

Norwich City Council

SCRUTINY COMMITTEE

REPORT for meeting to be held on 15 October 2009

Housing Improvement Programme - Audit Commission review on the allocation of council homes

1.Summary:

In July 2009 the scrutiny committee considered progress on the housing improvement plan. One of the 89 tasks within the improvement plan concerns the recommendations arising from the Audit Commission assessment of the allocation of council homes. This audit was undertaken at short notice in April 2009. It put forward a range of measures to ensure the council has sufficient controls in place to enable all homes to be allocated and all tenancies to be created in an appropriate manner. The Audit Commission indicated that all of its recommendations should be completed by 2009.

The following report identifies the progress achieved against these recommendations and concludes that significant progress has been made in all of the areas identified and, as a result, the council house lettings service is robust, follows agreed procedures that are both transparent and well documented.

Conclusions:

The main conclusions of the report are detailed in paragraph 12 of the attached report.

Recommendation:

Members are asked to note the progress to date.

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Housing Improvement Plan – allocation of council homes

1. In January 2009, the council requested that scrutiny committee review various matters relating to inappropriate allocation of homes to council staff at a former sheltered housing scheme awaiting demolition. Subsequent to this decision in April 2009, the Audit Commission undertook an independent inspection of the council's housing allocation service to assess whether or not Norwich City Council homes were being appropriately and effectively allocated in accordance with agreed policies and procedures.
2. The main findings of the inspection were that, in general the choice-based letting (CBL) scheme was run effectively and is an open and transparent way of allocating council homes. It also noted that the lettings to staff on a temporary basis had ceased. The report also made seven recommendations to help improve the current service.
3. The key recommendations from this audit investigation are one of 89 tasks that have been included within the housing improvement plan. The Audit Commission indicated its recommendations should be achieved by October 2009. In July 2009, members considered the progress on delivering the housing improvement plan and asked that a report be made to a future meeting of the scrutiny committee on the seven key recommendations arising from the above review. This report updates members on the significant progress that has been made in meeting these recommendations.
4. The recommendations from the Audit Commission seek to ensure the council has sufficient controls in place to enable all homes to be allocated and all tenancies to be created in an appropriate manner, and that compliance with agreed policies and procedures can be demonstrated. The following sections consider each of the seven recommendations in turn and identify progress to date and any areas that still require some further work.

5. What the Audit Commission said:

Recommendation 1. Ensure allocations through the CBL scheme have sufficient checks and audit trails throughout the process to demonstrate clearly that the tenancy has been correctly granted to the nominated applicant.

What we have done:

- redesigned our processes in the short term to reduce the amount of data passed from one team and another
- improved our IT processes to drive out any risk of processing errors

- put in place a plan which will bring of the allocation process under one team.

6. What the Audit Commission said:

Recommendation 2 - Ensure that the policy and processes for allocations through CBL are consistently followed by:

– having a quality assurance approach which ensures the same standard of record keeping and the same process is followed when allocating homes, regardless of whether the allocation is made by the Home Options team or the sheltered housing team;

What we have done:

- trained sheltered housing staff in all CBL processes and procedures
- introduced new IT systems to the sheltered housing scheme managers so the allocations they might make are visible to the Home Options team
- put in place a system of regular meetings between the home options team leader and sheltered housing manager/ staff to discuss any issues surrounding CBL.

– control the arrangements whereby applicants' priority banding can be changed to ensure that the policy is consistently applied, the priority change is properly authorised and there are clear records supporting this;

What we have done:

- reviewed procedures and controls to make sure there are comprehensive and clear systems of reporting in place when a banding is changed
- introduced a new system which means that only officers with designated permission from their manager can change banding
- produced weekly monitoring reports on band changes. These are then passed to a responsible officer for checking and then signed off by the Home Options team.

– improve record keeping for direct let properties so that it is transparent and clear why such a letting has taken place.

What we have done:

- New sub-regional direct-let panel arrangements have been implemented. Landlords who wish to remove their property from the letting scheme and carry out a direct let, will need that process signed off by the sub-regional panel and will no longer be able to take that decision in isolation.

7. What the Audit Commission said:

Recommendation 3 - Take all reasonable steps to identify any applicants for housing where a conflict of interest could occur because of a staff or councillor connection, and ensure that the process for dealing with these cases is consistently followed with appropriate records maintained.

What we have done:

- re-issued the procedure on staff allocation to all housing staff
- formalised this procedure as an I.T process. Any member of staff who is allocated a property must have their allocation signed off by the director
- produced monthly reports cross referencing the housing register and staff members to ensure records are up to date and procedures are being followed.

8. What the Audit Commission said:

Recommendation 4 - Ensure that the published list of all properties let that week is up to date with all the properties let captured.

What we have done:

- This is a sub-regional issue, not a city council issue, and discussions have been held around the failure of landlords to complete processes correctly, thus compromising the recent lets section of the newsletter. This has been raised at the sub-regional operations group and will also be addressed in the sub-regional CBL review which is due for completion in November.

9. What the Audit Commission said:

Recommendation 5 - Review the allocations procedure making improvements as necessary but in particular detailing how robust audit trails of lettings should be maintained and reflecting the recent changes in relation to direct lets.

What we have done:

- introduced a 'root and branch' review of all our internal procedures to ensure the integrity of CBL (direct lets, staff allocations, improved audit trails)
- reviewed, revised and re-worked all Comino scripts related to the CBL lettings process.

10. What the Audit Commission said:

Recommendation 6 - Examine the different ways in which tenancies are created, identifying which officers are able to create or alter tenancies, and assess this to ensure that proper controls are in place and that there are appropriate authorisation levels for different types of tenancy.

What we have done:

- introduced a system so that only named and designated officers can create a tenancy
- put strict controls in place so that all tenancies are verified and checked by the Home Options team
- Introduced a system by which reports are run which will alert the responsible officers to any unauthorised tenancies immediately.

11. What the Audit Commission said:

Recommendation 7 - Strengthen performance management arrangements by:

- identifying the performance information needed to effectively manage the service;
- identify the hierarchy of information and the appropriate levels to which it should be reported;
- improving joint working between the various sections delivering the service to achieve consistency of approach and to share performance information to drive improvement;

- improving the accuracy of performance information so that managers can rely on it; and
- carry out regular reviews of the CBL scheme to assess how well it is meeting its objectives and report the outcomes of this, along with relevant performance information, to senior managers and members.

What we have done:

- resolved outstanding technical issues within our IT, so re-registration commenced in September 2009.
- introduced a system of monthly performance monitoring
- developed a new performance and information management system
- introduced monthly CBL performance stats which are collated and reported to team leaders and managers.
- Introduced regular data reviews are now taking place to ensure CBL data is accurate and reliable.

12. Conclusion

The council has provided a positive response to all the recommendations rising from the Audit Commission assessment of the process and procedure followed in the allocation of council homes. A number of the improvements described in this report are of a technical nature, while others will deliver clear benefits for service users. Although there are a number of actions that will be completed outside the challenging timescale suggested by the Audit Commission, all of the actions will be completed in a timely manner. The decision in early 2009 to cease short-term lettings of council property to staff combined with the implementation of the Audit Commission recommendations mean the council's lettings service is robust and follows procedures that are both transparent and well documented.