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Pembrokeshire Housing Association

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Status of this report

This report has been prepared for the internal use of the named body. Our reports are prepared:

- In relation to audit, under the relevant enabling legislation and the responsibilities detailed in the Code of Audit and Inspection Practice, and in the context of the 'Statement of Responsibilities', issued by the Auditor General for Wales.
- In relation to inspection, following inspection work carried out under the Local Government Act 1999, as amended by the Public Audit (Wales) Act 2004, and in accordance with guidance issued by the National Assembly for Wales.

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Summary

The Welsh Assembly Government (the Assembly Government) has appointed the Wales Audit Office to carry out inspections of housing associations in Wales

1. The Welsh Assembly Government has appointed the Wales Audit Office to carry out inspections of housing associations in Wales, under Section 96c of the Government of Wales Act 1998. Inspections assess how associations are meeting the expectations of the Assembly Government, as set out in its *Regulatory Code for Housing Associations in Wales*, March 2006 (the Regulatory Code). The relevant expectations are summarised at Appendix 1.
2. The inspection of Pembrokeshire Housing Association (the Association) was undertaken in June 2005. The inspectors sought to answer two key questions in relation to the Association:
 - Does the Association deliver good quality services?
 - Does the Association secure continuous improvement in services?
3. The first question is applied to a range of service areas, and the second is applied to the Association as a whole in relation to inspected services. The judgements used in answering the two questions are described in Appendix 2.

At the time of the inspection, the Association was providing an excellent rent service, good services with regard to relationship with residents, providing housing, lettings, housing for people with support needs and housing management, and satisfactory equal opportunities and maintenance services

4. Of the eight service areas considered, the inspectors concluded that the Association was providing an excellent rents service; its relationship to residents, providing housing, lettings, managing, and housing for people with support needs were good; equal opportunities and maintaining housing were satisfactory.

The Association's approach to securing continuous improvement was raising standards in service delivery

5. The Association was raising standards in service delivery. It had a clear strategic direction and ensured strategic objectives were being met. Formal processes had been adopted to drive continuous improvement within a range of service areas. A balanced range of performance measures needed to be developed to enable the Association to ensure it was achieving the service standards it had set.

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6. There was evidence of improvement against specific Performance Indicators as a consequence of action implemented by the Association. Some plans for further improvement lacked sufficient detail to enable the Association to evaluate whether intended outcomes would be achieved. The Association's track record indicated it had the capacity to deliver improvements.

The Association was demonstrating good practice in a range of areas

Advising on welfare benefits

7. The Association employed a welfare benefits advisor who provided an advice scheme for new and existing tenants, assisting in areas such as housing benefit applications, housing benefit appeals and debt counselling.

Furnished Homes Scheme

8. The Association had identified a need for furnished housing within the Local Authority's Homelessness Strategy and developed a Furnished Homes Scheme to meet the needs of its tenants. The furniture was rented via a service charge that was eligible for housing benefit, and included carpets, curtains, white goods and furniture. The scheme had assisted a number of families and had had a positive impact on them sustaining their tenancies and improving their quality of life.

Improving quality of life

9. The Association had assigned a specific budget of £10,000 to each area team to improve the quality of life of its tenants in the community in which they lived. The budget could be used for specific work, such as a minor adaptation to an individual's home, or to benefit the wider community, for example, through the provision of a children's play area. The fund had helped to engage tenants at a community level and give support to residents' associations.

The Tenant Support Service

10. The Tenant Support Service had enabled new and existing vulnerable tenants to access independent accommodation, sustain their tenancy and work towards independent living. A personal support plan was developed following discussions with the individual, and a wide range of support and advice was being provided. At the time of inspection, the Association was planning to extend the scheme to assist all tenants over the age of 75 with a more intensive housing management service to include regular home visit checks, a gardening service, a life-line phone support service, and small adaptations such as hand rails, over-bath showers and internal redecoration.

This report makes a number of recommendations to support the further development of services

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

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

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

Pembrokeshire Housing Association was established in 1981 and serves communities in Pembrokeshire from St Davids to Saundersfoot

15. Pembrokeshire Housing Association (the Association) was established in 1981 and operates as a group structure, with one non-charitable subsidiary and one active charitable subsidiary, Pembrokeshire Care and Repair 2000, which provides services to elderly homeowners in Pembrokeshire. Neither subsidiary was subject to this inspection.
16. At 31 March 2005, the Association managed 1,427 properties, serving communities in Pembrokeshire from St Davids in the North West to Saundersfoot in the South East. The Association offices are based in Haverfordwest.
17. The Association is managed by a Board of 15, which included up to three places for members who are tenants. At the time of the inspection only one member of the Board was a tenant. The Board meets monthly and an Audit Sub-Committee meets quarterly.
18. The Chief Executive leads the Corporate Team of senior staff responsible for the co-ordination of functional teams. The Association had 54 staff at the time of the inspection which included six in the Care and Repair Agency and four in the Pembrokeshire Women's Aid project.

The Association was providing an excellent rent service, good services with regard to relationship with residents, providing housing, lettings, housing for people with support needs and housing management, and satisfactory equal opportunities and maintenance services

The Association had 'good' arrangements in place for its relationship with residents

The Association encouraged resident involvement but needed to evaluate the impact of resident involvement against the aims of its participation strategy

19. The Association had a Tenant Participation Strategy which aimed to 'ensure all tenants have a say in decisions that affect their homes and estates'. The strategy listed a range of options to be used to suit different circumstances, for example the Tenants' Panel, and it was supported by mechanisms for ensuring that the support required was provided.

20. The Association had a Joint Tenant Participation Compact with the Local Authority and tenants. There had been a significant level of involvement of tenants in the production of the Compact, which set out the relationship between, and expectations of, the Association and its residents.
21. The Association had also established a 'Housing Plus' budget of £10,000 for each of its four areas of operation. This fund was intended to encourage community based activities and tenants were consulted about how the fund should be spent. However, we found that many tenants who were on the Tenants' Panel were unaware of the availability of this budget and its intended purpose. This scheme is discussed in more detail in the section on managing housing.
22. Whilst a range of mechanisms to encourage tenant participation were used, their impact upon the achievement of the strategy's aims, in terms of the degree to which tenants are actually 'having a say' or shaping priorities, were not evaluated in any way.

The Association provided ease of access to its services and a range of advice and information to residents

23. The Association's offices were close to Haverfordwest town centre. Work had been undertaken to ensure compliance with the Disability Discrimination Act. There was good bilingual signage, play facilities for children and a comfortable seating area. Feedback from tenants about information provided was positive and the tenants we spoke to said they were happy with their access to services.
24. The Association's website provided a wide range of information for customers and enabled access to specific services. Tenants were able to report a repair and pay rent, and applicants could request a housing application form, via the website.
25. Information about the standard of service tenants should expect to receive was contained in a variety of documents, such as the 'Your Home Book' and the 'Your Repairs Book', which was being developed with tenants at the time of the inspection, and in a range of leaflets, *The Key* newsletter, and a Customer Care Code.

The Association made itself answerable to residents by providing information about its performance, but there was a need to ensure adherence to the Association's Complaints Policy

26. A special edition of *The Key* newsletter gave a clear 'traffic light' comparison of the Association's performance with others. The Association also published an annual Best Value Performance Plan, which included comparison information for services reviewed, and made this available widely to its customers and other stakeholders.
27. The Association had received a relatively small number of formal complaints, but procedures for handling complaints were not being adhered to, with half of the complaints received not being responded to within target deadlines.

28. The Association had given a commitment to support capacity building in its Tenant Participation Strategy. Although training for Board members and Tenants' Panel members was available on request, there was no structured training programme linked to the achievement of tenant participation aims.

The Association asked for and listened to the views of residents, but it needed to show more clearly to residents how it had accounted for their views in the shaping of service standards and the development of policies

29. A range of methods were being used to secure tenants' views about services. At the time of the inspection, the Association was involved with five tenants' groups and was carrying out joint work with the Local Authority. A customer satisfaction survey was carried out in 2002, and plans for surveying a small group of tenants to decide what was to be covered in a main survey in 2005/2006 were underway. Feedback about the 'Your Home Book' was requested from all tenants and evaluated. Financial incentives and prize draws were used to encourage feedback.
30. The Association also asked for tenants' views about specific services, for example by means of repairs satisfaction surveys, exit surveys when tenants leave Association homes, gas servicing and new tenant surveys.
31. The Association could demonstrate changes to policies that had been brought about as a result of engaging with service users. However, there was no consistent approach to providing feedback to tenants or the Tenants' Panel on the results of consultation and how tenants' views were to be used in the development of services.

Recommendations	
<i>Relationship to residents</i>	
R1	Evaluate outcomes of activity associated with achievement of the Tenant Participation Strategy to determine if they are achieving aims.
R2	Ensure adherence to the Association's Complaints Policy.

The Association had 'satisfactory' equal opportunities arrangements in place

The Association was promoting respect for diversity and equality of opportunity by means of a Black and Minority Ethnic (BME) Housing Strategy and Race Equality Plan. It had a clear BME Action Plan and was implementing action in accordance with the plan

32. The Association was a member of the West Wales Consortium and had jointly developed a BME Housing Strategy and Race Equality Plan in line with the BME Housing Action Plan for Wales. Targets were set and regularly monitored against the Action Plan at Board level, including a target for new lettings to people from BME communities that was based on the ethnic make-up of the Association's area of operation.

33. The Association complied with the requirements of the Commission for Race Equality Code of Practice on rented housing and collected, monitored and analysed applicants applying for re-housing and those that were re-housed by the Association.
34. The Association was implementing action to support the delivery of policies, including membership of Language Line and completion of race equality training for staff, Board members and members of the Tenants' Panel.
35. The Tenants' Handbook provided advice to tenants about the action it would take in the event of harassment and gave examples of the types of behaviour that may comprise a breach of tenancy conditions.

The Association had a Welsh Language Policy in place and, at the time of the inspection, was awaiting the outcome of discussions between the Welsh Assembly Government and the Welsh Language Board on the issue of extending formal Welsh language schemes into the housing association sector

36. The Association had a Welsh Language Policy in place and, at the time of the inspection in June 2005, was awaiting the outcome of discussions between the Welsh Assembly Government and the Welsh Language Board on the issue of extending formal Welsh language schemes into the housing association sector.
37. The Association's policy was adopted in 2002 and reviewed in 2004, but it has not been consistently applied. Although the policy stated that key external documents would be provided bilingually, the Association's Annual Report was the only external document we found that was produced bilingually. However, joint publications with the Local Authority are bilingual.
38. Tenants' leaflets indicated that they were available on request in Welsh, but this was in a small font size and was not always easy to find. The tenant newsletter did not indicate that it was available in Welsh.

Recommendation	
<i>Equal opportunities</i>	
R3	Review Welsh language scheme requirements in partnership with the Welsh Language Board and implement an appropriate scheme after guidance has been received.

The Association had a 'good' approach to providing housing

The Association was working in partnership with the Local Authority, National Park Authority and other agencies to identify and provide for the housing related needs of the area

39. The Association worked closely with the Local Authority and other stakeholders as a member of the local Housing Strategy Forum, which was contributing to the identification of, and provision for, local housing needs. Entering into a Community Housing Agreement had not been a priority of the Local Authority, but feedback from stakeholders considered relationships with the Association to be good.
40. Some evaluation of progress had been undertaken by the Housing Strategy Forum and the Homelessness Strategy Action Plan had reviewed the contribution that the Association was making to assist in discharging the Local Authority's statutory duty.
41. The Association had been working in partnership with the Pembrokeshire Coast National Park Authority and Pembrokeshire County Council Planning and Housing Divisions to provide affordable housing. The partnership was supporting a post of Rural Housing Enabling Officer who was to be line-managed by the Association.
42. The Association had a close working relationship with the Local Authority's Supporting People Team. The Local Authority used the Pembrokeshire Housing Forum to involve the Association and other stakeholders in the strategic Supporting People planning mechanism. The Association was considered to be a key partner in the operational arrangements for commissioning support services through the Supporting People Programme. The Association was involved in the development of a new service to meet the needs of people suffering from drug and alcohol misuse and, at the time of the inspection, was awaiting the outcome of a Welsh Assembly funding bid. It was also assisting with the provision of homeless persons accommodation and working with the Supporting People Team to secure additional revenue funding.
43. The Association had undertaken DIY home ownership schemes in partnership with the Local Authority. Assistance had been given to over 100 families. During 2004/2005, 14 families had been assisted into home ownership through the Homebuy Low Cost Home Ownership Scheme.

The Association participated in community development and regeneration initiatives

44. The Association had taken a lead in the regeneration of areas such as the Howarth Close Estate Improvement Scheme, the refurbishment of ex-Ministry of Defence stock and estates, and partnerships with CADW, the re-use and refurbishment of listed buildings in the conservation area of Pembroke Dock.

The Association was providing an 'excellent' rents service to tenants

The Association had effective arrangements for debt prevention

45. The Association had clear policy guidance for staff when dealing with rent arrears and 'Your Home Book' informed tenants of the action the Association would take in the event of arrears. This included referral to debt counselling and benefit advice as well as identifying payment options. The Association had appointed a Welfare Benefits Advisor twelve years earlier, the first in Wales at that time.
46. The Association's approach to rent recovery was proactive and focused on the prevention of arrears through debt advice and signposting. The Association aimed to keep people in their homes and sustain tenancies rather than follow a possession route. The Association did not use the mandatory ground eight of the Housing Act 1988 to gain possession of homes. The outcome of this approach had been only two evictions during the year and rent arrears performance that was in the top quartile.

Good practice: Welfare Benefits Advisor

The scheme was available to new and existing tenants to ensure that income was maximised. Assistance was given in the following areas:

- Completion of housing benefit forms and ensuring that all relevant support documentation is provided to the Council Housing Benefit Team.
- Estimating and advising on rent payable if entitled to only partial benefit.
- Debt counselling.
- Working with the Association floating support officer to ensure that vulnerable tenants are maximising their income.
- Working with the Area Housing Officers to ensure that tenancies are sustained and evictions for rent arrears are avoided as far as possible.
- Carrying out Housing Benefit Appeals on behalf of tenants.
- Signposting to other agencies where more complex advice is required.

47. The Association had a service level agreement with the Council Housing Benefit Section. The Area Housing Officers and the Welfare Benefits Advisor collated information on tenants and made personal contact with the Housing Benefits Service to ensure all the details required to support benefit assessment were available.
48. The Association provided a tenancy support service, funded by the Supporting People Grant, to help sustain tenancies and improve quality of life. We comment in more detail about this support in the housing for people with support needs section of this report. One aspect of the scheme was to assist potentially vulnerable new tenants with welfare benefit, tax credit and housing benefit advice at the commencement of their tenancy.

The Association's control and recovery mechanisms were effective

49. Data for 2004/2005 shows top quartile performance for rent arrears was sustained despite a substantial increase in the number of tenants owing between one and three weeks rent arrears – 780 cases at 31 March 2005 compared with 203 cases at 31 March 2004. This increase was due to the changes in the Welsh Assembly Government's Key Performance Indicator definition to include tenancies which are in arrears due to delays in the receipt of housing benefit payments. The number of tenants in the higher level of rent arrears slightly decreased between 2003/2004 and 2004/2005.

Exhibit 1: Rents Performance Indicators

The Association achieved a top quartile performance in 2004/2005 for rent arrears and rent collected despite an increase in the percentage of tenants in arrears.

Indicator	Pembrokeshire Housing Association – 2003/2004	Pembrokeshire Housing Association – 2004/2005	Wales top quartile range – 2004/2005
Rent due from current tenants but unpaid as a percentage of rent roll (net of unpaid housing benefit)	1.4%	1.4%	0.3%-1.5%
Rent collected as a percentage of total rent collectable	99.3%	101%	100.4%-106.1%
Percentage of tenancies in arrears	20%	60%	16%-33%

Sources: *Performance Indicators for Registered Social Landlords in Wales 2003/2004 and 2004/2005 – National Assembly for Wales. (Data has not been subject to audit)*

50. The Association offered tenants a wide range of payment methods including direct debit, giro bank at the post office, the bank, by telephone using a debit or credit card, and access to internet online payment options.
51. The Board reviewed former tenant accounts that had been submitted for approval for write-off with details of reasons for doing so. This process was carried out regularly throughout the year. Performance for former tenant arrears was in the top quartile and the Association had one of the lowest levels of write-off.

The Association had a 'good' approach to letting its homes

The Association was letting properties quickly and efficiently and ensuring that homes were let in good condition

52. The Association achieved top quartile turnaround times on void properties. The Association had a written void standard, a copy of which was provided to all new tenants with their offer letter. We visited one vacancy that was ready for letting and found that it complied with the Association's standard. Also, a sample check of house files showed that certificates were on file confirming completion of safety checks, in compliance with the standard.
53. Staff visited tenants during the period of notice to assess the condition of the property and identify any repair requirements, including anything that may be re-charged to the outgoing tenant as detailed in the Association's re-charge policy.
54. The Association arranged for utilities to be connected before each letting and resolved any issue of outstanding debt directly with the utility companies.
55. The Association carried out a visit to the homes of all new tenants six weeks after the commencement of their tenancy, to ensure that the tenant had settled into their home, rectify any issues outstanding that were identified at the letting, address any issues relating to the rent account and identify areas for service improvement. The feedback we received from new tenants was positive about this approach, indicating that it gave an opportunity to build relationships with staff and helped them settle into their new home.

The Association ensured that people in housing need were aware of and had good access to the Association's housing

56. Applicants were provided with a leaflet on how to access housing in Pembrokeshire, a summary of the Allocation and Selection Policy, an application form for the Common Housing Register, a Supporting People form and a pre-pay envelope. Correspondence was sent to applicants confirming registration and the points awarded. A service standard of advising applicants within 15 days had been set and performance against this standard was reported to all applicants through the Association's newsletter. The Association also provided, through the 'Contact' newsletter, information for applicants about the number of vacancies that have occurred.
57. 'Contact' had been introduced following consultation with applicants, to help inform them of changes and developments with the Common Housing Register, detailing the number of vacancies arising during the previous year and the anticipated number of people that may be helped in the forthcoming year. Two editions a year were produced for all applicants on the Common Housing Register.

58. The Association website included a section on applying for re-housing that provided advice to potential applicants and existing tenants. Information was provided about the size of property for which a household would be considered and a map identifying the location of accommodation. Advice was available to homeless people, homeowners, current tenants of the Association and tenants of other social landlords.
59. The Association was responsive to national and local mobility schemes and provided information about how tenants could exchange, transfer and buy into low cost home ownership. The Association had developed specific schemes to tackle identified local needs, such as a Local Worker Scheme that had a focus on re-housing essential public service personnel and those that were in local, low paid, full time employment.
60. The Association provided a Furnished Homes Scheme to anyone in need of a furnished property and assistance in maintaining a tenancy. The furniture was rented via a service charge and was eligible for housing benefit.

Good practice: Furnished Homes Scheme

This project arose from an identified need for furnished accommodation within the Local Authority's Homelessness Strategy.

Service users who could benefit from this scheme were identified before an offer of accommodation was made.

The furniture was rented via a service charge which was eligible for housing benefit.

A package of furniture and white goods was agreed with the service user and purchased by the Association.

The scheme was flexible to meet the requirements of the individual and could include carpets and curtains.

The furniture moved with the tenant and did not remain in the property if the tenant moves. If the furniture was no longer required, it was recycled into the project and the service charge relating to the furnished items was removed.

Seven households had been assisted since the scheme's inception and, on average, each household received £3,000 worth of furnishing items. In each case, the availability of such assistance had helped to sustain the tenancy and improved the quality of life for individuals.

61. The Association's suspensions policy was compliant with the most recent guidance published by the Welsh Assembly Government and consistent with Pembrokeshire County Council's policy. Restrictions on access were kept to a minimum but there was no register of suspensions to monitor and manage suspended applicants/transfers.

The Association worked in partnership with the Local Authority and others on the allocation of housing but there was a need to clarify internal arrangements for dealing with people who might be considered high risk

- 62. The Association was a partner in the Pembrokeshire Common Housing Register. The Association and the Local Authority had very similar allocation schemes which made the process of re-housing easier for applicants and tenants to understand.
- 63. The Association also worked in partnership with a number of support providers to provide appropriate accommodation for those with specific needs, such as shared living projects and providing move-on accommodation in general needs accommodation when appropriate.
- 64. Arrangements for dealing with potentially high risk applicants were clear at senior level. Responsibility for comprehensive risk assessment and access to confidential information, however, needed to be clarified for all relevant staff within the Association.

Monitoring of performance against targets for achieving an appropriate balance in allocations needed to improve

- 65. The Association had set lettings quota targets as a means of ensuring an appropriate balance was being achieved and performance against these targets was monitored at officer level during the year. However, Board reports present a total figure rather than a breakdown of the figures in relation to the targets set.

Recommendations	
<i>Letting housing</i>	
R4	Set up a means of managing suspended cases.
R5	Clarify internal arrangements for dealing with people who might be considered high risk.
R6	Present lettings information to the Board in same format as that used when determining annual targets to enable evaluation of progress against targets during the year.

The Association was providing a 'good' housing management service

The Association ensured that residents were offered the most secure form of occupancy compatible with the purpose of the housing and the sustainability of the community

66. The Association offered Assured Tenancies, only using Assured Short hold Tenancies in exceptional circumstances. The Assembly Government Guarantee for Housing Association Tenants was provided to all new tenants. The letting process involved provision of information about the form of tenancy with rights outlined in the tenancy agreement and the 'Your Home Book'.

The Association had arrangements in place intended to safeguard the quality of life of residents and neighbours, but needed to evaluate the impact of its new Anti-Social Behaviour Policy and to ensure that opportunities for Housing Plus funding were more widely publicised

67. The Association had established targets for some aspects of estate management, such as grounds maintenance and dealing with abandoned vehicles. Monthly inspections were undertaken by the Housing Manager and relevant Area Officer.
68. At the time of the inspection in June 2005, the Association had developed draft policies and procedures for dealing with allegations of anti-social behaviour which were being consulted upon with tenants. The Board received reports about evictions undertaken as a result of anti-social behaviour, but the Association did not evaluate the success of alternative means of intervention.
69. The Association had delegated Housing Plus budgets of £10,000 to front line officers to help safeguard the quality of life of residents and neighbours on estates. This fund was accessed via action plans drawn up by Area Officers who presented the case for accessing the monies. The fund could be used for specific work, such as a minor adaptation to an individual's home, or to benefit the wider community, for example by provision of a play area for children.
70. In some areas tenants had identified issues which the funding had been used to resolve, but many of the Tenants' Panel were unaware of the fund. Clear guidelines and a more structured way of assessing requirements of the funding would have helped to develop the scheme in a more systematic way. Introducing estate service standards, to complement the Housing Plus initiative, would have helped to further develop the project.

Good practice: Housing Plus

A Housing Plus budget of £10,000 per area team was available to be used to enhance and sustain schemes and estates. Action plans were developed to identify the need for financial support and outline how the monies would be spent.

Individuals as well as schemes and estates were eligible to be considered in terms of the potential to improve quality of life.

Monies had been awarded for:

- small individual adaptations (under £500) such as over-bath showers for individual tenants not eligible to receive these adaptations through any other means; and
- community-wide projects such as Vineyard Vale's play area, match funded via a grant from Pembrokeshire County Council's Capital Play Fund, and wheelie bin provision to remove the problem of litter on estates.

The Housing Plus fund helped to engage tenants at a community level and give support to their resident associations.

The allocation of the total budget (£40,000) between the four area teams was flexible.

The Association was providing a 'satisfactory' maintenance service

The Association had effective arrangements for reporting and testing the quality of responsive repairs, but needed to improve the performance of some contractors in relation to completing work on time

71. The Association categorised responsive repairs in accordance with Assembly guidance. 'Your Home Book' set out the repairs for which the Association and tenant were responsible, included details of the policy, explained how to report repairs, gave examples of typical repairs together with the category which would be designated, and provided contact details for the out of hours emergency service.
72. Repair requests were taken by officers who had received technical training for non-technical staff. Tenants were sent details of the work ordered, the contractor responsible and the intended completion date. The Association had introduced an appointment system for work undertaken by the in-house team.
73. All contractors and the Association's direct labour staff were required to work to a code of conduct, the key elements of which were outlined in the information sent to tenants when an order for a repair was placed.
74. Tenants were provided with a questionnaire with their copy of the works order, requesting their views about the way in which the repair request had been handled by the Association and carried out by the contractor. Tenants were also invited to provide direct feedback to the Association when their central heating boiler was serviced, which included questions on how long the engineer took to service the boiler. Pre-paid return envelopes were provided by the Association when seeking feedback from tenants. The Association provided the Board with details of the number of questionnaires issued, the number returned and the overall satisfaction rate.

75. Pre-inspection and post-inspection targets were set and monitored. A target of post-inspection of 95 per cent of jobs in excess of £200 was monitored, together with an additional 10 per cent random sample of in-house maintenance workers/contractors' work.
76. The Association had undertaken a detailed analysis to identify the reasons for late completion of jobs, which enabled it to focus upon specific contractors with a view to improving performance. However, it was faced with a lack of alternative contractors to whom work could be re-directed in the event of poor performance.
77. The Association reported trends in performance to the Board. The April 2005 report showed performance overall on completions against target times since the beginning of 2004 to be poor but improving (Exhibit 2). We tested a sample of the repair works classified as completed and found the data to be accurate.

Exhibit 2: Proportion of repairs completed within target

Performance had improved but was still failing to meet the Association's targets.

Category of repair	On time 2003/2004	On time 2004/2005	Association target 2004/2005	Wales top quartile 2004/2005
Emergency	91%	90%	100%	100%
Urgent	82%	89%	95%	97% to 98%
Non-urgent	91%	92%	95%	98% to 100%

Sources: *Performance Indicators for Registered Social Landlords in Wales 2003/2004 and 2004/2005 National Assembly for Wales. (Data has not been validated)*

78. We spoke to tenants who had recently used the service. The majority confirmed that repairs had been done on time and commended the quality of the work. Tenants were aware that they could report a repair via the website or by using a free-phone number, but were not aware that the Association was piloting an appointment system.

The Association had good arrangements in place for cyclical and planned maintenance, and statutory servicing was being carried out effectively

79. A Property Management Strategy had been adopted in May 2004, which set out key objectives and the means by which they would be achieved. Key elements were:
- a five year rolling programme of stock condition surveys to inform business planning;
 - formulation of planned maintenance programmes that have regard to the Welsh Housing Quality Standard (WHQS) and Welsh Assembly Government technical standards, with cost estimates used to inform the budgetary process;
 - a six year cyclical painting programme;

- inclusion of works to ensure compliance with the WHQS by 2012, and tenant consultation about proposals; and
 - disposals – cost benefit analysis of improvement requirements to be undertaken prior to seeking Board and Welsh Assembly Government approval for disposal.
80. A database based on a lifespan system informed the Association's asset management plan and assisted the production of a five year forecast of immediate investment requirements and a ten year forecast of full WHQS and component replacement costs.
81. The procurement of cyclical painting contracts was based on a framework agreement which was negotiated with the contractor. This had achieved a five per cent reduction in cost with no complaints from residents. The cyclical programme was publicised via the tenant newsletter and the website, and there were plans to provide similar information to tenants about the major works programme.
82. Major works were packaged into trades for competitive tendering, and in year two negotiations on price were favoured, providing there had been no tenant complaints about the service delivered by the contractor. There was an expectation that the price would be lower or the same as that tendered for the first year. When planned maintenance was carried out it was in line with the requirements of the WHQS.
83. Tenants were provided with information about the standards they should expect for cyclical and planned maintenance. Tenants were offered a choice of various colours and styles when their homes were included in the programmed work and the cyclical painting programme.
84. The Association was meeting its key expectations in terms of regular safety checks and was complying with its legal duty under the Gas Safety (Installation and Use) Regulations 1998. Annual smoke alarm checks were introduced in October 2003.
85. The Association had an asbestos management plan, which included a register of all properties. Staff had received training and tenants had been informed, via a newsletter, of the surveys that had been carried out. The Association was intending to keep tenants and the Board informed of the results of the surveys that were due to be concluded in July 2005.

The Association was identifying and planning the improvements necessary to meet the Welsh Housing Quality Standard (WHQS) by 2012

86. The majority of the Association's stock was purpose built and of recent construction. Specific surveys to assess WHQS requirements began in 2004/2005 and were scheduled for completion in 2005/2006. The Association had established a programme for identifying and costing the work required, and for consulting with tenants. A staged approach to survey was being undertaken with a first focus upon properties acquired as 'existing satisfactory' or for refurbishment. The Association intended to consult tenants during 2005/2006 and to commence the implementation of works in 2006/2007.

87. The Association had Standard Assessment Procedure (SAP) ratings for all its properties and aimed to achieve a minimum SAP rating as a target in line with the WHQS.
88. The Association was actively seeking to offer advice and support via the Home Energy Efficiency Scheme (HEES) to its tenants as part of its Sustainable Warmth Policy. It planned to identify fuel poor tenants and target them with extra energy efficiency advice and measures.

Recommendation	
<i>Maintenance housing</i>	
R7	Develop more specific plans for improving responsive repairs completion against target times.

The Association had ‘good’ arrangements in place for people with support needs

The Association was making housing available for people with a wide range of support needs and ensured they had access to appropriate services

89. The Association provided 75 bed spaces to vulnerable people with support requirements through arrangements with Pembrokeshire Action for the Homeless (PATH), Pembrokeshire Mind, Hafal, Cartrefi Cymru, Perthyn, Tai Hafan, and the Pembrokeshire and Derwen NHS Trust Community Mental Health Team and Learning Disabilities Team. These projects are funded through Supporting People Revenue Grant allocated by the Welsh Assembly Government.
90. Arrangements were in place to review provision by partner agencies on an annual basis, and where the Association was an Accredited Support Provider reviews were taking place on a quarterly basis.
91. The Association also provided options for applicants who are self-referring. A risk assessment was carried out at the application stage and at the home visit stage to determine the level of support required. The Association also worked with the Local Authority’s Supporting People Team for the benefit of service users with support needs.
92. The Association was line-managing the Pembrokeshire Women’s Aid project. Four staff were providing 24 hour support to women and children seeking refuge from domestic violence. Funding bids had been made to Children in Need to provide assistance for school holiday activities organised by the refuge child worker.

The Association was applying all key expectations equitably to customers who required support and tailored its service delivery to meet their specific needs

93. The Association was providing an in-house support service for tenants with support needs, comprising three staff. Two officers provided welfare benefits advice to tenants and one officer provided a floating support service to vulnerable tenants to help sustain their tenancies. This post was funded through the Supporting People Grant from the Local Authority.

Good practice – Tenant Support Service

The scheme was available to new and existing tenants to enable vulnerable applicants to access independent accommodation, to enable existing tenants to sustain their tenancy and to enable new and existing tenants to work towards independent living.

The support needs of the individual were discussed and a personal Support Plan produced. The scheme provided a wide range of advice and practical support, such as:

- assisting with claims for welfare benefits, tax credits, housing benefit and council tax benefit;
- assisting in the reduction of multiple debt and the prevention of court orders;
- assistance with life skills such as cooking, cleaning and maintaining the home;
- support to access a range of professional services such a doctor, dentist, solicitor or counsellor;
- improved links with the community and/or relationships with family;
- estimating rent payable, organising repairs and explaining tenancy obligations; and
- providing advice on obtaining furniture and household items and 'signposting' other sources of practical assistance.

The scheme included a planned exit strategy for residents coming off the scheme.

The scheme had assisted 27 people since its inception in April 2003 and, at the time of the inspection, was supporting 12 people.

At the time of the inspection, plans were being made for the further development of the scheme, such as widening it to assist all tenants over the age of 75 with a more intensive housing management service to include a regular home visit check, a gardening service, a life-line phone support service, small adaptations such as hand-rails and over-bath shower, and internal redecoration.

94. The Association also assisted with move-on accommodation from the projects and provided flexible floating support where required.
95. The Association adapted properties and facilitates within properties for people who wished to remain in their home. The Association also participated in the Local Authority's Adapted Properties Register.

The Association's approach to securing continuous improvement in services was raising standards in service delivery

The Association had a clear strategic direction and had systems in place to ensure that strategic objectives were met

96. In January 2005 the Association approved its Strategic Plan covering the period 2005 to 2010. The Plan set out business priorities, desired outcomes and the key risks to the organisation. The Business Plan 2005-2008 set out the mission statement of the Association, underlying values and the expected activity intended to achieve six key objectives. The Business Plan provided information about the Association and brought together strategic objectives, annual operational targets and three year financial plans.
97. The Business Plan was subject to a formal annual review, with progress reports against targets being made to the Board on a quarterly basis. An annual report was produced which set out achievements against key objectives.
98. The Corporate Team reviewed progress against key objectives and targets on a quarterly basis, with the responsibility for achievement of targets assigned to specific teams. At the time of the inspection, the Association was achieving the majority of targets that had been set.

Formal processes had been adopted to drive continuous improvement within a range of service areas, but a balanced range of performance measures needed to be developed to enable the Association to ensure it was achieving the service standards it had set

99. The Association had an established Best Value Review programme and an annual performance plan. The focus of Best Value Reviews has been on service areas where performance has been weakest and the Association could demonstrate that the implementation of action following the rent arrears review had led to improved performance.
100. The Board set targets annually which were designed to move performance into the upper quartile of Performance Indicators or to sustain performance at that level. A structured review of information about housing management and maintenance, financial and management accounts, and development and technical services was undertaken on a quarterly basis.

101. Performance reports to the Board focused on Key Performance Indicators and trends. However, there was limited qualitative information provided that would have enabled the Board to evaluate whether the service standards set by the Association were being delivered. For example, whilst information about arrears was presented, there had been no evaluation of the impact on arrears of the welfare benefits advice service. Nor had there been a systematic evaluation of performance against the estate management standards that had been set. The adoption of a balanced range of measures would have enabled the Association to evaluate the quality of the service it was providing, as well as performance against key indicators.

There was evidence of improvement against specific Performance Indicators as a consequence of action implemented by the Association

102. Service targets had been set which were intended to sustain top quartile performance. The Association could demonstrate improvement in rent arrears performance following the implementation of action arising from its Best Value Review and sustained upper quartile performance for other indicators. The Association also demonstrated instances when it had responded to the views of service users, such as through the production of the Contact newsletter. At the time of the inspection, Association officers were undertaking a detailed analysis to determine the underlying causes of poor contractor performance in responsive repairs.

Some plans for further improvement lacked sufficient detail to enable the Association to evaluate whether intended outcomes would be achieved

103. Whilst the Association was able to demonstrate it was sustaining upper quartile performance in many service areas, a lack of clarity about intended outcomes and how they would be evaluated weakened the approach to improvement and the strength of associated plans.
104. In contrast to the Rent Arrears Review, the Best Value Review of Responsive Repairs resulted in broad proposals, such as 'task and finish groups will seek to improve the percentage of repairs completed on time' and 'to provide our customers with better information on our repairs services, and to assist them to explain to us what repairs need doing'. Action plans arising from reviews therefore needed to be more explicit if the Association was to deliver improvement.
105. Improvement targets had been set for 2004/2005 for the percentage of responsive repairs to be completed within target time, which would have required a step change in performance. Whilst we would have expected the Association to be aiming for significant improvement in performance, the actual outcomes showed a need to set more realistic incremental improvement targets in this service area, and to establish a focus upon those contractors whose performance was the weakest.

The Association's track record indicated it had the capacity to deliver improvements

106. The capacity of the Association to deliver improvement was supported by a staff performance appraisal and development system which reviewed performance in the context of departmental targets, and reviewed personal development opportunities provided and those required in the forthcoming year. These arrangements enabled the Association to focus staff performance and development upon the achievement of the Association's objectives.

Appendix 1

Summary of relevant Welsh Assembly Government Regulatory Code expectations

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

Appendix 2

The two questions and terminology applied

Does the Association deliver good quality services?

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


Does the Association secure continuous improvement in services?

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

Appendix 3

Summary of inspection recommendations

<i>Relationship to residents</i>	
R1	Evaluate outcomes of activity associated with achievement of the Tenant Participation Strategy to determine if they are achieving aims.
R2	Ensure adherence to the Association's Complaints Policy.
<i>Equal opportunities</i>	
R3	Review Welsh language scheme requirements in partnership with the Welsh Language Board and implement appropriate scheme after guidance has been received.
<i>Lettings</i>	
R4	Set up a means of management of suspended cases.
R5	Clarify internal arrangements for dealing with people who might be considered high risk.
R6	Present lettings information to the Board in the same format as that used when determining annual targets to enable evaluation of progress against targets during the year.
<i>Maintaining housing</i>	
R7	Develop more specific plans for improving completion against target times.



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