Performance Matters

Edition 1
March 2014

About us

We are the independent regulator of social landlords in Scotland. We regulate around 180 registered social landlords (RSLs) and the housing activities of Scotland's 32 local authorities.

Our statutory objective is to safeguard and promote the interests of current and future tenants, homeless people and others who use services provided by social landlords.

We were set up by the Housing (Scotland) Act 2010 and are accountable directly to the Scottish Parliament. Our Regulatory Framework explains how we regulate social landlords. You can download our Regulatory Framework and find out more about us on our website at www.scottishhousingregulator.gov.uk.

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Performance Matters

1.   Foreword

1.1   Introduction
Welcome to this first edition of a new series of reports about 'Performance Matters'. These reports will focus on service performance issues and will share positive practice and action points which landlords can consider in terms of their own performance in delivering services.

In this report we highlight the different approaches taken by social landlords in gathering performance data and in involving their tenants in scrutinising performance in relation to the Scottish Social Housing Charter.

1.2   The Scottish Social Housing Charter
The Charter sets out the standards and outcomes all tenants, and others who use housing services, can expect from social landlords. All social landlords must achieve the outcomes and standards contained within the Scottish Government's Social Housing Charter.

Our role is to monitor, assess, compare and report on how social landlords (registered social landlords (RSLs) and local authorities) perform in relation to the housing activities in the Charter.

Our website shows the indicators which we will use to measure landlords' progress towards achieving the Charter outcomes and standards. We have also published our responses to the questions that have been raised about specific indicators and we will update these as new queries emerge.

To help us to monitor how social landlords achieve the Charter, we are changing the way that we gather and manage information from landlords. We have been developing a web-based system to do this and over time this will change the way that we work and the way that landlords give us all the information we require from them. These changes will bring benefits for landlords, tenants and SHR. We have worked with a number of landlords over the last few months to test the new system and help make sure it is fit for purpose. We sent a letter to all social landlords in February 2014 outlining the changes.

1.3   How to use this report
Each of the landlords included in this report has taken action to make sure it is able to produce information about its performance for its governing body/elected members and staff, for its tenants and other service users, and to submit it to SHR. In publishing this report we want to highlight and share positive practice in how landlords are gathering performance data and involving their tenants in scrutinising performance. We have also included action points for landlords to consider as they prepare for their Annual Return on the Charter (ARC).

1.4   What we looked at
Since the introduction of the Charter we have been working with landlords to support their understanding of the Charter indicators and their readiness to submit performance data. We have provided technical guidance on the Charter, answered frequently asked questions, and spoken to individual and groups of landlords about preparing for the Charter. We have also involved a number of landlords in submitting trial data to our new business intelligence system.

We were keen to see how a range of landlords were preparing for the Charter and to talk to them about how they had responded to the challenges that some Charter indicators gave them. We also wanted to see how landlords were involving their tenants in scrutinising the landlord.

We visited ten social landlords between October and December 2013 to discuss:
- data gathering – what systems changes had been made; how the organisation had reviewed the information gathered; how they had compared and benchmarked their performance; and what progress had been reported to the governing body or elected members
- the indicators – had any been a challenge
- involving tenants – how had the landlord involved its tenants in scrutinising performance and what were the landlord's plans to involve them in future.

1.5   Who we visited

We selected ten landlords, including a mix of RSLs and local authorities, and size and type of operations. The landlords were:
- Aberdeen City Council
- Aberdeenshire Housing Partnership/Moray Housing Partnership
- Aberdeenshire Council
- Argyll Community Housing Association
- Berwickshire Housing Association
- Blackwood Housing
- Link Housing
- Renfrewshire Council
- River Clyde Homes
- Wheatley Housing Group

All of the landlords were open and frank about their approach, what had been successful and what had been difficult in readying their organisation to gather and submit performance information for the ARC. They all asked detailed questions on aspects of the technical guidance and our expectations of landlords' performance.

This report is drawn from the discussions we had with these social landlords. We looked at their approaches and the performance reports they had given their governing body or elected members. We talked to them about the assurance that they placed on the accuracy of the data they were gathering. All the landlords said that they were willing to share any element of their preparatory work with other organisations - contact details for all the organisations are listed at the end of this report.

1.6   What we found

All the organisations we spoke to demonstrate a high commitment to delivering the requirements of the Charter. They were all open and keen to share what they thought was working, and also to discuss areas that were proving more challenging. All have begun to embed Charter performance in their day to day work and see service improvements as the key driver. We found that they are at different stages of development and each has prioritised its tasks in a way that reflects its own context. What they have in common is that they have all begun to gather and monitor their performance in achieving or progressing towards achieving the Charter outcomes and standards. All have assigned staff resources to help them prepare and some have needed to invest in changing aspects of their IT systems

We saw that all the landlords are progressing tenant involvement in scrutiny with some innovative approaches to involve tenants and other service users who have not previously been members of existing engagement structures.

1.7   Feedback

We are keen to know whether landlords find this report useful. Please let us know how we could make this type of report more helpful. You can email us at SHRCharter@Scottishhousingregulator.gsi.gov.uk

2. Approaches taken to gather Charter information

This section sets out examples of positive practice from the social landlords we spoke to.

2.1 Data gathering

We found that all of the landlords we visited had begun to prepare for Charter reporting before the start of the first reporting year on 1 April 2013.

> Blackwood had begun as soon as the Charter received Parliamentary consent early in 2012. The organisation began by linking its existing service standards to the Charter outcomes and standards.

> Aberdeenshire Housing Partnership/Moray Housing Partnership, Aberdeenshire Council, River Clyde Homes, Link and Argyll Community Housing Association had all done some detailed work on creating a matrix tightly linking the Charter outcomes to their own internal key performance indicators. These organisations assigned responsibility for delivery to named individuals, and regularly reviewed progress.

> Argyll Community Housing Association has done further work to make sure that it and its staff are accurately monitoring and assessing performance. It has developed detailed guidance to help it demonstrate that the performance information is accurate. It has aligned this to the Charter outcomes to provide evidence that the association has achieved the outcomes and standards.

> River Clyde Homes set up a Performance Group, chaired by the chief executive, to make sure that the Charter was fully embedded in its business objectives and closely aligned its preparation to our Business Planning Guidance. It has established a number of sub-groups to take forward the individual actions. It gave each group the same remit and this common brief has helped to embed a culture where gathering data is 'part of the job' rather than an 'add on' to staff responsibilities.

We found that all the landlords we visited had taken the introduction of the Charter as an opportunity to review their performance information systems. They had dedicated specific staff time – based on the particular circumstances of the organisation – to this. All of the landlords were striving to deliver accurate information on their performance and some told us that certain indicators were still work in progress. All the landlords also said that their approach to the Charter had changed the culture within their organisations.

During this first collection year of the Charter, and in response to common queries from landlords, we have issued revised versions of the technical guidance to clarify our requirements. We have also updated our frequently asked questions section on our website to reflect advice we have given to individual landlords. The landlords we spoke to suggested that in future we should issue the technical guidance less frequently, but continue to update the frequently asked questions.

2.2   Information Technology

All the landlords reported that they had reviewed their Information Technology (IT) systems to make sure that they could record, monitor and report the performance information. Some described it as 'minor tweaking' but others confirmed that significant changes were needed for some of the indicators.

> River Clyde Homes confirmed that, for them, it had been more a case of reviewing its existing processes than changing its system. This comprehensive review had been a beneficial stage in the planning process and it had delivered a number of benefits in how it delivered services as well as preparing for the Charter.

> Argyll Community Housing Association confirmed that it had not had to ask its IT supplier to make changes, but had instead assigned staff time to extract data for the indicators. This had the benefit of helping to make sure that staff were entirely familiar with the Charter data requirements and were comfortable that they were gathering accurate data.

2.3   Reviewing information

All of the landlords had gathered data for the first six months of the year and used it for a variety of purposes. One of these was to help establish their own data assurance process. All of the landlords had looked back at their reported performance in previous years. If the indicator was the same as previously reported, it was a straightforward process of comparison. If it was a new indicator they had to combine their professional judgement and knowledge of their own business with a read-across other indicators to confirm whether or not the information looked right.

Most of the landlords had introduced some internal audit and review of the information they were gathering. They all recognised the need to have evidence of the audit trails to be assured that the data was accurate and reflected the guidance about indicators. Some of the landlords told us that this was work in progress for some of the indicators and that they would be using the information that they had gathered to date and would continue this work during the remainder of the first reporting year.

Our technical guidance offers detailed information about each of the indicators so landlords will need to refer to it and apply it when producing their performance data. Renfrewshire Council emphasised the need for landlords to familiarise themselves with SHR's technical guidance to make sure that they complied with it and produced accurate data.

> Argyll Community Housing Association has prioritised work on the Charter and allocated staff resources to it. It has reviewed its data monthly throughout this first reporting year, and has adjusted it as necessary to continually improve performance.

The landlords used benchmarking to different degrees. All were doing this within their formal or informal benchmarking groups. All of the organisations are members of a benchmarking group and many are members of benchmarking organisations.

Aberdeenshire Council told us that it could demonstrate that it had used the Scottish Housing Best Value Network benchmarking data to drive improvements in its performance. It tried to understand how peers were delivering aspects of their services and introduced similar measures in Aberdeenshire. The council is confident that its more recent membership of Housemark will produce additional robust benchmarking and performance information..

River Clyde Homes is a member of Housemark and is comparing its performance to a range of organisations across the United Kingdom rather than solely in Scotland

2.4   Reports to governing body and elected members

All of the landlords had either begun to report to their governing body or elected members, or were tabling a report in December 2013.

River Clyde Homes, in common with some other organisations, uses its performance management system to produce reports for its governing body. The organisation defines which of its key performance indicators are critical performance drivers and "traffic lights" the performance achieved. This is high level information which highlights which areas of performance the organisation needs to focus on.

Argyll Community Housing Association has involved its governing body members in its self-assessment process that it has introduced and reports formally on performance every two months

The Wheatley Housing Group has developed comprehensive reporting mechanisms from its performance system, detailing the milestones achieved and actions it will take to achieve others. The group finds that the "traffic light" system it uses helps senior managers and governing body members to see quickly which areas are at risk, but the additional detail is invaluable for the people delivering the services. The Executive Management Team considers and approves any revisions to targets or actions.

Renfrewshire Council's report has more detail than its performance system commonly produces to make sure that elected members are aware of contextual detail and also the actions that the officers intend to take to improve matters. The council told us that the first report to elected members took longer to produce than it had anticipated as it wanted to make sure that it was giving the right amount of information and presenting it clearly.

2.5   Which indicators have presented more challenges?

The landlords we spoke to confirmed that many of the Charter indicators were 'collectable'. Some were the same as they had provided in the past. Others related to information they already gathered but had to adjust the way they extracted it from their systems. A relatively small number of the indicators had proved more of a challenge to most of the landlords and they had to commit additional resources to address these. While this work has delivered what has been needed, or looks like it will deliver, the landlords stressed that the amount of time needed should not be underestimated. These challenges are discussed in the paragraphs below.

2.6   Tenant Satisfaction

We require landlords to ask their tenants, and other people who use housing services, a number of specific satisfaction questions. While landlords must ask the questions in a consistent way (as set out in our technical guidance) they have flexibility about when to ask some of them.

Most organisations had delayed any planned comprehensive satisfaction surveys until this year, and had aligned the questions to those required for the Charter. Some issues the landlords we spoke to had to address included:
- the impact on the ability to compare their performance with other landlords' when surveys are done in different years;
- how to report the different responses from tenants depending on whether data from the comprehensive survey is used, or satisfaction information is drawn from when the service was delivered; and
- how to improve a low response rate when limited resources are available to increase it.

Comparison between landlords will be possible over time, and tenants will be able to scrutinise their own landlord's satisfaction levels alongside other indicators that cover how well it is delivering services. We expect landlords to be consistent and clear about which results they are presenting in their data return. Landlords should use a variety of ways to encourage tenants and others to respond.

2.7   Anti-Social Behaviour

This indicator asks for the percentage of anti-social behaviour cases reported in the last year which were resolved within locally agreed targets.
Despite there only being one indicator for this element of the Charter, most of the landlords were struggling to be confident that they were gathering the correct data. Some of the issues they had dealt with included:
- establishing locally agreed targets for resolving anti-social behaviour;
- understanding who should be involved in setting locally agreed targets;
- updating internal procedural guidance to define 'case' and 'incident'; and
- setting out when they would regard a case as resolved and closed.

It is for landlords, their partners, and their tenants to agree the targets that meet local needs and context. We have previously given clarity on cases and incidents in our frequently asked questions section on our website. Landlords should include information in their policies and procedures around when they will close a case.

2.8   Repairs fixed right first time

This indicator asks for the percentage of reactive repairs carried out in the last year that were completed right first time. It relates to the Charter outcome on repairs, maintenance and improvements.

Our contacts with landlords since October 2012 show that this is the indicator that is causing most discussion. Eight of the organisations confirmed that this new indicator was proving to be more of a challenge than the other indicators. The issues they were addressing included:

- the need to use a high degree of manual input to establish if the data met the criteria outlined in our technical guidance;
- the need to fully understand our technical guidance;
- establishing confidence in the accuracy of this data;
- the need to make changes to IT systems;
- developing procedures when using information from sub-contractors on completions of repairs;
- dealing with a complaint from a tenant that was not directly related to the repair delivered;
- understanding the impact in 2014/15 and subsequent years of a repeat repair and requests for further guidance from SHR on how to report this in the ARC for 2014/15 and later years.

It is for landlords to establish an audit trail to demonstrate the accuracy of the data, and the degree of manual input or changes they have to make to do it will depend on their IT system. We expect landlords to manage the performance of sub-contractors. A repair may still be eligible to be counted as having been fixed right first time if a tenant's complaint is not directly related to the repair that was completed. However, we will review the existing technical guidance and issue revised guidance to ensure that the reporting requirement of this indicator in 2014/15 and later years is clear.

River Clyde Homes reported that it was reasonably confident that it would be able to accurately gather and report on this indicator. It was satisfied that it was able to produce the data with less manual interrogation than some other landlords were reporting. . It told us that it was developing the use of the Schedule of Rates codes as the first stage of identifying a potential failure. It is continuing to review the data it is gathering.

Berwickshire Housing Association reported that it was confident that it would be able to accurately gather and report on this indicator. It was satisfied that it was able to produce this indicator with less manual interrogation than other landlords were reporting. It told us that it uses the Schedule of Rates codes as the first stage of identifying a potential failure. It establishes, at the point the tenant reports a repair, if it is one that has been reported within the previous 12 months. The IT system it uses brings a warning screen up with full details of previous repairs to the property.

3.   Involving tenants

In this section we set out examples of positive practice from the different approaches which landlords are taking to involve their tenants in the scrutiny of their Charter performance.

3.1   Approaches to involving tenants

Our Regulatory Framework requires social landlords to involve their tenants in the scrutiny of Charter performance. All of the landlords which we visited had taken steps to comply with this requirement.

In April 2013, the Scottish Government commissioned the Chartered Institute of Housing Scotland, in partnership with HouseMark Scotland, to develop and deliver a three-year tenant and landlord scrutiny training and learning programme called the Stepping Up To Scrutiny Programme. The programme has a number of aims including to improve a social landlord's understanding and awareness of the scrutiny intentions of the Charter and of SHR's Regulatory Framework. Participation is voluntary and the Scottish Government's funding is to enable tenants to participate at no cost, however, landlords pay for their places on the programme which delivers training for tenants, staff, governing body members, elected members and other service users.

A summary of the individual approaches used by each landlord is outlined below. All of the landlords that we spoke to have said that they are willing to share any aspect of their approach with other organisations; contact details are available at the end of this report.

> River Clyde Homes is an 'early adopter' on the Stepping up to Scrutiny Programme. The organisation recognised that although it supported 28 registered tenant organisations (RTOs), and would continue to do so, it needed a dedicated panel for scrutiny which had a different role than the traditional tenant involvement delivered by the RTOs. It encouraged applications by holding an open day in the local college, and successfully attracted a number of tenants who were not previously involved with an RTO. The event catered for families with children and tenants with additional support needs to maximise attendance. It developed a detailed person specification for recruitment to the panel. It has now established a scrutiny panel, the River Clyde Homes Customer Senate, and completed training for the programme. It will shortly begin to use senate members to scrutinise performance. Its governing body members have been closely involved in this initiative and there is a clear understanding of the difference in all the respective roles.

Link set up a Tenant Scrutiny Panel in April 2013. It has 12 members, and due to the geographic spread of its operations, Link too has faced challenges in encouraging membership. Link developed a person specification and received 20 applications from which it selected the 12 members. The group has been meeting monthly and Link has engaged an external organisation to deliver support initially to help the tenants develop scrutiny skills. Some of the panel members had previously been involved in a programme of tenant-led inspections, and some were new, so the approach has been tailored to meet the different needs. The panel has selected Link's performance in reletting empty houses as its first area for scrutiny and will develop a programme of future topics. Link has decided to join the "Stepping up to Scrutiny Programme" and training for this will begin in February 2014. The panel will examine the landlord's performance reporting format in January 2014 to influence the information that it will give its governing body and tenants in future. Link is taking this opportunity to review its current tenant participation strategy to make sure that it reflects the future needs and requirements of the organisation and its tenants.

Renfrewshire Council sends a regular newspaper to all of its tenants, 'The people's news'. This publication has included regular updates on the council's housing performance and the most recent edition invites tenants to become involved in scrutiny. The council's most recent survey showed that most tenants who responded do not want to be involved through traditional registered tenant groups. The council acknowledges that these groups are valuable in their local communities and will continue to support them, but it will also facilitate consultation and scrutiny in other ways. The council is an 'early adopter' on the "Stepping up to Scrutiny Programme" and has established its scrutiny panel. The panel has developed its programme and the first area for scrutiny is the relet standard for empty homes. Tenants on the panel will have access to the cost implications of improving the condition of properties before reletting. Renfrewshire Council is aware of the need to increase the take up of participation and consultation opportunities, but to balance the impact of these against the resources involved and the challenges associated with encouraging tenants to participate and in sustaining their involvement. It is currently planning a new approach to help increase participation among council tenants by organising local Tenant Open Days, when it will invite individual tenants as well as tenants' groups to take part. Tenant representatives will be involved in planning these events and links will be made with other council services and initiatives which may be of interest to tenants.

Aberdeen City Council held Charter Taster sessions where it gave its tenants and other residents information about the housing service.

Aberdeenshire Council is committed to tenant participation and has an established mechanism to involve a group of tenants in its continuous performance reviews.

Aberdeen City Council, Aberdeenshire Council and Aberdeenshire Housing Partnership/Moray Housing Partnership are members of the recently established NETRALT (North East Tenants, Residents and Landlords Together). This group is building on previous individual successes by encouraging tenants to participate and scrutinise performance by working together. NETRALT held an event in Aberdeen in October which was well attended by tenants, governing body members and staff from all the organisations, and an elected member from one local authority. It was organised as a 'Housing Café' event and was described as a fun way to engage with tenants and others. Each "diner" was asked to choose a starter, main course and sweet from a list of Charter related issues including: how to report performance to tenants; how to communicate with tenants; how to involve a wide range of tenants in scrutiny; and how to prioritise scrutiny. The delegates debated these issues and contributed well to the discussions. The landlords encouraged them to challenge any aspects of the topics being debated. The partners received positive feedback from the event and they are planning a second Housing Café event for March 2014 to focus on scrutiny.

Berwickshire Housing Association is an 'early adopter' on the "Stepping Up to Scrutiny programme" and faced significant challenges in meeting the requirements in relation to the number of tenants it could recruit to the scrutiny panel. It has now successfully negotiated support from the programme even though it could not attract the optimum number of members that the programme stipulated and has established a panel with a smaller number of members. These individuals are keen to be involved and so the programme is now progressing well. Due to the number of small settlements in the area that BHA delivers services to, and the poor transport links in it, it has faced challenges in encouraging tenants to be involved in consultation events. This year it included the offer of Energy Efficiency Advice in an event it is holding for its rent consultation and this has resulted in a significantly higher number of acceptances.

The Wheatley Group established a Group Scrutiny Panel early in 2013. It used a robust recruitment process and targeted tenants and service users who had no previous involvement in its engagement structures. At the moment it has been drawn from Glasgow Housing Association and Cube Housing Association tenants and owners and has 10 members. It will be rolled out to other group members and the aim is to have 15 members. It has done both a needs and skills assessment for each individual and has based its training on the results from them. It has completed a review of its governance arrangements and has established close links between the governing body members and the scrutiny panel. The group has decided to involve the scrutiny panel closely in completing its first Annual Return on the Charter, rather than only in the assessment and scrutiny of its reported performance.

4.   Action Points

We are aware that social landlords are at different stages in preparing for the Charter and we recognise that while some are fairly advanced in their approaches, others are less so. Landlords should therefore apply the key action points from this report that are most relevant to them:

- How have you embedded Charter performance in your day to day business?
- How do you use the Charter data to understand how well you are delivering services to tenants and others?
- What have you done to consult with and involve tenants, and others who use housing services? Have you done this in a range of ways?
- How do ensure that you deliver accurate data and use it to identify and drive improvements in services?
- What steps have you taken to make sure that you and your staff are familiar with our technical guidance requirements?
- How can you demonstrate that you have used benchmarking effectively to drive improvements?
- How do you make sure that your governing body members or elected members are aware of your performance?

5.   Next steps

We will continue to engage with social landlords to discuss their progress in gathering and monitoring Charter data, and in involving tenants to scrutinise performance. Please look out for information and updates on the Charter on our website.   It is important that we, and tenants and other service users, can have confidence in the performance data landlords produce. We use the data landlords submit to assess risk and decide what our regulatory engagement will be. We will need to be assured about the accuracy and reliability of the ARC data and so we will include that in our regulatory work with a range of landlords.

Appendix 1   Key contacts in each organisation

Aberdeen City Council
Susan McLeod (Data collection)
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