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Valleys to Coast Housing Association

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Introduction

1. The Welsh Assembly Government (the Assembly Government) has appointed the Wales Audit Office to carry out inspections of housing associations in Wales.
2. The Assembly Government has appointed the Wales Audit Office to carry out inspections of housing associations in Wales, under section 96c of the Government of Wales Act 1998. Inspections assess how associations are meeting the expectations of the Assembly Government, as set out in its Regulatory Code for Housing Associations in Wales, March 2006 (the Regulatory Code). The relevant expectations are summarised in Appendix 1. The focus of inspections is on the quality of landlord services provided to residents, and no assurance can be taken from inspection reports about the standards of governance or financial management exercised by associations.
3. The inspection of Valleys to Coast Housing Association (the Association) was undertaken in May 2008. The Inspection Team comprised Nick Selwyn, Carol Kay, Samantha Spruce, Gwilym Bury, Elizabeth Roach and Steve Barry. The inspectors sought to answer two key questions in relation to the Association:
 - Does the Association deliver good quality services?
 - Does the Association secure continuous improvement in services?
4. The first question is applied to a range of service areas and the second is applied to the Association as a whole in relation to inspected services. The judgements used in answering the two questions are described in Appendix 2.

The Association was providing ‘good’ services in one area, ‘satisfactory’ services in six service areas and had ‘scope for considerable improvement’ in one service area

5. The Association had ‘good’ rents service, ‘satisfactory’ arrangements for relationship to residents, equal opportunities, providing housing, lettings, managing housing and maintaining housing and ‘scope for considerable improvement’ in its arrangements for housing for people with support needs.

The Association ‘raising standards in service delivery’

6. The Association had a clear strategic direction. The Association’s performance management systems were evolving and it needed to improve its approach to operational and team planning if desired outcomes were to be consistently delivered. The Association needed to improve the coordination, consistency and robustness of its approach to continuous improvement. The Association’s performance and the quality of service to residents was improving. The Association was building capacity to support delivery of improvements.

This report makes recommendations to support the further development of the Association's services

7. The detailed report includes recommendations for improvement in each of the areas examined. These are brought together in Appendix 3.

The Association is required to take action in response to this report

8. This report and the Association's commentary on it will be available on the Wales Audit Office's website (www.wao.gov.uk), which also includes reference to good practice found during this and other inspections.
9. The Association is required to circulate our separate summary of this report to tenants and key stakeholders within eight weeks of publication. The Association should also produce a commentary and an action plan setting out how it will respond to the inspection findings, within eight weeks of publication.
10. The Lead Inspector will review the action plan, confirming whether it is acceptable or identifying any necessary changes, and will make recommendations to the Assembly Government regarding the frequency of progress reviews. The Assembly Regulation Co-ordinator assigned to the Association will undertake the progress reviews and, in consultation with the Lead Inspector, will 'sign off' completion of the action plan.

Valleys to Coast is a housing association providing services to people in the Bridgend County Borough Council area

11. The Association was the first Large Scale Voluntary Transfer (LSVT) Association in Wales. It was established in September 2003 following a transfer of assets and associated liabilities from Bridgend County Borough Council (the Council) and is an Industrial and Provident Society with Charitable Status. The Association managed approximately 6,000 homes, associated commercial property and provided management services to 700 leaseholders. At the time of the inspection, the Association employed approximately 220 staff operating from three bases, a head office and Customer Service Centre in Bridgend town centre and Housing Repairs Services including a Direct Labour Organisation (DLO) at a depot in Bryncethin.
12. The Association was governed by a Board of Management of 12 comprising four Tenant Board members; four council nominees and four independent members that met on a quarterly basis. Board members undertook further scrutiny of affairs by means of the Resources Group, the Services Group and the Audit and Remuneration Committee that met on a quarterly basis. At the time of the inspection, structures were being reviewed and new governance arrangements were due to be introduced.
13. The Association was managed by an Executive Management Team chaired by the Chief Executive and/or Finance Director which had membership from all the Heads of Service (Finance, IT, Corporate Services, Property, Neighbourhoods and Assets and Procurements). The Executive Management Team was responsible for delivering the annual operational plan, budget and performance targets.

The Association had been in existence for four years and was focussed on dealing with the legacy inherited at transfer

14. At the time of the inspection, the Association had been in existence for four years and was developing from a low base in all areas of service. The inheritance from the Council included poor performance against national performance indicators, high numbers of empty homes, very poor quality housing stock, ineffective frontline services and high sickness absence rates. Addressing this legacy was the focus of the Association in this period.

The Association's arrangements for its relationship with residents were 'satisfactory'

The Association encouraged resident involvement and was developing its approach to increase resident influence on policy and strategy and mainstream its involvement activity across the organisation

15. The Association had a high level cultural commitment to resident involvement evident from its Corporate Plan and across the whole range of Association activity including contractors who were in contact with the Association's residents.
16. The Association had a current Resident Participation Strategy and Action Plan in place which had been developed as part of a fundamental review of resident participation with resident involvement on the review group.
17. In order to develop its Local Tenant Participation Strategy (LTPS) in line with Assembly Government guidance, the Association had set up a working group comprising six staff from across the Association and six tenants. Training had been provided to equip the working group members to develop the LTPS and a related action plan. It was intended that the working group would continue once the LTPS was in place, becoming responsible for monitoring the implementation of the LTPS.
18. The Association offered residents a range of ways – both formal and informal – of getting involved in its work and provided support to encourage that involvement. Involvement options included board membership, share membership, attendance at Customer Panel meetings, involvement in tenants and residents' associations as well as attendance at a wide range of community events and meetings. Much of the involvement activity was closely linked to the Association's community regeneration activities and took place locally, within communities. The Association held a growing database of residents wishing to get involved and was developing this to include information on residents' preferred ways of getting involved.
19. Four of 12 places on the Board were earmarked for residents. Whilst two of these places were vacant at the point of inspection, the Association had embarked on a recruitment campaign and was developing an approach aimed at providing support to secure sustained and effective tenant board member involvement. The Customer Service Panel met every six weeks in various venues across the Association's area of operations providing an open opportunity for residents to meet with the Association to discuss areas of interest. Contact with panel members indicated that they felt that the panel provided the opportunity to hold the Association staff across the organisation accountable to residents. The Panel was at an early stage of development and its role in relation to the consideration of policy and strategy was developing and growing.
20. Information on how to get involved was provided in the Tenants Handbook, in newsletters, from housing officer contact and in a variety of local mailings.

21. Delivery of resident involvement activity was the responsibility of the People and Places Team which included a dedicated Customer Engagement Officer as well as community development and regeneration staff. The role of housing officers was developing with housing officers having responsibility for ensuring that residents were informed of involvement options at the beginning of, and during, their tenancy. The Association was developing arrangements to mainstream involvement activity across the organisation. Training had been provided to housing officers, resident involvement had been included in the job descriptions of all neighbourhood management staff, resident involvement had been discussed at team meetings and information days and staff from across the Association were invited to get involved in community events. Further training and the involvement of a wider range of Association staff was planned for the future.
22. The Association had a range of tailored involvement arrangements in place to engage young people. These included involvement with and provision of premises for Youthworks, support provided to borough wide young persons' forum and provision of Multi Use Games Areas (MUGA). For residents of sheltered housing, there was a Sheltered Housing Forum at which representatives of each of the Association's sheltered housing schemes met on a quarterly basis. The Association acknowledged the need to further develop its arrangements to encompass a wider range of traditionally under represented groups such as residents with support needs, minority ethnic residents, disabled residents and older residents in general needs housing.
23. Residents contacted during the course of the inspection were generally satisfied with opportunities to get involved in the work of the Association. The Association's recent customer survey found that 75 per cent of respondents who had a view were satisfied with opportunities for involvement in management and decision making although more than half of those asked the question answered 'didn't know,' which the consultants who carried out the survey felt perhaps indicated a lack of awareness of available opportunities for involvement.
24. The Association had undertaken no structured evaluation of its range of resident involvement activity. The Association advised that its current focus was on 'broadening and deepening' involvement but, whilst it was apparent that the number of residents becoming involved was growing, the Association was unable to provide, and did not routinely consider, information on the range and nature of tenants who were getting involved. The Association planned to develop an approach to evaluation through the development of the LTPS.

The Association provided accessible services and a range of clear and accurate information to customers

25. The Association's main customer facing office was its customer service centre in central Bridgend and with its repairs service being delivered from its depot in Bryncethin. We were advised that both offices had been assessed by Association staff as Disability Discrimination Act (DDA) compliant on the ground floor. Our office checks indicated that office facilities were satisfactory with a range of useful information available in leaflets and on a visual display loop.

26. The Association's front line staff sought to address most enquiries at the first point of contact. The Association had arrangements in place to assess the quality of the front line services – real time telephone statistics were available on the Association's intranet, two mystery shopping exercises had been carried out and the Head of Service's office was adjacent to the main reception area in the Customer Service Centre. Residents contacted during the course of the inspection had positive views of the quality of the front line customer service.
27. The Association's recent customer survey indicated that 90 per cent of tenant contact was by telephone. A range of numbers was available to customers dependent on the service they wished to access – a main number and numbers for repairs, Anti Social Behaviour (ASB) and rents. Telephone statistics provided by the Association suggested a high level of abandoned calls (12.5 per cent) on the main telephone number compared with the five per cent of calls abandoned on the repairs line. Following an investigation, a technical problem was discovered which was immediately rectified.
28. The Association sought to provide services within communities through the use of housing officer surgeries. The provision of surgeries was not consistent across the Association's area – surgeries were not available in all areas and the frequency of surgeries varied from weekly to monthly. We were advised that this was due to differing levels of demand and the scale of housing management issues being dealt with in each area.
29. The Association had a range of printed information for tenants – leaflets, Tenants Handbook, a quarterly newsletter and service standards. Whilst the range of available leaflets was not comprehensive, the Association had draft leaflets almost ready for publication covering rents and ASB, pending which, the Association had available general leaflets on ASB. Our contact with residents indicated that they found the newsletter useful and the recent customer survey indicated that 75 per cent of residents thought it was either very or fairly good. Residents were involved in the editorial group producing the newsletter and in the group reviewing the Tenants Handbook and leaflets.
30. The Association's website provided useful information, although it was not always consistent with information from other sources. The website contained a range of interactivity which was effective when tested.

The Association used a range of methods to find out residents' views but needed a more consistent approach to letting residents know how it was responding to those views

31. The Association used a range of methods to obtain the views of residents and was able to provide a range of examples where residents' views had shaped service delivery. Methods used included ongoing surveys, such as repairs satisfaction and exit surveys, one-off surveys on particular issues and community meetings and events. The Association had developed a range of innovative methods to obtain tenants' views on community regeneration and development priorities using consultation days and opinion finder approaches to ensure that resident views were readily quantifiable.

32. Whilst the outcomes of some consultation exercises were publicised in the newsletter, the Association acknowledged that it was not consistent in ensuring that residents were told about what was happening as a result of their views. For example, the Association had carried out extensive consultation during May 2007 in four areas earmarked for substantial estate improvements. Whilst the Association had kept informed individual residents and groups affected by proposed projects, it had provided general resident feedback, via a newsletter, in only one of the four areas.
33. The Association had recently carried out a full customer survey and was developing an action plan to address the issues raised. The Customer Service Panel had been involved in the design of this survey.
34. Responsibility for coordination of the Association's range of consultation activity had recently passed to the Head of Neighbourhoods who had carried out a review of the 19 elements of its consultation activity with a view to achieving a more consistent and effective approach. This review had identified that the results of surveys were not being consistently analysed and made best use of, survey outcomes were not being consistently fed back to residents and that the Association's range of consultation activity would benefit from coordination to ensure survey quality and consistency of response.
35. Resident contact during the inspection indicated that the Association was good at listening to residents' views but not so good at acting on them.

The Association's management of complaints was not effective and it needed to ensure it was accountable to residents

36. The Association provided a limited range of information on its performance to residents with little comparative performance information either over time or with other housing providers. Comparative information on the Association's maintenance response times had been provided in a recent newsletter.
37. The Association had a complaints and compliments policy. Resident awareness of this policy was limited – 41 per cent according to the recent customer survey. The Association's approach to complaints was not effective with our file checking of complaints indicating an inconsistent approach to identification, recording, monitoring and management of complaints. This was recognised by the Association and an action plan was in place which aimed to address these issues.
38. The Association had a customer service charter and a comprehensive range of service standards which it had recently developed with the Customer Service Panel. Performance against the some of standards had been reviewed with the Panel with the intention of working together to develop the effectiveness and usefulness of the standards over the course of their first year of operation. The Association intended to report to tenants generally on the outcomes of these reviews through the newsletter.

Recommendations	
Relationship to residents	
R1	<p>Encourage resident involvement by:</p> <ul style="list-style-type: none"> • further developing arrangements to encompass a wider range of traditionally under-represented groups such as residents with support needs, minority ethnic tenants, disabled tenants and older residents in general needs housing; • ensuring that residents are aware of the available opportunities for involvement; and • undertaking structured evaluation of the Association's range of resident involvement activity.
R2	<p>Provide accessible, clear and accurate information and advice for residents by:</p> <ul style="list-style-type: none"> • ensuring that a comprehensive range of leaflets is available for residents; and • ensuring that information on the Association's website is consistent with information from other sources.
R3	<p>Ask for, listen to and take account of the views of residents by:</p> <ul style="list-style-type: none"> • ensuring that the results of surveys are consistently analysed and used to support improvement of, and that residents are consistently informed about what is happening as a result of their views; and • coordinating the Association's range of consultation activity to ensure survey quality and consistency of Association response.
R4	<p>Be answerable to residents for the quality of services provided by:</p> <ul style="list-style-type: none"> • providing residents with a wider range of performance information including comparative performance over time and comparison with other housing providers; • developing an effective approach to complaints; and • developing the effectiveness and usefulness of the Association's range of service standards.

The Association's arrangements to ensure equal opportunities were 'satisfactory'

The Association sought to promote an equalities culture across the organisation and recognised the need to obtain better information on its customer profile to allow it to broaden the scope of its equalities monitoring

39. The 2001 census indicated that 1.37 per cent of the population of Bridgend were from a minority ethnic background. More recent information from the Assembly Government covering the period 2004 to 2007 indicated that Bridgend had the sixth highest level of migrant workers in Wales. Some 63 per cent of households responding to the Association's recent customer survey contained an individual with a long standing illness, disability or infirmity.

40. The Association had an Equal Opportunities and Diversity Policy in place but did not have an equal opportunities action plan. It had adopted a Minority Ethnic Housing Strategy and a Race Equality Action Plan in March 2008, updating the previous one evolved in 2004 reflecting the local authority's strategy. In line with the requirements of its Equal Opportunities Policy, the Association reviewed the equal opportunities policies of contractors as part of its procurement processes.
41. The Association's Vice Chair had recently been designated 'Equalities Champion'. It was too early to identify any positive outcomes from this initiative.
42. The Association's offices had access to Languageline and two portable hearing loops were available for use. Staff had been trained in sign language. The Association's publications did not consistently indicate availability in different language and formats although it intended to remedy this as part of an ongoing review of customer publications. The latest edition of the Association's newsletter was in 14 point font as recommended for those with vision difficulties. The Association had circulated language preference cards to all tenants and included the cards in lettings packs provided to all new tenants. The cards were in English and did not include availability in different formats or languages. The information on completed cards was not collated and used to develop services.
43. The Association had inherited what it acknowledged to be very unreliable equalities information from the local authority. It had used its recent customer survey to gather snapshot equalities information on its customer profile to inform its approach to equalities and had, since transfer, gathered equalities information on new tenants. The Association acknowledged the need to improve the information held on its customers and had recently approved the recruitment of a Senior Policy Officer amongst whose responsibilities was the gathering of customer profile information to allow effective tailoring of services, to contribute to evidence based policy making and to ensure that all neighbourhood management services complied with the Association's Equal Opportunities Policy.
44. Whilst the Association had no formal equalities targets in place for services or employment, its Equal Opportunities and Diversity Policy committed it, in relation to employment, to 'achieve and maintain a workforce broadly reflecting the community it serves' and, for services, 'to ensuring that the allocation of housing is proportionate to the ethnic mix of the local community established by the latest National Census and there is appropriate representation on tenants and resident groups'. In relation to services, the Association was monitoring applications for housing and lettings but was not monitoring access to services, such as repairs or complaints, relative satisfaction levels or representation on tenants and resident groups. The Association advised that it would be concentrating its efforts on gathering customer profile information in the short term to allow it, in the future, to broaden the scope of its equalities monitoring. In relation to employment, the Association was monitoring applications for employment and the ethnicity of its workforce. The Association's Recruitment Policy required that monitoring should be carried out of selected candidates but this was not being monitored. We found no recorded evidence that any of the Association's monitoring was prompting any action although the Association advised that the implications of monitoring figures were discussed at relevant meetings although not recorded in minutes. The Association's equalities monitoring did not comply with the Commission for Racial Equality (CRE) Code of Practice in Rented Housing.

45. In line with its commitment to community regeneration, the Association was monitoring the number of those employed and applying for vacancies from the local community.
46. The Association had recently adopted a range of service standards in relation to equality and diversity. Due to their recent introduction, the Association had not yet reviewed its performance in relation to those standards.
47. The Association was a member of Tai Pawb and had worked with Tai Pawb to improve its Customer Service Centre reception area. It was a lead partner in the establishment of Bridgend Accessible Homes, had supported two local multi cultural events during 2007 and supported Bridgend Young Persons' Ethnic Minority Forum. The Association was working with the Royal National Institute for the Blind (RNIB) to gain Visibly Better accreditation for its sheltered housing schemes. The Association had provided a short term employment placement for a disabled person through Shaw Trust.
48. The Association provided information on diversity to all staff at induction and mandatory diversity training to all staff on a regular basis. Diversity training was offered to all board members and involved tenants. At the point of inspection, the Association was about to start delivering its diversity training to other members of the Integrate consortium.
49. The Association had a Racial Harassment Policy and procedures which met good practice guidelines in terms of a victim-centred approach and provision of support. Whilst information was provided to tenants in the Tenants Handbook and was included on the visual display loop in the Customer Service Centre, the Association did not generally publicise its approach to racial harassment – there was no leaflet, and no information had been provided in the newsletter. Some four per cent of those responding to the Association's recent customer survey indicated that they felt that racial harassment was a serious or slight problem. The Association advised that it intended to use this information to provide a baseline comparison allowing identification of any future trend requiring remedial action. The Association had had only one case of racial harassment. Our checking of this case indicated that in general the Association had followed its own procedures although it had not reported the case to the Board as required by its policy.

The Association was treating the Welsh and English languages on the basis of equality

50. The 2001 census identified that 11 per cent of the Bridgend population can speak Welsh and just over eight per cent can read and write Welsh.
51. The Association recently adopted a Welsh Language Scheme which had been approved by the Welsh Language Board in February 2008. An action plan for implementation had been developed. The Association had a very small number of Welsh speakers amongst its staff but was providing Welsh Language training for staff. We tested the Association's arrangements for dealing with a request for service in Welsh and found that they were effective.

Recommendations	
Equal Opportunities	
R5	<p>Actively promote respect for diversity and equality of opportunity by:</p> <ul style="list-style-type: none"> • developing an equal opportunities action plan; • ensuring that the Association's publications consistently indicate their availability in different languages and formats; • collating information from language preference surveys and ensuring that it is used to develop services; • developing comprehensive customer profile information in relation to equalities issues; • developing arrangements for equalities monitoring which comply with the Commission for Racial Equality Code of Practice in Rented Housing; • effectively publicising the Association's approach to racial harassment; and • ensuring that all elements of the Association's procedures are followed in relation to cases of racial harassment.

The Association's arrangements for providing housing were 'satisfactory'

The Association was working in partnership with the local authority to identify and provide for housing needs

52. The Association had a well established working relationship with the Council. The Strategic Review Group was the key vehicle through which the Council and the Association monitored delivery of the obligations and promises made within the Transfer Agreement and Offer Document to Tenants. The activity of the Association and its contribution to wider objectives of the Council was further supported by regular participation in other fora by senior staff of the Association.
53. The Bridgend Housing Partnership provided the main forum for liaison between the Council and all Associations active in the Council area and met regularly to evaluate progress in meeting strategic housing objectives and identifying options for meeting local needs. The Association was providing for housing need primarily through vacancies in its own stock but it had also begun to establish its capacity for providing new developments, including homes for low cost ownership. At the time of the inspection the Partnership had established the Bridgend Accessible Homes Project (hosted by the Association) with the aim of matching adapted and accessible housing with those in need.
54. The Council confirmed full engagement of the Association in the development of its Local Housing Strategy and Homelessness Strategy and its active participation in supporting the implementation of these strategies.

The Council and partner Associations had adopted a Community Housing and Wellbeing protocol intended to support delivery of the local housing strategy

55. The Council and partner Associations had adopted a Community Housing and Wellbeing Protocol for Bridgend in March 2007 which was intended to support the delivery of the local housing strategy. The Protocol included key actions progress against which was monitored at the regular meetings of the Partnership. The Action Plan intended to supplement the Protocol had not been developed by the Council and, although some progress could be seen to have been made, this meant that some intentions, such as partners playing 'a full role in developing procedures to prevent homelessness', were not sufficiently clear.

The Association was working on a range of community regeneration initiatives but had limited arrangement in place to evaluate the impact of its work

56. The Council considered the Association to be a key strategic partner and potential change agent for its regeneration agenda. The Association participated in a range of activities and could evidence outcomes being achieved from a number of these activities. The Association was promoting the use of local labour and creation of job opportunities setting local labour targets for contractors which were being exceeded. The Association sponsored a Construction Skills Centre enabling employment of apprentices and provision of work placements.
57. The Association was also leading and contributing to a wide range of community development and neighbourhood renewal projects under a range of programmes and funding streams. Most of the Association's activity was focussed on Estate Improvement Programme (EIP) areas linked to its major improvement programme. For other areas, funding for project proposed by community members was available through the Neighbourhood Improvement Fund (NIF). The Association had created a Community Support Fund to provide funding for project proposals submitted by community members and community groups across its area of operations. Substantial budgets had been committed to each of these funding streams and support to develop and implement projects was available from a dedicated team – the People and Places Team, comprising four permanent staff members. In addition, the Community Benefits Fund was able to provide support in kind – labour and materials for example – to other projects through contractual undertakings by the Association's main improvement contractors.

58. The Association was able to demonstrate only limited outcomes from its range of activities. Within its EIP areas, three projects had been completed to date. No physical works on projects had yet commenced under NIF but a number had been developed to the point of implementation. The Association had encountered unanticipated difficulties in developing projects due to staff turnover, a lack of viable project proposals and difficulties in negotiating with external agencies such as the Councils Highways Service. A range of projects had been funded under the Association's Community Support Fund but spend had reduced from almost £84,000 in 2006-2007 to just under £38,000 in 2007-2008. The Association's Community Benefits Scheme was based on a clause in the contracts with its four main improvement contractors requiring that one per cent of turnover should be earmarked to provide support in kind for community projects. The Association had had difficulty in enforcing these agreements with the contractors and the impact and number of projects had been much less than intended with projects to the value of £62,000 to date.
59. The Association had formed effective relationships with a wide range of local and national agencies such as the local authority, Bridgend Association of Voluntary Organisations (BAVO) and Communities First. The Association had worked with Youthworks to set up two MUGA and had provided premises for Youthworks in Wildmill. The Association had, in partnership with BAVO obtained funding for a part time Tenant Support Officer based in the Association's People and Place Team and working on its Marlas estate. In partnership with Communities First, the Association had provided two community hubs aimed at providing a central location to house a range of local services.
60. The Association was not currently evaluating its range of community development and regeneration activity. Limited evaluation was being undertaken of individual Community Support funded projects but the outcomes of other projects had not been evaluated. The Association recognised the need for effective evaluation and was proposing to develop its approach over the coming year.
61. The Association had a schematic of a Community Development Strategy which indicated diagrammatically the various strands of the Association's current approach and how these were intended to link with a variety of external agencies. Key targets were captured in the Operational Plan. However, this did not provide an explanation of how the Association intended to use these various elements or of the relative priority of these elements, it did not refer to key fundamentals of the Association's approach, such as EIP and NIF, and was not recognised as the Association's guiding strategy by relevant staff.

Recommendations	
Providing	
R6	Develop approach to participation in community development or neighbourhood renewal and regeneration initiatives by: <ul style="list-style-type: none"> • developing comprehensive Community Development Strategy; and • ensuring effective evaluation of the Association's range of community development and regeneration activity.

The Association had a 'good' approach to its rents service

The Association had an effective debt prevention service

62. The Association showed an understanding of the debt prevention needs of its tenants and was able to offer a comprehensive service. Tenants were provided with general debt prevention advice at the start of their tenancy and debt was discussed at settling in visits. The Association had funded a part time benefit and welfare advice officer located at the Customer Service Centre employed by Shelter Cymru. In the last year the Shelter Cymru officer had helped 64 tenants with an estimated £64,000 increase in their income. The Association was about to replace the Shelter Cymru provision with an in house full time financial inclusions officer who would have a wider debt prevention remit.
63. For those unable to access the Shelter service, referrals were made to external agencies providing debt prevention and counselling services, such as the local Citizens Advice Bureau. The Association did not however attempt to gather comprehensive information on the numbers referred and outcomes of the service provided by these other external agencies. The Association's customer satisfaction survey showed that of those surveyed the majority of tenants stated that they were not referred to either Shelter or another agency for debt advice. However, file checking during the inspection indicated that in the sample of cases examined referrals were being made.
64. The Association did not have a specific leaflet on debt prevention but had promoted the service through a number of other leaflets and articles in recent newsletters. There was no information on debt prevention on the Association's web site. In addition credit unions were regularly advertised by the Association and there was publicity for the Debt Redemption and Money Advice (DRAMA) project to encourage effective budgeting and borrowing by tenants. The Association had strong liaison arrangements in place with the Council's Housing Benefit section and housing benefit verification framework procedures were in place. Age Concern and the Council housing benefit bus were also running regular benefit surgeries at Association offices. There was limited evaluation of the impact of take up of these initiatives to determine how effective they were.

The Association's control and recovery arrangements were resulting in improving performance

65. The total amount of current tenant arrears and the percentage of current tenants with high arrears (over 13 weeks) had declined every year since 2004 and the Association's 2007-2008 target of 2.9 per cent current arrears had been surpassed with 2.48 per cent recorded at April 2008. The Association's rents performance had consistently improved since transfer in 2003-2004 – Exhibit 1.

66.

Exhibit 1: Rents performance trends to 31 March 2008 using old Key Performance Indicator (KPI) definitions

The Association demonstrated improving management of rent arrears.

Old KPI definitions	31 March 2004 (part year)	31 March 2005	31 March 2006	31 March 2007	31 March 2008
Rent arrears of current tenants as percentage of annualised rent net of estimated unpaid housing benefit	5.0%	4.4%	3.4%	3.02%	2.48%
Annual percentage of rent collected from current and former tenants net of unpaid housing benefit	90.1%	93.1%	94.6%	95.5%	96.4%
Outstanding former tenants' arrears	£773,593	£680,601	£747,682	£686,337	£758,690

Source – Performance Indicators for Registered Social Landlords in Wales – National Assembly and the Association performance information (data has not been validated).

67. Performance on former tenant arrears had declined in 2007-2008 but it was within the Association's target and partially reflected the write off procedures for old pre-transfer former tenant arrears – Exhibit 2.

Exhibit 2: Rents performance trends using new KPI definitions

Current arrears were reducing but former tenant arrears had risen

New KPI definitions	V2C 2006-2007	All Wales Housing Association Average 2006/2007	V2C 2007-2008
Rent due from current and former tenants but unpaid as a percentage of rent collectable (net of unpaid housing benefit).	6.74% 2.76% Current 3.98% FTA	4.02%	6.17% 2.01% Current 4.16% FTA
Annual percentage of rent collected from current and former tenants (net of unpaid Housing Benefit).	93.37%	97.01%	94.55%
The amount of rent arrears owed by former tenants written off as unrecoverable.	1.07%	0.83%	0.24%

Source – Annual Return for Registered Social Landlords (RSL 1) Local Government Data Unit Wales (data has not been validated).

68. Although the Association's rents performance did not compare favourably with other Housing Associations in Wales, its own Housemark benchmarking exercise suggested it was typical of other LSVT organisations operating in England.
69. The Association had a clear performance management framework in place for its rent service and reported on a range of area based and collated indicators with performance measured against agreed targets. The Association's rents arrears service was delivered by specialist officers and supported by Housing Officers who assisted with home visits and other contact with tenants as required. We found that early intervention was occurring and that regular monitoring of rent accounts was taking place.
70. The Association offered a wide range of options for paying rent and service charges including Allpay, Direct Debit and card payment by telephone. Rent statements were issued quarterly and clearly set out the types of debt outstanding.
71. The Association's policy and procedures for debt prevention, rent control and recovery, including individual responsibilities and delegated authority, were clearly set out in its Procedures Manual. Tenants were also provided with relevant information on rent recovery action in the Tenants Handbook. Our file checking indicated that procedures were being followed, that the Association complied with the Court Protocol and emphasised the importance of debt prevention and resolving housing benefit issues.
72. Legal activity for rent arrears, including evictions, was above average for Wales. In 2006/2007 the Association had an above average percentage of suspended, postponed and outright possession orders and issued an above average percentage of eviction warrants. The statistics for 2007-2008 showed some decline in legal activity but the number of warrants executed and resulting in eviction rose from 32 to 37. The Association had undertaken no analysis of the reasons for its performance.

Recommendations	
Rents	
R7	Further develop the Association's debt prevention service by: <ul style="list-style-type: none"> • carrying out comprehensive evaluation of the impact of the full range of the Association's debt prevention work to determine its effectiveness; and • ensuring that appropriate referrals for debt advice are made for all tenants.

The Association had a 'satisfactory' lettings service

The Association's strategy had led to a significant reduction in the number of empty homes inherited at stock transfer

73. The Association had developed a Relet Standard which set out the minimum requirements for the quality of empty homes which had been developed in partnership with the Customer Services Panel. A summary version of the Relet Standard was made available to new tenants at their tenancy sign up as part of a starter tenancy pack which contained a range of useful information. The Lettings Pack provided generally good quality information and included a list of outstanding repairs, gas safety notification, a range of information leaflets, starter tenancy and checklist, a customer satisfaction form and a copy of the Tenants Handbook.
74. The Association sought to gauge satisfaction with relet homes through the completion of a Post Allocation Survey Form. The form was made available within the letting pack but was also picked up at a six-weekly visit by the Housing Officer and was used to both check that outstanding repairs had been completed and to enable tenants to raise any individual concerns or compliments on the services they had received. At the time of the inspection, the Association had collated records for 263 returns with a 95 per cent satisfaction rate. Tenants to whom we spoke who had recently been let a home were satisfied with the relet process and responses were positive on the quality of the relet homes. However, six of the 12 people we spoke to stated that they had not received a post allocation visit, some of which were due to be visited at the time of the inspection.
75. Responsibility to oversee improvement in void performance was vested in the Empty Property Management Group. The Association had a range of policies to deal with both high cost and low cost voids and a budget of £1.75 million in 2008/2009 for works to empty homes and it was predicted that 2008-2009 would be the last year of major investment in the empty properties inherited from the Council. Performance was generally operating within agreed levels and the Association had a clear understanding of its investment in empty homes. We visited a number of empty homes progressing through the relet process and, whilst we could see that improvement works had been undertaken, there was no assurance system in place to ensure homes were let to the Relet Standard.

76. The absolute number of empty homes had reduced significantly since 2003/2004 – Exhibit 3.

Exhibit 3: Number of empty properties at year end 2003-2004 – 2007-2008

The absolute number of empty homes had reduced significantly in recent years

Year	Number of homes empty at year end	Proportion of the stock empty
2003-2004	420	7.74%
2004-2005	323	6.82%
2005-2006	220	4.93%
2006-2007	180	4.19%
2007-2008	126	2.17%

Sources: V2C, Services Group Performance Management Reports (data has not been subject to audit).

77. The Association's performance on the management of its empty homes recorded improving performance against national performance indicators, although it remained in the bottom quartile of housing associations performance in Wales – Exhibit 4. This was primarily the result of bringing back into occupation long-term voids, some of which had been vacant before transfer which adversely increased the Association's performance.

Exhibit 4: Dealing with vacant properties

The Association's performance was improving but it remained some way off best performing landlords for average relet times

Category	2006-2007	All Wales HA Average	2007-2008
Void rent loss (as percentage of total rent due)	4.12%	1.02%	3.51%
The average number of calendar days taken to let lettable units of accommodation during the financial year, for permanent accommodation	133 calendar days	19.5 days	123 calendar days

Source – V2C Services Group Reports and RSL Returns to the Local Government Data Unit (data has not been validated).

78. The Association had introduced a number of incentive schemes to support quick re-letting of homes and value for money in its management of empty homes. These included a Clean and Clear initiative where outgoing tenants were paid £100 if their home was left in a good condition and they provided four weeks notice before leaving and an under occupation incentive where the Association provided financial support of up to £1,000 to older tenants who transferred from family housing to difficult to let sheltered or elderly designated accommodation. We found that there had been limited impact with only one successful case processed to date under the two schemes.

The Association kept suspensions to a minimum and had developed systems to enable people in housing need to apply for housing but limitations in the quality and range of information did not support all those who needed housing to access services

79. The Association had a range of options for people to enquire about housing and to make an application which included by telephone, on line, in writing and in person. The Association operated a points scheme which had recently been reviewed and a new scheme that focussed on applicants not prioritised for nomination through the Council had been introduced. The new approach also sought to undertake interviews with applicants either at the Customer Service Centre or at home visit to speed up the assessment of applications by ensuring the forms were accurately completed.
80. We did some mystery shopping to test the quality of services and found a mixed response to enquiries we made about applying for housing:
- We requested information on sheltered housing and received an application form to apply for housing but not a copy of the Association's Sheltered Housing leaflet.
 - We applied under the online application system. Whilst we found the system relatively customer friendly, there were inconsistencies with the hard copy application form. For example, only the paper form asked what type of accommodation an applicant wanted and what floor, if eligible, they would consider if provided with a flat.
 - The staff we spoke to when applying for housing did not signpost us to apply through the Council even though 75 per cent of lettings are made available to nominations from the Council.
81. The Association had a leaflet available on lettings. The leaflet did not, however, include any information on the appeals process or how that operated, no information on how the points scheme operated or how the Association determined who to let a home to. Included with the leaflet was a summary of lettings for the last year by area, property type and the points levels required to secure an allocation.
82. No public information was included on the Association's website although the Allocations Policy could be downloaded. In addition, whilst the leaflet stated that 'if you are unable to get to our Customer Services Centre we will visit you at your home to discuss your application', this was not advertised on the website.
83. Feedback from new tenants we spoke to who had recently been let a home stated that they had no specific criticisms about the work of the Association, although they found the process of getting rehoused confusing primarily because they dealt with the Council rather than the Association, at least until the offer of a tenancy was made.
84. The Association worked in partnership through a Common Inclusions Panel (CIP) with the Council and the four Housing Associations with stock in the Bridgend area. The CIP had undertaken limited suspensions from the waiting list, 12 applicants in total of which three were suspended at the time of the inspection.

The Association was valued as an effective partner by the local authority and was meeting its nominations targets

85. Under the Transfer Deed with the Council, the Association was required to let 75 per cent of its empty properties to nominations from the Council. The Nominations Agreement stipulated that if the Council were unable to nominate someone for a vacant home or the three nominees provided to the Association could not be rehoused, then the Association could offer the property to someone from its waiting list in lieu of a nomination. Lettings in lieu of a nomination were counted as rehoused 'nominations' and included in the overall Council nomination total. The Association's performance in the last two years, net of transfers and including lettings in lieu of nominations, showed that it was meeting its 75 per cent target. Of this figure, 58.6 per cent of homes had been let to Council nominees in the last two years – Exhibit 5. The Association was meeting the commitment of the Transfer Deed but the Council was not securing its target for rehoused nominees.

Exhibit 5: Proportion of lettings by category 2006-2007 and 2007-2008

The Association was meeting the commitment of the Transfer Deed but the Council was not securing its target for rehoused nominees

Lettings Group	2006-2007	2007-2008	Total
Nomination successfully rehoused	190	197	387
Transfers	71	67	138
V2C Waiting List	72	78	150
V2C Lettings in lieu of Nominations	82	41	123
Total	415	383	798

Sources: V2C, Services Group Performance Management Reports (data has not been subject to audit).

86. Performance information for the last two years showed that approximately 600 nominations from the Council were unsuccessful either because the applicant refused the property, was suspended by the Association or the information was incorrect or out of date and the nominee untraceable – Exhibit 6. The Council and its partners had since this time undertaken a re-registration exercise and the number of unsuccessful nominations was reducing. The local authority and its five housing association partners were in the very early stages of developing a common housing register and common allocations policy which would improve the process for people seeking housing in Bridgend and overcome weaknesses identified in current nomination practices.

Exhibit 6: Outcome of the Council Nominations 2006-2007 and 2007-2008

The quality of nominations from the Council was improving but a significant number of nominees were unsuccessful

Unsuccessful Nomination Outcome	2006-2007	2007-2008	Total
Property refused by Nominee	126	83	209
Nominee suspended by V2C	87	33	120
Nomination information from BCBC incorrect	174	86	260
Total	387	202	589

Sources: V2C, Services Group Performance Management Reports (data has not been subject to audit).

87. The Association was rehousing significant numbers of homeless people and in recent years 75 per cent of rehoused nominees had gone to statutory homeless people. The CIP had responsibility for managing high risk clients under the Multi Agency Risk Assessment Committee (MARAC) or Multi Agency Public Protection Panel (MAPPP). The Association was recognised as being actively involved in the support and rehousing of individual high risk cases and its work in this area was welcomed.

The Association had an open housing register and let its homes fairly and equitably but needed to review its management of local lettings

88. The Association maintained an open Housing Register, accepting applications from those aged 16 or over and undertook six monthly reviews to ensure the waiting list was accurate. The Association operated six local letting schemes inherited from the Council. These did not operate in accordance with Assembly Government guidance as they were not time limited and had not been formally reviewed to ensure they were not detrimentally impacting upon those in housing need securing accommodation.
89. Our review of a sample of lettings files found that the Association's policy was being applied fairly, there was a clear rationale for the selection of applicants and the required minimum time intervals laid out in procedures were being adhered to. We found however that valuable information about new tenants such as potential vulnerability was not being captured by the Association and used to tailor services and the applicants declaration was on a number of files was not signed.
90. The Association had completed a fundamental review of Allocations and Lettings in 2006 and adopted an Action Plan for improvement with 28 targets for completion by September 2007. There was a mixed picture of performance in relation to the Action Plan with 17 of these targets having been completed, three subsequently rejected and eight not completed.

Recommendations	
Lettings	
R8	<p>Ensure that homes are let in good condition by:</p> <ul style="list-style-type: none"> ensuring that all new tenants receive a post allocation visit; and putting in place an assurance system to ensure that homes are let to the Association's Relet Standard.
R9	<p>Ensure that people in housing need are aware of and have good access to the Association's housing by:</p> <ul style="list-style-type: none"> ensuring consistency in the arrangements for and information to people applying for housing; and including all key information in the Association's published information on lettings and ensuring that all key information is available on its website.
R10	<p>Ensure that those housed are fairly selected and seek to achieve a balance in housing allocation by:</p> <ul style="list-style-type: none"> Ensuring that local lettings schemes operate in accordance with Assembly Government guidance.

The Association had 'satisfactory' arrangements for managing its housing

The Association ensured that tenants were offered the most secure form of occupancy

91. The Association used assured tenancies for all general needs homes using assured shorthold agreements as starter tenancies for all new tenants. All general needs tenants received a copy of the Assembly Government's Guarantee for Housing Association tenants although we identified that some tenants of supported housing schemes had not. Tenancy conditions were explained to new tenants at sign up and Housing Officers used a checklist to ensure they explained all key conditions at commencement of tenancies. All tenancy agreements contained specific clauses on dealing with racial harassment and nuisance.
92. An appeals process was publicised for those new tenants whose tenancies did not automatically convert to assured tenancies. In 2006-2007, 14 starter tenancies (3.82 per cent) had been served Section 21 notices to end their tenancies, and, following appeal, five were evicted, four relinquished their tenancy, and five remained in their home. A total of 48 starter tenancies (13.08 per cent) ended within one year. The Association reported legal activity on starter tenancies to its Services Committee but had not evaluated the impact of starter tenancies or its approach to sustaining new tenancies.

The Association had procedures in place to deal with Anti Social Behaviour but tenant satisfaction with the service was mixed and management of individual cases were not always handled effectively

- 93.** The Association's ASB Policy had clear aims and outlined a range of prevention and enforcement action that was available to staff to tackle neighbour nuisance and other incidences of ASB. There was a separate Racial Harassment Policy and, under both, the Association sought to engender a victim centred approach that aimed to support tenants who were experiencing ASB or harassment. The policy did not set out precise categories of different levels of ASB but it did provide clear guidance on serious examples of ASB, such as threats of violence against persons and intimidation and harassment.
- 94.** The three area teams had responsibility for estate management and ASB. Cases of ASB could be reported directly to the teams who had responsibility for dealing with incidences, other Association staff or through the Association's ASB helpline, which was publicised to residents. Management and monitoring of ASB was undertaken via an ASB monitoring system using an Excel spreadsheet introduced in May 2007.
- 95.** We found weaknesses in the Association's systems to manage ASB. For example, our checking of the ASB monitoring spreadsheet, manual file records and other records identified examples of poor record keeping, cases being closed inappropriately and highlighted that the Association's procedures were not always being adhered to. The Association acknowledged that the existing ASB spreadsheet did not allow Housing Officers to actively manage cases or managers to monitor and evaluate their work. The Association had produced a business case to introduce a new post of ASB Coordinator to address these weaknesses in current arrangements.
- 96.** Likewise, performance information we were provided with, which highlighted high numbers of abandoned calls, was subsequently found by the Association to be inaccurate which highlighted that limited ongoing monitoring of the helpline was taking place. The Association had undertaken an ASB customer survey which recorded a high level of customer satisfaction. However, the majority of tenants we spoke to during the course of the inspection were dissatisfied with the outcome of the Association's approach to ASB and we evidenced at least one resident whose report of ASB had been incorrectly closed. We concluded that residents who reported ASB to the Association received an inconsistent service.
- 97.** The Association made available limited public information on ASB. There was a generic Crimeline leaflet had been distributed for tenants on ASB and harassment, and the Association was consulting tenants about its own specific ASB leaflet which had not been introduced at the time of the inspection.

98. The Association had developed close links with the police and was involved in a wide range of partnership working with various agencies across its area of operations, including membership of the Community Safety Partnership, PACT Steering Group and the ASB Problem Solving Group. As part of its approach to ASB, the Association had promoted community development activity and events as a means to preventing ASB. For example, the Association was involved in initiatives such as Youthworks which targeted 50 most 'at risk' young people on each of three key estates and other specific project support such as Save the Tree and the Wildmill Signage Project. The Association had also funded a number of crime prevention initiatives such as installing a mosquito alarm in a sheltered complex.
99. We found the Association's management of estates to be mixed. Positively, we found the general environment of those estates that we visited to have improved from our last inspection in 2005. For example, the Association had made significant progress in addressing a serious problem with fly tipping and illegal waste tipping which had been achieved through a combination of multi agency working and the employment of three community caretakers who provided services primarily to seven estates. The Association recorded high levels of tenant satisfaction with the work of the community caretakers and their impact on improving the environment of estates was commented on positively.
100. However, we also evidenced issues of concern over the quality of the grounds maintenance services procured from the Council. The recent sheltered housing resident's survey recorded that the majority of residents did not think the gardening service was effective with only 25 per cent of residents in Treharne Row, Hafan Deg and Dinham Close stating that they felt gardens were maintained to a good standard.
101. The Association had completed pilot risk-based estate inspections to identify potential health and safety risks on estates and had piloted this approach in three areas. The intention was to roll this work out over the course of the financial year. There was, however, no agreed programme of regular joint estate walkabouts with tenants although this had happened on an ad hoc basis and the Association had no standards in place for maintaining estates and communal areas. This was, however a particularly challenging issues given the multi tenure nature of estates and the complexity of adopted and unadopted roads and footpaths.

Recommendations	
Managing Housing	
R11	Ensure that all new tenants receive a copy of the Assembly Government's Guarantee for Housing Association tenants.
R12	Evaluate the effectiveness of the Association's approach to sustaining new tenancies including the impact of the use of starter tenancies.

Recommendations	
Managing Housing	
R13	<p>Help safeguard the quality of life of residents and neighbours by:</p> <ul style="list-style-type: none"> • ensuring a consistent and effective approach to the management of ASB; • ensuring consistent application of the Association's anti social procedures; • providing public information on ASB; • ensuring a good quality of grounds maintenance service; and • developing standards for the maintenance of estates and communal areas.

The Association had a 'satisfactory' maintenance service

The Association responsive repairs service was improving and it needed to ensure its intended appointments system and quality control systems were applied consistently

- 102.** The Association's repairs service was run from its Bryncethin Depot where the help desk which received tenants' requests for repairs and its workforce was based. The in-house workforce undertook the majority of responsive repairs although the Association engaged specialist contractors to undertake some works. Trends indicated the Association dealt with over 18,000 responsive repair requests each year. The Association had reviewed the operation of its repairs service in 2006 since when it had been implementing changes via its 'Next Steps' initiative designed to improve operational efficiency and the quality of service to tenants.
- 103.** The Association provided tenants with a range of options for reporting repairs and was categorising repairs and setting target completion times in accordance with Assembly Government guidelines. Repairs could be reported by calling at any Association office, via e-mail or the website where an interactive reporting facility was available, by contact with staff or by telephone. The majority of contact was by telephone with over 80 per cent of tenants reporting repairs via the help desk. The Association sent customer satisfaction questionnaires to a 20 per cent sample of tenants who had reported repairs. In the months prior to inspection 28 per cent of those sent questionnaires had responded, 97 per cent of who considered it easy to report a repair. Tenants to whom we spoke also indicated it was easy to report a repair.

104. The Association had introduced an appointments system for all works (with the exception of emergencies) where access to the tenant's home was required. Appointments were made by the help desk staff where such work was to be undertaken by the in house workforce. When other contractors were used the contractor was expected to contact the tenant and make an appointment. Only 22 per cent of jobs in 2007-2008 were classed as 'appointable' and of these 68 per cent had appointments made. For the period 1 October 2007 to 31 March 2008, a total of 10,219 jobs had been ordered. Of this total, the Association had identified that 4,158 jobs were of the type that should have been offered an appointment, 2,804 of which were dealt with by the in-house work force.
105. Whilst the Association was able to identify that its own workforce was meeting 94 per cent of appointments made, it was not easily able to identify whether contractors were meeting expectations. In practice this meant that there was no assurance that the appointments service was being applied as intended for one third of the relevant jobs in the period.
106. At the time of the inspection the Association was introducing the use of hand held computers by its maintenance operatives. Seven of the 40 operatives involved in responsive repairs were using the computer-based system. The system enabled 'mobile' working – operatives no longer needed to attend the depot to collect job tickets and links with the stores system were intended to improve materials ordering. Work planners were reviewing 'real time' progress and were able to allocate jobs to operatives remotely. The system enabled appointments to be made and analysis undertaken of activity. The Association proposed to expand the use of the system by the workforce on a planned basis.
107. The Association was undertaking a low level of pre-inspection of work. It estimated that only around two per cent of jobs had been assessed by one of its surveyors before a works order was issued. Where a pre-inspection was needed the Association indicated an appointment could be offered but it was not monitoring the arrangement in the same way that it monitored the arrangements for its in-house work force. Tenants we spoke to said they did not have to wait long for a surveyor to call when a pre-inspection was needed.
108. Help desk staff, and tenants reporting repairs, had access to a website repairs diagnostic tool to help them interpret the problem being described by a tenant. The website repairs reporting facility included picture driven references to help a tenant identify the type of repair required. The Association's customer survey of 2007 had found that an average of 16 per cent of those surveyed would use an 'online' service. Responses ranged from two per cent of the 65-74 age group compared to 31 per cent of the 25-44 age group. Operatives were able to make variations to works ordered if they arrived at a tenants home and found what was required was different to what was described on the works order, Association estimates were that between 20 per cent and 30 per cent of jobs were subject to variation. The Association had introduced an intention to get jobs done 'right first time' and was asking tenants whether this had been achieved in its sample surveys. Results for April to December 2007 showing 83 per cent of tenants considered their repair had been completed on first visit.

109. The Association was using a systematic approach to obtaining tenants views about the service provided, although questionnaires were not based on current intentions for service delivery. This meant that aspects of service quality were untested. For example, although tenants were being asked whether a job had been completed 'on time' they were not being asked whether an appointment had been made and if so, whether it had been kept.
110. The Association had arrangements in place to tailor service delivery for vulnerable tenants or those with specific needs and our observation identified that this was operating effectively. Out of hours arrangements were tested and worked effectively.
111. The Association's Maintenance Officers undertook post inspection of a random sample of jobs, assessing the quality of the work undertaken by the operative or contractor and obtaining views of the tenant. Association figures indicated around nine per cent of jobs were post inspected. However, the outcome of post inspections activity was not reported with any analysis against costs, quality and evaluation of the effectiveness of the system taking place, although some analysis of cost variations by the Repairs Manager was taking place.
112. Information arising from reports from tenants had been analysed and where non-urgent, opportunities for programming work, such as chimney stack removal, or undertaking cyclical work, such as the routine maintenance of fittings on windows and doors were being undertaken.
113. The following exhibit indicates that the Association was not meeting good practice guidelines for the proportion of repairs designated in the three repairs categories. The proportion of repairs designated as 'emergency' were significantly higher than the good practice expectation of 10 per cent. However the proportion was influenced by a high volume of repairs to smoke detectors, representing almost half of all emergency work. Notwithstanding, performance was well above benchmark standards.

Exhibit 7: Proportion of response repairs ordered against good practice targets 2006-2007

The Association was not meeting good practice guidelines for the proportion of response repairs ordered

Repairs Category	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Good Practice Guidelines on proportion of repairs
Emergency – within 24 hours	19.5%	48.2%	43.3%	45.8%	40.75%	10%
Urgent – within seven calendar days	28.7%	26.2%	18.2%	9.7%	13.33%	20%
Non Urgent – within 28 calendar days	51.8%	25.6%	38.5%	44.5%	45.92%	70%

Sources: Services Group Performance Management Reports 2007/2008 (data has not been subject to audit).

114. The table below shows that performance for completing work on time had improved since 2003-2004 for urgent and non urgent work although the Association was some way below the best performers for completing non-urgent work on time.

Exhibit 8: Proportion of repairs reported completed within target

The Association's reported performance had improved in recent years but declined in 2007-2008. Non-urgent repairs were well below top quartile performance

Repair Category	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Emergency – within 24 hours	97.9%	90.09%	93.94%	97.5%	96.97%
Urgent – within 7 calendar days	89.8%	85.35%	95.74%	97.07%	95.06%
Non Urgent – within 28 calendar days	77.5%	60.26%	73.74%	83.6%	82.65%

Sources: Services Group Performance Management Reports 2007/2008 (data has not been subject to audit).

115. The Association was meeting its targets for completion of repairs within target time – Exhibit 9.

Exhibit 9: Average time taken to complete repairs by Category

The association was meeting its own targets for speed of response

Average number of days to complete repairs	2006-2007	2007-2008	Wales Average 2006-2007
Emergency	0.50 days	0.37 days	0.89 days
Urgent	3.80 days	3.38 days	5.21 days
Non Urgent	18.10 days	18.78 days	16.92 days

Sources: Services Group Performance Management Reports 2007/2008 (data has not been subject to audit).

The Association was managing gas servicing effectively but needed to complete the implementation of its arrangements for the management of asbestos

116. The Association had achieved significant improvements in ensuring gas servicing was completed on time. The Association had set up a dedicated team to manage information, plan servicing and liaise with the gas servicing contractor which was based at the Association's depot. At the time of the inspection less than one per cent of services were late with the majority having become overdue in the month prior to the inspection.

117. Tenants were able to make appointments for gas servicing and the contractor operated on a flexible basis, with provision, if there were no other option, for services to be undertaken at weekends. Annual services were scheduled for completion over a 10-month period and tenants were advised of the importance of ensuring services by means of the tenant newsletter. Where access difficulties had delayed servicing in the past, maintenance systems 'flagged' a service being due if a tenant reported a repair. Injunctions were considered as an option, service interval timers were being used to disrupt the use of the system should the tenant not arrange a service when required and one engineer was dedicated to achieving access to resolve outstanding services. This was proving an effective means of ensuring access for servicing. In September 2006, 1,200 services were overdue which following the implementation of a range of new arrangements had reduced to 24 by January 2008.
118. The Association set out its expectations and responsibilities for the management of asbestos in its Asbestos Management Plan and provided awareness training for all relevant staff.
119. The Association had established a specialist team to manage arrangements, undertake asbestos surveys and to remove asbestos. The Association had completed inspection of communal areas within domestic properties and sheltered housing. It was in the process of extending information held about individual properties by means of survey of high-cost voids prior to work being undertaken to bring them back into use. The team also undertook surveys when help desk staff identified there might be asbestos containing material present on receiving a repair request from a tenant at which time the procedure required the tenant to be advised not to disturb the area and that a survey would be completed and advice given. Identification was dependent upon the help desk staff identifying potential risk through use of a 'process' chart that noted the potential presence of asbestos.
120. The Association was using a dedicated asbestos management computer system and the use of hand held computers by surveyors was allowing efficient updating of the system. The Association also held information on manual systems and was in the process of transferring this data to the computerised system. At the time of the inspection information about 464 properties had been entered into the new system with 228 identified as having asbestos containing material. It was intended to make database information fully accessible to contractors via a dedicated website link as well as extend access to other staff via the intranet.

Effective management of contractors had enabled the Association to deliver significant internal improvements in the last five years but it needed to further develop its approach to cyclical maintenance

- 121.** The Association had increased the money made available for maintenance works and spend had increased from £9.35 million in 2003-2004 to £18 million in 2007-2008, of which approximately 75 per cent was on planned works under the Main Investment Programme (MIP). The Association had developed a detailed specification for works commissioned under the MIP the bulk of which mirrored the specific requirements of the Welsh Housing Quality Standard (WHQS) measures.
- 122.** This work had resulted in a significant level of internal improvement work having been undertaken with 97 per cent of properties having new windows and doors, 61 per cent being rewired, 63 per cent receiving new central heating, 54 per cent new kitchens and 24 per cent new bathrooms. The Association provided residents with good levels of choice in respect of kitchens and bathrooms including individually designed kitchens.
- 123.** Whilst this represented significant levels of improvement work to the exterior of properties, the general estate environment had not benefited from this level of investment and was identified as an area for future improvement work by the Association. The Association was a member of the Integrate consortium but had procured its current planned maintenance contracts prior to the consortium being established. The MIP was delivered primarily by external contractors, although some works had been undertaken by the Housing Repairs Service. We found the Association had effective systems in place to manage contractor performance and we evidenced clear examples of how the Association had addressed issues of poor performance and engendered improvements through proactive management.
- 124.** Outside of the MIP and the indicative works identified, there was no established improvement programme and the Association needed to review current arrangements to establish a clearer programme for all areas of work that was provided to tenants.
- 125.** There was an Affordable Warmth Strategy in place and the Association was working under a number of initiatives to improve the average Standard Assessment Procedure rating of 67.2. These included the British Gas HELP Scheme, the Energy Action Grants Agency (EAGA) and the Home Energy Efficiency Scheme (HEES).
- 126.** There was no comprehensive cyclical programme in place and activity was split across several different teams with no overall person responsible for the management of the range of works being undertaken. Whilst it was recognised that the Association was developing from a low base in these matters the lack of a coherent strategy could result in different approaches being adopted for cyclical works.

The Association had an effective financial strategy that had allowed it to deliver improvements to the Welsh Housing Quality Standard but not all homes would meet the standard and it needed to undertake further consultation on priorities following publication of recent stock condition survey assessments

- 127.** The Association had published the findings of a new Stock Condition Survey in April 2008 which identified that it needed to invest £288 million over next 30 years. This replaced the stock condition information inherited from the Council and provided a more robust and clearer indication of the works that were required to meet the WHQS. Between April 2008 and March 2013, the Association needed to spend £62.8 million of which £34.3 million was required to improve properties to the WHQS. These costs were exclusive of any fees, management, administration costs, VAT, Asbestos removal and making good. In addition the Association was also close to completing a survey of its non-traditional housing stock, the preliminary results of which suggested it needed to invest a further £9.5 million to 2013.
- 128.** We found that the Association annually updated its financial plan as part of its Business Planning cycle, primarily to take account of out turn performance in key investment areas and consequently ensure there were sufficient resources available to enable it to meet the WHQS. The approach adopted enabled the Association to deliver an Effective Investment Strategy.
- 129.** The Association had adopted a pragmatic approach where it sought to undertake improvement works to the WHQS where it was feasible. This meant that not all the works delivered under the MIP were to the WHQS and elements of the stock would not comply with the standard on completion of the MIP – Exhibit 10.

Exhibit 10: Proportion of completed works compliant with the WHQS at May 2008

Whilst most improvement work to individual components was compliant with the WHQS, a number of homes would not meet the standard

Component	Proportion of properties improved	Proportion of improved properties where improvement work met the WHQS
Kitchens	54%	88.98%
Rewiring	61%	88.21%
Central heating	63%	97.15%
Bathrooms	24%	85.99%

Sources: V2C, MIP Database (data has not been subject to audit).

- 130.** Our analysis of the database that captured the outcome of investment activity identified a number of missing records, incorrect coding and gaps in key areas which meant that it was not entirely reliable to determine WHQS compliance. Information on compliance was also based on contractor feedback and there was no independent check when assessing the quality of contractor works to ensure this was accurate. It was also unclear whether the same homes failed on each component or different homes failed on one component only. The Association undertook detailed work on reconciling information whilst we were on site which reduced the number of missing records and was proposing to introduce a WHQS assessment for contractor works as part of its post inspection assessments.
- 131.** At the time of the inspection the Association had no comprehensive and up to date Asset Management Strategy and delivery Plan in place. The Association was intending to publish a composite one by September 2008 for implementation in 2009/2010. We also found that there was no clear plan on how the Association intended to manage leaseholder improvements. The Association had inherited limited resources from the Council at transfer and had consequently not been in the position to establish long term sinking funds for leaseholder works and was seeking to agree its approach as part of the proposed composite Asset Management Strategy.
- 132.** The Association had based its initial investment activity on the outcome of the consultation with tenants in relation to the Council offer documents on the stock transfer in 2002-2003. This was supplemented by scheme specific consultation undertaken prior to improvement work beginning. There was however no agreed forward investment programme that had been published to residents and leaseholders on all works required to achieve the WHQS based on consultation responses. It was anticipated that further detailed consultation would be undertaken following receipt of the non traditional stock condition survey information and a composite programme to 2012-2013 published in light of this activity.

Recommendations	
Maintaining	
R14	<p>Provide an effective responsive maintenance service by:</p> <ul style="list-style-type: none"> • ensuring that the Association's appointments system, including appointments for pre inspections, is applied consistently; • basing customer satisfaction survey questions on current intentions for service delivery; and • ensuring an effective approach to quality control of response repairs work is in place.
R15	<p>Provide an effective cyclical and planned maintenance service by:</p> <ul style="list-style-type: none"> • completing the implementation of the Association's arrangements for the management of asbestos; and • establishing a clear and comprehensive programme for all cyclical and planned maintenance works that has clear lines of management responsibility for delivery in place.

Recommendations	
Maintaining	
R16	<p>Plan to meet the WHQS by:</p> <ul style="list-style-type: none"> • developing a strategy to deal with Association properties which will not meet WHQS; • ensuring that accurate information is available on compliance of the Association's properties with WHQS; • developing a comprehensive Asset Management Strategy and Delivery Plan; and • developing and publishing a forward investment programme on all works required to achieve WHQS based on resident consultation responses.

The Association had 'scope for considerable improvement' in its services for people with support needs

The Association made available accommodation for older persons and people with high-level support needs but it was not ensuring that all those with support needs were able to access its accommodation and the systems it had established for securing floating support were not effective

- 133.** The Association provided a range of supported housing for vulnerable and older persons. This included approximately 150 units of accommodation for older people in seven sheltered housing schemes and accommodation where support and care services were provided by 12 managing agents and the Association was the landlord. The Association had no directly managed in house floating support service and was dependent upon accessing services provided by other organisations.
- 134.** The Association was in receipt of Supporting People Grant for its sheltered housing service and the level of funding it received had been reduced in recent years from £232,000 in 2006-2007 to £135,980 in 2007-2008 as a result of a reduction in the number of tenants eligible for subsidy in these schemes. However, the Council had not established a contract for these services even though the Association had sought to agree one with the Council. Whilst residents of sheltered housing had support plans completed by the Association our review of these found that the level and quality of information varied significantly and it was not always robust enough to identify and enable the delivery of support to residents.
- 135.** Services in sheltered housing were coordinated by on site Scheme Co-ordinators and residents we spoke to valued this service. The Association had also adopted the RNIB Visibly Better Scheme and were in the process of auditing all sheltered schemes for compliance. The Association was proposing to work with consultants to map out a future strategy for its sheltered housing stock. The Association had no information on compliance with the DDA of its sheltered housing and supported housing stock.

136. Of the 12 managing agents who provided support and care services to tenants of the Association in group homes only four had formal managing agreements in place. Where these existed we found that they were not complied with. For example, there was inconsistency in yearly meetings taking place and no regular assessment that individual organisational responsibility for both the managing agents and the Association were complied with. This meant that the Association had no assurance that its management agreements and review process were adequately safeguarding tenant's health and safety.
137. With regard to vulnerable tenants living in general needs accommodation and those who required support to maintain a tenancy through floating support we found there was no dedicated in house service and the Association was reliant upon accessing other organisations to secure support for its tenants. These arrangements were, on the whole, informal and only one agreement was in place at the time of the inspection. This was not, however, with main floating support provider to which the Association made referrals and the support it accessed was short-term resettlement support and rarely made available beyond six months.
138. The Association estimated that the majority of nominees provided by the Council required support and we evidenced that in the last two years the Association had suspended 120 nominations at the point of letting because they had an unmet support need. Systems to manage referrals to support agencies were undertaken via a manual support directory. Our review of this system highlighted a number of weaknesses including referrals being made to agencies which did not provide support, duplicate referrals and the outcome of referrals not always being recorded. Of the 69 referrals recorded on the support directory, it was noted that 39 had support secured. However our assessment of 15 of these referrals found that there was no composite information on whether support was being provided. For example, eight of the cases we reviewed were not flagged on the IT system as being vulnerable and a large number had ongoing anti social behaviour and/or rent arrears issues. This meant that the Association was not able to quantify accurately which tenants either needed support or those who were in receipt of support at anyone time. We concluded that the system in operation was inadequate to manage this important service.
139. The 2006-2007 Wales KPI's showed that the Association had below average tenancy sustainability with 127 tenancies (23.5 per cent) failing within two years. The figures for 2007-2008 were similar with 125 tenancies (23.1 per cent) failing.

The Association held limited information on its tenants and applicants and was not able to effectively tailor services for people with support needs

- 140.** We found that the Housing Management IT System enabled detailed information to be recorded against individual tenants under 18 codes, but there was limited information on vulnerability, disability and support needs of general needs tenants recorded. In the absence of this detailed profile, the Association was not able to consistently ensure the effective tailoring of services to vulnerable people. For example, our filing found that a vulnerable tenant with support needs had not received a tailored service until some time after arrears had occurred and legal proceedings had been commenced. In addition, whilst the Association had systems in place to capture such information these were not being used effectively to do so. For example, the Post Allocation Visiting Form presented the Association with the opportunity to capture key data on individuals to enable effective tailoring of services but this was not collated in a meaningful way to enable this to happen.
- 141.** The Association had also set itself a target in its Operational Plan 2007-2008 to ensure Individual Needs Assessment Module forms were completed for all vulnerable residents prior to letting. Our review of individual lettings identified that its target had not been achieved. This meant the Association was not able to tailor services to meet the specific needs of general needs residents.
- 142.** We did find that the Association had developed a Sharing of Information and Management of Violence and Aggression at Work Policy and a Panel was in place that had responsibility to determine the recording of potentially dangerous people and regularly reviewed those tenants who were on the system. We also identified some examples of how services were tailored for vulnerable people including twice yearly grass cutting for elderly tenants, enhanced repair categories for vulnerable residents and monitoring systems for arrears work which identified trends for vulnerable tenants.
- 143.** Outside of these, it was left to individual officer discretion to determine how best to manage the needs of a vulnerable person which could result in residents with similar needs receiving different standards of service. The Association had no guidance for staff to support them in dealing with residents with support needs and/or vulnerable residents and there was limited public information for people with support needs provided. Indeed, some information that was produced was not available in public areas – for example the sheltered housing leaflet.
- 144.** The Association had a sheltered housing forum but there was no evidence from our review of minutes that some of the issues raised by residents were being addressed. Similarly the Association had established a Support Providers Forum which was charged with reviewing the Association's performance. We found that this had only met twice in 2007-2008, was poorly attended by external organisations and had made no meaningful contribution to reviewing the Association's performance and identifying areas for improvement.

145. The Association had developed a Supported Housing Strategy that was adopted in 2005. We found this to be a statement of intent and there was no comprehensive plan in place identifying a range of actions needed to improve current services for vulnerable residents. The Association had also undertaken a Supported Housing Peer Best Value Review in 2007-2008. We found that this was focussed primarily on internal process matters and it was difficult to ascertain what benefits for services users had resulted from the review. For example, the resulting action plan was largely undelivered even though all actions were targeted for completion by November 2007.

Recommendations	
Housing for People with Support Needs	
R17	<p>Ensure that people with support needs have access to appropriate services by:</p> <ul style="list-style-type: none"> • ensuring that support plans for residents of sheltered housing are always robust enough to identify and enable the delivery of support to residents; • developing a strategy for the future use of the Association's sheltered housing; • ensuring that the Association's sheltered and supported housing stock meets the requirements of the DDA; • ensuring that Management Agreements are in place for all managing agents providing support and care services to Association tenants and that the Association complies with the provisions of all Management Agreements; • ensuring that effective arrangements are in place to secure support for all tenants who require it; and • ensuring that effective arrangements are in place to manage the provision of support to tenants who require it.
R18	<p>Tailor service delivery to the specific needs of residents requiring support by:</p> <ul style="list-style-type: none"> • ensuring that comprehensive information is available and accessible on the vulnerability, disability and support needs of general needs tenants; • developing guidance for staff to support them in dealing with residents with support needs and vulnerable residents; • developing public information for people with support needs and ensuring that this is readily available; • ensuring that all issues raised at the Sheltered Housing Forum are addressed; • ensuring the effectiveness of the Association's Support Providers Forum; and • developing a comprehensive Supported Housing Strategy.

The Association was 'raising standards in service delivery'

The Association had a clear strategic direction

146. The Association's strategic direction was set out in its Corporate Plan 2007-2013 under and its aim was to 'provide good quality, affordable homes within vibrant and sustainable communities'. This strategic aim was underpinned by five core themes. These were:
- Quality Services: Successful Neighbourhoods;
 - Investment in Homes;
 - Community Development and Regeneration;
 - Resources and Risks; and
 - Our People: Our Performance.
147. The Corporate Plan included a Financial Plan, the Association's projected Continuous Improvement programme and broad targets for the forthcoming year. The Corporate Plan was consistent with the commitments made by the Council in the offer documents to tenants and was seeking to deliver against these in the future. The Corporate Plan was updated annually and this exercise involved senior staff and Board members. In addition the Association discussed Association wide priorities for forthcoming years with the Customer Service Panel. We were informed that the Association was proposing to introduce a summary version of the Corporate Plan for issue to tenants' groups and other relevant external stakeholders.
148. Our focus group work with staff highlighted a high level of awareness of the Corporate Plan and the Association's priorities. No formal consultation with external stakeholders had taken place, although the Plan considered key information from the Council and the Council did not consider this to be a major issue of concern.

The Association's performance management systems were evolving and it needed to improve its approach to operational and team planning if desired outcomes were to be consistently delivered

149. The Corporate Plan set out the Association's performance management framework. The framework sought to link the aim of the Corporate Plan through a yearly Operational Plan and team plans to individual staff members targets in annual Personal Development Reviews (PDR). This 'golden thread' approach sought to make clear the link between individuals' and teams' contribution to delivering the Corporate Plan.

150. The annual Operational Plan had a series of targets for action set against the five core themes identified above. The Operational Plan specified desired outcomes, actions for the current year, performance measures (ie, target timescales), resources – low, medium, high (with definitions) and the responsible officer identified to deliver the action. Responsibility for delivery of the Operational Plan lay with the individual Heads of Service with exception reporting to the Association's Executive Management Team taking place where targets were not being delivered.
151. The Operational Plan was underpinned by Team Plans which set down individual performance improvement targets for service specific areas – rent arrears for example – and the actions required to deliver the headline targets within the Operational Plan. The Association was in the process of rolling out a new PDR system that would support a 'golden thread' by linking individual staff targets to the Team Plan and hence the Corporate Plan. However, not all service teams had a team plan in place and where they existed the link with the Operational Plan was not obvious.
152. Not all targets within the Operational Plan were Specific; Measurable; Agreed; Realistic; Timebound (SMART) and a number of the actions identified to deliver intended outcomes did not relate to achievement of the outcome. For example, Outcome 8 was to ensure 'Incidences of anti-social behaviour, neighbourhood disputes and harassment are dealt with effectively and efficiently'. There was one agreed action to deliver this target which related to further promotion of benchmarking through Housemark and Integrate. It was consequently difficult to judge how such activity would result in the intended outcome being delivered. The Association recognised these weaknesses and was undertaking additional work to support improvement in the future.
153. Our review of the 2008-2009 Operational Plan also found that 23 per cent of the actions remained the same as the 2007-2008 Operational Plan and these had not been progressed fully to completion. For example, Outcome 3 – 'Those with support need have access to homes that are suitable to those needs' - had two agreed actions for 2008-2009 to deliver this outcome. These were exactly the same as the 2007-2008 Operational Plan.
154. Management of performance of customer-facing services took place at different levels. Formal monitoring at Board was primarily via quarterly reports to the Services Group Committee. These included a performance management report on core housing management and maintenance services and an investment strategy update which set out performance against transfer commitments relating to improving homes. Most operational areas of service were included within this formal evaluation but there were some gaps. Supported housing and anti social behaviour were not included and not all national Assembly Government KPI's had targets set and had performance regularly reported against – eg, average relet times. At the time of the inspection the Association was implementing new governance arrangements and performance reporting was to go directly to the Board in the future.

155. Active management of performance also took place at the Executive Management Team where monthly Heads of Service reports were considered and performance reported across all service areas on an exceptions basis. In addition a range of groups had been created to drive performance improvement in relation to specific areas – for example, the Empty Property Management Group. It was not clear however how the Association took an overview of activity to ensure all aspects of performance were adequately managed and the Association had recently created the position of Business Improvement Manager to support development of this role.

The Association needed to improve the coordination, consistency and robustness of its approach to continuous improvement

156. Our scrutiny of the Association's approach to continuous improvement identified a range of issues which included ensuring a more consistent and robust approach to reviews and the development of action plans, ensuring that all key actions from service reviews were included in operational and/or team plans, carrying out regular reviews of progress on Continuous Improvement review action plans and taking an overview of the full range of improvement activity. The Association acknowledged that it needed to improve its approach to continuous improvement and had tasked its recently appointed Business Improvement Manager with improving the coordination, consistency and robustness of its continuous improvement activity and providing an effective management overview.
157. The Association had taken a range of action to promote a continuous improvement culture throughout the organisation including a review of its approach to PDR.
158. The Association had a Continuous Improvement Plan which formed part of its Corporate Plan. The Association had carried out a range of reviews covering both internal and customer-facing services. There had been no resident involvement in the choice and timing of service reviews although resident views and satisfaction levels had been taken account of in making such decisions. The range of review in relation to customer facing services was not comprehensive as it did not include a review of anti social behaviour. The Association advised that review of this service area had not been deemed a priority based on work load/risk.
159. The CI plan specified three different types of reviews – fundamental, peer and operational. Very limited guidance was available on methodologies to be used in carrying out reviews. Our scrutiny of completed fundamental reviews of allocations and lettings, resident participation, rewards and the housing repairs service indicated that the reviews included elements of external challenge and tenant involvement on review teams for customer facing services. Peer reviews involved the review of a service with input from external organisations. The peer reviews provided were of variable quality. For example, the review of supported housing covered largely internal issues with little focus on tangible improvement of quality of services to tenants. We did not see an example of an operational review. Most reviews resulted in action plans although these varied in quality.

160. The Association had piloted use of lean approaches in relation to its help desk function as a possible method for use in its developing approach to continuous improvement.
161. The Association had set up dedicated groups to focus on areas of underperformance to identify and implement improvements. These included an Empty Property Management Group and the Next Steps Group covering the housing repairs service. The Association was able to evidence significant improvement outcomes as a result of the work of these groups.
162. We identified a general lack of structured evaluation of outcomes of the Association's activity. For example, no structured evaluation had been undertaken of the Association's resident involvement and community development and regeneration activity.
163. The Association was providing limited information to residents on the outcomes of service reviews and other improvement activity. Information was provided in the newsletter on reviews of tenant participation and the housing repairs service and the review of allocations and lettings had been discussed at the Customer Service Panel. The Association's recent customer survey was intended to provide baseline information on services to inform the choice of services requiring review and an action plan to tackle issues raised by the survey was under preparation. Service standards had been developed in partnership with residents and the Association intended to use the review of its performance against these standards to prompt improvement.
164. The Association had experience some difficulty in identifying appropriate peer organisations for benchmarking. It was benchmarking through Housemark with other LSVT organisation and discussing with Housemark the development of a Wales wide LSVT benchmark group.
165. The Association was in the second year of its second three-year programme of internal audit. The audit programme was risk-based and focused on the full range of Association activity. The audit programme was up to date and the Association was progressing completion of internal audit recommendations.

The Association's performance and the quality of service to residents was improving

166. The Association's performance in relation to all services was improving. Performance on rent arrears, with the exception of former tenant arrears, had improved since 2004; the time taken to let properties, the level of void rent loss and the number of empty properties had reduced; emergency and urgent responsive repairs were being carried out more quickly, although there had been a decline in non urgent repairs performance in 2007-2008.
167. The Association's recent customer survey provided a benchmark against which to measure resident satisfaction in the future. The Association was able to provide evidence of a wide range of improvements in the quality of service to residents – in particular in relation to responsive repairs and of a very substantial programme of property improvement.

The Association was building capacity to support delivery of improvements

- 168.** Culture change across the organisation was evolving and the Association had prioritised review of its approach to rewards and PDR to promote a more effective focus on corporate priorities and a continuous improvement and customer service culture.
- 169.** Through the appointment of its Business Improvement Manager, the Association had recognised the need to integrate its various improvement plans and to ensure that an effective overview was being taken of performance and improvement activity to support effective resource planning.
- 170.** The Association had reviewed its structure on a number of occasions to allow it to more effectively address service delivery priorities. It had recently changed its management structure and the new Executive Management Team was receiving training and support to undertake and develop its role.
- 171.** The Association had recently reviewed and changed its governance structure to better match its stage of development and to increase strategic focus and overview of its activities.
- 172.** The Association's financial planning arrangements were very robust with a clear focus across the management team on the need to deliver on a tight Business Plan. This included devolved budgeting with regular monitoring via management accounts and the maintenance of good relationships with lenders to ensure necessary flexibility in relation to loan covenants.
- 173.** Internal communications were effective with use of the intranet and regular team and cross team meetings.
- 174.** The Association had a Human Resources Strategy in place. Whilst this strategy was in outline only and did not clearly link to Corporate Plan objectives, it was complemented by a range of appropriate policies. Staff training plans were in place linked to staff development needs identified through PDR.
- 175.** Whilst the Association had narrowly missed meeting its target for sickness absence and sickness levels remained higher than the industry benchmark, it was able to evidence a clear focus on reducing sickness absence and that it had effectively tackled some major sickness issues within particular teams.
- 176.** The Association had an IT strategy in place but it did not clearly link to Corporate Plan objectives. The Association had made a significant investment in IT and was rolling out a variety of improvements to IT systems including document imaging.
- 177.** Area Housing Managers carried out regular sample monitoring of operational compliance with policies and procedures. However, our file checking of ASB and new lettings indicated that this was not sufficiently robust.
- 178.** The Association had a risk management policy and a risk register in place which had been developed with input from relevant staff and which was broadly based around themes in the Corporate Plan. A Disaster Recovery Plan and Business Continuity Plan were in place.

Recommendations	
Continuous Improvement	
R19	<p>Improve arrangements for performance management by:</p> <ul style="list-style-type: none">• ensuring that team plans are in place for all service teams;• ensuring that there are clear links between team plans and the Association's Operational Plan;• ensuring that all targets within the Operational Plan are SMART and that there are clear links between specified outcomes and actions identified to deliver those outcomes;• ensuring that all operational areas of service and national KPI's are included in regular performance reports to the Board; and• ensuring that arrangements are in place to facilitate an Association-wide overview of activity and ensure that all aspects of performance are adequately managed.
R20	<p>Improve arrangements for continuous improvement by:</p> <ul style="list-style-type: none">• ensuring that arrangements are in place to coordinate the Association's continuous improvement activity, to ensure consistency and robustness and to provide an effective management overview;• involving residents in the choice and timing of service reviews;• developing guidance on the Association's methodologies for different types of service reviews; and• providing comprehensive information to residents on the outcomes of service reviews and other improvement activity.
R21	<p>Improve capacity and arrangements to deliver improvement by:</p> <ul style="list-style-type: none">• ensuring that the Association's IT strategy clearly links to objectives in the Corporate Plan; and• developing robust arrangements to monitor operational compliance with policies and procedures.

Appendix 1

Summary of relevant Welsh Assembly Government Regulatory Code expectations

Aspect	Summary of Regulatory Code Expectations
Relationship to residents	<p>Encourage resident involvement. (Regulatory Code 2.2.4)</p> <p>Provide readily accessible, clear and accurate information and advice for residents. (Regulatory Code 2.2.1)</p> <p>Be answerable to residents for the quality of services provided. (Regulatory Code 2.2.2)</p> <p>Ask for, listen to, and take account of the views of residents. (Regulatory Code 2.2.3)</p>
Equal opportunities	<p>Actively promote respect for diversity and equality of opportunity, work towards the elimination of discrimination in all their activities, and promote good relations between people of different racial groups. (Regulatory Code 2.3.1)</p> <p>Treat the Welsh and English languages on the basis of equality. (Regulatory Code 2.3.2)</p>
Providing Housing	<p>Work in partnership with local authorities and other agencies to identify and provide for the housing-related needs of the area.</p> <p>Have effective Community Housing Agreements with relevant authorities wherever possible.</p> <p>Participate in community development or neighbourhood renewal and regeneration initiatives.</p> <p>(Regulatory Code 1.1.1)</p>
Rents	<p>Keep rent arrears to a minimum through the use of effective debt prevention, control and recovery mechanisms. (Regulatory Code 1.2.2.)</p>
Letting Housing	<p>Ensure that, as far as possible, people in housing need are aware of and have good access to the association's housing. (Regulatory Code 1.3.1.)</p> <p>Work in partnership with relevant local authorities on the allocation of housing. (Regulatory Code 1.3.2.)</p> <p>Ensure that those housed are fairly selected, and should seek to achieve a balance in housing allocation. (Regulatory Code 1.3.3.)</p> <p>Let properties quickly and efficiently. (Regulatory Code 1.3.4.)</p>
Managing Housing	<p>Ensure that residents are offered the most secure form of occupancy compatible with the purpose of the housing and the sustainability of the community. (Regulatory Code 1.4.1)</p> <p>Help to safeguard the quality of life of residents and neighbours. (Regulatory Code 1.4.2)</p>
Maintaining Housing	<p>Ensure that homes are let in good condition. (See Letting Housing). (Regulatory Code 1.5.1)</p> <p>Maintain homes in good condition by ensuring that cyclical maintenance and responsive repairs are carried out effectively. (Regulatory Code 1.5.2)</p> <p>Identify, plan for, and carry out the maintenance and improvements necessary to meet the WHQS by 2012. (Regulatory Code 1.5.3)</p>
Housing for people with support needs	<p>Make housing available for people who have support needs and ensure they have access to appropriate services. (Regulatory Code 1.6.1)</p> <p>Apply all key expectations equitably to customers who require support, tailoring service delivery to meet their specific needs. (Regulatory Code 1.6.2)</p>

Appendix 2

The two questions and terminology applied

Does the Association deliver good quality services?

Judgement	Description
Excellent	The association demonstrates all the positive characteristics of a 'good' association. Over and above that, performance is of a very high standard, strongly influenced by best practice in the sector.
Good	The association demonstrates a strong commitment to and effective delivery of high standard services, given context and resources.
Satisfactory	Performance generally meets the standard you would expect of an association working in that context with those resources. Any failures to comply with regulatory guidance are minor.
Scope for considerable improvement	Although performance does not breach regulatory code, the association's performance is unimpressive compared with peer group. Performance may not comply in all respects with regulatory guidance.
Fails to comply with the Regulatory Code	Performance fails to achieve outcomes specified in the regulatory code.

Does the Association secure continuous improvement in services?

Judgement	Description
Demonstrates strong corporate and strategic capabilities	The association is working to be a 'learning organisation'. It demonstrates all the positive characteristics of an association which is raising standards in service delivery. In addition, there is a systematic programme of cross-cutting reviews which are not only delivering service improvements but are also informed by the association's high level strategic goals, with clear monitoring and measurement against these goals.
Is raising standards in service delivery	The association uses formal processes, participation and consultation, training in basic continuous improvement, reward and recognition systems, within a range of service areas. Measurable improvements have happened as a result. However, any cross-functional reviews and resulting improvements have been ad hoc rather than a result of a structured programme of such reviews.
Shows weaknesses in processes and performance	While some service improvements are evident, these result from one-off initiatives (such as a new product or process, a training initiative), or an initiative by a particular individual or team, rather than from a structured ongoing programme of reviews. Consultation with service users and their involvement in change is weak. The association lacks challenging targets for performance improvement and cannot demonstrate a convincing track record.
Fails to demonstrate capability	The association's approach to changes is reactive and unstructured. Improvements (if any) arise from tackling manifest problems, ad hoc suggestions etc, rather than the systematic approach outlined by Assembly Government guidance on Best Value.

Appendix 3

Recommendations

Recommendations	
Relationship to residents	
R1	<p>Encourage resident involvement by:</p> <ul style="list-style-type: none"> • further developing arrangements to encompass a wider range of traditionally under-represented groups such as residents with support needs, minority ethnic tenants, disabled tenants and older residents in general needs housing; • ensuring that residents are aware of the available opportunities for involvement; and • undertaking structured evaluation of the Association's range of resident involvement activity.
R2	<p>Provide accessible, clear and accurate information and advice for residents by:</p> <ul style="list-style-type: none"> • ensuring that a comprehensive range of leaflets is available for residents; and • ensuring that information on the Association's website is consistent with information from other sources.
R3	<p>Ask for, listen to and take account of the views of residents by:</p> <ul style="list-style-type: none"> • ensuring that the results of surveys are consistently analysed and used to support improvement of, and that residents are consistently informed about what is happening as a result of their views; and • coordinating the Association's range of consultation activity to ensure survey quality and consistency of Association response.
R4	<p>Be answerable to residents for the quality of services provided by:</p> <ul style="list-style-type: none"> • providing residents with a wider range of performance information including comparative performance over time and comparison with other housing providers; • developing an effective approach to complaints; and • developing the effectiveness and usefulness of the Associations range of service standards.

Recommendations	
Relationship to residents	
R5	<p>Actively promote respect for diversity and equality of opportunity by:</p> <ul style="list-style-type: none"> • developing an equal opportunities action plan; • ensuring that the Association's publications consistently indicate their availability in different languages and formats; • collating information from language preference surveys and ensuring that it is used to develop services; • developing comprehensive customer profile information in relation to equalities issues; • developing arrangements for equalities monitoring which comply with the Commission for Racial Equality Code of Practice in Rented Housing; • effectively publicising the Association's approach to racial harassment; and • ensuring that all elements of the Association's procedures are followed in relation to cases of racial harassment.
R6	<p>Develop approach to participation in community development or neighbourhood renewal and regeneration initiatives by:</p> <ul style="list-style-type: none"> • developing comprehensive Community Development Strategy; and • ensuring effective evaluation of the Association's range of community development and regeneration activity.
R7	<p>Further develop the Association's debt prevention service by:</p> <ul style="list-style-type: none"> • carrying out comprehensive evaluation of the impact of the full range of the Association's debt prevention work to determine its effectiveness; and • ensuring that appropriate referrals for debt advice are made for all tenants.
R8	<p>Ensure that homes are let in good condition by:</p> <ul style="list-style-type: none"> • ensuring that all new tenants receive a post allocation visit; and • putting in place an assurance system to ensure that homes are let to the Association's Relet Standard.
R9	<p>Ensure that people in housing need are aware of and have good access to the Association's housing by:</p> <ul style="list-style-type: none"> • ensuring consistency in the arrangements for and information to people applying for housing; and • including all key information in the Association's published information on lettings and ensuring that all key information is available on its website.
R10	<p>Ensure that those housed are fairly selected and seek to achieve a balance in housing allocation by:</p> <ul style="list-style-type: none"> • Ensuring that local lettings schemes operate in accordance with Assembly Government guidance.
R11	<p>Ensure that all new tenants receive a copy of the Assembly Government's Guarantee for Housing Association tenants.</p>

Recommendations	
Relationship to residents	
R12	Evaluate the effectiveness of the Association's approach to sustaining new tenancies including the impact of the use of starter tenancies.
R13	<p>Help safeguard the quality of life of residents and neighbours by:</p> <ul style="list-style-type: none"> • ensuring a consistent and effective approach to the management of ASB; • ensuring consistent application of the Association's anti social procedures; • providing public information on ASB; • ensuring a good quality of grounds maintenance service; and • developing standards for the maintenance of estates and communal areas.
R14	<p>Provide an effective responsive maintenance service by:</p> <ul style="list-style-type: none"> • ensuring that the Association's appointments system, including appointments for pre inspections, is applied consistently; • basing customer satisfaction survey questions on current intentions for service delivery; and • ensuring an effective approach to quality control of response repairs work is in place.
R15	<p>Provide an effective cyclical and planned maintenance service by:</p> <ul style="list-style-type: none"> • completing the implementation of the Association's arrangements for the management of asbestos; and • establishing a clear and comprehensive programme for all cyclical and planned maintenance works that has clear lines of management responsibility for delivery in place.
R16	<p>Plan to meet the WHQS by:</p> <ul style="list-style-type: none"> • developing a strategy to deal with Association properties which will not meet WHQS; • ensuring that accurate information is available on compliance of the Association's properties with WHQS; • developing a comprehensive Asset Management Strategy and Delivery Plan; and • developing and publishing a forward investment programme on all works required to achieve WHQS based on resident consultation responses.

Recommendations

Relationship to residents

- R17 Ensure that people with support needs have access to appropriate services by:
- ensuring that support plans for residents of sheltered housing are always robust enough to identify and enable the delivery of support to residents;
 - developing a strategy for the future use of the Association's sheltered housing;
 - ensuring that the Association's sheltered and supported housing stock meets the requirements of the DDA;
 - ensuring that Management Agreements are in place for all managing agents providing support and care services to Association tenants and that the Association complies with the provisions of all Management Agreements;
 - ensuring that effective arrangements are in place to secure support for all tenants who require it; and
 - ensuring that effective arrangements are in place to manage the provision of support to tenants who require it.
- R18 Tailor service delivery to the specific needs of residents requiring support by:
- ensuring that comprehensive information is available and accessible on the vulnerability, disability and support needs of general needs tenants;
 - developing guidance for staff to support them in dealing with residents with support needs and vulnerable residents;
 - developing public information for people with support needs and ensuring that this is readily available;
 - ensuring that all issues raised at the Sheltered Housing Forum are addressed;
 - ensuring the effectiveness of the Association's Support Providers Forum; and
 - developing a comprehensive Supported Housing Strategy.
- R19 Improve arrangements for performance management by:
- ensuring that team plans are in place for all service teams;
 - ensuring that there are clear links between team plans and the Association's Operational Plan;
 - ensuring that all targets within the Operational Plan are SMART and that there are clear links between specified outcomes and actions identified to deliver those outcomes;
 - ensuring that all operational areas of service and national KPI's are included in regular performance reports to the Board; and
 - ensuring that arrangements are in place to facilitate an Association-wide overview of activity and ensure that all aspects of performance are adequately managed.

Recommendations**Relationship to residents**

R20 Improve arrangements for continuous improvement by:

- ensuring that arrangements are in place to coordinate the Association's continuous improvement activity, to ensure consistency and robustness and to provide an effective management overview;
- involving residents in the choice and timing of service reviews;
- developing guidance on the Association's methodologies for different types of service reviews; and
- providing comprehensive information to residents on the outcomes of service reviews and other improvement activity.

R21 Improve capacity and arrangements to deliver improvement by:

- ensuring that the Association's IT strategy clearly links to objectives in the Corporate Plan; and
- developing robust arrangements to monitor operational compliance with policies and procedures.



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