

Lighthouse Housing Association  
inspection report

DECEMBER 2007



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- 1.5 We have awarded a grade to summarise our inspection judgements. The grade and judgements are based on evidence. The grade summarises performance in the following ways:
- Grade A = Excellent
  - Grade B = Good
  - Grade C = Fair
  - Grade D = Poor
- 1.6 When we provide a summarised assessment and award a grade, we take various factors into account. These factors are:
- outcomes for service users;
  - how far the service or organisation meets Performance Standards;
  - performance against key indicators in comparison with others;
  - compliance with legislation;
  - how good the leadership and accountability are;
  - how far good practice is followed;
  - the organisation's level of self-awareness;
  - how well value for money is being achieved;
  - local context and legitimate local priorities; and
  - commitment to, and track record of, improvement.

### The inspection team

- 1.7 The inspection was managed by Ian Kerr, Inspector, supported by Mark Gibson and Donna Matthewson, Inspectors, Sylvia Ward, Inspection Officer, Susan Chalmers, Financial Analyst and Bill Strachan, Tenant Assessor. Tina Beattie and Isabell McLaughlan, Tenant Assessors, carried out a desktop review of some of the Association's publications. We were on site between 3 and 13 September 2007. We would like to thank everyone involved in the inspection, particularly the Management Committee, staff, service users and tenants for their time and co-operation.

## Responding to this inspection

- 1.8 We expect all inspected bodies to make the inspection grade and overview section 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. Inspection grade and overview

In this section we set out our overall assessment of Linthouse's performance. We detail the inspection grade and we summarise our inspection findings.

### Grade

- 2.1 The inspection of Linthouse Housing Association took place between 3 September 2007 and 13 September 2007.

Linthouse has achieved a C grade overall. This is a fair performance.

### How well is Linthouse delivering its services?

- 2.2 Linthouse has some strengths in its delivery of its services. Access to its housing is good, reporting a repair is easy and new tenants receive good quality information on their tenancy. The Association also has a proactive approach in devising ways of tackling anti social behaviour and deals with individual cases quickly. The local environment is of a good quality and tenants are largely happy with their homes and the services provided by Linthouse.
- 2.3 We found areas, however, where the Association needs to make improvements, including its management of gas safety. It does not accurately report its repairs performance or record and monitor its pre and post inspections. The Association's approach to the housing of section 5 referrals and its taking account of an applicant's age when allocating general needs properties does not comply with legislation. Whilst there is an improving trend, rent arrears levels and the time taken to re-let its houses are still high. Linthouse is also not using its abandonments process appropriately and guidance for staff on suspending and cancelling applications has not been provided.

### Is Linthouse managed for improvement?

- 2.4 Linthouse has some strengths in its approach to managing improvements in its services. It has worked well to develop a sound framework for identifying its strategic priorities and how to achieve them. It has good arrangements in place to

manage risk and deals well with complaints and the provision of services based on good customer care. The Association's properties are in good condition and its collection of rechargeable repairs is excellent. It also has a good understanding of ethical standards and has a good approach to ensuring that they are maintained.

- 2.5 We found areas, however, where the Association needs to make improvements. This includes the need to ensure that members of the management committee receive appropriate training, including induction where necessary, so that they may carry out their duties effectively. Improvements are required in its performance management including the preparation of reports which compare the Association's performance with that of similar organisations. Linthouse does not have a good knowledge of the condition of its properties to help it produce an effective planned maintenance programme. It has only recently taken steps to consider whether its DLO is the best option for delivering value for money. Its equalities monitoring is limited and its tenant consultation exercises on policies have failed to produce a response. It does not report the outcomes of its service user feedback surveys to the management committee.
- 2.6 We are encouraged to see the steps that Linthouse has taken to address many of the weaknesses identified at the performance audit in December 2000. The Association had already identified many of the areas of weakness we refer to in the key recommendations and it has an action plan to tackle these. However, we are disappointed to note the delay in implementing our earlier recommendations, with much of the work only being tackled relatively recently.

### Key recommendations

- 2.7 Our key recommendations are that the Association should;
- ensure that it fully complies with the requirements of gas safety legislation;
  - adhere to legislation with regard to the housing of section 5 referrals and allocating general needs housing without regard to an applicant's age;
  - take effective action to reduce its high level of rent arrears;
  - complete the planned 100% stock condition survey and put in place appropriate ways to keep its stock condition and life cycle costings up to date;

- use the results of its best value review to ensure value for money in the provision of its responsive repairs service;
- ensure that it accurately reports its performance in repairs;
- introduce robust arrangements for the stock control of materials used by its DLO;
- ensure that the trend of reducing re-let times is maintained;
- provide guidance for staff on the suspension or cancellation of housing applications;
- extend the areas on which it seeks feedback from its service users and regularly monitor and report on outcomes to the management committee;
- monitor and record the results of its pre and post inspections and use the outcomes of post inspections to monitor contractors' performance;
- look at more innovative ways of encouraging its service users to participate in consultation exercises; and
- ensure that a training programme, including induction training, for committee members is prepared and implemented based on the results of the recent skills audit.

## 3. Context

### About the organisation and structure

- 3.1 Linthouse Housing Association was registered with the Housing Corporation in 1975 and thereafter Scottish Homes (now Communities Scotland) in 1989. It is an Industrial and Provident Society and a Registered Charity and its main purpose is to provide housing for the benefit of the local community. The Association's office is located in the Govan area of Glasgow where the 1,124 houses within its ownership are located.
- 3.2 The Annual Performance and Statistical Return asks Registered Social Landlords (RSLs) to select a peer group which best describes their organisation. Linthouse selected the group described as RSLs that operate in pre-1919 urban areas with more than 250 houses. This is the group we use to compare Linthouse's performance.
- 3.3 The Association is governed by a voluntary management committee elected annually by the Association's members. Linthouse currently has 12 management committee members. None are tenants of the Association, although many were tenants when serving on the committee before purchasing their homes through Right to Buy. The majority of members have been in place for some time although it has recently managed to attract newer recruits to the committee.

### About its housing stock

- 3.4 Approximately 64% of the Association's properties were built before 1919, with the others being of varying age. Linthouse owns a variety of properties with around 78% being tenemental flats, the remainder being a mixture of high rise, houses, 4 in-a-block and other flat types.
- 3.5 The Association has had limited housing development opportunities in recent years due to a lack of suitable or available land. This however has allowed the Association to focus on wider action activities including the development of the Linthouse Urban Village (LUV) concept. With the support of funding from Communities Scotland, Linthouse has worked hard to improve the level of

facilities in the area. This has included the creation of a gallery with exhibition space, a café aimed at encouraging residents to adopt a healthier diet and the improvement of a number of shopfronts. This approach has the widespread support of the local community as evidenced through the 2007 Tenant Survey.

### About its current and future tenants

3.6 Linthouse's tenant profile is as follows:

- 55% of Linthouse's tenants are on full or partial housing benefit, compared to the national median of 58%.
- Around 99% of Linthouse's tenants describe themselves as having a white Scottish ethnic background. This compares with 87% in Glasgow as a whole. The Association's support of an ethnic outreach worker, and increasing numbers of migrant workers from new EU states, is likely to result in a more culturally and ethnically diverse tenant population.

3.7 Linthouse re-let 116 houses last year and has 647 applicants on its housing list. Applicants show a different profile to the existing tenant population. Around 5% describe themselves as having a non-white ethnic background.

## Key facts

3.8 The table below presents a summary of key information for Linthouse Housing Association showing trends over the last three financial years.

|                                      | <b>2004-2005</b> | <b>2005-2006</b> | <b>2006-2007</b> |
|--------------------------------------|------------------|------------------|------------------|
| Houses owned                         | 1,190            | 1,195            | 1,166            |
| Employees                            | 43               | 36               | 38               |
| Annual turnover (£'000)              | 3,255            | 3,337            | 3,525            |
| Total possible rental income (£'000) | 2,434            | 2,637            | 2,680            |
| Rental income from housing benefit   | 55.1%            | 57.0%            | 54.7%            |
| Average weekly rent (£)              | 38.35            | 40.07            | 41.49            |
| Average rent increase                | 3.3%             | 5.25%            | 3.65%            |
| Houses re-let                        | 136              | 105              | 116              |
| Responsive repairs carried out       | 6,145            | 6778             | 6341             |
| Maintenance spend per house (£)      | 1395             | 1482             | 1499             |
| Right To Buy sales                   | 15               | 8                | 15               |

Source: Inspection Submission Linthouse annual accounts

## 4. How well is Linthouse delivering its services?

### Tenant satisfaction

- 4.1 Linthouse engaged consultants to carry out a Tenant Survey earlier this year. The results indicate that tenants are very positive about their relationship with the Association. The survey indicates some areas for improvement however the consultants reported that from the results of other surveys they had carried out Linthouse is extremely well placed in comparison with other RSLs in Scotland. Overall, 97% of respondents expressed satisfaction with Linthouse as a landlord, 85% happy or very happy with their neighbourhood, and 92% were satisfied with the repairs service and thought that the Association was good at keeping them informed about its activities and services. A total of 96% of respondents were satisfied with their home overall and the services provided by Linthouse.
- 4.2 The results, however, highlight areas that could be targeted for improvement. Only 83% of respondents were satisfied with tradesmen arriving at correct time to carry out repairs and with the quality of advice and assistance given at the office. In addition, as mentioned in paragraph 5.44, only 68% of respondents are aware of the complaints policy and procedure. Linthouse prepared an action plan and had largely tackled these areas of weakness at the time of the inspection.
- 4.3 Linthouse also seeks views on the repairs service and planned and cyclical maintenance contracts from tenants who have recently experienced a repair or the carrying out of a contract. High levels of satisfaction are reported through these regular reviews, however the sample size for this feedback is only 20%.
- 4.4 In summary, Linthouse performs well in achieving high levels of tenant satisfaction in most areas and is preparing an action plan for those few areas where weaknesses are indicated. It only asks 20% of tenants who have recently had a response repair or maintenance work carried out to their house for their views. This means that the Association does not have a complete picture of satisfaction levels for this work.

## Access to housing

- 4.5 Linthouse operates an open housing list and accepts applications from anyone aged 16 and over. Information on how to apply for housing is available in the Association's office and in the tenant handbook. Application packs are available for housing applicants and these can be requested in person, by telephone or by e-mail.
- 4.6 A radio campaign and Polish day have been used to publicise access to the housing list and these are positive examples of initiatives to maximise access to the service. The Association also has plans to advertise this service in the Library and Glasgow City Council's Social Work Receiving Office.
- 4.7 As part of the application pack, we saw that applicants are provided with a good range of information on other housing providers in the area, local amenities, facilities available and turnover levels by apartment size and street. This does not however provide information on the number of points required to obtain a tenancy. An information leaflet is also enclosed within the pack and this advises on the application process. Applicants can request an interview with a member of staff to help complete the application form and to discuss their housing requirements.
- 4.8 Linthouse does not restrict an applicant's choices and all applicants receive two offers of housing. Applicants must respond to an offer of housing within 24 hours otherwise the offer will be withdrawn. For some applicants with particular needs this timescale may present problems. The Association is aware of this and has plans to review this as part of the current review of the allocations policy.
- 4.9 At the time of the inspection, there were 647 applicants on the housing list. Following a review of the list this reduced considerably from 2004 / 05 when there were 1, 017 applicants on the housing list.
- 4.10 Linthouse has a target of processing housing applications within 7 days and from the 25 case reviews we saw that applicants were processed within an average of 12 days. Two of the cases reviewed had not received a points letter. The

Association does not monitor or report its performance on this to the management committee. This is a weakness.

- 4.11 When points are awarded, we saw from the case reviews that the majority were verified and checked by a second member of staff. A points letter is issued showing the total number of points awarded although the Association does not provide information on how the points total is calculated and that the applicant has the right to appeal.
- 4.12 Where an applicant is on benefits, Linthouse requests confirmation of their address by writing to the Benefits Agency. As this could be a barrier to access for some applicants, the Association has taken immediate steps to remove this practice.
- 4.13 The Association reviews applications annually, on a rolling basis. The allocations policy sets out the circumstances in which an application will be cancelled and this includes failure to respond to the annual review process. We did however see the inappropriate cancellation of applications, which were not in accordance with the allocations policy. We found examples of the Association cancelling housing applications due to no suitable housing being available and where applicants failed to respond to an offer of housing. This is a weakness.
- 4.14 In 2006 / 07, the Association had suspended 27 applications. We reviewed five of these cases and saw that three were not managed in accordance with the allocations policy. In the cases reviewed, there was no evidence of any suspensions letters being issued to applicants. There is also a lack of monitoring and reporting on the number of suspensions and the reasons for these. Linthouse told us that this is partly due to ICT issues and that it has plans to have its ICT upgraded in December 2007 to allow proper recording and monitoring.
- 4.15 During the inspection the Association developed a revised suspensions letter which also tells applicants about their right to appeal. This letter has now been implemented and all the cases reviewed have been issued with a revised suspensions letter advising of the suspension period and automatic re-instatement date.

- 4.16 The main reason for suspensions was for refusing two offers of housing. This practice is not in line with published good practice. Whilst staff have advised that they do review an applicant's choices following an offer being refused, we saw no formal recording of this. Also, where an applicant's circumstances have changed, we saw no evidence of a revised points letter being issued. No guidance was available for staff on suspensions or cancellations. This is a weakness. However, we saw that the Association is aware of these issues and that it has action plans in place to address this. Its plans include the provision of training and awareness sessions for all staff.
- 4.17 In summary, Linthouse has a fair approach to providing access to its properties. It operates an open housing list and provides applicants with good quality information. However, we saw some weaknesses in its inappropriate use of cancellations and suspensions and the lack of guidance for staff.

## Lettings

- 4.18 The Association's allocations policy, published in 2004, is clear and includes information on how the outcomes of the policy will be measured and provides a guide to how points are awarded. The policy is needs based and sets out the circumstances in which applications will be assessed, reviewed, suspended and cancelled.
- 4.19 The allocations policy is currently under review and the draft policy, developed in July 2007, has been distributed to all tenants to invite feedback on the revised proposals. Linthouse is also planning wider consultation methods and these include obtaining feedback from applicants and arranging focus groups on its proposals for interested tenants and applicants. The Association intends to present the revised allocations policy, with any feedback received, to its management committee in November. The committee will then be asked to formally approve the policy at its December meeting.
- 4.20 Linthouse will become part of a Common Housing Register (CHR) when it is rolled out across the city. It is intended that this will follow the introduction and

evaluation of a CHR in the north of the city, which is scheduled to begin in January 2008.

- 4.21 Linthouse does not have a nominations agreement with Glasgow City Council however it has developed a Homelessness Duty Protocol with the Council to help meet the needs of homeless people. This protocol is currently under review by the Council.
- 4.22 The Association housed 18 households from the Council under section 5 of the Housing (Scotland) Act 2001 for the period 2006 / 07. However the Association refused two section 5 referrals during the period due to high levels of rent arrears.
- 4.23 The Association operates a points allocations system and this is based on a range of housing needs which reflect the statutory reasonable preference categories. During the inspection, the majority of the allocations cases reviewed were to people with one or more of these housing needs.
- 4.24 Linthouse uses a quota system to manage its lettings process and to help contribute to sustainable communities. Current target percentages are to allocate 65% to the housing list, 15% to internal transfers, 15% to homeless applicants and 5% to other categories. For 2006 / 07 it did not achieve its quota for transfer applicants largely due to the higher number of homeless applicants being housed by the Association. Its reported allocations for 2006/07 were 78% from the housing list, of which 23% of total allocations were homeless, 18% to homeless referrals and 4% to internal transfers. Linthouse clearly defines homeless applicants in its allocations policy and plans to increase the quota of homeless allocations to 50%, as part of its current review. This will include homeless households allocated houses from the Association's own housing list. Linthouse is not however transparent in how it assesses homeless applicants and there is no clear guidance for staff.
- 4.25 Linthouse has a manual system for recording and monitoring its allocations outcomes. It reports these to the management committee on a monthly basis and this information is broken down by category –: waiting list, transfer list, homeless referrals and other. The Association has plans to begin the reporting of outcomes by housing need category. Otherwise, as described above, limited

reporting on the outcomes of the allocations policy has been undertaken by the Association.

- 4.26 Linthouse checks the circumstances of all applicants before it makes an offer of a property. It also ensures that all allocations are checked by two members of staff. We found that the allocations we reviewed were appropriate, there was a clear audit of the shortlisting process and it was possible to see where applicants had been bypassed and why.
- 4.27 The Association operates a Local Lettings Initiative for two multi-storey blocks of flats in Langlands : only applicants aged 40 years or over are selected for these properties. The Housing (Scotland) Act 1987, as amended, prohibits landlords from taking account of a person's age when allocating general needs housing. The Association's current approach to letting houses in the Langlands multi – storeys does not comply with legislation.
- 4.28 In summary, Linthouse is fair in its approach to meeting need and maximising choice. There is a clear audit trail for the shortlisting of its applicants. Weaknesses were identified in relation to its management of the lettings process, including the refusal of section 5 referrals and the age restriction on the Langlands Local Lettings Initiative.

### Tenancy and neighbourhood management

- 4.29 The provision of good information and access to support are important ways in which landlords can help to sustain tenancies. Linthouse provides a wide range of relevant and appropriate information to tenants in its tenant handbook. Our tenant assessors found the handbook easy to read, informative and helpful. The Association aims to conduct visits to all new tenants within the first month of their tenancy. We saw that most new tenants received a visit. However, the Association does not monitor or report how many visits are conducted.
- 4.30 These visits focus on emphasising to tenants the importance of tenancy and estate management and work well in this respect. On occasions, these visits have helped to identify the support needs of new tenants and some tenants have been referred to other support providers. The Association also provides starter packs

for new tenants that it considers to be vulnerable. Whilst the Association has helped some vulnerable tenants to receive support, this has been reactive and ad hoc.

- 4.31 Linthouse received 86 complaints of anti-social behaviour (ASB) in 2006 / 07. This is an increase of 23 on the previous year. Our case reviews indicate that the majority relate to noise and estate management issues. The Association provides good information about nuisance in the tenant handbook, at the tenancy sign up, through the Good Neighbour Agreement and in the Linthouse newsletter. It has policies for dealing with ASB and a separate racial harassment policy. Complaints are categorised by seriousness into three categories with 1 being very serious and 3 being seen as an area of concern. All complaints are recorded in an Anti-Social Behaviour Register.
- 4.32 When an ASB complaint is received a number of different methods are considered including mediation, close meetings and warning letters. Whilst the cases we reviewed were actioned quickly, there was a lack of good case management, with little evidence of records of incidents being kept, detailed investigations, timescales for actions or support needs being identified. The majority of cases reviewed were resolved through letters to the alleged perpetrators and the Association did not keep complainants informed of actions as the case was progressing. Where cases have been resolved no satisfaction information is gathered from the complainant.
- 4.33 We saw that Linthouse has good links with the police through signposting to the police surgery and joint visits are undertaken. The Association was instrumental in recently setting up an Anti-Social Behaviour Forum, which meets six weekly and has representation from a range of partners including the police, Glasgow Housing Association Neighbourhood Relations, Glasgow Community Safety Services and Clydeview Housing Partnership. This is a good example of partnership working.
- 4.34 Performance on anti-social behaviour is reported to the management committee on a monthly basis and this provides a breakdown on the number and category of complaints received, the number resolved and actions taken. However

performance information on the timescales for actions taken, trends and success of tools used to resolve cases are not included.

- 4.35 We saw that the quality of the local environment and communal areas at Linthouse is good and the neighbourhood is well managed. The Association's staff carry out high profile weekly and monthly checks of the area. A weekend patrol is also undertaken and this helps to ensure that action is taken to remove graffiti and repair vandalism as they occur. A pilot close cleaning service has also recently been introduced targeting the ten most difficult closes. The Association checks on the quality of the work undertaken by the contractor through the regular weekly estate inspections. Tenants are not involved in the monitoring of this service, however they sign off the quality of the cleaning service at the Langlands multi storey blocks through the involvement of their resident groups. This is an example of good practice where tenants' views are used to monitor the quality of service delivery.
- 4.36 Other initiatives to help improve the local environment include the arranging of an annual garden competition, installation of CCTV throughout Linthouse and the provision of a caretaking service at Langlands multi-storeys. This service helps to ensure that these multi-storey properties are well managed and maintained.
- 4.37 Performance standards have been developed to ensure that all closes, back court areas, gardens and bins are checked weekly and monthly to ensure that they are in an acceptable condition. These are monitored and reported to the management committee on a monthly basis.
- 4.38 A monthly estate management meeting is held involving housing management and maintenance staff and a representative from Glasgow City Council (GCC) also attended the August meeting. During this meeting a good range of issues was discussed, including vandalism and cleansing. This resulted in GCC's Environmental Wardens targeting this area in October, which is a positive outcome for the Association.
- 4.39 A residents satisfaction survey was undertaken during March 2007 and this reported that 85% of respondents are satisfied with their neighbourhood overall,

81% were happy with the maintenance of external communal areas and 84% indicated that they felt safe in the neighbourhood. We also saw an example of good practice in the Association's estate management procedures with Thank You letters being issued to tenants where estate management checks found closes that were kept in good condition.

- 4.40 In summary, good quality information is provided to new tenants, however the Association does not monitor or report on the number of settling in visits it carries out. Linthouse provides vulnerable tenants with support although this has tended to be reactive. The Association has developed procedures to deal with anti-social behaviour and uses a range of tools to help resolve issues, including the establishment of a multi-agency anti-social behaviour forum. There are weaknesses in the case management of anti-social behaviour. We found a lack of record keeping, it was not possible to see if target timescales were being met and complainants were not being kept informed on the outcome of their complaint. The environment is well managed and the quality of the local environment and communal areas is good.

### Income maximisation

- 4.41 In 2006/07, 28 of Linthouse's tenants abandoned their homes. This accounted for 2.4% of the Association's homes, which is significantly higher than the peer group average of 1%. The Association does not know why so many of its tenants abandoned their properties. However, it plans to analyse the pattern of abandonments to identify trends and take steps to minimise them. There are no firm timescales for when this will happen.
- 4.42 We reviewed five cases where the Association had recovered abandoned properties. The abandonment cases that we looked at were identified quickly by staff and dealt with in line with the abandonment procedures, which are good. However, we found that the Association issues a high number of abandonment notices and that these are not always issued in line with its procedures. In particular, abandonment notices are often used because a tenant hasn't responded to arrears letters. This is not an appropriate use of the abandonments process.

4.43 Linthouse issued 114 Notices of Proceedings (NOPs) in 2006/07. This was more than double the number issued during the previous year. The Association told us that the reason for this increase is that it has begun to take a more robust approach to tackling serious arrears which is appropriate under the circumstances. Despite the increased number of NOPs being issued, the Association only repossessed one house during 2006/07. So far this year, the Association has repossessed three properties.

4.44 Evictions need to be approved by the Association's management committee. The management committee are given suitable detailed reports providing the history of the case, including the actions taken to resolve it. This is a good way of monitoring the repossessions procedure.

4.45 The table below summarises Linthouse's reported performance in collecting rent.

|   | At March 2006 | At March 2007 |            |                 | At June 2007 |
|---|---------------|---------------|------------|-----------------|--------------|
|   | Landlord      | Landlord      | Peer group | National median | Landlord     |
| Total arrears as % of total gross rental income                   | 11.8%         | 12.5%         | 6.5%       | 5.1%            | 12.3%        |
| Total current arrears as % of total gross rental income           | 6.8%          | 7%            | 4.7%       | 3.8%            | 6.9%         |
| Current arrears (non technical) as % of total gross rental income | 6.2%          | 6.7%          | 3.8%       | 2.6%            | 6.1%         |
| Current arrears (technical) as % of total gross rental income     | 0.7%          | 0.4%          | 1.0%       | 0.7%            | 0.8%         |
| % of current tenants in serious arrears**                         | 8.4%          | 10.6%         | 6.7%       | 3.6%            | -            |
| Total former tenant arrears                                       | £130,060      | £146,334      | -          | -               | £153,094     |
| As % of total gross rental income                                 | 4.9%          | 5.4%          | 1.8%       | 1.1%            | 5.4%         |
| Rent arrears written off  | £4,859        | £7,128        | -          | -               | £0           |

\*\*Owing more than 13 weeks rent and >£250

Source: APSR 2006/07 and Linthouse HA Submission

4.46 Linthouse's performance in minimising rent arrears is poor, but is slowly beginning to improve. The level of current arrears (non technical) at 6.7% was significantly higher than the peer group figure of 3.8% at March 2007. As of June 2007, this

figure had been reduced to 6.1% and had improved further by the time we were on-site in September 2007.

4.47 The percentage of Linthouse's tenants in serious arrears, at 10.6%, is three times the national figure. This is a legacy of the Association's previously poor performance in taking early action to tackle arrears. As a result, a large proportion of tenants have accumulated high levels of arrears that they are slowly paying off.

4.48 Linthouse has recognised that its high level of rent arrears poses a risk to the organisation and had to be addressed as a priority. The Association also acknowledged that until recently it has not been taking effective action to reduce arrears. By prioritising arrears and taking a more robust approach, the organisation has begun to make progress in reducing arrears. Under the new approach, the Association:

- Makes early and sustained contact with tenants when they get into arrears;
- Uses a range of contact techniques;
- Makes sustainable arrangements with tenants;
- Clearly records progress in each case; and,
- Reports appropriate information to the management committee.

This approach is in line with good practice and should help the Association to improve its performance.

4.49 Former tenant arrears are also high in comparison to both peers and the national figure. Linthouse has recently hired a debt recovery company to collect former tenant arrears. It is still too early to gauge how successful this has been.

4.50 The table overleaf summarises Linthouse's reported performance in letting houses that have become empty:

|  | 2005-06 | 2006-07  |            |                 | 2007-08* |
|--|---------|----------|------------|-----------------|----------|
|  |         | Landlord | Peer Group | National Median | Landlord |
| Rental income lost due to empty houses (£) | £28,838 | £23,305  | -          | -               | £6,286   |
| As % of total rental income                | 1.1%    | 0.9%     | 1.3%       | 0.8%            | 0.9%     |
| Total no. of re-lets                       | 105     | 116      | -          | -               | 23       |
| % re-let in <2 weeks                       | 20%     | 20.7%    | 30.4%      | 33.3%           | 13%      |
| % re-let in 2 – 4 weeks                    | 25.7%   | 31.9%    | 28.9%      | 25.0%           | 34.8%    |
| % re-let in >4 weeks                       | 54.3%   | 47.4%    | 40.8%      | 35.9%           | 52.2%    |
| Average time to re-let (days)              | 40      | 31       | 36         | 26              | 30       |

Source: APSR 2006/07 and Linthouse HA submission

\* 1 April to 30 June 2007

4.51 In 2006/07 Linthouse lost 0.9% of its total rental income because of empty houses. This is an improvement from the previous year. The average re-let time has also improved, from 40 days in 2005/06 to 31 days in 2006/07. Despite this improvement, this is still longer than the national median of 26 days and outside of their own target of 19 days. This is a challenging target particularly given its high re-let standard for its empty properties. The Association is currently striving to increase the number of pre-termination inspections, in order to help achieve this target.

4.52 Linthouse believes that the improved performance is due to the introduction of a new void procedure, that promotes close working between housing management and maintenance staff. This procedure has a number of positive steps aimed at minimising delays. These include:

- Focussed weekly team meetings between housing management and maintenance staff;
- Giving responsibility to specific members of staff for particular void properties;
- Setting targets for the time involved in the main stages of the lettings process; and,
- Early identification of prospective new tenants and pre-allocating houses where possible.

4.53 In summary, Linthouse has a poor performance in the maximisation of its income. Its level of abandonments and arrears is high although there has been a slight

improvement in the latter. The time taken to re-let its properties is improving and steps taken by the Association have had a significant beneficial effect.

## Investment and home safety

### Delivery of investment

4.54 Linthouse has put in place programmes for both planned maintenance and cyclical works. It intends to fit 100 new kitchens, 50 new bathrooms and 98 new central heating boilers in 2007/08. In the last three years the Association has:

- fitted 393 new kitchens at a cost of £558,000;
- carried out lift replacement programmes in its multi storey flats at a cost of £468,000;
- fitted 111 boilers or central heating systems at a cost of £247,000; and
- replaced 163 bathrooms at a cost of £95,000.

### Home safety

4.55 Social landlords are required to carry out safety checks every 12 months on all gas appliances and flues they provide for tenants' use. We found that the Association has met its statutory duty for all but a small number of its houses. The table below summarises the Association's performance in this area.

|  | January 2007     |      |
|--|------------------|------|
|  | Number of houses | %    |
| Houses with gas appliances   | 946              | 100% |
| Houses with current gas safety certificates                                  | 927              | 98%  |
| Houses where safety check was carried out within 12 months of previous check | 927              | 98%  |
| Houses where safety check was up to 1 month late                             | 11               | 1.2% |
| Houses where safety check was between 1 and 3 months late                    | 8                | 0.8% |
| Houses where safety check was more than 3 months late                        | -                | -    |

4.56 Linthouse has taken steps to address the difficulties in gaining access to properties for the carrying out of gas safety checks by amending its procedures. The Association altered the start date of the process of carrying out gas safety checks to ten months after the last service date. We also saw that Linthouse now takes prompt legal action with tenants where access problems have previously

occurred. Our case reviews confirmed that the Association is following its new procedures and effectively monitoring its performance. Linthouse also arranges to have a sample 15% quality assurance check of gas safety work carried out by an independent contractor and a member of staff who is CORGI registered.

Linthouse is not meeting its statutory obligations in all cases. However, it now has in place new procedures and this is resulting in improvements in its monitoring of gas safety.

4.57 From 2004 social landlords have a statutory duty to manage asbestos in the common areas of their properties. Linthouse introduced an asbestos management policy and procedures in 2006. In 2007 it carried out a sample house survey using different house types and has used this information to develop an Asbestos Register and Asbestos Management Plan. The Association is aware of the types of asbestos present and follows procedures on any necessary actions. It informs its tenants and its contractors of the presence of asbestos before work is started. The Association is working to comply with the regulations.

4.58 In summary, Linthouse has a good approach to investment and home safety. It is investing significant sums to improve the condition of its properties. We saw that Linthouse has taken good steps to tackle weaknesses it has identified in its management of gas safety and asbestos.

### Response repairs

4.59 The Association's target for emergency repairs is to attend within 4 hours and complete within 24 hours. This compares with the national median target of six hours for completion. Its target for the completion of urgent repairs is one working day which is better than the national median of three working days. The target for routine repairs of eight working days is also more challenging than the national median of ten working days.

4.60 The table below details reported performance against target response times.

| Linthouse<br>Target for Completion |                      | Performance  |              |              |                              |                               |
|------------------------------------|----------------------|--------------|--------------|--------------|------------------------------|-------------------------------|
|                                    |                      | Linthouse    |              |              | 2005/06<br>RSL peer<br>group | National<br>median<br>2005/06 |
|                                    |                      | 20004/05     | 2005/06      | 2006/07      |                              |                               |
| <b>Emergency</b>                   | 4 Hours              | <b>100%</b>  | <b>100%</b>  | <b>100%</b>  | <b>98.0%</b>                 | <b>98.8%</b>                  |
| <b>Urgent</b>                      | 1<br>Working<br>Day  | <b>100%</b>  | <b>100%</b>  | <b>100%</b>  | <b>94.3%</b>                 | <b>95.7%</b>                  |
| <b>Routine</b>                     | 8<br>Working<br>Days | <b>95.6%</b> | <b>95.9%</b> | <b>97.2%</b> | <b>94.6%</b>                 | <b>95.5%</b>                  |

- 4.61 Linthouse's reported figures over the last three years show a consistently good performance against both the national median and its peer group. However, we found some weaknesses in how Linthouse reports its repairs performance. Prior to the inspection taking place, Linthouse carried out an analysis of statistics which indicated that its reported routine responsive repairs figures included gas safety, electrical safety checks and other non reactive repairs. In addition, the Association acknowledged that it was unable to demonstrate that its emergency repairs had been carried out within the target time of four hours. This clearly indicates that the Association's reported performance for its emergency and routine repairs is unreliable and is a significant weakness.
- 4.62 Our tenant assessor spoke to eight tenants who had used the response repairs service in the last three months. All except one were largely satisfied with the service they had received. This reflects feedback from the Association's own Tenant Survey and we comment on this in paragraph 4.1.
- 4.63 Pre and post inspections are important tools for ensuring repairs are targeted accurately and carried out to a high standard. The Association has a target of 20% for pre and post inspections but it does not record and monitor those inspections which are carried out.
- 4.64 Linthouse operates the Right to Repair scheme well. It advertises Right to Repair annually in its newsletters and provides information on the scheme in the tenant handbook. Tenants are provided with information on details of alternative

contractors when they report a repair. To date, there has been no need to pay compensation.

4.65 In summary, Linthouse's overall performance in carrying out responsive repairs is fair. It fully meets its statutory duty around Right to Repair and tenants we spoke to were largely happy with the service they received. However, there are a number of weaknesses around the reliability of its reported responsive repairs performance and the lack of recording and monitoring of pre and post inspections.

## 5 Is Linthouse managed for improvement?

### Leadership and strategic planning

- 5.1 Since the last performance audit in 2000, Linthouse has worked well to identify the Association's purpose, vision and key strategic priorities. It has introduced an internal management plan (IMP) for 2007/10 which sets out the medium term strategic objectives for each service area. The IMP is supported by the Association's risk management strategy and its strategy and development funding plan. Each service area has a performance management framework and improvement plan in place which demonstrates how the Association will achieve its objectives at both a strategic and operational level.
- 5.2 Linthouse developed its current IMP largely through its management team and an external consultant. It also sought the views of partners and stakeholders to ensure that its objectives did not conflict with those of others working in the Govan area. This process is being extended to include the involvement of the management committee in its preparation. Linthouse reviews its medium term strategic objectives annually with input from committee and staff at all levels.

### Governing body

- 5.3 Linthouse has been slow to tackle the issues raised at the last performance audit. The Association has recently reviewed the way the management committee dealt with the Association's business. Following this review, it has decided to set up a sub committee structure to relieve the pressure on the management committee. It has four sub committees that serve the management committee but it is too early to assess the effectiveness of the new arrangements. Committee members and staff we spoke to told us that they were confident that the new structure would allow them to deal with the Association's business more effectively.
- 5.4 Linthouse's management committee had 12 members at September 2007. It largely comprises individuals who have been members of the committee for many years however there have been a number of new recruits in recent years. Attendance levels at meetings are good. The average number of

committee members attending meetings in last two years is 72% and 83% respectively. No committee meetings have been inquorate in the last three years.

- 5.5 In July this year, a skills audit of Linthouse's committee members was carried out. This involved members completing personal development questionnaires. Once all the responses have been received individual training plans will be prepared. In recent years committee members' attendance at training courses has been poor. The Association is hopeful that the results of the skills audit will encourage members to attend training events. This would undoubtedly help members to make a more effective contribution to the running of the organisation.
- 5.6 Linthouse has not devoted sufficient attention to the provision of training for new committee members. New members we spoke to confirmed that they had received minimal information on the responsibilities of their new role. The Association has recognised this weakness and has recently introduced an induction policy. If implemented, this will provide new members with the information required to help them make a quick, effective contribution to the work of the committee.

### Accountability and public reporting

- 5.7 Linthouse has reviewed its membership policy in line with the recommendation from the last performance audit. The Association promotes membership of the Association to its tenants at the beginning of tenancies and through its newsletters. Items in the newsletters only relate to an application form with no mention of the benefits of becoming a member. At March 2007 it had 374 members. This gives the Association a strong membership base. The Association encourages members to attend its AGM by running other activities of broader interest. It has had some success but attendance is still below that achieved by its peer group.
- 5.8 The recent Tenant Survey indicated that only 71% of respondents knew that they could become a member of the management committee. The Association recognises this low level of awareness. Initial steps have been taken to look at what can be done to encourage individuals to stand for election to the committee.

5.9 Linthouse provides information in its Annual Report on performance against targets in respect of allocations, voids, arrears and responsive repairs. No comparisons are made with the Scottish average or the performance of its peers. Other than the results of the recent Tenant Survey, the Association includes no performance information in its quarterly newsletters.

### Ethical standards and clear values

5.10 Linthouse has worked well to ensure that the recommendations from the last performance audit were implemented. The Association has in place a policy on donations which clearly sets out the circumstances under which the management committee may feel that a donation would be appropriate. The Association's tendency is to donate to local charities or groups and the normal level of donation is set out. Allowance is made in the policy for donations exceeding the limit set out but these are regarded as very rare and, as for all donations, need the management committee's approval.

5.11 The Association is fully aware of the need for committee members to maintain the highest of ethical standards. It has adopted a comprehensive Code of Conduct and committee members annually declare any potential conflicts of interest. Staff members also declare their interests but this has not been signed up to annually. Linthouse asks its committee members to declare conflicts of interest at the beginning of every meeting and to be aware of conflicts that may arise during meetings. Members with a conflict of interest do not take part in any discussion or decision.

5.12 The Association maintains a gifts and hospitality register although hospitality has only been recorded from April 2007. The register is satisfactory although it has not been signed off annually by the Chair and any gifts or hospitality refused have not been recorded.

5.13 Linthouse is fully aware of the requirements of Part 1 of Schedule 7 of the Housing (Scotland) Act 2001. It has granted a tenancy to a relevant person in each of the last three years. However, in each case the allocation was made appropriately.

## Financial performance and management

5.14 The Association is financially viable and should remain so in the medium term. We consider the Association does have some exposure to financial risk due to its funding structure and reducing stock levels.

| <b>Financial year</b>       | <b>2006/07</b> | <b>2005/06</b> | <b>2004/05</b> |
|-----------------------------|----------------|----------------|----------------|
|                             | £000           | £000           | £000           |
| <b>Turnover</b>             | 3,525          | 3,338          | 3,255          |
| <b>Surplus/deficit</b>      | 422            | -139           | 295            |
| <b>Capital and reserves</b> | 6,518          | 6,096          | 6,235          |

5.15 Private lending levels are low and the balance sheet is shown to be weakening in the medium term. The Association's forward financial planning does not show increases in its stock asset values resulting from the planned investment in the stock.

5.16 Annual deficits are forecast over the medium term. The Association has high levels of surplus cash to fund these forecast shortfalls. Cash balances grew from £3.0m at the end of March 2006 to £3.4m at the end of March 2007. Medium term plans show a reduction in these funds as they are used for planned maintenance programmes.

5.17 Spending on planned maintenance programmes in the next five years is substantial. This investment contributes to the Association working towards bringing the stock up to Scottish Housing Quality standards. Forecasts show over £5m will be invested in the Association's stock over the medium term. It can reasonably be expected that the quality of the properties will be improved. This currently is not reflected in the Association's projected valuation of its properties.

5.18 The Association carries out some diversified activities. These are not subsidised from rents received.

5.19 When compared to performance benchmarks for the sector, the Association's financial capacity is good. It demonstrates high levels of reserves and moderate levels of private lending. Efficiency levels are mostly in line with sector averages. Arrears levels have recently improved.

5.20 The Association's stock holding is forecast to drop through right to buy sales by 40 units over the next five years. This takes the stock holding down from 1172 units in 2006/07 to 1132 units in 2011/12. There are no plans to develop

new stock. Turnover will decrease in proportion to the reduced number of units managed.

- 5.21 In summary, Linthouse is a financially viable organisation. It is making a substantial investment in its properties over the next five years but this is not reflected in its projected stock asset values.

### Asset management strategy and planning

- 5.22 We found that the Association's houses are generally in good condition:
- all of its houses have hard wired smoke detectors;
  - the Association has identified there is no lead piping; and
  - all properties with a common entrance have a secure door entry system.

- 5.23 Scottish Ministers have set a target that all social landlords' houses should meet the new Scottish Housing Quality Standard (SHQS) by 2015. Social landlords were required to prepare a plan for submission to Communities Scotland by April 2005, showing how they would achieve this. Linthouse achieved this target and for the majority of its properties is confident that its proposed future investment programme will ensure that they will comply with the SHQS by 2015. The Association is planning to improve the energy efficiency of the properties they acquired from Scottish Homes through large scale voluntary transfer, however funding of the necessary work could prove difficult.

- 5.24 Linthouse has limited information on the condition of its properties. At the time of our inspection it had comprehensive information on the physical condition of only 17% of its properties. It is currently carrying out a tendering exercise in order to update its information and proposes to have a 100% stock condition survey completed by December 2009. As the limited information currently held is used in the preparation of its planned and cyclical maintenance programmes it casts some doubt on their accuracy. In addition, doubt must be cast on the Association's financial planning framework as it is drawn from its house condition and life cycle costing information. This means that the Association is not absolutely clear on how much it needs to spend, and within what timescales, to maintain its houses effectively.

- 5.25 In summary, Linthouse's performance in asset management strategy and planning is fair. Its properties are generally in good condition but it may have

some difficulty in funding the improvement of energy efficiency in some of its properties to meet the SHQS. The Association's information on the condition of its properties is incomplete resulting in some uncertainty on the level and timing of future expenditure.

## Management of risk

- 5.26 Linthouse has worked well to respond to the recommendations made at the last performance audit. The Association has a detailed risk management strategy in place. The risk assessment identifies the type of risk, its severity, the controls that are in place to stop the risk materialising and the review period. Following the preparation of the strategy, operational risk portfolios were introduced for each manager in respect of their area of responsibility. These portfolios are monitored on an ongoing basis and plans are in place to submit annual risk management reports to the management committee. Overall, these arrangements give Linthouse an effective strategic and operational tool to manage risks.
- 5.27 Linthouse has appointed a consultant to act as its internal auditor. In conjunction with Association staff the internal auditor carried out an audit needs assessment. The outcome of this assessment resulted in the preparation of improvement plans for each function with target dates for completion. These plans are regularly monitored and discussed at staff meetings and progress reported to the management committee.

## Performance management and planning

- 5.28 Linthouse has a fair approach to its performance management framework . As discussed under paragraph 5.1, the Association's IMP included medium term strategic objectives for each service area. In addition, each service area has a performance management framework and improvement plan in place which have SMART performance targets for each key operational area.
- 5.29 The Association has developed a wide range of performance indicators and targets that allow it to closely monitor its performance. It has provided the management committee with satisfactory performance reports on a monthly basis. These reports provide an overview of performance in arrears, voids, allocations, anti social behaviour, responsive repairs and cyclical maintenance. The reports do not cover all areas of operation and do not include comparisons with peers or the national median although the

Association is now involved in the setting up of a new benchmarking club. In recognition of the amount of information committee members receive, it is now moving towards presenting the committee with a half yearly comprehensive review of its performance management framework. The exception to this is the arrears performance report which will continue to be provided monthly owing to the high risk attached to this area.

- 5.30 As referred to in paragraph 4.61, the Association's performance management of its responsive repairs service has been hampered by its production of unreliable figures in respect of emergency and routine repairs. In addition, paragraph 4.63 refers to a lack of a robust framework for monitoring and reporting on contractors' performance through the carrying out of post inspections.
- 5.31 Since the last performance audit, Linthouse has adopted a good approach to the training and development of its staff. All staff are encouraged to attend training from which they and Linthouse would benefit. Internal training is provided on, for example, new policies and procedures. In addition, a training programme has been prepared in conjunction with Anniesland College which will benefit all staff.
- 5.32 The Association gives its staff key objectives and targets derived from the higher level strategic and operational aims and objectives contained within the IMP. It assesses staff performance in achieving these targets, and training requirements, during the annual appraisal process and through regular staff meetings. Individual training plans will be prepared as part of this process.
- 5.33 Linthouse has developed a fairly comprehensive set of policies and procedures to support service delivery although there are some gaps as described elsewhere in this report. It has also prepared a policy review timetable which indicates when the policy was introduced and when it is due to be reviewed.
- 5.34 In summary, Linthouse has a fair approach to the management of its services. It has a good performance management framework in place, a good approach to staff training and development and having developed a fairly comprehensive set of policies and procedures. However, there is scope for improvement in adopting a more robust approach towards producing accurate statistics on its responsive repairs performance and monitoring and reporting

on contractors' performance. In addition, performance reports could be extended to include all areas of operation and include comparisons of performance against similar organisations. Generally, a more robust approach would enable the organisation to plan those areas of its operations to which its resources should be directed.

## Customer focus and Influence

- 5.35 Linthouse produced its customer care policy in 2005. This introduced comprehensive customer service standards and targets covering, for example, the service customers can expect when arriving at reception and the target time for responding to written correspondence. A leaflet on customer care has been prepared and is available to customers in the reception area. This provides customers with a good indication of the level of service they can expect to receive over a wide range of the Association's activities. Linthouse issues customer care questionnaires to all callers to the office and monitors its performance through the results. As with other feedback surveys discussed elsewhere within this report, the results are not routinely reported to the management committee.
- 5.36 Linthouse's office is situated within its area of operations and is therefore easy to reach for most of its tenants. This is confirmed in the 2007 Tenant Survey with 91% of respondents indicating that it was easy or very easy to reach the office. It is a modern building and has good accessibility for people with physical disabilities. A portable hearing loop system is available for use wherever required in the office. Overall, the physical environment is good and there is easy access to information. For example, within the reception area there is a good range of posters and leaflets including the tenant handbook and complaints procedure. The vast majority of tenants contact the Partnership by phone (67%) or by visiting the office (32%) and 100% of respondents to its 2007 Tenant Survey were satisfied with this method of contact.
- 5.37 The Association is working to develop ways in which its tenants can participate in a meaningful way. A Registered Tenant Organisation (RTO) has been established in the Langlands area and our tenant assessor attended its AGM. Overall, the RTO members are largely satisfied with Linthouse's overall performance and the support it receives from the Association.

- 5.38 Linthouse is good at consulting its tenants on rent increases. It provides tenants with details of how their rent money was spent during the previous year and the budgeted expenditure for the following year. It does not, however, provide information on the effect different levels of rent increase would have on expenditure. The Association has also sought the views of tenants on the content of the planned maintenance programme and took on board tenants' views on all aspects of a lift refurbishment programme.
- 5.39 Linthouse has a fair approach to gathering service users' views on other aspects of its services. The Association has a tenant consultation register where tenants that have expressed an interest in becoming involved in policy formulation are invited to provide feedback on draft policies before they are submitted to committee for approval. The invitation usually takes the form of an article in the Association's newsletter and to date no feedback has been received. It also collects feedback from its service users on its customer service, waiting list review, applications process, new tenancy and void re-let standard, responsive repairs, planned or cyclical maintenance contracts, adaptations and factored owners. However, it does not report the outcome of these surveys to the management committee although this is planned. In addition, it seeks the views of only 20% of tenants who report a repair or experience a planned or cyclical maintenance contract.
- 5.40 Linthouse has a good approach to responding to complaints about services. At the time of our inspection no complaints had been made to the Scottish Public Services Ombudsman during 2006/07. We reviewed a number of complaints which had been dealt with satisfactorily. However, in some cases we noted that the complainant had not been advised of their right to appeal should they be unhappy with the outcome. The complaints procedure is widely publicised yet the recent Tenant Survey indicated that only 68% of respondents knew of its existence.
- 5.41 In summary, Linthouse has a good approach to focussing on its customers and enabling them to influence the way it delivers its services. It demonstrates a commitment to customer care and provides good support to its RTO, consults well with its service users and obtains from them feedback on a variety of issues. It also deals well with any complaints it receives. However, the Association could improve its performance by extending the

areas of its operations on which it receives feedback and looking at more innovative ways of encouraging its service users to participate in consultation exercises. The outcomes of feedback surveys should also be analysed and regularly reported to the management committee.

### Equalities and diversity

- 5.42 Ethnicity Information is gathered for all new applicants. To date, limited monitoring use has been made of this, however there are plans to analyse and report the outcomes of the lettings process to the management committee beginning in October 2007.
- 5.43 If required, all of the Association's policies can be provided in a range of languages and different formats. Posters are on view in interview rooms and at reception to promote availability of this service. The Association does not however use other languages and formats to make this clear.

### Value for money

- 5.44 Linthouse's costs for delivering its housing management services were £349 in 2004/05 rising to £385 in 2005/06 and £469 in 2006/07. This is lower than the peer average for 2005/06 of £605. The Association's reported management costs for delivering its property maintenance service decreased from £46 per unit in 2004/05 to £14 in 2005/06. This figure is below both the 2005/06 national average of £270 and its peer group average of £300. However, management costs for 2006/07 had increased to £469 per unit. This significant increase has been attributed by the Association to increasing costs in the running of its Direct Labour Organisation (DLO). Linthouse is currently conducting a Best Value review of its DLO and this is discussed in greater detail below.
- 5.45 Linthouse has consistently performed well in the collection of its rechargeable repairs. Over the last three years it has raised invoices to the value of £11,000-£12,000 each year with recovery rates of in excess of 80%. This is an excellent performance.
- 5.46 Linthouse maintains a log book for recording the materials used by the DLO in the carrying out of the responsive repairs service. However, the

arrangements in place for stock control are not robust in that there is no annual stocktaking or the carrying out of spot checks. This is a weakness.

- 5.47 Linthouse carries out its improvement programme by using external contractors procured through competitive tendering. Contractors are invited to tender from the Association's approved list. The tendering process for the gas safety post inspection contract was checked and found to be satisfactory. We saw that contractors receive good information including details on customer care.
- 5.48 Linthouse's responsive repairs service is provided by the Association's DLO. A consultant has been employed to carry out a best value exercise to establish whether this arrangement provides the Association's best option for ensuring value for money. An earlier exercise was carried out but it was not robust enough for the Association to take an informed decision. It is encouraging that Linthouse has instigated this review however it was identified as a weakness at the last performance audit in 2000 and such steps should have been taken much earlier.
- 5.49 In summary, Linthouse's performance in demonstrating value for money is poor. Good performance is demonstrated in the efficient recovery of rechargeable repairs and the low costs incurred on its housing management service. However, the Association has performed poorly by delaying the carrying out of a value for money review of its DLO and in lacking robust arrangements for carrying out stock control.

## 6. Next steps

- 6.1 This report highlights our findings following this housing re-inspection. We expect all organisations to respond effectively to our recommendations using their own processes for planning improvement. We ask organisations that receive fair or poor assessments to submit an improvement plan to us within eight weeks of the publication of this report. The plan should show how the organisation intends to respond to our findings.
- 6.2 As Linthouse has received a fair assessment it needs to submit an improvement plan to us.

## Appendix 1 Sources of evidence

### Groups and third parties consulted

- Communities Scotland Area Team
- Communities Scotland Tenant Participation Team
- Communities Scotland Investment Team
- Scottish Public Services Ombudsman
- Glasgow City Council DRS Strategic
- Glasgow South West Regeneration Agency
- Strathclyde Police
- Money Matters
- Scottish Enterprise
- Fab Pad (Impact Arts)
- Drumoyne Community Council
- Preshal Trust
- Starter Packs
- Anniesland College

### Interviews/meetings

- Members of the RSL's Management Committee
- Executive Director
- Depute Director
- Maintenance Manager
- Senior Housing Officer
- Policy Officer
- HR/Admin Officer
- Frontline housing and property maintenance staff
- Discussions with a range of tenants and service users

### Reality checks

- Review of gas safety documents
- Review of complaints
- Review of responsive repairs
- Review of housing list applications and allocations
- Review of void re-let standard
- Review of information for applicants and tenants
- Review of rent arrears cases
- Review of abandonments
- Review of anti-social behaviour cases
- Shadowing repairs post inspection
- Shadowing repairs pre inspection
- Shadowing tenancy sign-up
- Shadowing void inspection
- Shadowing new tenant visits
- Shadowing estate management inspections

## Key documents reviewed

- Inspection submission
- Internal Management Plan
- Risk management strategy
- Staff appraisals
- Attendance management policy
- Committee skills audit questionnaire
- Membership policy
- Committee members induction policy
- Gifts and hospitality policy and register
- Schedule 7 register
- Tenant handbook
- Internal Audit Progress Report
- Abandonment policy
- Allocations policy
- Allocations suspensions policy
- Complaints policy
- Rent arrears policy
- Repairs and Maintenance Policy
- Remit for Best Value DLO review
- Planned Maintenance programme
- Right to Repair policy
- Gas Safety procedure
- Asbestos Management policy & procedure
- Stock control register
- Rechargeable Repairs policy
- Equal opportunities policy
- Annual performance and statistical returns to Communities Scotland
- Performance monitoring reports for arrears, allocation and repairs response times
- Tenant Newsletters
- Annual accounts for year ending 2006/07
- Rents consultation documentation
- Neighbour Dispute procedure
- Estate Management policy
- Racial Harassment procedure
- Resident Satisfaction Survey

## Appendix 2 Examples of positive practice

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

- Linthouse issues Thank You letters to tenants where estate management checks found closes to be kept in good condition.
- A weekend patrol of its estates is undertaken and this helps to ensure that action is taken to remove graffiti and repair vandalism as they occur.
- A police surgery has been established within Linthouse's office where residents can meet the local police at a neutral venue.

## Glossary

|   |  |
|---|--|
| <b>Annual Performance and Statistical 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>Average</b>  | The arithmetic mean – the sum of all the values divided by the number of values.   |
| <b>Common Housing Register (CHR)</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>ICT</b>  | A landlord's information communication technology system.  |
| <b>Inspection submission</b>                            | Documents submitted by the landlord at the start of the inspection to provide information to on its performance, context and how it is structured.                         |
| <b>Internal Management Plan (IMP)</b>                   | Strategic plan which sets out what the organisation aims and objectives are as well as outlining how it will achieve them.   |
| <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>Non Technical Arrears</b>                            | Rental charges owed to a landlord after any outstanding Housing Benefit claims or payments have been taken account of.   |
| <b>Notice of proceedings (NOP)</b>                      | Documentation required to be served by a landlord advising the tenant(s) of the landlords intention to raise an action in the courts to end the tenancy.                   |
| <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 Standards</b>                            | Housing standards for all social landlords in Scotland.  |
| <b>Planned maintenance</b>                              | The planned renewal or maintenance of key property components.   |
| <b>Post Inspection</b>                                  | Inspection by a member of the landlords staff to check the on the quality or deal with a complaint concerning a response repair.   |
| <b>Pre inspection</b>                                   | Inspection by a member of the landlords staff to check the on the exact nature of the work required before ordering a response repair.                                     |
| <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.   |

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| <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>Response repairs</b>                              | Day to day repairs carried out on a reactive basis, distinguishable from planned, capital or cyclical maintenance.  |
| <b>Right to Repair</b>                               | Statutory scheme which sets out timescales for some repairs and actions which can be taken if timescales exceeded.  |
| <b>Scottish Public Services Ombudsman</b>            | The independent body appointed to investigate individual complaints against public service bodies including Registered Social Landlords (RSL).  |
| <b>Scottish Housing Quality Standard (SHQS)</b>      | Was brought into to ensure minimum quality standards across all of Scotland's homes and is to be achieved by 2015.  |
| <b>Schedule 7 of the Housing (Scotland) Act 2001</b> | Defines how those involved with RSLs (governing body members and staff) do not benefit in an inappropriate fashion.   |
| <b>Section 5 referral</b>                            | Under Section 5 of the Housing (Scotland) Act 2001 a local authority can request a registered social landlord which has accommodation in its area to provide accommodation to homeless people. This request is known as a Section 5 referral. |
| <b>Shadowing</b>                                     | An inspection technique that involves accompanying and observing staff while they carried out their day-to-day tasks.   |
| <b>SMART</b>   | Performance management acronym for: Specific, Measurable, Achievable, Relevant and Timebound.   |
| <b>Stakeholder(s)</b>                                | Any person organisation who obtains a service from the landlord or is effected by the landlords actions.  |
| <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>Suspension or Suspension Policy</b>               | Policy by which a landlord may temporarily suspend an applicant from receiving offers from its housing list as defined in the 1987 Housing (Scotland) Act and amended in the 2001 Housing (Scotland) Act.                                     |
| <b>Tenant Assessor</b>                               | Tenant assessors are trained lay people (tenants) who are part of the inspection team. They are involved in the preparation for the inspection, reading landlord materials and on-site visits as well as talking to tenants.                  |

Regulation & Inspection

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