes Surveys.

24. Anyone can ask for a copy of the full inspection report. All reports are on the Communities Scotland website at www.communitiesscotland.gov.uk.
25. This summary can also be made available on tape, in Braille, MOON, large print and community languages. For information please contact Janette Campbell on 0131 479 5162 or email campbellj@communitiesscotland.gov.uk.
26. We have asked Orkney to produce an improvement plan within eight weeks of publishing the inspection report to show how it intends to respond to all our recommendations. We will agree the plan with the organisation. We will re-inspect Orkney in five years time.