

## **Report for Resolution**

**Report to** Executive  
22 April 2009

**Report of** Director of Regeneration & Development

**Subject** Housing Improvement: Progress Report

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### **Purpose**

The purpose of this report is to advise the Executive of the outcome of the Audit Commission inspection of part of landlord services and the audit of the council house allocation service. The report also establishes a programme of measures to improve the service and to address the weaknesses identified by the work undertaken by the Audit Commission.

### **Recommendations**

It is recommended that the Executive:

- (1) Note the areas of the Housing Service that are performing well.
- (2) Note the progress made in responding to the recommendations from the HQN review, Audit Commission reports and reports to Executive of the monitoring officer, the Director of Regeneration and Development and the Watson report.
- (3) accept the main recommendations arising from the Audit Commission inspection and audit as a base for the improvement of the housing service:
- (4) endorse the aim of improving the Housing service to at least a 2 star service by April 2011;
- (5) That progress on the implementation of the housing improvement plan be reported to the Scrutiny Committee; and
- (6) authorise the Director of Regeneration and Development, in consultation with the Portfolio Holder for Housing and Adult Services and the Head of Finance, to:
  - (a) invest the £300,000 allocated in the HRA 2009/10 budget to finance service improvements, including additional staffing resources; and
  - (b) reallocate existing staff resources within the housing service and approved budgets to meet the key priorities in the housing improvement plan.

### **Financial Consequences**

The financial consequences of this report will be met from existing budgets but will require the early investment of the £300,000 allocated in the HRA budget for service improvement and will require a reassessment of the allocation of existing staffing resources to address areas of weaknesses identified by the Audit Commission.

## **Risk Assessment**

The Housing Improvement Plan has adopted a formal project management process and this has a detailed risk assessment. The Audit Commission have set a challenging target for service improvement over a six to twelve month period and to reduce the risk of under achievement the delivery of the improvement plan must be given a high priority by all those involved in the housing service.

## **Strategic Priority and Outcome/Service Priorities**

The report helps to meet the strategic improvement programme of aiming for excellence.

**Executive Member:** Councillor Arthur - Housing and Adult Services

**Ward:** University Ward

## **Contact Officers**

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## **Background Documents**

*insert list of documents*

Background document is not for publication because (Right Click for Not for Publication)

## Report

### Background

#### Housing services provided by the Council

1. The Council has a range of responsibilities for housing matters and these include:
  - As part of the Greater Norwich Development Partnership the Council is responsible for the allocation of sites for housing development. Greater Norwich is one of the major centres for growth in the eastern region with a minimum requirement to deliver 32,000 dwellings over the period 2008 to 2026.
  - As part of the Greater Norwich Housing Partnership the Council, in partnership with South Norfolk and Broadland, is delivering a housing strategy that aims to achieve a balanced housing market based on sustainable communities, with affordable and decent homes where people have a choice of housing options. As part of this work the GNHP work with RSLs and the Homes & Community Agency to deliver the affordable housing programme. Over the last three years this arrangement has delivered over 1000 affordable housing units in the city.
  - Norwich has the 13th largest retained and managed housing stock in the country. The Council has direct responsibility for around 15,900 rented properties and the management of about 2,500 leasehold properties. This is a major responsibility and means that the Council has a direct impact on the living arrangements for a significant proportion of the city's population. The landlord service includes direct tenancy management services that are delivered on a neighbourhood basis, supported people services including sheltered housing, community alarm and family services together with specific services such as income management, neighbourhood wardens and the ABATE team. Tenants can contact the service either via the central customer contact team or by visiting neighbourhood housing offices. For example the Customer Contact team receive over 2000 housing related telephone calls per week.
  - The Council owns and is directly responsible for the maintenance of its 15,900 dwellings and 2,500 leasehold properties. This property maintenance responsibility includes the delivery of the decent homes programme by 2010/11 and the ongoing repair and planned maintenance works programme. In 2009/10 the Council will invest just under £20m capital funds in the housing stock.
  - The Council owns and manages about 4,400 garages. Of those garages that are let, 44% are let to tenants and the remainder are private lettings.
  - The Council manages the choice based lettings service for all social housing in the Norwich area and undertakes around 1300 lettings per

annum for council owned properties.

- Of the 41,000 privately-owned dwellings in the City, 13,000 do not meet the Decent Homes Standard and 4,000 contain one or more serious hazards to the health of the occupants. The council has a duty under the Housing Act to tackle these poor housing conditions. In particular, it is responsible for monitoring and taking action to improve conditions in the 10,000 privately-rented dwellings in the City as well as enforcing the Housing Act's requirements in relation to the management and licensing of houses in multiple occupation. It provides £1m of grants and loans to vulnerable owner occupiers and landlords to help them to carry out improvements and a further £0.5m for disabled facilities grants. It is also responsible for home energy efficiency and tackling empty homes.
  - The council provides a housing benefits service for 16,500 customers per annum.
2. The above activities represent a comprehensive range of housing related responsibilities and combined this broad service area will touch a significant proportion of the residents in the city and at the same time accounts for a major part of the councils direct expenditure.

#### **Assessment of the current council housing service.**

- Over the past 6 months there have been a number of external and internal reviews of the housing service. These include:
  - HQN review that looked at all aspects of the service delivered to tenants (Summary of key findings published in September 2008).
  - Reports published between December 2008 and January 2009) on the circumstances surrounding the decommissioning of properties at Goldsmith Street/Greyhound opening.
  - The Audit Commission inspection of housing income management, tenancy and estate manage and resident involvement part of landlord services (Report published in April 2009).
  - An Audit Commission audit of the allocation of council homes (Report published in April 2009).
3. The main conclusions (which are summarised) identify that there are a number of fundamental weaknesses in some aspects of the current housing service that need to be addressed to make sure that the service meets the needs of tenants and becomes a modern and high performing housing authority.

#### **How the Council has responded to the challenge for change in the housing service**

##### ***The Housing Quality Network review (HQN) - September 2008)***

4. In the summer of 2008 the council appointed the Housing Quality Network (HQN) to undertake a review of the housing service. This was part of the

preparation for the long planned inspection by the Audit Commission of landlord services. The council asked HQN to look at the whole of the housing service as part of this review.

## **Appendix A HQN review September 2008**

### **The HQN review said:**

5. That parts of the housing service were working well these were:
  - sheltered housing,
  - supporting people
  - the repairs and maintenance services
6. A step change in the quality of service delivery was required to reflect the high standards achieved by other housing organisations and to make sure that the needs of the tenant were placed at the centre of the service.
7. There was a lack of awareness by staff of key service requirements (KLOEs) that are used by inspectors to judge the quality of service provided by a housing authority.
8. As a consequence the service had not developed as well as it should have done in a number of these areas:
  - Record of implementing improvement
  - Positive outcome for users
  - Effective performance management and positive direction of travel of PIs
  - Improving Value for money (VFM), level of inward investment and procurement arrangements
  - Quality and effectiveness of plans and the capacity of the organisation to deliver
  - Track record of continuous improvement

### **What we have done:**

9. Used the findings of the review to help us prepare for the Audit Commission inspection of landlord services
10. Used the key areas for improvement to help shape the housing improvement plan
11. Implemented a number of customer focussed changes including:
  - Producing a tenants handbook

- Improving facilities at neighbourhood housing offices

## **Appendix (B) Reports on the decommissioning of Goldsmith Street/Greyhound Opening**

### **Report of the Monitoring Officer and Director of Regeneration and Development Executive 7th January 2009**

12. The Monitoring officer said:

- That paragraph 10.1 of the Code of Conduct be amended to include the Chief Executive Officer and Directors.
- That the Code of Conduct for Local Government Employees be amended to include reference to the Chief Executive Officer, Directors and Head of Services' personal relationship with staff being recorded in the Register of Interests.
- Staff should sign to abide by the Code of Conduct when accepting a new position.
- The process of all staff acknowledging and confirming they have read key policies of the Council be reviewed.
- Consideration to be given to formal probity training to all staff.
- The process of recording 1:1 supervision sessions be reviewed.

#### **What we have done:**

13. These recommendations have either been implemented or have been included in wider training programmes and will be undertaken over the coming months

#### **The Director of Regeneration and Development said:**

14. That the scheme of letting properties to officers who were relocating to the area should be reviewed

#### **What we have done**

15. The scheme has been discontinued.

#### **The Watson Report**

16. An independent review undertaken by Phil Watson, former Chief Executive of Blackburn and Darwen Unitary Authority (presented to the Executive on the 21st January 2009).

17. What the report said:

- The Director of Regeneration and Development should bring forward a decommissioning policy for council housing stock.
- The key posts of the Assistant Director (Neighbourhoods), Head of

Service for Neighbourhood and Strategic Housing Services and the Tenancy Services Manager should be filled as soon as possible

- Officer training in political awareness and joint officer/member training needs to be strengthened.
- The need for joint all party member/officer discussions on the inter-relationship between portfolio responsibilities, the scheme of delegation and Scrutiny. Work on this task should be part of the work around the new unitary authority.

### **What we have done**

- The decommissioning policy was referred by Executive on the 8<sup>th</sup> April to Scrutiny and the City Wide Board for their comments. Some minor amendments were requested as part of this review process, and the policy will be going back to Executive for adoption on the 13<sup>th</sup> May.
- The first two posts were approved by the Executive on the 8th April 2009. They have been advertised and the interviews have been scheduled for the end of April/early May.
- The Tenancy Services Manager post is a vacancy arising from a secondment to a government department and has been filled on a six month basis by a placement from the Flagship Housing group.
- Political awareness training will be incorporated into the 2009/10 training programme. The Director of Regeneration and Development has also instigated a number of joint officer/member briefing on key housing topics.
- The delay in the unitary programme means that there is scope to commence this discussion and the Chief Executive will discuss this with group leaders to assess how they wish to take this matter forward.

18. Arising from a motion to Council on the 27th January 2009 on the outcome of the Watson report members resolved to refer to the Scrutiny Committee a request that the Executive and Chief Executive be asked to sanction a full, independent investigation into the Greyhound Opening issue subject to the Scrutiny Committee considering the Audit Commission's work and all relevant information not currently in the public domain. The Audit Commissions' work has only just been published and there has not been an opportunity for this matter to be considered by the Scrutiny Committee.

19. Notwithstanding this, as explained below, there is nothing arising from the audit of the lettings process by the Audit Commission that would appear to trigger the need for any further external investigation.

### **Appendix (C) Audit Commission review of landlord services**

20. As part of a planned inspection programme in January 2009 the Audit Commission undertook an inspection of the housing income management, tenancy and estate management and resident involvement services. The

outcome of the inspection reflects the initial work undertaken by HQN.

### **What the Audit Commission said:**

21. That these components of the housing service are poor with uncertain prospects for improvement.
22. There are six key recommendations and 32 supporting areas for improvement have been identified. The key areas for action are as follows:
  - Significantly improve the range and quality of service information, and access to services in consultation with tenants.
  - Improve the strategic and practical approach to diversity.
  - Improve the tenancy and estate management service.
  - Improve the approach to income management.
  - Improve the strategic and practical approach to value for money.
  - Improve performance monitoring and management and strength and capacity.
  - Set challenging targets asking us to deliver change over a six to twelve month period.

### **What we have done**

23. Established a Housing Improvement Board of external experts, tenant representatives and members of the Executive to provide external challenge and support to the service in its response to the above recommendations.
24. It is proposed that this will be supported by regular progress reports to the Scrutiny Committee. Any areas of concern identified by either the board or the Scrutiny Committee will be reported to the Executive for consideration and action.
25. Developed a first draft of the housing improvement plan which is currently being discussed with staff and the housing improvement board. The underlying philosophy of the plan is that the tenant should be at the heart of the housing service and to do this staff and members must be at the core of the improvement process.
26. The Improvement Plan is based on the following six work streams:
  - Communication, consultation, engagement and vision
  - Service access and delivery
  - VFM
  - Performance and information management

- Staffing structures
- Staff training and development.

27. The plan has nearly 60 individual action points and several of these are major areas of work. It is a two year programme that aims to achieve the equivalent of a minimum of 1 star by the end of 2009/10 and a 2 star service by the end of 2010/11. The plan will be a 'living' document and reviewed and updated on a regular basis.

28. A project management approach has been adopted to ensure that key milestones for service improvement are achieved. However, it is recognised that the Audit Commission have set very challenging service improvement requirements for the Council to achieve and it will be necessary for the service to give priority to the implementation of the improvement plan if these targets are to be met.

29. As part of establishing the HRA budget for 2009/10 a sum of £300,000 has been allocated to support the improvement programme across all aspects of the housing service. Most of the money will be used to provide additional staffing in tenancy management and housing property services. In addition existing resources within the HRA will be redirected to areas that contribute to the delivery of the improvement plan. This means there will be an ongoing review of staffing resource allocation within the housing service.

30. The involvement of tenants in the improvement process is essential. The City Wide Board will play a key role in assisting in the delivery of various measures proposed in the improvement plan but there is an urgent need to develop an effective and responsive tenant engagement service. The recently established community engagement team will play a key role in developing the skills and capacity within tenant groups as well as helping housing staff respond to this challenge. As a matter of urgency the overall resource directed at tenant involvement within the housing service will be reviewed

#### **Appendix (D) Audit Commission audit of the allocation of council homes**

31. In response to concerns arising from the inappropriate allocation of homes to Council staff at Goldsmith Street/Greyhound Opening, the Audit Commission undertook an unplanned audit of the Council Housing allocation service. This work included a review of lettings of properties through the choice based lettings (CBL scheme), direct lets and other letting arrangements.

#### **What the Audit Commission said:**

32. The Council had taken appropriate action to prevent a reoccurrence of the inappropriate allocation of accommodation to staff.

33. In general the system for letting homes through the CBL scheme works well and has a number of strengths.

34. There was a need to improve the letting service to ensure that all homes are allocated and tenancies created in accordance with agreed policies and procedures.

35. The audit has made 7 key recommendations with a number of supporting actions which need to be addressed by October 2009.

**What we have done**

36. All of these matters are included as part of the housing improvement plan and need to be completed by October 2009