

Pathfinder Inspection Report

Summary

July 2004

Viewpoint Housing Association



Viewpoint Housing Association: Pathfinder Inspection Report Summary

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

Viewpoint Housing Association

2. Viewpoint Housing Association was set up in 1947 and registered with Communities Scotland (Scottish Homes) in 1975. Viewpoint has a stock of 1,273 properties, including 1019 sheltered or extra-sheltered properties. The Association's rented housing is located in Edinburgh, East Lothian, Midlothian and Fife. Viewpoint is a Company limited by guarantee and has charitable status.

Inspection Grades

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

Overall Performance	C	Viewpoint is a fair performer with some strengths and significant areas where improvement is needed. The prospects for improvement overall are uncertain.
Governance and Financial Management	C	Viewpoint is a fair performer in governance and financial management with some strengths and significant areas where improvement is needed. The prospects for improvement in governance and financial management are uncertain.
Housing Management	C	Viewpoint delivers a fair housing management service with some strengths and significant areas where improvement is needed. The prospects for improvement in housing management are uncertain.

Property Management	B	Viewpoint delivers a good property management service with many strengths and some areas where improvement is needed. The prospects for improvement in property management are uncertain.
Property Development	C	Viewpoint delivers a fair property development service with some strengths and significant areas where improvement is needed. The prospects for improvement in property development are promising.

Overall Performance

4. This section describes how good Viewpoint's services are overall and how well they are managed.
5. These areas are working well overall:
 - ✓ Viewpoint's on-site services are accessible to tenants and other service users.
 - ✓ Viewpoint is developing a good approach to tenant participation and we saw examples of how tenants have influenced the way services are delivered.
 - ✓ There is a high level of tenant satisfaction with the repairs service, which is efficient and responsive.
 - ✓ Viewpoint's new developments are of a high quality.
 - ✓ Viewpoint has a good financial management framework in place, covering annual budget setting, reporting and performance monitoring.
 - ✓ Viewpoint provides tenants and other service users with a range of good quality written information on its services.
 - ✓ It provides information on its performance and activities to stakeholders through its Annual Report, and is continuing to develop the range of performance information it provides.
 - ✓ Viewpoint is developing a positive approach to sustainability.
6. These areas could be working better overall:
 - Planning is under developed.
 - Performance management is limited and not linked sufficiently to staff training and development.
 - There have been recent weaknesses in risk management of development projects and relationships with related companies and contractors.

- Viewpoint makes limited use of opportunities to collect regular feedback on all services and linking these to the development of services.
- Viewpoint cannot demonstrate accountability in its procurement decisions.
- The Association is not responsive to a wide range of tenants' views.
- Complaints are not used effectively to inform service delivery.
- Equality and diversity issues are not addressed across all activities, and performance monitoring of equalities is limited.
- The main office premises are not fully accessible.
- Policies to meet the requirements of the Housing (Scotland) Act 2001 are not fully implemented.
- Its sustainability objectives are not fully implemented.
- Viewpoint makes limited use of its ICT facilities.
- Record keeping generally makes it difficult for Viewpoint to demonstrate that its decisions are made in line with policy and procedure.

7. These are our key overall recommendations:

- ❖ Viewpoint should develop an integrated strategic planning approach, ensuring organisational objectives and targets are communicated effectively throughout the organisation, and performance is measured consistently against these targets.
- ❖ Viewpoint should urgently develop a more comprehensive approach to performance management across its service areas.
- ❖ Viewpoint should clearly link its staff appraisal and merit award systems to overall performance management, with organisational and individual objectives.
- ❖ Viewpoint should seek more regular feedback on the services provided and tell tenants and service users how their feedback has influenced service delivery.
- ❖ Viewpoint must actively address equality and diversity issues, and improve its monitoring and reporting to enable it to demonstrate it meets legislative and good practice requirements.
- ❖ Viewpoint should improve access arrangements to its office premises, in order to meet legislative requirements and to minimise physical barriers.
- ❖ Viewpoint's planned tenant participation review should include taking a strategic view of the issues on which it wants to obtain regular feedback and on how it will use these to inform service delivery.
- ❖ Procurement arrangements should be reviewed, so that Viewpoint can demonstrate and account for the assessment and appointment of consultants and contractors.
- ❖ Viewpoint should incorporate individual and departmental ICT requirements, including training requirements, into future strategy and planning decisions.

- ❖ Viewpoint should improve accountability by ensuring that proper records are kept of its decisions.

Governance and Financial Management

8. This section describes how well Viewpoint's governing body of volunteer members control the organisation, and examines the wider opportunities for tenants and other members to become involved in managing Viewpoint. It also looks at Viewpoint's financial health and how it manages its finances.
9. These areas are working well in governance and financial management:
 - ✓ Viewpoint's Committee has a wide range of relevant skills, and a good awareness of where additional skills or experience are required.
 - ✓ Clear remits and delegated authorities are in place for the Committee, Sub-Committees and staff.
 - ✓ Viewpoint assesses the range of skills of current Committee members and provides a good level of training for new members.
 - ✓ Viewpoint's level of membership is good.
 - ✓ Viewpoint takes a good approach to internal audit.
 - ✓ Viewpoint has a good financial management framework, a good approach to budget setting and produces detailed management accounts.
10. These are the areas that could work better in governance and financial management:
 - Viewpoint's governing body is not always given sufficient information on which to base its decisions.
 - There are instances of non-compliance with Schedule 7 of the Housing (Scotland) Act 2001, relating to service and employment contracts with committee members, staff and their relatives.
 - Demonstrating independence and appropriate relationships with related companies.
 - The committee code of conduct is out of date.
 - There is an absence of arrangements to manage staff conflicts of interest, should these arise.
 - Medium and long-term financial forecasting is not a feature in the financial planning framework.
 - Information in management accounts on cashflow and financial indicators is limited.
 - More accurate allocation of costs and overheads between the housing and care parts of the business is required.
 - The identification, assessment and management of risk could be more comprehensive.
 - The Treasury Management policy does not reflect current practice.

- Maximum take up of all available committee places has not been achieved.
- Meeting the target minimum levels of tenant committee members has not been achieved.

11. These are our key recommendations in governance and financial management:

- ❖ The level and completeness of information given to Committee when seeking decisions should be improved.
- ❖ Viewpoint must improve its compliance with and understanding of Schedule 7 of the 2001 Act through appropriate training. It must ensure that it fully complies with the legal requirements when making any payments or granting any benefits. All future benefits must be properly considered, approved and recorded. It must act to completely resolve the breaches we have identified and ensure all future benefits are properly considered, approved and recorded.
- ❖ Viewpoint should quickly review and formalise its relationships with the related companies Benview Trading and the Viewpoint Trust, to ensure independence between the organisations can be demonstrated.
- ❖ Viewpoint should act quickly to prepare annual medium-term financial forecasts and should build long-term forecasts into its planning approach.
- ❖ Viewpoint should introduce a formal system for monitoring risks at all levels of the organisation.
- ❖ Viewpoint should introduce an up to date and objective basis for assessing staff time spent on various activities, to allow accurate allocation of overhead expenses to different areas of the business.
- ❖ Viewpoint should review its Code of Conduct, and provide training for the committee, to ensure its approach is compliant with current legislation and good practice guidance.
- ❖ Viewpoint should introduce and maintain a register of interests for staff and manage any conflicts which may arise.
- ❖ Management accounts to the Finance Sub Committee could be further improved by providing detailed commentary on variances at individual care home level and including narrative comparing actual cash flow to budget; and by reviewing the current financial indicators used.
- ❖ Viewpoint should sustain and increase its efforts to attract additional Committee members with appropriate skills and experience. In particular, it should continuously encourage tenant membership of its Committee.
- ❖ Viewpoint should continue to focus on building the organisation's membership, particularly among tenants.
- ❖ The Treasury Management Policy should be updated to reflect current practice.

Housing Management

12. This section summarises how well Viewpoint controls access to its houses and rents levels, and deals with empty houses and rent arrears. It also describes how Viewpoint manages its estates and deals with antisocial behaviour.
13. These are the areas that are working well in housing management:
 - ✓ Viewpoint has made excellent progress in signing up tenants to the Scottish Secure Tenancy.
 - ✓ Viewpoint has recognised weaknesses in its voids performance and is developing a range of measures to address the problem.
 - ✓ Performance in collecting rent due from tenants is good.
 - ✓ The Association is working towards widening access to its houses in partnership with other landlords.
 - ✓ Viewpoint is reviewing its housing support activities to ensure compliance with Supporting People and Care Commission requirements.
 - ✓ Tenants are satisfied with the support provided and the quality of sheltered accommodation.
 - ✓ There are good links between office-based staff and Wardens in sheltered developments to provide a responsive service to tenants.
 - ✓ Viewpoint's estates have a well-maintained environment.
14. These are the areas that could work better in housing management:
 - Viewpoint does not have clear plans for improvement of the service.
 - Assessment of performance and performance management could be improved.
 - Viewpoint's Tenant Selection & Allocations policy does not adequately provide for clear and transparent allocations decisions.
 - Viewpoint does not monitor the impact of allocations decisions in terms of deciding whether to allocate an empty property to an applicant from the housing or transfer registers.
 - Criteria for suspensions from its housing register are not always applied consistently or in line with policy and procedure.
 - Although its rent arrears performance is improving, Viewpoint does not pursue arrears in line with its procedures.
 - Time taken to re-let empty houses is improving overall, but the average length of time sheltered and extra-sheltered properties are empty is getting longer.
 - Viewpoint does not record or analyse reasons why offers of housing made to applicants are refused.
 - Monitoring and report preparation on housing management activities relies heavily on manual record keeping, with resulting inconsistencies and incomplete records.

15. These are our key recommendations for housing management:
- ❖ Viewpoint should review its allocations policy so that it maximises access to its houses with clear guidelines on how properties will be allocated between housing register and transfer applicants.
 - ❖ The Association should review its allocation policy to state that all applicants are given immediate access to its housing register.
 - ❖ Viewpoint should monitor who is being housed to demonstrate that it complies with its statutory duty to give reasonable preference to people in housing need.
 - ❖ Its policy on suspending applicants from the housing register must be applied consistently.
 - ❖ Viewpoint should review how it records and analyses housing management activity to ensure consistent, accessible information is collected on an ongoing basis for performance management.
 - ❖ Viewpoint should act to reduce void losses and ensure that voids activity progresses in a co-ordinated way, by continuously involving all relevant departments and assessing their impact on performance.
 - ❖ Viewpoint should review its void performance reporting to include analysis of reasons for refusals, clear targets for each stage of the void management process, monitoring of performance at each stage and identification of those properties or types that are more difficult to let.
 - ❖ Viewpoint should be clear about the costs of services at each development and ensure it is fair and open about its methods for recharging these to tenants.
 - ❖ Viewpoint should protect its high levels of rent collection with improved arrears management. It should pursue arrears in line with its procedures; ensure cases are acted upon early and consistently, set realistic targets and monitor and report progress against them.
 - ❖ Viewpoint should quickly update all its information for applicants, to ensure it is consistent with its policy and statutory requirements.
 - ❖ Viewpoint should include the assessment of affordability in the factors taken account of when setting rents.

Property Management

16. This section summarises how well Viewpoint maintains the fabric of its houses. It describes the quality of repairs that are done when they are needed (“responsive repairs”) as well as maintenance and improvements planned in advance. It also looks at how Viewpoint adapts houses so that tenants can stay in their homes when their needs change.
17. These are the areas that are working well in property management:
- ✓ Viewpoint has set challenging targets for its responsive repairs service, and its performance is well above average.
 - ✓ Viewpoint has a comprehensive approach to the maintenance of its housing stock.

- ✓ There are accessible arrangements in place to report repairs which take account of the particular needs of tenants.
- ✓ Tenants report good levels of satisfaction with the repairs service.
- ✓ Viewpoint has a responsive approach to carrying out adaptations.

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

- The monitoring of performance on gas safety and repairs.
- Implementation of the Right to Repair, and information to tenants on responsive repairs targets.
- Recording of emergency repairs request details does not allow accurate assessment of performance against targets.
- The level of detail obtained from current tenant feedback methods is limited.
- The use of life cycle costing information in overall planning.
- Ensuring that approved contractors meet the Association's quality and safety requirements at all times.

19. These are our key recommendations for property management:

- ❖ Viewpoint should review its approach to procurement. It should ensure that it openly and clearly justifies its procurement decisions, and records the assessments made, in line with good practice.
- ❖ Viewpoint must review its procedures for gas safety checks, to ensure that it can track contractor performance accurately and continuously.
- ❖ Viewpoint should review its approach to logging repairs details and monitoring repairs performance.
- ❖ Life cycle costing information should be fully integrated into its financial planning.
- ❖ The reviewed approach to collecting tenant feedback on repairs should be put into practice.
- ❖ Viewpoint should ensure that tenants are actively advised of the relevant target timescale when they report a repair, in line with Viewpoint's Tenants' Handbook and good practice.
- ❖ Viewpoint should take a proactive approach to informing tenants of their Right to Repair, ensuring it meets requirements of the Housing (Scotland) Act 2001.

Property Development

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

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

- ✓ The physical quality of Viewpoint's completed developments is good. It achieves high energy-efficiency ratings in new build projects, and

follows good practice guidance in developing housing for Varying Needs.

- ✓ Viewpoint's Development Strategy outlines the organisation's main priorities.
- ✓ Viewpoint has good working relationships with partners, which have produced housing developments targeted at particular local needs.
- ✓ Viewpoint carries out good quality financial assessment of development proposals.

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

- Consultants and contractors are not appointed through clear selection criteria, and reasons for their selection are not recorded.
- Viewpoint's Development Strategy could be improved with more detail on its approach and service aims.
- Feasibility studies are carried out for individual development proposals, but risk assessment could be more detailed.
- Viewpoint does not ensure feedback from tenants on new properties is systematically included in future plans, or provide tenants with information on how feedback has influenced decisions.
- Viewpoint could improve its profile amongst potential partners as an actively developing RSL.

23. These are our key recommendations for property development:

- ❖ Viewpoint should establish clear criteria for selecting consultants and contractors, and fully record its selection decisions.
- ❖ Viewpoint should review and strengthen its Development Strategy, linking it more closely with its funding plan.
- ❖ Viewpoint should carry out detailed risk assessments when considering the feasibility of future development projects.
- ❖ Viewpoint should incorporate service user feedback on completed projects into its future plans.

24. Anyone can ask for a copy of the full inspection report. All reports are on the Communities Scotland website at <http://www.communitiesscotland.gov.uk>

25. This summary can also be made available on tape, in Braille, MOON, large print and community languages. For information please contact Janette Campbell on 0131 479 5162 or email campbellj@communitiesscotland.gov.uk.

26. We have asked Viewpoint to produce an improvement plan within eight weeks of publishing the inspection report to show how it intends to respond to all our recommendations. We will agree the plan with the organisation. We will re-inspect Viewpoint in five years' time.