

## Cheltenham Borough Council

### Social and Community Overview and Scrutiny Committee - 3rd April 2003

#### Managing Council Housing - inspection of the Audit Commission

#### Report of the Cabinet Deputy Neighbourhood and Community

#### 1. Summary and recommendations

- 1.1 The Council's housing management service and other linked services were inspected by the Audit Commission at the end of 2002, and the results of that inspection were published on 18<sup>th</sup> March, 2003.
- 1.2 The service was assessed at fair (one star) with promising prospects of improvement. The majority of the service will be re-inspected in November 2003 (at which time such service will be provided by Cheltenham Borough Homes). The service needs to attain a two star rating to enable the council to access the additional £26m. funding to improve the housing stock to the decent homes standard.
- 1.3 **I would recommend that the Social and Community Overview and Scrutiny Committee:**
  - 1.3.1 **notes this report and**
  - 1.3.2 **in accordance with clause 3.1 of this report, actively engages in a programme of monitoring of the agreed improvement plan designed to address the issues identified in the inspection, so as to enable the achievement of a two star rating in November 2003.**

#### 2. External assessment

- 2.1 The Housing Inspectorate carries out best value reviews after a council has carried out its own internal review. The Inspectorate also inspects Arms Length Management Organisations (ALMO). Its gives two elements to its judgement – a “star” assessment of how good a service is, and an assessment of the council's prospects for improving the service.
- 2.2 The inspection last November has been invaluable in preparing officers, tenants and members for the crucial ALMO assessment which will take place in November, and which will determine this council's eligibility for £26m of government funding to improve the housing stock. A copy of the summary and recommendations is attached as appendix 1. A copy of the full 75 page report has been placed in the members' room. It can also be accessed on the Audit Commission website, [www.audit-commission.gov.uk](http://www.audit-commission.gov.uk).

- 2.3 It is, therefore, vital that by the time the inspectors return, we have addressed the majority of the issues identified in their assessment that are relevant to the ALMO. Officers have begun the task of translating their report into broad themes, cross-referring these themes to the earlier findings of the internal best value review and are developing a combined, re-prioritised improvement plan that will be reported to the next Overview and Scrutiny Committee if members agree.
- 2.4 The Inspectors noted several areas of good practice in the service, which they will publicise nationally, and although these areas do not require inclusion in the improvement plan, they are still being developed within the service so that it does not stand still.
- 2.5 The Inspection report also covers Corporate issues, such as capacity in the organisation and how Best Value reviews were previously carried out by the Council. These issues are not intended to be directly or wholly covered in the improvement plan for Cheltenham Borough Homes, but obviously have had an impact on the assessment and need to be addressed in partnership working.

### **3. Monitoring the improvement plan**

- 3.1 In view of the importance of demonstrating genuine improvements to the inspectors in November, I would like the Overview and Scrutiny Committee to work with tenants to approve and monitor the subsequent plan, preferably by means of regular updates at each meeting between April and November. The Board of Cheltenham Borough Homes will also want to approve the plan before it comes to Overview and Scrutiny Committee and so will be considering it in April.
- 3.2 On 9<sup>th</sup> September 2002 a report and improvement plan was submitted to Overview and Scrutiny Committee relating to issues arising from the council's own Best Value review of managing council housing. Appendix 2 is an update of the plan showing work completed, and also re-prioritises existing issues so that the external inspectors recommendations can instead be carried out between April and November 2003. It is intended for the new improvement plan to be developed in the same format.
- 3.2 The Audit Commission noted key areas for improvement, which fall into seven broad themes. The information below will form the basis of improvement plans to be brought to the Committee's next meeting. The Audit Commission detailed recommendations include issues for the wider housing services (such as allocation policy and homelessness) which will be retained by the Council, and for cleansing services provided by the council which will require partnership approaches and separate improvement plans for those services.

### **4. Areas for Improvement, to be completed by November 2003**

#### **4.1 Setting clear service aims and targets**

- Give clear service standards that are widely publicised throughout the borough
- Provide staff with clear, customer focused targets

This arose because at the time of Inspection, the service had produced the government required housing strategy and HRA business plan, an ALMO bid document, and a draft ALMO delivery plan, all of which have targets and objectives. All of Cheltenham Borough Homes service objectives and targets are now consolidated in the approved delivery plan, which also acts as the HRA business plan. The remaining issue is to review existing local performance measures with tenants, the CBH board and other stakeholders, and to develop new performance measures with tenants for cleansing and grounds maintenance services.

Work is being undertaken with the Cheltenham Federation to revise what information is reported to tenants and a joint Neighbourhood Monitoring Panel was held in December 2002 to look at what information should be available at these forums.

These will also be widely published throughout the Borough and not solely in council buildings. Information will be displayed in other public buildings; such as libraries and doctors surgeries as well as in voluntary organisations. This will ensure that information is accessible to a wider audience and publicise our service standards, and how well those standards are being met.

#### **4.2 Improve customer access to the Housing Service**

- Make area offices more welcoming for tenants and ensuring that all offices are physically accessible
- Ensure that all information is available in appropriate alternative formats and at all Council Offices
- Raise awareness within the service about equality and diversity issues
- Ensure the service is fully accessible via the internet

Both area office receptions were refurbished in 2001, but the inspectors have made recommendations on how the area offices could be made more welcoming to customers and how information could be displayed. Immediate actions to address these recommendations were taken in most areas and further work is being carried out. This work will include improved access to translation services and publications, amending the signage in the reception area and further improvements to disabled access.

Further staff training in diversity will also take place on equality issues that affect our customers.

Cheltenham Borough Homes will make improvements to information technology that will give better access via the internet, through a linked site on the Cheltenham Borough Homes website. There are also plans to make all tenant newsletters available on the website and have the opportunity to have a feedback board, that will be regularly addressed. In addition, the majority of our flats now have cable laid to the blocks, and CBH will continue to liaise with the provider so that cables can be laid before renovation work to blocks. All roads through our estates already have cables laid.

#### **4.3 Improving customer service and involvement**

- Further development of the tenant involvement service
- Develop local (area) compacts
- Raise awareness of tenant participation in staff across the service
- Provide tenants with regular rent statements
- Promote independent advice agencies

The report recommended that further developments were made to tenant involvement and part of the response is the recent appointment of two Tenant Involvement Officers and a Tenant Involvement Assistant which doubles the size of the team.

Tenants are involved at a pace that suits them, including the development of street representatives, regeneration programmes and project teams. Work is being undertaken to identify natural neighbourhoods and communities and this information will be used as a mechanism to involve people at an estate/neighbourhood level and develop local compacts. Recent projects; such as the redevelopment of Graham Place have proved a success in involving younger tenants and this has resulted in that group working towards formal constitution as a tenants association.

Independent tenant support is also being carried out by Solon CHS Ltd to enable tenants to have the required skills to participate and influence.

#### **4.4 Cost effectiveness of the housing service**

- Effective management of information by response repairs and planned programmes team, including joint work on reducing emergency repairs and use of IT
- Increase options for the payment of rent
- Improve procurement practice and increase partnership working
- Implement policy for recharging repairs

All of these issues were under review and in some cases new approaches being piloted when the inspection took place. A comprehensive review of housing and the former DLO IT systems took place between September 2002 and February 2003, with the resulting prioritised and resourced strategy for IT being implemented from 1<sup>st</sup> April onwards. This includes interfaces for the two systems used, and a stepped move to one IT system for all maintenance.

Processes will be implemented to ensure that response repairs works are not carried out in advance of capital programmes, therefore ensuring no duplication of works unless they relate to health and safety. The planned programme team are working with tenants and developing further partnering agreements that are compliant with Egan principles. Strategies, new contracts and selection/appraisal mechanisms have already been developed and three pilots covering modernisation, structural works and cyclical maintenance have been successfully running since December.

Direct Debit is currently being implemented, which increases the options for paying rent and this method of payment will be widely publicised. However tenants will still have the option to pay at the area offices, the Municipal offices, post offices, by standing order and rent payment card over the telephone.

Procedures for collecting chargeable repairs debts were consulted on with Housing Forum in March and will be implemented from April.

#### **4.5 Improving risk management**

- Ensure that there is effective monitoring of gas servicing and repair work
- Ensure effective management of health and safety within the workplace; including risk assessments and publicising results
- Having effective procedures for the recording of information and file management
- Ensuring there are clear and accessible procedures available to both staff and customers

Failure in keeping gas servicing records was the most significant issue discovered by the Inspectors, and in their oral feedback the lead inspector stated this had cost the service a whole star. The team responsible has been restructured as part of ALMO set up, and a new section manager appointed externally. All records were reviewed and updated by 31<sup>st</sup> December 2002, and those properties without full records were also inspected and appliances serviced by that time. The issue arose due to a discrepancy between council records and appliances tenants had fitted themselves, but which the council have a commitment to maintain, and because one contractor was using the wrong form. Effective systems of monitoring are now in place to ensure that gas servicing and repair work is effectively managed, and the gas servicing contract is being re-tendered this year.

The Council's safety officer has carried out full health and safety audits of all CBC departments and drafted recommendations for improvement. This includes comprehensive training programmes, and all CBH staff will also complete the development of risk assessments for all activities in the workplace.

File management is being improved with the implementation of a new filing system in area offices, and improved archiving. This will ensure that all cases are effectively recorded and easily accessible to all staff.

Comprehensive working procedures have been developed for all activities and were in place at the time of inspection. These working procedures are regularly reviewed and updated to take account of any changes in legislation or changes in working practice. These procedures are available to all staff and subsequent training will take place. Summaries will be made available to customers.

#### **4.6 Working in partnership with Cheltenham Borough Council**

There are detailed recommendations in the report which apply to Council retained services, but which impact on service delivery for our tenants and residents. Examples include the allocations policy, homelessness and cleansing. Other important strategic issues are the environments surrounding estates, and regeneration of areas. Cheltenham Borough Homes will work in partnership with CBC to develop responses to these issues and to contribute to corporate objectives. Service level agreements are being developed which cover these issues.

#### **4.7 Building capacity to deliver improvements**

The Inspectors report identifies areas in which internal best value reviews can be improved in future by the council, and the inspectors views on the internal best value review are reflected in the "promising" score. The Inspectors do however recognise changes to the review process since the housing review started in 2001. The inspectors also make reference to other changes corporately, but these particular issues would not be part of the improvement plan for the ALMO.

However, it is recognised that the creation of the ALMO brings with it extra work. As part of the senior management team for Cheltenham Borough Homes a Property Investment Manager has been appointed who will be responsible for co-ordinating all technical functions. He will also be responsible for the restructure of the planned programme team and to plan spend of ALMO resources in 2003/04.

Other posts which will support the ALMO and assist in delivering change include a Quality and Performance Manager who will play a key role in developing performance management reports, quality systems and be the contact for the Housing Quality Network and Housemark. This will enable benchmarking of the service against other ALMOs and similar organisations.

There are also new posts for surveyors, tenant participation workers, an accounting technician, board support officer and an ICT officer. These posts will help ensure that the ALMO is robust, able to improve services and performance and will meet the inspectors requirements.

## 5. The Best Value Inspection Report identified examples within the housing service of positive practice.

- 5.1 The Safer Estates Team was commended on their positive work on dealing with anti-social behaviour and reducing crime on estates. Positive practice also included Man-In-A-Van services that provide customers with high levels of satisfaction. The high ratio of planned to reactive works was also commended by the Inspectors. They will also promote work being carried out in Intensive Management Areas that targets resources to improve neighbourhoods. Other positive practice included accessible area offices and cross-tenure working with other RSLs.

## 6. Implications

- 6.1 **Financial** Achievement of "2-star" at the formal ALMO inspection will release £15m for investment in Council homes, and the Government is minded to release a further £11.2m.
- The resources needed to fund the additional staffing resources have been provided in the 2003/2004 HRA budget.
- 6.2 **Legal** No specific implications
- 6.3 **Personnel** No specific implications
- 6.4 **Equal opportunities, social justice and anti-poverty** Improving council homes contributes to tenants quality of life and will create job opportunities
- 6.5 **Environmental** Improvements to homes will need to be linked to wider Council programmes to improve local environments.

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**Background Papers** Audit Commission Inspection Report.

**Contact** Chris Huckle, Group Director Social and Community,  
Tel. 01242 264201, ChrisH@cheltenham.gov.uk

Paul Davies, Housing Manager, 01242 264192,  
PaulD@cheltenham.gov.uk

Councillor Clive Lloyd, Cabinet Deputy Neighbourhood  
and Community, 01242 691411,  
CliveL@cheltenham.gov.uk