

# Inspection report

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## Copperworks Housing Co-operative

July 2005

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## Copperworks Housing Co-operative Inspection 2005, Summary

The inspection of Copperworks Housing Co-operative took place in February 2005. This inspection was carried out by Communities Scotland under section 69 of the Housing (Scotland) Act 2001 on behalf of Scottish Ministers. Our purpose in inspection is to provide an independent external assessment of the effectiveness of housing service delivery and make recommendations to help improvement. Inspections are conducted within a published framework of Performance Standards.

We awarded Copperworks the following grades:

Housing management	C	Fair	Some strengths, but with many areas where improvement is required or a small number of significant weaknesses.
Property maintenance	B	Good	Many strengths and some areas where improvement is needed.

### Inspection Findings

Copperworks Housing Co-operative owns 292 houses in the Royston area of North Glasgow. All of its houses are situated in close proximity to the office.

The Co-operative is run by a committee of nine, two of whom are co-optees. Seven members of the committee are the Cooperative's tenants and two are owners. The committee could improve upon its effectiveness by the recruitment of additional members and through the greater provision of support and training by the Cooperative. It also needs to make progress in implementing a new internal management plan. Copperworks should remain financially viable in the medium term and has the basis of a good approach to financial management.

Copperworks' tenants have had limited opportunities to influence how services are delivered, though the Cooperative has recently been taking steps to try to improve this.

Key strengths in Copperworks' services:

- its houses are in good condition;
- it offers easy access to its housing list and its repairs service;
- it carries out response repairs to ambitious targets,
- it lets its houses to people in housing need;
- it works to help people with difficulties to stay in their homes; and
- most tenants are satisfied with Copperworks' services.

Key areas for improvement in Copperworks' services:

- the management of gas safety in its houses;
- transparency in its approach to allocating properties;
- the management of rent arrears;
- the time it takes to place applicants on its housing list; and
- how it monitors the time taken to carry out some repairs.

### **Next steps**

Copperworks Housing Co-operative should produce an improvement plan to show how it intends to respond to our findings. The plan as it applies to housing management and to governance and financial management will be agreed with us.

### **How to get more information and contact details**

If you would like to see Copperworks' improvement plan you should contact:

Copperworks Housing Co-operative Ltd  
284 Royston Road  
Glasgow  
G21 2JB

TELEPHONE 0141 552 7477

EMAIL [john@copperworks.org.uk](mailto:john@copperworks.org.uk)

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

# 1. Introduction

## About this inspection

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

## How we assessed performance

1.2 Our inspectors asked two key questions:

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

1.3 In order to answer these questions inspectors:

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

1.4 We have awarded grades for housing management and property maintenance. This is what our grades mean:

A	Excellent	Major strengths
B	Good	Many strengths and some areas where improvement is needed.
C	Fair	Some strengths, but with many areas where improvement is required or with a small number of significant weaknesses.
D	Poor	Major areas where improvement is needed or where a number of very significant weaknesses are found.

## **The inspection team**

- 1.5 The Copperworks inspection was managed by Chris Thirkettle (Inspection Manager). The lead inspector was Ian Kerr (Inspector), who was supported by Erika Hudleston (Inspection Officer) and Luise Siekman (Financial Analyst). We were on site between 14 February and 11 March 2005. We would like to thank everyone involved in the inspection, particularly the governing body, staff and tenants for their time and co-operation.

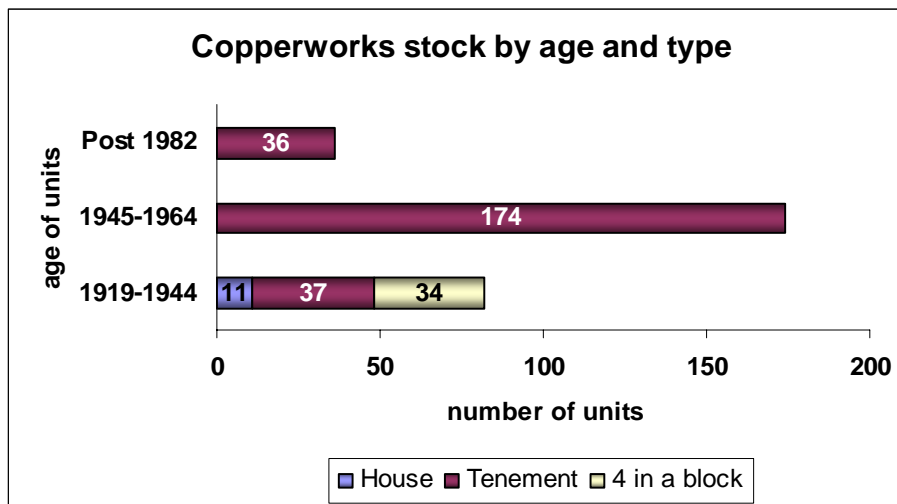
## **Responding to this inspection**

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

## 2. Context

### About the organisation

- 2.1 Copperworks Housing Co-operative was registered with Scottish Homes (now Communities Scotland) in 1991. It is an Industrial and Provident Society which does not trade for profit, and its main purpose is to provide good quality housing and services for tenants and the community.
- 2.2 The Co-operative's office is located in the Royston area of North Glasgow. It owns 292 houses, all being situated in close proximity to the office. 176 properties were acquired by transfer from Glasgow City Council between 1991 and 1994, 80 properties were acquired from Scottish Homes in 1998 and 36 were constructed by the Cooperative in 2001. The Cooperative also provides factoring services to 58 owner-occupiers. The chart below shows the number of units Copperworks owns by age and type.



Source: APSR 2003/04

- 2.3 The north of Glasgow lost 6.7% of its population between 1991 and 2001 but households have increased by 0.7%. Households with dependent children account for 28% of the total and single adult households make up a further 26%. A total of 44.5% of householders are long term unemployed or not classified, compared to the Glasgow city figure of 37.2%. The black and minority ethnic community in the north of the city is about 5.4% of the population, the same as the city average, though this figure excludes the significant numbers of refugees and asylum-seekers who are being housed temporarily in the vicinity.
- 2.4 Copperworks is governed by a voluntary committee elected annually at its Annual General Meeting. It currently has nine committee members, seven of whom are tenants of the Cooperative. Most members have been on the

Management Committee for a number of years, with two new recruits joining in 2004.

- 2.5 Copperworks selected those registered social landlords (RSLs) operating in post 1919, urban areas with more than 250 houses as its most appropriate peer group, and throughout this report information on Copperworks' performance is given alongside comparative information for that peer group.
- 2.6 With the conclusion in 2001 of the Cooperative's development programme, and since the arrival of a new Director in April 2004, Copperworks' Management Committee has focused on service delivery and tenant empowerment by reviewing strategic and operational areas of the Cooperative's operations. The Cooperative employs a staff team of six people made up of the Director, a part time Housing Officer, a full time Housing Officer, a Maintenance Officer, a Bookkeeper/Administrator and a Receptionist/Secretary. Copperworks receives financial services from agents.
- 2.7 The table below gives background information about Copperworks, and shows trends over the last three financial years. Of particular note is the very high proportion of rental income from housing benefit, underlining the social deprivation of the area.

	<b>2001-2002</b>	<b>2002-2003</b>	<b>2003-2004</b>
Houses owned	297	295	292
Employees	5	5.6	4.6
Annual turnover (£,000)	559	589	596
Total possible rental income (£,000)	576	591	609
Rental income from housing benefit (%)	70.1	74.60	71.60
Average weekly rent (£)	38.98	39.64	41.18
Average rent increase (%)	3.3	1.70	3.90
Houses re-let	37	47	41
Responsive repairs carried out	841	928	804
Maintenance spend per house (£)	580	828	580
Right To Buy sales	1	2	3

Source (APSR /Annual Accounts)

### 3. Housing management

3.1 The grade awarded for housing management is:

C	Fair	Some strengths, but with many areas where improvement is required or with a small number of significant weaknesses.
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We explain at the end of this section how the assessments and judgements we have made result in this grade.

### How good is the service?

#### **Access**

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

- 3.2 We found that Copperworks operates an open housing list and people aged 16 or over can apply at any time. Copperworks advertises its housing list through the local library and resource centre. Explanatory information targeted at applicants is limited to a single, but good quality, leaflet produced by the Royston Housing Strategy Group, a group in which the three RSLs working in the Royston area plan and co-ordinate their activities. We found that staff offer applicants helpful information verbally on the application process.
- 3.3 Copperworks, in partnership with the other members of the Royston Housing Strategy Group, has developed a common application form, helping to simplify access to both its own housing and that of the other local providers. Having recently carried out a review, at the time of our inspection the Cooperative had 138 people on its housing list. This review has ensured that the information it holds on the housing list is accurate.
- 3.4 Historically, the Cooperative has had no target timescale for processing applications although one of 10 working days has now been introduced. The time taken to process applications is poor. In the cases we reviewed the Cooperative was taking an average of seven weeks to process applications.
- 3.5 Copperworks' allocations policy allows for cancellation of applications should three reasonable offers of housing be refused. In terms of the 2001 Housing (Scotland) Act, cancellation on these grounds is unlawful. The Cooperative has not taken the opportunity to use lawful suspensions of applications to manage unreasonable refusals instead. Staff told us

- that no applications have been cancelled. However, this is based on individual recollection, as no monitoring of cancellations is carried out.
- 3.6 The Cooperative collects equalities information on its applicants as part of the application process. It achieves a response rate of 100% and reports the information regularly to the Management Committee. The report includes information on the number of disabled applicants, but ethnicity only differentiates between white and non-white categories.
- 3.7 Copperworks has a good approach to ensuring fair, open and equal access to its housing list. However, it is not placing applicants on its list quickly enough, and its allocation policy allows for cancellation of applications in some circumstances.

### **Meeting need and maximising choice**

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

- 3.8 Copperworks prioritises allocations based on a range of housing needs which clearly reflect the statutory reasonable preference categories. All the allocations we reviewed were to people with one or more of these needs. A Homelessness protocol with Glasgow City Council is not in place, but an informal arrangement is currently operating. The number of referrals from the Council, under section 5 of the Housing (Scotland) Act 2001, is low. The Cooperative is working well to meet its new duty to assist the local authority in housing the homeless and has accommodated all households referred to it, except when it had no suitable housing available. No referrals have gone to arbitration.
- 3.9 When confirming a new application the Cooperative gives applicants a breakdown of points awarded and their prospects of being housed. However, its letters do not inform applicants of wider housing options or advise about the right to appeal.
- 3.10 Two members of staff check each application and allocation. The numbers of allocations in any year are small and new procedures being introduced provide for each allocation to be approved also by the Director. However, this will require any complaints against allocation decisions to be dealt with by the management committee, which should normally be involved in individual cases only as a last resort.
- 3.11 The Cooperative verifies applicants' circumstances before making an offer. We found that Copperworks' approach to matching applicants to empty properties is not clear and transparent, and that its staff are working without guidance or procedures on how to implement the allocations policy. There are needs groups defined in the allocation policy but no

indication as to the priority to be given to applications from amongst the needs group. Quotas for needs groups will be introduced from April 2005, but currently staff have discretion as to which housing need group will be allocated each vacant property. The Cooperative is not monitoring the impact of this level of discretion on the success of applications in the different needs groups, or reporting such outcomes to the management committee.

- 3.12 The Cooperative makes an important contribution to widening choice for existing and potential tenants through its involvement in the local common housing register managed jointly with Blochairn Housing Co-operative and Spire View Housing Association, and developed through the medium of the Royston Housing Strategy Group. In this way applicants may choose a landlord, area, street and type of accommodation they wish to be allocated, from a combined housing stock which covers a wide area of Royston.
- 3.13 Copperworks is achieving good outcomes in meeting housing need and providing choice through its allocations structures, but the lack of a transparent and equitable policy on the level of priority given to different needs groups is a significant weakness.

### **Sustaining tenancies and preventing homelessness**

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

- 3.14 Copperworks has signed-up over 98% of its tenants to Scottish secure tenancy (SST) agreements, and is continuing to pursue the remaining four tenants to sign up in the near future.
- 3.15 The provision of good information and access to appropriate support are important ways in which landlords can help to sustain tenancies. Copperworks provides useful information to new tenants at sign-up interviews, but its tenants' handbook is out of date and is no longer being issued until it is revised later this year.
- 3.16 The Cooperative does not routinely carry out settling-in visits nor does it have any other approaches to help it identify new tenants who may be experiencing early difficulties in maintaining their tenancies. Where a new tenant is recognised as being vulnerable, they are put in contact with a local organisation with whom the Cooperative has a good working relationship, and whose aim is to build community, social and support networks in order to prevent homelessness. However, the Cooperative is not making best use of this facility by proactively identifying tenants who could benefit from it.

- 3.17 Copperworks recognises that the level of abandonment amongst its tenants has been high. In 2003/04, a total of 7 properties were abandoned, which accounts for 2.4% of total stock, compared with the peer average of 0.99% and the national median of 1.19%. As a response, the Cooperative has developed local initiatives to address social problems and to stabilise the community. Latest available figures for 2004/5 show a marked reduction in this problem with only 2 houses having been abandoned. The same local initiatives have also had a positive impact on the overall turnover figures for the Cooperative's stock, with a reduction from a level of 16% in 2002/03 to less than 6% for the first 10 months of 2004/05.
- 3.18 Almost all the legal action that Copperworks takes to recover possession of its houses is in response to rent arrears. In 2003/04 the Cooperative issued notice of proceedings for recovery of possession to 14 of its tenants and initiated court action against 3. The previous year only 6 notices of proceedings had been issued. It had issued 11 in the first 8 months of 2004/05 and had initiated court action in one case. The Cooperative recognises that its lack of written arrears recovery procedures has contributed to inconsistent practice in issuing notices of proceedings and initiating court action.
- 3.19 In 2003/04 Copperworks obtained 2 orders for recovery of possession and obtained vacant possession of 1 property, or 0.3% of its houses. This figure is lower than the average level of recovery of vacant possession of Copperworks' peer group. No tenants abandoned their homes after decree was granted but before the Cooperative recovered vacant possession.
- 3.20 Copperworks seeks to recover vacant possession only as a last resort. In both the cases we looked at, the Cooperative followed its declared practice and initiated court action only after extensive efforts to find alternative solutions. It directs tenants in rent arrears to local welfare and money advice agencies. However, at the point when it makes its decision to initiate court action, the Cooperative does not notify the local authority to secure help for vulnerable tenants in obtaining extra advice and assistance.
- 3.21 Copperworks aims to maximise security of tenure for its residents. It works constructively to help people maintain their tenancies and has few post-decree abandonments. However, its arrears recovery activity is weakened by a lack of written procedures, and it could do more to identify vulnerable new tenants and put them in touch with advice and support.

### **Quality of neighbourhoods**

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

- 3.22 Copperworks' 2003 full tenant survey (78% response rate) found that 71% of tenants were satisfied with the neighbourhood they live in and the maintenance of the common areas. We saw some areas which were badly affected by litter and there was evidence that some closes were not being cleaned. The Cooperative is aware of these problems and, following consultation with tenants, is from April 2005 operating a close cleaning contract and employing an estate caretaker. Plans, which also involved extensive tenant consultation, are in place to develop the back lands, a large open space area which is untidy and a source of dissatisfaction to many residents. Funding is being sought to develop it into an attractive landscaped area for recreational use, and the Cooperative hopes to start the improvements in April 2005.
- 3.23 The Cooperative's housing officers have been assigned responsibility for managing their own patches. Regular visits are carried out, although the Cooperative has still to develop an effective framework for monitoring and reporting on the outcomes of visits and actions taken.
- 3.24 Although antisocial behaviour does exist within Copperworks' area of operation, there is a low level of reporting. When incidents are reported we found that the Cooperative responds quickly and effectively, though it has not set target timescales for responding, nor sought structured feedback from tenants about how their cases have been dealt with. Copperworks should also consider new ways of encouraging tenants to report antisocial incidents more readily when they do occur, since the Cooperative told us that some members of the community feel intimidated at the prospect of lodging formal complaints.
- 3.25 Copperworks' neighbourhoods are generally well-maintained, and it responds effectively to the relatively low level of reported antisocial behaviour within its area of operation. There are some gaps, however, in how it monitors its impact in dealing with estate-management issues.

### **Responsiveness to tenants**

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

- 3.26 Copperworks' 2003 tenant survey found that 97% of tenants were satisfied with the Cooperative as a landlord. Satisfaction levels on issues such as how staff deal with enquiries, the quality of communication from the Cooperative and staff helpfulness, were all very high at 98% or above.

- 3.27 Beyond such surveys the Cooperative does not routinely seek feedback from service users on its housing management services. It did consult with tenants on the 2005 rent increase and, as referred to earlier, is introducing a close cleaning project after obtaining the views of its tenants. An estate caretaker will also be employed from April 2005 in response to residents' concerns about the extent of litter. In its newsletter it has highlighted its intention to review policies, and tenants' views have been gathered through the issuing of questionnaires.
- 3.28 Because of its small size, compact layout and high level of tenant representation on the management committee, the Cooperative considers that there is little necessity or demand for a representative tenants' organisation. Copperworks did prepare and consult on a tenant participation strategy in 2003, when it was concluded that a registered tenants' association, or similar, was not needed. However, the lack of an independent tenant voice may be contributing to the difficulty the Cooperative is experiencing in getting active tenant engagement in consultation.
- 3.29 Within the last year Copperworks has adopted a more positive approach to dealing with complaints about its housing management service. The complaints process is well publicised and a complaint monitoring system has been introduced. We found that the Cooperative responds effectively to complaints. Although we saw no past examples of feedback through complaints being used to improve services, the recent introduction of complaint monitoring should provide new opportunities to do so.
- 3.30 The Cooperative is committed to providing equal access to its housing services, though there are some gaps in its current approach. There are arrangements for providing translation of documents although, for example, information in Braille and on tape is not available. Because of the steep topography, Copperworks' office accommodation is not easily accessible to people with physical disabilities, nor is it possible to provide ramped access to the front door. With prior notice, visitors with mobility problems can be admitted via a door to the rear of the offices, but the Cooperative is still in search of a satisfactory long-term solution.
- 3.31 Copperworks is striving to be a responsive landlord. A total of 98% of tenants gave positive feedback concerning how the Cooperative interacts with them, and the Cooperative is now starting to deal well with complaints. It has had only limited success in getting tenants actively involved in influencing how it delivers its housing management services and lacks the independent tenant voice which would foster such active involvement.

## **Is the service managed for improvement?**

### **Resource management and efficiency**

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

- 3.32 Tenants have a limited range of options to pay their rent. They can pay at post offices and by standing order but, for security reasons, only in exceptional circumstances at the office. However, the 2003 tenant survey found that 100% of tenants who responded were satisfied with rent payment methods.
- 3.33 Copperworks' total arrears as a percentage of its total rental income decreased substantially between March 2003 and March 2004. Indeed, since 2003 there has been improvement across most categories of arrears, which, at November 2004, appears to have been sustained. However, since March 2004, a big component of the reduction in total arrears has resulted from writing off a significant amount of former tenant arrears which had in recent years been allowed to accumulate. At 3.8% of gross rental income, total arrears now falls within the top national quartile.
- 3.34 Copperworks' current non-technical arrears<sup>1</sup> level was slightly higher than its peer group level and it was 30<sup>th</sup> out of the 51 RSLs in this group at March 2004. By January 2005, however, non-technical arrears had been reduced to 3.4%, the lowest level since July 2001. The proportion of the Cooperative's tenants in serious arrears was below its peer group level at March 2004 but has risen slightly since then. Former tenant arrears were the highest within its peer group, though this has decreased substantially as Copperworks has written off £48,000 of its former tenant arrears during financial year 2004/05.
- 3.35 The table below summarises Copperworks' reported performance in collecting rent arrears.

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<sup>1</sup> Non-technical arrears exclude outstanding housing benefit not yet received by the landlord.

	March 2003	March 2004			At Nov 04
	Co-op	Co-op	Peer Group	National Median	Co-op
Total arrears as % of total gross rental income	13.5%	13.2%	6.8%	6.2%	3.8%
Total current arrears as % of total gross rental income	5.4%	3.8%	4.9%	4.4%	3.6%
Current arrears (non technical) as % of total gross rental income	4.8%	3.6%	3.3%	3.0%	3.6%
Current arrears (technical) as % of total gross rental income	0.6%	0.2%	1.6%	1.4%	0.0%
% of current tenants in serious arrears	7.5%	3.8%	5.8%	-	4.5%
Total former tenant arrears	£47,884	£57,758	-	-	£1,822
As % of total gross rental income	8.1%	9.5%	1.9%	1.1%	0.3%
Rent arrears written off	N/A	N/A	-	-	£48,133

3.36 Copperworks has an excellent working relationship with the Council's Housing Benefit Department, as illustrated by its very low level of technical arrears in the above table, and this is important for a landlord receiving 71% of its income from housing benefit payments.

3.37 Copperworks does not have written procedures in place for recovering current or former tenant arrears although it proposes to have these in place by June 2005. This results in staff having no clear guidance on how they should deal with tenants or former tenants in arrears, other than custom and practice or past experience from elsewhere. The Cooperative recognises this and procedures are currently being prepared to ensure a standard approach. We saw examples of the following weaknesses in the way the Cooperative pursues arrears:

- limited evidence of effective written communication with tenants in arrears;
- inconsistency in the issuing of notices of proceedings, and in carrying out evictions;
- lack of clarity on how personal circumstances should be taken into account before instructing court action;
- no evidence that Social Services is being advised when court action is being considered;
- lack of evidence that tenants are being sign-posted towards appropriate welfare advice;
- not granting new tenancies when eviction is avoided by tenants' adhering to post-decree payment arrangements;
- no clear write-off point beyond which no further action to collect former tenant arrears is taken; and
- no clear procedures, or action taken, to recover former tenant arrears.

3.38 The table below summarises Copperworks' reported performance in letting houses that have become empty.

	2002-03	2003-04			2004-05*
	Cooperative	Cooperative	Peer Group	National Median	Cooperative
Rental income lost due to empty houses	£14,601	£16,533	-	-	£4,274
As % of total rental income	2.5%	2.7%	1.2%	0.9%	1.2%
Total no. of re-lets	47	41	-	-	19
% re-let in <2 weeks	31.9%	36.6%	44.4%	39.1%	63.1%
% re-let in 2-4 weeks	12.8%	12.2%	24.0%	24.0%	26.3%
% re-let in >4 weeks	55.3%	51.2%	31.7%	36.6%	10.5%
Average time to re-let (days)	57	71	32	25	49

\* For the period April to November 2004

3.39 In 2003/04 Copperworks lost 2.7% of its total rental income because of houses lying empty. This is the 43<sup>rd</sup> highest figure of rental income loss of the 49 RSLs in its peer group which reported their performance. Copperworks' performance is in the bottom quartile nationally, but the Cooperative has more than halved the level of lost rental income in the first eight months of 2004/05 to its peer group average – which is a good achievement.

3.40 In 2003/04 Copperworks' 71-day average relet time placed it 48<sup>th</sup> of the 51 RSLs in its peer group. This performance is in the bottom quartile nationally and is significantly slower than the national median figure. Copperworks has achieved an improvement in its relet time in the first 8 months of 2004/05, however, it still falls within the bottom quartile nationally. These continuing high figures are largely due to the temporary effect of reletting long term voids, and case reviews have confirmed that current performance has improved significantly. Indeed, during the first eight months of 2004/05 the Cooperative doubled the number of houses let within two weeks to over 60%, and reduced the number let in more than 4 weeks from over 55% to less than 11%. This is good performance.

3.41 The Cooperative considers that most of its houses are becoming easier to let because of the wider regeneration of the Royston area. It had, however, identified the need for improvement in its relet performance as early as 2002/03, and since then has been successful in shortening its relet times, as indicated above, and reducing the amount of rent lost. The Cooperative told us that it has achieved this by improving co-ordination of housing management and maintenance staff, taking a more proactive

approach to making offers for less popular houses and carrying out security improvements to less popular property.

- 3.42 Copperworks' costs for delivering its housing management services were £427 for each of its houses in 2003/04. This is an increase of 11% on the figure for 2002/03. The 2002/03 figure was 27% lower than the average cost for Copperworks' peer group. The increase in costs was the result of higher direct staff costs, insurance and the allocation of some of its costs on a different basis from the previous year.
- 3.43 Copperworks has had some success in maximising its rental income. Arrears performance overall is improving, though this would be facilitated by a clear written set of procedures. Its performance in reducing rent loss through void properties has improved substantially.

### **Performance management**

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

- 3.44 Copperworks recognises that its approach to performance management is under-developed. An internal management plan, including key objectives for the housing service which support the Cooperative's broader strategic objectives, was not in place at the time of the inspection, but will be introduced from April 2005.
- 3.45 The Cooperative has a good self awareness of the strengths and weaker areas of its housing management service. Copperworks' inspection submission pinpointed most of the same weak areas which we found during the inspection. We also saw evidence of the Cooperative's earlier improvement activity around letting empty houses, as well as early positive signs of action following recent reviews of the management of estates, of procedures for the allocation of its houses and for dealing with complaints.
- 3.46 A cycle of reports to the Management Committee on performance has been developed. However, these reports do not cover all areas of the housing management service, or show in all cases performance against targets, or make comparison with similar organisations. Staff meet regularly to discuss performance and it is clear that there is a good level of awareness of the targets and how the Cooperative is performing against them.
- 3.47 Copperworks has a reasonable range of housing management policies and procedures. But, there are some significant gaps which limit its ability to provide a good framework for its housing management services.

Policies in place are reviewed on a regular basis taking account of new legislation, Communities Scotland's Performance Standards and examples of best practice.

- 3.48 Copperworks has a weak, but improving, approach to managing its performance in housing management. The introduction of a planning framework, preparation of a comprehensive set of procedures and some refinements in performance monitoring and reporting would improve this area significantly.

### **Grade and overall assessment of housing management**

- 3.49 Our overall assessment is that Copperworks' housing management service is fair. We found some strengths and a number of areas where improvement is needed. We set out below the factors we have taken account of in coming to our assessment.
- 3.50 A number of areas of good performance by Copperworks in housing management impact favourably on how housing applicants and tenants experience the service. The Cooperative provides good access to its housing list, promotes choice and meets housing need through its allocations, although its management of the latter needs to be made more transparent. Copperworks has substantially improved its speed in reletting houses, thereby reducing lost rental income. It maximises security of tenure for the vast majority of its applicants, and over 98% of tenants are satisfied with the way the Cooperative's staff deal with them.
- 3.51 The Cooperative recognises the need to improve both its procedures and performance in recovering current and former tenant arrears, and has made initial progress in recovering current tenant arrears. Its approach to monitoring, managing and reporting on its performance needs to be developed although it has a good understanding of where it needs to improve and has shown a capacity to do so. It could do much more to involve tenants in influencing the development of the housing management service, and does not place applicants on its housing list quickly enough.

## 4. Property maintenance

4.1 The grade awarded for repairs & maintenance is:

B	Good	Many strengths and some areas where improvement is needed.
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We explain at the end of this section how the assessments and judgements we have made result in this grade.

### How good is the service?

#### **Access to the repairs service**

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

- 4.2 Copperworks' tenants can access the responsive repairs service by telephone, in person, by letter, by e-mail or by arranging for someone to act on their behalf. When the office is closed tenants can contact one of two designated contractors direct. Alternatively, the tenant can leave a message on the Cooperative's answering machine. In the 2003 tenant survey, 98% of respondents found it easy, or very easy, to report a repair. Tenants we spoke to confirmed that it was easy to report repairs both during the day and when the office was closed.
- 4.3 Copperworks publicises its out-of-hours emergency service by displaying a poster on the office door, through a recorded message on the answering machine and in its newsletters. A 2005 calendar has been issued to tenants which incorporates useful information about the out-of-hours repair service.
- 4.4 Copperworks operates a flexible approach to arranging access for repairs. The Cooperative told us that efforts are made to try to meet tenants' requirements for access in either the morning or afternoon and, if required, on a specific day. The Cooperative will contact the contractor direct with the repair and access information. The Cooperative's 2003 tenant survey found that 98% of respondents were satisfied with the system for ordering repairs.
- 4.5 Overall, Copperworks' responsive repair service is very accessible.

### Speed and quality of response repairs service

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

- 4.6 The targets the Cooperative sets itself for completing repairs are more challenging than the Scottish RSL median target for emergency, urgent and routine repairs. Though, as explained below, there are some doubts as to the reliability of the performance figures.
- 4.7 Copperworks' reported performance against emergency and urgent repairs targets has either remained the same or improved over the last three years. The reported performance for routine repairs over the identical period has remained the same and then fell slightly in 2003/04. Its performance in 2003/04 is in the top quartile of all Scottish RSLs for completing emergency and urgent repairs. In both categories the Cooperative's performance is better than its peer group and it ranks 1st equal with 21 other RSLs out of 51 RSLs in its peer group for emergency repair performance, and 6<sup>th</sup> best of its peers for urgent repair performance. Having set itself a challenging target of 5 working days for routine repairs, its 2003/04 performance is in the 3<sup>rd</sup> quartile of all Scottish RSLs and ranks 39<sup>th</sup> of 51 RSLs in its peer group. The Cooperative's performance during 2004/05 has remained the same as the previous year. The table below summarises Copperworks' targets and trends in performance over the last three years.

	Copperworks target response time	Performance				
		Copperworks			National median 2003/04	RSL peer 2003/04
		2001/02	2002/03	2003/04		
<b>Emergency Repairs</b>	2 hours	99%	99%	100%	99.2%	98.3%
<b>Urgent Repairs</b>	1 working day	98%	99%	99%	96.0%	95.8%
<b>Routine Repairs</b>	5 working days	95%	95%	94%	95.7%	95.7%

Peer group is 3 = Post 1919 urban areas > 250 units

- 4.8 We found some weaknesses in the recording of repairs performance information which means that the Cooperative does not have a fully accurate picture of performance against its targets:
- Copperworks' computer system does not record the completion times for emergency repairs and, currently, only one contractor notes the arrival at, and departure from, an emergency repair;
  - the out-of-hours repairs works orders are often not raised on the day that the repair was reported and this means that computer generated reports do not always accurately show performance against target; and

- for other categories, Copperworks is dependent on contractors returning invoices before a job is signed off as complete and this has resulted in numbers of incomplete jobs lying open for extended periods.
- 4.9 Consequently, the Cooperative does not have a robust method for recording and verifying whether a contractor's performance against a target timescale to complete an emergency repair has been satisfactory or unsatisfactory. This means that the Cooperative's reporting of performance against target in this category is unreliable.
- 4.10 Copperworks has only recently started to monitor reports of no access and variations made to the work ordered. This should allow better tracking of whether a repair has been attended to and will provide a clearer way of checking for differences between the actual cost and the budgeted costs of repairs.
- 4.11 Copperworks does not systematically collect or use tenant satisfaction information on the completion of a repair. However, in the 2003 tenant survey, 97% of respondents said they were happy with the quality of repairs. Tenants we spoke to confirmed that they thought that the repair service they received was good.
- 4.12 Pre and post inspections are important tools for ensuring repairs are specified accurately and carried out to a high standard. The Cooperative has a target to pre inspect 20% of all repairs but exceeded its target in 2003/04 by pre inspecting 55%. Copperworks has a target to post inspect 20% of all repairs and to post inspect all emergency repairs. The Cooperative does not regularly monitor how many pre and post inspections are being carried out, so it does not know if it is meeting or exceeding its target, with the risk of an inappropriate use of resources for this work. Nor does the Cooperative analyse outcomes from post inspections in order to identify problems and improve performance.
- 4.13 Copperworks recognises that it is not meeting all of its statutory responsibilities in terms of the Right to Repair requirement of the Housing (Scotland) Act 2001. The Cooperative promotes the Right to Repair scheme through its tenant newsletters and a leaflet, but does not inform tenants of their rights when they report a qualifying repair.
- 4.14 Copperworks' responsive repairs service has some strengths and 98% of tenants who responded to the 2003 survey expressed satisfaction with the repair service overall. There are gaps in some elements of its performance management, particularly around emergency repairs completion targets and monitoring of pre and post inspections.

### **Physical quality of houses**

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

- 4.15 Scottish Ministers have set a target that all social landlords' houses should meet the new Scottish Housing Quality Standard (SHQS) by 2015. Landlords are required to prepare a plan showing how they will achieve this, by April 2005. Copperworks is confident that 75% of its houses will meet the SHQS by 2015. The remaining 25% of its stock, which it acquired through stock transfer, may not achieve the required SAP (thermal efficiency) ratings. The Cooperative is preparing its plan for achieving this. However, as it had not been completed at the time of our inspection, it is too early to assess how it will be implemented.
- 4.16 Copperworks has a good information base about the physical quality of its houses following a full survey carried out in 2001 and surveys received through stock transfer or new build developments. This information is used to inform its planned and cyclical maintenance programmes. However, the Cooperative does not carry out regular surveys to update this information, relying instead on the knowledge of its Maintenance Officer. The Cooperative's financial planning framework draws effectively on its stock condition and life cycle costing information.
- 4.17 Around 60% of the Cooperative's houses have hard-wired smoke detectors; the remainder have battery operated detectors. All common entries for flats have controlled-entry systems. No houses have lead plumbing and all properties will have double-glazing following completion of a window contract this coming summer. All houses have gas central heating, with the exception of four properties which do not have a gas supply.
- 4.18 Copperworks is required to carry out safety checks every 12 months on all gas appliances and flues it provides for its tenants' use. The Cooperative is not meeting this statutory duty for a significant number of its houses. For many of its properties, the Cooperative does not achieve continuity between gas safety certificates: there was a gap between safety checks in 30, or 10.5% of houses and the gap was more than 1 month in 27 of those same houses. The table below summarises Copperworks' performance in carrying out gas safety checks.

	November 2004	
	Number of houses	%
<b>Houses with gas appliances</b>	285	100%
<b>Houses with current gas safety certificates</b>	285	100%
<b>Houses where safety check was carried out within 12 months of previous check</b>	255	89.5%
<b>Houses where safety check was up to 1 month late</b>	3	1%
<b>Houses where safety check was between 1 and 3 months late</b>	5	2%
<b>Houses where safety check was more than 3 months late</b>	22	7.7%

- 4.19 In the summary of its own performance in its inspection submission the Cooperative showed an awareness of the weakness we have identified, and its significance. During the inspection, staff acknowledged the need to improve performance and, consequently, the safety check cycle is being reduced. The Cooperative uses another contractor to carry out an audit of 10% of completed safety checks, and has taken remedial action in response to specific recommendations from these audits. At present, Copperworks' performance on gas safety is a weakness in its property maintenance service.
- 4.20 From April 2004 social landlords have had a statutory duty to manage asbestos in the common areas of their properties. Copperworks has not yet prepared an asbestos management plan, for which it has a statutory obligation, but it has appointed a consultant to carry out initial survey work and compile a register of properties with asbestos.
- 4.21 In the 2003 tenant survey, more than 93% of tenants were satisfied with the design features contained within their home, and 98% were satisfied with the property design overall. Copperworks recognises that its current empty house re-let standard is low and has established a working group, which includes committee members and tenants, to review it.
- 4.22 Copperworks' houses are in good condition and there is an effective approach to planning for and funding their future maintenance needs. The Cooperative has a weakness around complying with its statutory duty on gas safety, and is not complying with its duty to manage asbestos.

## **Responsiveness to tenants in repairs and maintenance**

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

- 4.23 We highlight throughout this report the findings of the Cooperative's 2003 tenant survey, based on a 78% return rate. The survey findings show satisfaction levels that are 97%, or above, for all aspects of the repairs service. The Cooperative gathers regular feedback from tenants through post inspections and through tenants signing off works orders after repairs have been completed. But no analysis of this information is carried out, so it is not possible to verify if this satisfaction level is being maintained.
- 4.24 The Cooperative is effective at informing and consulting tenants on planned maintenance projects that will affect their homes, mainly through individual consultation letters. Useful summaries of contractor performance are presented to the Management Committee, but the views of tenants are not sought as part of this process.
- 4.25 Prior to the recently established relet standard working group, the Cooperative had not directly involved tenants in reviewing policies or setting standards across its repairs and maintenance service. Also, it has not consulted routinely with tenants on the content and timing of its planned maintenance programme. Around 4 years ago the Cooperative did ask tenants within an estate for their views on future priorities for improvement, but there are no more recent examples of this approach.
- 4.26 As referred to at 3.29, Copperworks has recently adopted a more positive approach to dealing with complaints. We found that the Cooperative responds effectively to complaints, but saw few examples of feedback through complaints being used to improve services. The recent introduction of regular monitoring of complaints means that the Cooperative is now in a position to identify opportunities to make such improvements.
- 4.27 Copperworks recognises that its approach to involving its tenants needs to be developed. The Cooperative has not regularly sought all tenants' views on the property maintenance service and acted on any feedback. It has also been poor at involving tenants systematically in developing its repairs services or programmes.

## **Is the service managed for improvement?**

### **Resource management and efficiency**

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

- 4.28 Copperworks' management costs for delivering its property maintenance service were £416 in 2003/04 for each of its houses. This is a decrease of 2% on the 2002/03 figure, due to a slight fall in staff costs and allocation of overheads. The 2002/03 figures were 106% above the average costs for Copperworks' peer group.
- 4.29 At February 2005 Copperworks was owed £4942 for rechargeable repairs it had carried out to tenants' homes. The Cooperative has a low rate of recovery of charges from tenants and has not pursued payment of these costs, some of which are substantial, through legal action. It has recently credited £52 (see para. 5.2) from a Tenant Bonus Scheme to the accounts of many of its tenants who had repair charges outstanding, even where no attempt has been made by the tenant to clear the debt. This action is not consistent with the objectives of the Scheme.
- 4.30 Copperworks procures its property maintenance services effectively. Contracts are normally placed through competitive tendering on price, though a quality dimension has been introduced in a doors contract which will shortly be placed. The Cooperative has a transparent approach to appointing contractors and reviews its approved list of contractors annually. Copperworks processes repairs invoices efficiently.

### **Performance management**

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

- 4.31 We found the same weaknesses in Copperworks' planning and management of performance in property maintenance as we identified for housing management.
- 4.32 Copperworks was aware of many of the weaknesses in property maintenance we identify in this report, accepted many of our early findings and has shown a willingness to begin to address these. We also saw evidence of the Cooperative's earlier improvement actions which were brought about as a result of its performance management process. For example, more secure close doors have been fitted in Roystonhill and a working group has been set up to review the relet standard for its houses.

## **Grade and overall assessment of repairs & maintenance**

- 4.33 Our overall assessment of Copperworks is that the Cooperative's property maintenance service is good. We found many strengths in the service, as well as some areas where improvement is needed.
- 4.34 In coming to our overall assessment we have taken account of the balance of the strengths, and areas for improvement, across the service. An important factor in our assessment is that a number of Copperworks' areas of strength impact directly on its tenants, such as:
- the accessibility of its repairs service;
  - good performance across the quite challenging response repair targets, albeit with reservations about the reliability of emergency repair performance figures;
  - the generally good physical quality of its houses; and
  - a satisfaction level of a minimum of 97% for most of the key elements of the repairs service.
- 4.35 Copperworks has a number of weaknesses in property maintenance. It does not ensure that all gas safety checks are carried out within the required 12 month period, although plans are in place to revise its gas safety procedures. It needs to comply fully with its statutory duties relating to management of asbestos and the Right to Repair. It needs to improve elements of its repairs performance recording and management and it should adopt a more proactive approach to involving tenants in developing the repairs and maintenance service. But, overall, its repairs and maintenance service is good.

## **5. Governance and financial management**

### **Leadership and direction**

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

- 5.1 Copperworks' approach to strategic planning has been poor in that it does not have in place any plans, such as an internal management plan (IMP), setting out the Cooperative's vision for the future. However, a draft IMP for the period 2005/2008 was in preparation during the inspection. Although as yet incomplete, it sets out a range of strategic priorities, key operational objectives and targets for most aspects of Copperworks' services. Committee and staff have been involved in agreeing the priorities. It also links with the budget setting process and its ten year medium term financial projections. Although it is too early to assess the Cooperative's new approach to strategic planning, the initial signs are positive.
- 5.2 In 2001 the Cooperative introduced a Tenant Bonus Scheme in which tenants who adhere to the terms of their tenancy receive an annual bonus of £52 and are eligible for inclusion in prize draws. The potential expenditure under this Scheme is significant for an organisation of Copperworks' size, yet the Cooperative has not carried out an appraisal to establish whether it is improving tenant compliance as intended, or if it is cost effective for it to continue.

### **Clear functions and proper control**

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

- 5.3 The committee has a set of clear standing orders which define the respective roles and responsibilities of the committee, the staff sub-committee and the Director. The sub-committee meets as required to discuss any disciplinary or grievance issues which may arise. The committee works well with, and is very supportive of, the Cooperative's staff. However, the weaknesses in planning and performance reporting limit the ability of the committee to effectively guide and control the activities of the Cooperative.
- 5.4 The committee receives regular reports on performance across most key elements of its services. These generally include trend information for both the current and previous year but, as noted earlier, they do not include targets or provide benchmarking comparisons with similar organisations.

## **Developing Capacity**

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

- 5.5 Copperworks' committee consists largely of long-serving tenant members, although there has been the recent addition of two co-optees. We found that the level of informed discussion was poor and questioning of staff took place on only a limited number of issues.
- 5.6 The Cooperative does not have adequate arrangements in place to ensure that members get the support they need to prepare them for effective and informed participation in the business of the Cooperative:
- Copperworks has not carried out any formal assessment to ensure that the committee as a whole has an appropriate range of skills and knowledge to effectively run an RSL;
  - training arranged during 2004 has been unplanned and sporadic, and
  - members we spoke to confirmed that they would benefit from more training.
- The absence of a training plan relating to the results of a skills and knowledge assessment of committee members was raised as an issue during the 1999 performance audit and has not been acted on.

## **Accountability**

*Engaging stakeholders, public reporting and making accountability real.*

- 5.7 A strong membership and good levels of participation at annual general meetings (AGMs) are important ways for a landlord to ensure accountability. Copperworks encourages a broad range of people to become members of the Cooperative. It has tried, with varying degrees of success, to attract new members to join and serve on its committee. Copperworks' tenant membership stood at 184 at March 2004, representing 63% of its tenants, and there were 20 non-tenant members. Membership entitles members to take part in electing the committee or stand for committee membership. Tenant membership levels for previous years are not available for purposes of comparison. At the last AGM, 15% of the Cooperative's membership attended and this is slightly higher than the national average. These forms of participation are particularly important as the Cooperative has not yet achieved a high level of participation in other ways.
- 5.8 Copperworks has seven elected committee members and two co-optees. 7 of the 9 current members are tenants and 2 are owners. This is a higher proportion of tenant representation on the committee than Copperworks' peers. The 2003 tenant survey indicated that 36% of tenants were not aware that they can seek election onto the committee if they become a

member. The Cooperative takes this lack of awareness seriously and we saw evidence that it is now being tackled.

- 5.9 Social landlords should place the people they serve at the heart of their work and be responsive to their views and priorities. The 2003 survey found that 98% of tenants were satisfied with how the Cooperative takes account of their views. We have highlighted in earlier sections that Copperworks has made some effort to involve tenants through consultation on specific topics, though it has been less proactive in involving tenants in developing its services.
- 5.10 Social landlords should give stakeholders the information they need about the organisation and its plans, services and performance. Copperworks' 2003 survey found that:
- 98% of tenants were satisfied with the information they receive via staff and newsletters; and
  - 98% were satisfied with how well the Association keeps them informed about housing matters.
- 5.11 Copperworks provides a good summary of committee business in its reception area, although it does not widely publicise this. It gives tenants a fair level of information about the Cooperative and its services, though the tenants handbook is out of date. It only tells people about how well it is performing against its targets in a limited number of areas. No information is provided to indicate whether its performance is improving over time or how it compares with other landlords.

### **Ethical standards**

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

- 5.12 Copperworks has adopted a code of conduct for committee members, based on the Scottish Federation of Housing Associations model. It requires all committee members to confirm annually any potential conflicts of interests that might arise from their involvement with the Cooperative. This is a positive approach reinforced by a standard item on each committee agenda for declaring an interest in any agenda item.
- 5.13 The committee is aware that payments and benefits to staff, committee members and their relatives may only be granted in accordance with Schedule 7 of the Housing (Scotland) Act 2001. However, we found one area where the Cooperative has not complied with Communities Scotland's guidance on special exceptions, and so has been in breach of Schedule 7.

- 5.14 The breach relates to granting tenancies. In this case the committee did approve the use of the Schedule 7 special exception, but the approval came after the start date of the tenancy. As already mentioned in the housing management section, audit trails do not exist which would confirm that the correct person had been allocated the property.
- 5.15 Payments to committee members for loss of earnings were made on three occasions during 2004/05. In accordance with guidance, letters had been received from the employer confirming the individual's absence and the required salary information. However, we found that the letters had not always been signed.

### **Managing risk**

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

- 5.16 The Cooperative has recently introduced an effective risk management strategy. It states that all strategic and operational risks across all service areas will be identified and prioritised and steps taken to minimise or eradicate the effects of each risk. Following on from the strategy, an up to date risk assessment is being carried out and will be incorporated within the internal management plan from April 2005. It is too early to say whether the Cooperative's overall approach to risk will be effective. Copperworks does not have an ongoing programme of internal audit, although one is planned for 2005/06. The identification of areas for scrutiny will be linked to the outcomes of its risk assessments and of this inspection.
- 5.17 Copperworks has some strengths in governance, the committee has a good working relationship with staff and its tenants are satisfied with the information they receive on housing matters. However, there are areas in which the Cooperative needs to improve its performance. These include its approach to strategic planning; support, training and recruitment of its committee members; compliance with all its responsibilities when granting payments and benefits; and its management of risk. It has had limited success in widening the opportunities for tenants other than committee members to actively influence the Cooperative's business, but it is working to improve this.

### **Financial viability and management**

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

- 5.18 Copperworks has forecast its financial performance over the next ten years, however, the projections are still in draft format and not yet

finalised. The draft financial projections indicate that the organisation is sustainable over the next decade and draw attention to the years when high levels of spending are expected.

- 5.19 Copperworks' past financial performance shows turnover increasing. It also shows the Cooperative generating good levels of net surplus. The revised budget for 2004/05 forecasts a very small deficit which is mainly due to high levels of planned major repairs expenditure. Copperworks has a high level of rent arrears which may have a negative financial impact in future years.

	<b>£'000's 2000/01 Actual</b>	<b>£'000's 2001/02 Actual</b>	<b>£'000's 2002/03 Actual</b>	<b>£'000's 2003/04 Actual</b>	<b>£'000's 2004/05 Revised Budget</b>
<b>Turnover</b>	442.3	558.7	588.5	596.0	650.8
<b>Operating Surplus/ (Deficit)</b>	162.7	144.3	59.2	113.1	45.2
<b>Net Surplus/ (Deficit)</b>	132.9	96.4	31.4	80.9	(1.0)

- 5.20 Copperworks has an good annual budget-setting process; its timescales and procedures enable the committee to discuss and approve the budget ahead of the start of the financial year. The 2005/06 annual budget provided the committee with a choice between two versions of the budget, one incorporating a higher rent increase than the other. The proposals set out the results from the tenants' consultation on rent increases for the committee to consider before making a decision. They also provided an example of where savings could be made should the committee not wish to approve the higher rent increase. Copperworks follows good practice and revises its annual budget part way through the year.
- 5.21 Neither the budget nor the quarterly financial reports include a cash flow. This means that the committee is not given the opportunity to discuss the Cooperative's cash requirements for the year. The annual budget could be improved by incorporating the previous year's forecast outturn figures for context and comparison.
- 5.22 The committee monitors the Cooperative's performance against the budget using quarterly financial reports. These compare Copperworks actual income and expenditure with the budget and provide explanations for any large differences. These also comment on how the organisation is performing against its key performance indicators.
- 5.23 Copperworks has areas of weakness that may have a financial impact. The draft financial projections, however, suggest that it will be financially viable in the short term and should remain so in the medium term. It has the basis of good financial management.

## **6. Recommendations for improvement action**

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

Across all of its activities, Copperworks should:

- give tenants meaningful opportunities to be involved in the development of its services; and
- develop an effective performance management and reporting framework.

In housing management, Copperworks should:

- suspend rather than cancel applications, where appropriate;
- introduce a clear approach to recording and verifying allocations of its properties;
- regularly examine the housing needs it is meeting through its allocations;
- provide staff with clear guidance on how they should deal with tenants and former tenants in arrears and manage the collection of arrears effectively;
- meet its targets for processing housing applications; and
- improve how it monitors its impact in managing its estates and antisocial behaviour issues.

In property maintenance, Copperworks should:

- ensure that it complies with its legislative duties relating to gas safety;
- collect and report performance information for responsive repairs accurately;
- improve its performance in recovering rechargeable repairs; and
- establish a framework for pre and post inspections, analysing their findings and converting this feedback into service improvements.

In governance and financial management, Copperworks should:

- adopt a robust approach to strategic planning;
- support its Management Committee by providing appropriate, regular training based on the outcome of a skills and knowledge assessment;
- ensure it complies with the requirements of Schedule 7 of the Housing (Scotland) Act 2001, including through relevant training;
- take steps to encourage an increase in the number of members elected to the management committee;
- strengthen its risk management systems, including the introduction of an internal audit programme;
- complete its financial projections and integrate them into overall planning; and
- assess the Tenant Bonus Scheme in terms of success in achieving tenant compliance and in cost effectiveness.

## 7. Next steps

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

Copperworks Housing Co-operative Ltd  
284 Royston Road  
Glasgow  
G21 2JB

TELEPHONE 0141 552 7477  
EMAIL [john@copperworks.org.uk](mailto:john@copperworks.org.uk)

### Sources of evidence

#### Groups and third parties consulted

- Communities Scotland Tenant Participation Team
- Homepoint
- Development and Regeneration Services, Glasgow City Council
- Social Work Services, Glasgow City Council
- Housing Benefit Section, Glasgow City Council
- Ombudsman
- Citizens Advice Bureau
- Move On Limited
- Strathclyde Police

#### Interviews / meetings

- Director
- Frontline staff
- Management Committee meeting
- Individual Members of Management Committee
- Discussions with a range of tenants and service users

#### Reality checks

- Review of allocations
- Review of antisocial behaviour cases
- Review of applications
- Review of complaints
- Review of legal actions
- Review of gas safety
- Review of procurement
- Review of rechargeable repairs
- Review of rent arrears
- Review of responsive repairs
- Review of section 5 referrals
- Review of tenancies
- Review of reletting process
- Shadowing rent arrears cases
- Shadowing responsive repairs
- Shadowing reletting process
- Estate visits

## **Key documents reviewed**

- Inspection Submission
- Policies, Procedures, Strategies and Publications
  - Allocations
  - Annual Report
  - Antisocial Behaviour/Harassment
  - Arrears
  - Complaints
  - Declaration of Interests
  - Draft 10 Year Financial Projections
  - Equal Opportunities
  - Expenses for Committee Members
  - Gift and Hospitality
  - Maintenance
  - Newsletters
  - Reactive Repairs
  - Rechargeable Repairs
  - Risk Management
  - Schedule 7
  - Tenant Participation
  - Tendering Procedures: Maintenance
  - Void Management

## Glossary

<b>Annual Statistical and Performance Return (APSR)</b>	Annual questionnaire completed by RSLs and sent to Communities Scotland. Used to keep the Register of Social Landlords up to date and to track the performance of RSLs.
<b>Benchmarking</b>	A process used by organisations to systematically compare service processes and performance to identify best practice.
<b>Common housing register</b>	A register of all applicants for social housing used by two or more landlords within an area.
<b>Cyclical maintenance</b>	Planned programme of work to deal with predictable deterioration of building components, for example regular painting of window frames.
<b>Housing list</b>	A list of applicants for housing which is used by the RSL to allocate its housing stock.
<b>Inspection submission</b>	Documents submitted by the landlord at the start of the inspection to provide information on its performance, context and how it is structured.
<b>Life cycle costing</b>	A method of calculating the cost and timing of the repairs to, and replacement of, major building components.
<b>National median</b>	The central value of the ordered performance of all Scottish RSLs.
<b>Peer group</b>	A group of organisations facing similar tasks and challenges with which comparisons can be made. RSLs choose which peer group they belong to when they submit their APSRs.
<b>Performance indicator</b>	A measure of how a RSL is achieving its objectives. Performance Indicators can be compared with a pre-set standard (a benchmark) or with other organisations.
<b>Performance Standards</b>	Housing standards for all social landlords in Scotland.

<b>Planned maintenance</b>	The planned renewal or maintenance of key property components.
<b>Quartile</b>	The range represented by one quarter of the ordered performance of all Scottish RSLs. So for example, the upper quartile is the top 25% of RSLs.
<b>Serious arrears</b>	Where a tenant owes more than 13 weeks rent payments and this is more than £250.
<b>Statutory reasonable preference categories</b>	People who have one of these housing needs: homelessness, overcrowding, large families, living in below tolerable standard housing or unsatisfactory living conditions.
<b>Rechargeable repairs</b>	Work that is the responsibility of the tenant but has been done by the landlord.
<b>Registered social landlord (RSL)</b>	A landlord providing social rented housing that is registered and regulated by Communities Scotland.
<b>Re-lets</b>	Lets made to the second or subsequent tenant. Distinguished from new lets that are made when the property is first built or modernised.
<b>Right to Buy</b>	Many Scottish secure tenants have the right to buy their property at a discounted price subject to length of tenancy.
<b>Right to Repair</b>	A scheme which gives tenants legal rights to have certain repairs in defined times.
<b>Scottish secure tenancy (SST)</b>	The Housing (Scotland) Act 2001 establishes the Scottish Secure Tenancy as the tenancy for all tenants of social landlords in Scotland.
<b>Shadowing</b>	An inspection technique that involves accompanying and observing staff while they carried out their day-to-day tasks.

## Regulation & Inspection

### **EDINBURGH**

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

### **GLASGOW**

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