

Pathfinder Inspection Report

Summary

March 2005

Wishaw & District Housing Association



Wishaw and District Housing Association: Pathfinder Inspection Report Summary

1. Communities Scotland is responsible for the regulation and inspection of all Registered Social Landlords (RSLs). We inspected Wishaw and District Housing Association in June and July 2004. This summary sets out the main findings from our inspection.

Wishaw and District Housing Association

2. Wishaw and District Housing Association was registered with the Housing Corporation in Scotland as East Motherwell District Housing Association in 1978, and changed its name to Wishaw and District Housing Association in 1994. It is governed by a voluntary board of management. It owns 94 shared ownership units and 765 properties for rent, 113 of which were acquired through voluntary transfer from Scottish Homes.

Inspection Grades

3. These are the inspection grades achieved by Wishaw and District:

Overall Performance	B	<p>Wishaw and District is a good performer with many strengths and some areas where improvement is needed.</p> <p>The prospects for improvement overall are promising.</p>
Governance and Financial Management	C	<p>Wishaw and District is a fair performer in governance and financial management with some strengths and significant areas where improvement is needed.</p> <p>The prospects for improvement in governance and financial management are uncertain.</p>
Housing Management	B	<p>Wishaw and District delivers a good housing management service with many strengths and some areas where improvement is needed.</p> <p>The prospects for improvement in housing management are promising.</p>
Property Management	B	<p>Wishaw and District delivers a good property management service with many strengths and some areas where improvement is needed.</p> <p>The prospects for improvement in property management are promising.</p>

Property Development	B	<p>Wishaw and District delivers a good property development service with many strengths and some areas where improvement is needed.</p> <p>The prospects for improvement in property development are promising</p>
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SUMMARY OF PERFORMANCE

Overall Performance

4. This section describes how good Wishaw and District's services are overall and how well they are managed.
5. These areas are working well overall:
 - ✓ The Management Board controls the organisation effectively.
 - ✓ Long term cash flow projections are in place, with a commitment to regular review. They are updated at least annually and currently indicate continuing viability.
 - ✓ There is an established financial management framework with the short, medium and long term financial position now incorporated into the internal management plan.
 - ✓ There is a strong focus on continuous improvement.
 - ✓ Rent levels are adjusted on the basis of the Association's expected expenditure, taking account of affordability and comparison with other housing providers.
 - ✓ Performance in rent arrears.
 - ✓ Wishaw and District's performance in re-letting its properties.
 - ✓ The Association's performance in completing responsive repairs.
 - ✓ The design specification of the Association's new build properties.
6. These areas could be working better overall:
 - Gas safety checking.
 - Addressing equality and diversity issues.
 - Regular risk review.
 - Members' attendance levels at some committee meetings.
 - Arrangements for granting benefits under Schedule 7 of the Housing (Scotland) Act 2001.
 - Arrangements for cancelling applications for housing.
 - The Assessment of how well the lettings plan is meeting housing need.
 - Information provided to tenants on service charges.
 - Performance monitoring.
 - Formal links between training and development and business planning.

7. These are our key recommendations. They are broadly in order of significance:
- ❖ Wishaw and District should ensure that its committees operate in accordance with all its Rules and Standing Orders.
 - ❖ The Association should review how it manages gas safety checks, to ensure it complies with its statutory duty.
 - ❖ Reports on benefits proposed under Schedule 7 of the Housing (Scotland) 2001 Act should be made before any benefit is granted and the governing body or responsible committee should expressly approve the grant of a benefit.
 - ❖ Wishaw and District should develop an action plan setting out how it intends to meet its legal obligations relating to equal opportunities, against which its performance can be monitored.
 - ❖ Wishaw and District should review how it manages risk more regularly.
 - ❖ The Association should expand its performance monitoring and reporting arrangements.
 - ❖ Wishaw and District should amend its Allocations Policy and Internal Transfer Policy to meet with legal requirements for suspending applications.
 - ❖ Wishaw and District should analyse and report on the outcomes of its allocations so that it can be sure that it is both meeting its policy objectives and giving reasonable preference to the statutory categories of housing need.
 - ❖ Wishaw and District should make formal links between its performance appraisal scheme and its overall planning approach.

Governance and Financial Management

8. This section describes how well Wishaw and District's governing body of volunteer members control the organisation, and examines the wider opportunities for tenants and other members to become involved in managing Wishaw and District Housing Association. It also looks at Wishaw and District's financial health and how it manages its finances.
9. These are the areas that are working well in governance and financial management:
- ✓ The Management Board controls the organisation effectively.
 - ✓ There are clear remits and delegated authorities in place for the Management Board, committees and staff.
 - ✓ Long term cash flow projections are in place, with a commitment to regular review. They are updated at least annually and currently indicate continuing viability.
 - ✓ There is an established financial management framework with the short, medium and long term financial position now incorporated into the internal management plan.
 - ✓ The Association has a pro-active approach to treasury management.
 - ✓ There is a strong focus on continuous improvement.

10. These are the areas that could work better in governance and financial management:
- Inquire committee meetings.
 - Identifying and meeting the knowledge needs of the Board.
 - Arrangements for granting benefits under Schedule 7 of the Housing (Scotland) Act 2001.
 - The use of key performance indicators in the annual budget, for performance monitoring.
 - Regular risk review.
 - The private use of contractors by board and staff members.
11. These are our key recommendations in governance and financial management. They are broadly in order of significance:
- ❖ Wishaw and District should ensure that its committees operate in accordance with all its Rules and Standing Orders.
 - ❖ Wishaw and District's board should regularly identify the support and development needs of all its members and address these in a planned way.
 - ❖ The governing body or responsible committee should consider and expressly approve the grant of any benefits subject to statutory restrictions.
 - ❖ Wishaw and District should review how it manages risk more regularly.
 - ❖ The Association should ensure that all its Rules and Standing Orders are fully consistent with each other, and should report the reasons for any unusual application of these.
 - ❖ The use of key financial indicators & targets should be expanded in budgeting and financial performance management.
 - ❖ Wishaw and District should not allow members and staff to employ local companies on its Approved Lists for private work, to ensure that no conflicts of interest can occur, or be implied.

Housing Management

12. This section summarises how well Wishaw and District controls access to its houses and rent levels, and deals with empty houses and rent arrears. It also describes how Wishaw and District manages its estates and deals with antisocial behaviour.
13. These are the areas that are working well in housing management:
- ✓ The basis for assessing housing need aims to reflect the statutory requirement to give reasonable preference to categories of priority housing need.
 - ✓ Information provided to tenants at the start of their tenancy.
 - ✓ Rent levels are adjusted on the basis of the Association's expected expenditure, taking account of affordability and comparison with other housing providers.
 - ✓ Arrangements to deal with neighbour nuisance and antisocial behaviour.

- ✓ Dealing with abandoned properties.
- ✓ Rent arrears recovery levels.
- ✓ The sign up tenants to its Scottish Secure Tenancy Agreement.
- ✓ Performance in re-letting its properties.
- ✓ The Association aims to minimise homelessness by using eviction only as a final measure.

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

- Arrangements for cancelling applications for housing do not meet statutory requirements.
- The Association does not adequately assess how well its lettings plan is meeting housing need.
- Operation of the nominations agreement with North Lanarkshire council is causing delays in letting houses.
- The Association's ICT system does not adequately support its work in rent arrears recovery and other areas.
- Wishaw and District's tenants are not provided with good information on service charges.

15. These are our key recommendations for housing management. They are broadly in order of significance:

- ❖ Wishaw and District should amend its Allocations Policy and Internal Transfer Policy to meet with legal requirements for suspending applications.
- ❖ Wishaw and District should analyse and report on the outcomes of its allocations so that it can be sure that it is both meeting its policy objectives and giving reasonable preference to the statutory categories of housing need.
- ❖ Wishaw and District should provide tenants with more information on service charges and how costs have been assessed.

Property Management

16. This section summarises how well Wishaw and District manages the fabric of its houses. It describes the quality of repairs that are done when they are needed ("responsive repairs") as well as the maintenance and improvements planned in advance. It also looks at how Wishaw and District 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:

- ✓ The Association is achieving a very good performance in completing responsive repairs.
- ✓ There is a good framework for checking repairs quality through post-inspections.
- ✓ The Association has demonstrated a commitment to sustainability in property management.

- ✓ There is a high level of tenant satisfaction with responsive repairs and planned maintenance work.

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

- Compliance with statutory gas safety checks every 12 months for a relatively high proportion of its properties supplied with gas.
- The Association does not yet have an asbestos management plan.
- Wishaw and District does not consult tenants on the content and timing of its planned maintenance programme.

19. These are our key recommendations for property management. They are broadly in order of significance. Wishaw and District should:

- ❖ review how it manages gas safety checks, to ensure it complies with its statutory duty;
- ❖ put in place a plan for the management of the risk of asbestos in its properties; and
- ❖ put in place arrangements to consult tenants on its planned maintenance programme.

Property Development

20. This section summarises how good Wishaw and District's newly built houses are. It also looks at how Wishaw and District managed the construction of these houses.

21. These are the areas that are working well in property development:

- ✓ Wishaw and District has good working relationships with partners, which have produced developments targeted at local housing need.
- ✓ The Association's properties are designed to a high specification.
- ✓ Committee reporting is of a good quality.
- ✓ The Association's recent procurement shows a good approach to assessing both quality and cost.

22. These are the areas that could work better in property development:

- Taking more account of representative client views in the design of its houses.
- The Association does not obtain user feedback on new properties until some time after completion.
- More regular risk management review.

23. These are our recommendations for property development. They are broadly in order of significance:

- ❖ Wishaw and District should review how it manages risk more regularly.

- ❖ The Association should obtain representative views for input to its design proposals for new projects, and should continue to encourage the creation of such groups where none exist.
- ❖ Wishaw and District should implement an agreed timescale for obtaining feedback from residents in new build projects, so that it can take earlier account of this information in future design proposals.

Services for Owners

24. This section summarises how well Wishaw and District is providing services to owners. It includes the arrangements for sales of houses under the right to buy and factoring services provided to owners.
25. These are the areas that are working well in providing services to owners:
- ✓ Wishaw and District's responsiveness to feedback from sharing owners.
 - ✓ The Association's provision of information on services to sharing owners.
26. These are the areas that could work better in providing services to owners:
- The Association has not fully assessed the costs of providing services to owners.
 - There can be long delays in billing owners for services provided.
 - Factored owners are not provided with comprehensive information on factoring services.
 - The Association has obtained little user feedback on its factoring services.
27. These are our key recommendations for providing services to owners:
- ❖ Wishaw and District should assess the full cost of managing the factoring service. It should ensure that its income covers its costs and that the effects of variations in levels of income caused by its charging formula are taken into account.
 - ❖ Wishaw and District should examine the practicalities of issuing factoring accounts more frequently. Invoices should include charges for services provided up to when the account is issued.

Wider Action

28. This section summarises how well Wishaw and District undertakes activities over and above housing, which help to improve the economic, social and environmental conditions of individuals and families.
29. These are the areas that are working well in undertaking wider action:
- ✓ Partnership working with voluntary and statutory bodies in wider action activities.

- ✓ Raising Wishaw and District's profile as a community organisation through wider action activities.
30. These are the areas that could work better in undertaking wider action:
- Defining its wider action goals in an agreed strategy.
 - Monitoring its progress in achieving its wider action aims.
31. These are our key recommendations for undertaking wider action. Wishaw and District should:
- ❖ Develop a wider action strategy.
 - ❖ Monitor and measure its progress in meeting its wider action aims
32. Anyone can ask for a copy of the full inspection report. All reports are on the Communities Scotland website at <http://www.communitiesscotland.gov.uk>
33. These summary can also made available on tape, in Braille, MOON, large print and community languages. For information please contact Janette Campbell on 0131 479 5162 or e-mail campbellj@communitiesscotland.gov.uk
34. We have asked Wishaw and District 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 Wishaw and District in five years' time.