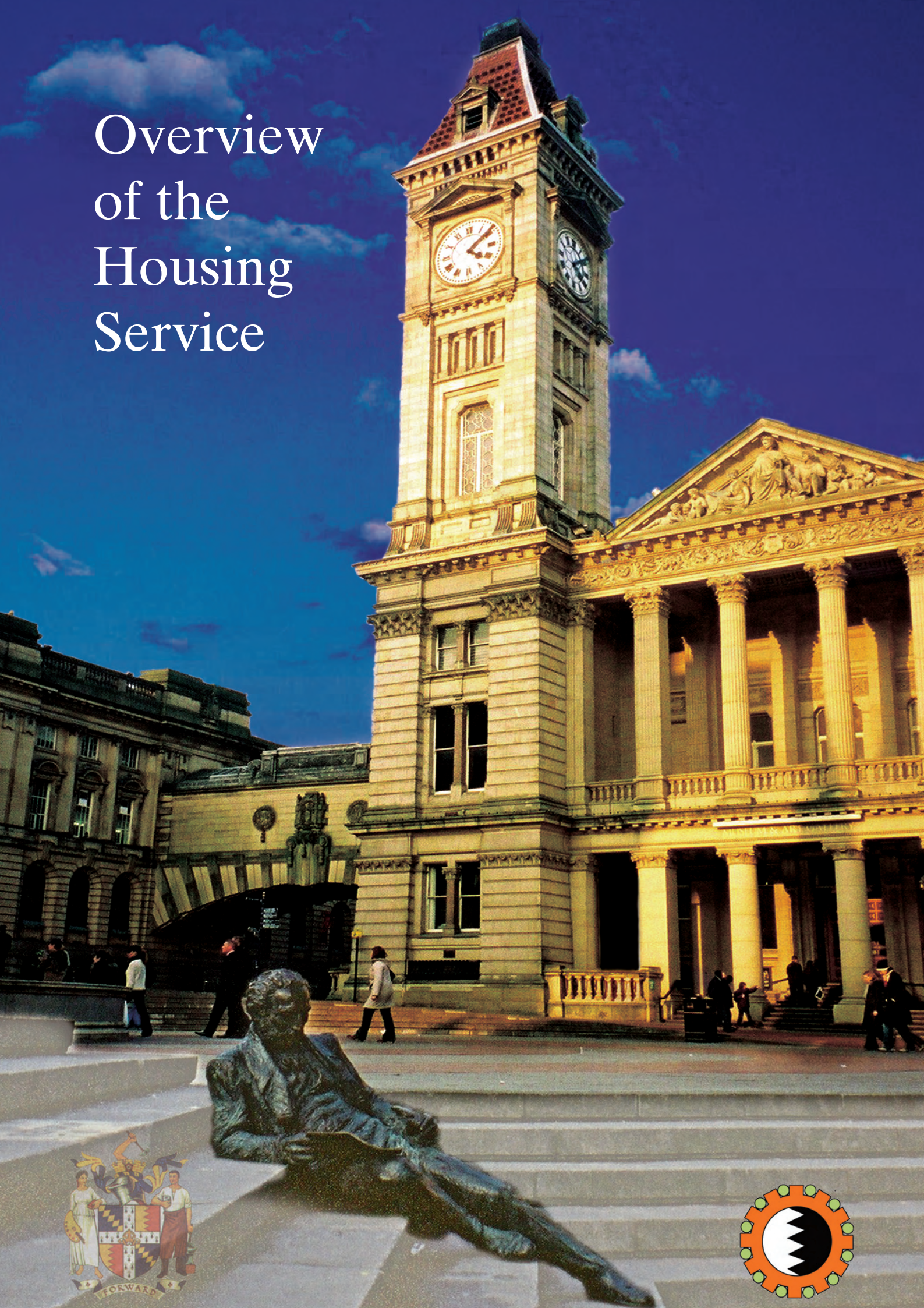


# Overview of the Housing Service





## Overview of the Housing Service

Tuesday 24 February 2004

Report to City Council

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# Overview of the City Council's Housing Service

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## Overview of the Housing Service

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## Overview of the Housing Service

# Preface

**By Councillor Mike Nangle**

Chair, Review of Housing Services Task and Finish O&S Committee  
February 2004



Through its role as a landlord, the City Council's housing service is vital to the lives of many thousands of people. It is clear, though, that the quality of that service has been nowhere near good enough. Our tenants deserve far better.

In this scrutiny, the fundamental question was "what is different this time?". We have indeed been here before. The Housing Inspectorate assessed the repairs and maintenance service as poor in 2001. Their report in 2003 showed that unacceptably little progress had been made since then. It was clear in 2001 what the Inspectorate required to be done. But it was not delivered. The management of the service took its eye off the ball.

So what confidence can Members, tenants and residents have that, this time, significant, visible improvements will be made? The Committee which assembled for this exercise included several Councillors with long and deep experience of the service. We spent a considerable time looking in detail at the Executive's proposals for service improvement. There may be a superficial criticism that in doing so we in some way diverted attention from delivery. In fact, I believe, we were able to contribute to making sure that the best possible improvement plan is now in place.

That plan must now become the bible for all our housing staff. They must refer to it time and time again, and make sure that they are carrying out the promised actions. Only then will tenants see a better service. But this is not only a task for officers. We believe that all elected Members have a part to play in improving matters. This needs a new partnership between housing officers and Members, particularly locally. In that way elected representatives can contribute their knowledge of what is needed in their localities, and of what is happening there. Members also can help to maintain the morale of the many excellent housing officers who are sincerely trying to deliver better services in their local areas.

It is time for all of us - Executive and Scrutiny Members, City Council officers and the repairs partners alike - to come together in energetically improving this vital service.

*M P Nangle*



## Overview of the Housing Service

# 1: Summary

- 1.1 This Task and Finish O&S Committee was set up in September 2003 because of Members' concerns over various aspects of the housing service, including the repairs service and senior management changes. Once the Audit Commission had published its re-inspection of the repairs service, that report was also included in the scrutiny task.
- 1.2 The all party O&S Committee, which included a number of Members with great Council experience in housing, met intensively during the autumn of 2003 and completed taking evidence as planned in December that year.
- 1.3 Our starting point was to recognise that the Executive's current actions are not the first attempt to improve the Council's housing service. We therefore focussed on assessing what in the new plans would deliver actual improvements. We also took the view that all Members of the Council need to be part of the partnership devoted to improving the service for tenants and residents.
- 1.4 Many of our meetings were devoted to considering what was then the draft Housing Performance Improvement Plan, discussing it in much more detail than could be expected of the Executive, with the aim of helping to produce the best possible Plan. We believe that the City Council can have confidence in the Plan which was approved by the Cabinet Committee in December; but having a good Plan will not in itself deliver the actual, necessary improvements.
- 1.5 There are wider lessons to be learnt by the City Council as a whole, particularly about the requirements for a successful client function and about interim appointments. Regarding the Housing Service, we consider that the search should go on to redirect savings in management costs to the repairs budget. The current exercise to clear the existing backlog of non-urgent repairs is important, but we were not convinced of the contractors' capacity to do this without side effects.



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- 1.6 In our report there are also recommendations to improve specific aspects of the service – including management information, the treatment of void properties, and sheltered housing. More fundamentally we wish to see improved communication within the Housing department, and between the Department and elected Members. We recognise the benefits that devolving housing services can bring, and also that assurances have been given that the repairs service will not be devolved until it has improved. Nevertheless we believe that it is important for the City Council to be clear that, where there is a conflict, improving the repairs service is for the moment a higher priority than devolution.
- 1.7 Finally, we recognise that scrutiny too has an important role to play in improving the service. For the next two years, the scrutiny agenda should be focussed on a small number of specific issues which will directly support the improvement programme.



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# 2: Summary of Recommendations

	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R1</b>	The Director of Performance Improvement should report to the Deputy Leader and to the 7 May 2004 meeting of the Co-ordinating O&S Committee on the progress made in implementing the recommendations of all major external audit and inspection reports since April 2001.	Deputy Leader	May 2004
<b>R2</b>	That when making Interim Management appointments to JNC posts, the Chief Officer concerned will inform the Leaders of the three major political groups, the Cabinet Member for Equalities and Human Resources, the Chairperson and Vice-Chairperson of the Co-ordinating O&S Committee, the relevant Cabinet Member or Regulatory Committee Chairperson, and the Chairperson of the relevant O&S Committee.	Chief Executive	Ongoing
<b>R3</b>	Following the appointment of interim managers in a senior position all Members should be advised of their roles and responsibilities.	Director of Corporate Human Resources	2 weeks after appointments are confirmed.
<b>R4</b>	That within six months further reductions in management costs be identified so as to provide a further increase in the repairs budget, such that the management costs are comparable with those of other Core Cities.	Cabinet Member for Housing	1 September 2004
<b>R5</b>	A report should be presented to the Housing and Urban Renewal Overview and Scrutiny Committee showing <ul style="list-style-type: none"> <li>a) the performance up to 31 March 2004 in clearing the backlog of "parked" repairs</li> <li>b) performance up to 31 March 2004 in dealing with urgent and non-urgent repairs notified between 30 September 2003 and 31 March 2004;</li> <li>c) performance in bringing empty properties back to a relettable standard over the same period.</li> </ul>	Cabinet Member for Housing	April 2004



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<b>R6</b>	That the work on developing the Highways Maintenance PFI pay specific regard to the experience in the housing repairs service of retaining a too restricted client function.	Cabinet Committee on Highways Maintenance and Management PFI	March 2004
<b>R7</b>	That the Executive and Scrutiny jointly agree the format of future reports monitoring repairs performance.	Cabinet Member for Housing and Chair, Housing and Urban Renewal O&S Committee	March 2004
<b>R8</b>	That the City Council resolve that the devolution of the housing repairs and maintenance service is a lower priority than the necessity to improve that service.	Cabinet Member for Housing	February 2004
<b>R9</b>	That an addendum be produced to section 2.5 of the Performance Improvement Plan with the aim of strengthening the partnership between elected Members and the Housing Department, in particular local housing offices, through promoting the timely two-way flow of information.	Cabinet Member for Housing	April 2004
<b>R10</b>	That the City Council emphasise the importance of improving internal communications in the Housing Department and asks the Cabinet Member to ensure it has high priority.	Cabinet Member for Housing	March 2004
<b>R11</b>	All Members to be informed of the scope of the HITS project and consulted on the levels of service proposed to be provided during the intensive training phase.	Cabinet Member for Housing	April 2004
<b>R12</b>	A progress report on the management of void properties, including the results of the incentive scheme piloted in Northfield, be submitted to Housing and Urban Renewal Overview and Scrutiny Committee.	Cabinet Member for Housing	May 2004
<b>R13</b>	The proposed policy on disposal of voids not capable of being re-let be submitted to Housing and Urban Renewal Overview and Scrutiny Committee prior to being considered by the Cabinet.	Cabinet Member for Housing	February 2004
<b>R14</b>	The findings of the current review of Sheltered Housing, and proposed actions, be discussed jointly by Housing and Urban Renewal and Social Care and Health Overview and Scrutiny Committees before any decisions are taken.	Cabinet Member for Housing	February/March 2004
<b>R15</b>	The Housing and Urban Renewal O&S Committee be asked to consider, following discussions between the Chair and the Housing Inspectorate, focussing its work programme for the next two years on the four issues of repairs performance; tenants involvement; devolution; and meeting the Decent Homes Standard.	Chair, Housing and Urban Renewal O&S Committee	March 2004





## Overview of the Housing Service

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<b>R16</b>	Progress towards achievement of these recommendations should be reported to the Housing and Urban Renewal Overview and Scrutiny Committee in July 2004.  Subsequent progress reports will be scheduled by the Committee thereafter, until all recommendations are implemented.	Cabinet Member for Housing
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## Overview of the Housing Service

# 3: Terms of Reference

## 3.1 The Reason for the Review

- 3.1.1 During the summer of 2003 there was a conjunction of events relating to the City Council's housing services, all of which caused Members concern. These included continuing concerns over the reporting of repairs and performance in carrying them out; apparent proposals to sell to housing associations empty properties which would be expensive to bring back to a standard at which they could be let; and changes to the senior management of the Housing Department, where members considered there had not been sufficient consultation. These were followed by the publication in September by the Audit Commission of its report on the re-inspection of the repairs service. This assessed the Council as providing a poor, no stars service that has promising prospects for improvement.
- 3.1.2 Before that report had been published, the Co-ordinating O&S Committee had already decided to set up a Task and Finish Committee to look at the clutch of issues. It was sensible to include consideration of the Audit Commission's report in its terms of reference. Overall, it was clear that a period of intensive scrutiny work was required. This would be in addition to the programme previously agreed, and therefore impracticable to ask that one of the standing O&S Committees undertake the review. Hence a Task and Finish Committee was necessary.

## 3.2 The Committee and its Terms of Reference

- 3.2.1 The Committee was chaired by Cllr Mike Nangle. It had a membership of ten (allocated 4:4:2 between the political groups) drawn equally from the Co-ordinating and the Housing and Urban Renewal O&S Committees.



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### 3.2.2

The agreed terms of reference were:

- having regard to the work of the Cabinet Committee on Housing Performance, to review the Audit Commission's Best Value Re-inspection of the Housing Repairs Service and accompanying City Council's draft Performance Improvement Plan (dated 19 September). To consider whether the proposed actions will address the identified problems, particularly having regard to the need to achieve value for money.
- also to specifically look at:
  - i) the interim senior management arrangements and their plans for delivering improvements across the service;
  - ii) the proposals for the development of community based housing organisations and whether this will lead to the improvements in the service required;
  - iii) the use of management information by the Housing Department;
  - iv) the suggestion that the Housing Department is proposing to sell off empty council houses in need of repair to housing associations;
  - v) the role and inter-relationship of sheltered housing in housing management and within the housing structure.

### 3.2.3

The membership of the Committee was:

Cllr Mike Nangle (Chair)  
Cllr Sue Anderson  
Cllr John Beadman  
Cllr Len Gregory  
Cllr Jackie Hawthorn  
Cllr Mohammed Idrees  
Cllr Peter Kane  
Cllr Les Lawrence  
Cllr John Lines  
Cllr Hugh McCallion



## Overview of the Housing Service

- 3.2.4 The officer team was led by John Cade, with Nick Partridge and Mary Woodcock acting as review officers. Nigel Christie co-ordinated the input from the Housing Department.
- 3.2.5 We worked in full committee throughout, starting with the aim (which was achieved) of completing taking evidence in December 2003. In the event, this involved holding a total of eight evidence taking sessions in October, November and December 2003. This was very intensive both for us and for a number of important witnesses. The Cabinet Member and Mr Hucker, the Interim General Manager, attended nearly all of these sessions, and other senior housing managers devoted a good deal of time to the investigation.
- 3.2.6 Other important witnesses included the Chief Executive; Mr Roy Irwin, the Chief Housing Inspector for the Audit Commission; Mr Martin Palmer, also of the Audit Commission; and representatives of AWG and Accord, the contractor partners. We are grateful to all who supported our work.
- 3.2.7 As an O&S Committee we took a clear and shared view of our task.
- 3.2.8 Firstly, we considered that the City Council had not openly and appropriately apologised to our tenants for providing a poor service. The Chair rectified this at the start of our first meeting.
- 3.2.9 Secondly, we acknowledged that this is not the first attempt to improve the repairs service and indeed other aspects of the housing function. Those attempts had resulted in the official categorisation of "poor". We therefore needed to focus on assessing what in the new plans would deliver actual improvements.
- 3.2.10 Finally we took the view that turning the service around was a task for all Members of the Council, not only for officers and Executive Members. For this to be a reality all 117 councillors will need to be more involved with the plans, procedures and activities of the Housing Service, and must be able to contribute their knowledge and views. Forging this partnership is an important strand in our thinking.



## Overview of the Housing Service

# 4: Findings – The Context

## 4.1 The Service

- 4.1.1 City Councillors properly regard the Housing Service as highly important. According to the Budget Book 2003/4, expenditure through the Housing Revenue Account is planned to be £353m this year. Excluding recharges, gross expenditure through the Housing General Fund will be £35m, and net expenditure £28m. Planned capital expenditure on housing is £102m for the current year. The Department employs 1,752 full time equivalent employees, and manages 75,765 properties.
- 4.1.2 Several strategic initiatives have been taken in the last few years. The City Council included a review of the repairs service then carried out by its Housing Direct Labour Organisation in its Best Value Review Programme for 2000/2001. The authority decided in June 2000 to expose the service to competition. In turn this led to contracts being awarded to Serviceteam (now AWG) and to Accord, with new arrangements coming into operation at the beginning of April 2001.
- 4.1.3 Throughout 2001 there was discussion and debate of a proposal to transfer the housing stock to registered social landlords as a means of accessing finance to improve the stock and the service delivered to tenants. This period concluded at the beginning of April 2002 when the tenants voted against the proposal. As a consequence, an independent commission was asked to consider the future of Birmingham's council housing. Its report, published in December 2002, foresaw the creation of around 35 community-based housing organisations (CBHOs) over four years. CBHOs would have full landlord and budget responsibilities. According to the Commission, CBHOs could achieve a good standard for between one third and one half of the stock through revenue generated by better performance. Roughly another third of the stock requires major sums for large-scale modernisation, through devices such as becoming Arms Length Management Organisations. For the remainder, CBHOs will need to work with partners to generate resources, through mechanisms such as small-scale transfer. The Commission recommended that the CBHO programme should start with the establishment of two Pathfinders. The City Council accepted the Commission's report, and the two Pathfinders were set up in Hodge Hill and Northfield.



## Overview of the Housing Service

- 4.1.4 Finally in this section, new management arrangements were brought in early in 2003 specifically to focus on improving performance. Work began on developing a Performance Improvement Plan in February 2003. A Strategic Housing Board, chaired by the Chief Executive, was also established. In September 2003 a new Housing Senior Management Team came together, headed by Interim Managers. The way this was done caused some controversy, with many Members feeling uninformed. During our investigation we discussed this matter with the Chief Executive.

### **4.2 The Repairs Service inspection of September 2001**

- 4.2.1 The Audit Commission published its Housing Best Value Inspection report on the City Council's Housing Repairs Service in September 2001. This followed the City Council's Best Value Review and externalisation of the service.
- 4.2.2 At that stage the Commission reported:
- "The service is judged as poor because we found that customer needs are not at the forefront of the service, which has focussed on the needs of the authority. Absence of clarity on service standards and receipts for repair orders and poor access arrangements have not given rise to a service that tenants can have confidence in.
- The Council has a very high need for investment in its housing stock but has wasted scarce resources through the poor management of the former DLO tracing arm. It has paid high prices for repairs, which has not been matched by a high quality service, and has not used the available capital resources to the full.
- The approach of the authority is dominated by reacting to emergency and urgent repairs with insufficient planning of investment to secure value for money."
- 4.2.3 The report contained 19 recommendations. "In pursuing all of the recommendations" wrote the Commission, "the council should concentrate on generating positive outcomes for existing and prospective tenants."



## Overview of the Housing Service

- 4.2.4 The outcome of the Inspection was reported to the then Housing Advisory Team on 5 September 2001. A subsequent report on 7 November 2001 divided the nineteen recommendations into two groups, essentially short term and long term. The report noted that the latter category might be affected by the stock transfer proposals. The plan was to implement the first group of recommendations by the end of 2001/2, with a report to the Executive in April 2002. With the six longer-term recommendations, the proposal was to report on detail in April 2002 and implement with a report to the Executive in October 2002. No such reports appear to have been made.
- 4.2.5 The inspection report was also presented to the then Healthy, Caring and Inclusive City O&S Committee in September 2001. The O&S Committee, in response, decided to meet representatives of Serviceteam and Accord, and this was done. The action plan was also noted by the O&S Committee in November 2001. Again no subsequent progress reports were made.

### **4.3 The Re-inspection Report of September 2003**

- 4.3.1 A re-inspection was carried out in February and March 2003. In its report, the Commission assessed the Council as providing a poor, no star housing repairs and maintenance service that has promising prospects for improvement. Some progress had been made since the last inspection. However, the Commission stated that "Too many of our previous recommendations remain unachieved and few discernible customer benefits are evident."
- 4.3.2 This time the Commission has made thirty four recommendations. The Housing Inspectorate will provide ongoing "supervision and support".
- 4.3.3 Arrangements within the City Council to receive the second report have been different from the first. As noted above, a Strategic Housing Board is already in existence. A Cabinet Committee on Housing Performance has been set up to approve and monitor performance against the Performance Improvement Plan. Our own O&S Committee has considered the draft Improvement Plan in great detail. Arrangements are being made for regular monitoring reports to be provided from now on to the standing Housing and Urban Renewal O&S committee.



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- 4.3.4 Overall, this time the City Council's initial response to a critical inspection report has been much more robust and engaged. The remainder of this report considers whether this initial response can be carried through into "positive outcomes for existing and prospective tenants".
- 4.3.5 Over the past two years the Audit Commission has inspected and rated the housing repairs and maintenance services of all the Core Cities. Summaries of these can be found at Appendix 1. Only Birmingham and Liverpool are assessed as "poor". Manchester City Council has recently been rated as providing an "excellent" service, still with promising prospects for improvement. A study visit to Manchester, to draw on their experience, is being arranged.





## Overview of the Housing Service

# 5: Findings - Performance Improvement

## 5.1 Consideration of the Improvement Plans

5.1.1 The terms of reference for our Overview and Scrutiny Committee prioritised the scrutiny of the Audit Commission report following the re-inspection of the repairs service and consideration of the draft Performance Improvement Plan. We reviewed repairs, and the Repairs Action Plan as a single issue and considered the draft PIP in its component parts:

- Improve the quality of service responsiveness to tenants.
- Develop the infrastructure to sustain improvements over the longer term.
- Strengthen the financial position of the Housing Service.

5.1.2 We devoted a lot of time to going through the detail of the draft Performance Improvement Plan and spent a number of our sessions on this. To assist in this we also had specific presentations on issues which were of particular concern, such as the management of empty properties. This enabled us to pay close attention to the individual actions put forward in the plan and to make a number of practical changes to the draft.

This chapter of the report details our deliberations on these issues.



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### 5.2 Repairs

- 5.2.1 The Audit Commission's Best Value Re-Inspection of the Housing Repairs Service was published in September 2003 and Mr R Irwin the Chief Housing Inspector gave a presentation on the findings to our meeting of 19 November. Mr Irwin explained to the Committee the scope of the original inspection report which was published in Spring 2001. This report had concluded that the Council's repairs service was "high cost, poor quality" and rated it as a no star service which was likely to improve.
- 5.2.2 Mr Irwin went on to explain that the re-inspection of the repairs service found that progress against targets was slow and that many of the recommendations made in 2001 had not been implemented. In particular tenant satisfaction had dropped and the backlog of 48,000 non-urgent repairs was unacceptable. As a consequence the re-inspection in 2003 had rated the repairs service as a poor, no star service with promising prospects for improvement.
- 5.2.3 The Audit Commission's relationship with the Council is now one of supervision and support. The Commission is supporting the Council to deliver improvements and its supervisory role is to ensure that the improvements are made. The Commission expects the Council to be delivering a one star service by April, 2005. The Commission would agree a Performance Improvement Plan with the Council and monitor progress on a monthly basis.
- 5.2.4 We expressed regret that the Housing and Urban Renewal Overview and Scrutiny Committee had not been involved in the re-inspection. All of us agreed that the Scrutiny role was to support and contribute to improvement in the service and in order to do this would continue the dialogue with the Audit Commission. The Chief Housing Inspector agreed that scrutiny would be an important element in improving the service.
- 5.2.5 One of the priorities in the Repairs Action Plan is the completion of the outstanding non-urgent repairs, estimated to number 48,000. We received a number of reports on this issue and on 19 November presentations were made by the repairs contractors, AWG and Accord. Each presentation gave an update on progress within the contract area and the proposed programme to complete the backlog of non-urgent repairs. We questioned the contractors on:
- Dealing with complaints
  - Appointments system



## Overview of the Housing Service

- Customer satisfaction
- Call centres
- Repairs to void properties
- Attendance at HLB meetings.

- 5.2.6 With regard to the repairs backlog, we questioned the contractors on their ability to complete the work and expressed concerns that the level of quality would fall in the rush to achieve the programme. Particular emphasis was placed on the consequences for other programmes in terms of both budget and manpower. Both contractors were confident that the work on the backlog would be completed by special teams. They advised that progress was being closely monitored.
- 5.2.7 With reference to the Housing Department's responsibility, we questioned the Interim General Manager on the information being given to tenants and publication of the programme on an area basis, his confidence in the ability of the contractors to undertake the number of jobs necessary to largely eliminate the backlog and whether the resources were available to fund the work.
- 5.2.8 The Interim General Manager's report of 10 December 2003 established that 48,971 repairs were outstanding and that a further 17,120 repair requests would be received from November to February to be completed by the end of March. The cost of these was estimated at £20.063m and this left a shortfall of £7.518 against the remaining budget. This shortfall is to be found by securing lower prices from the contractors, reprogramming the Decent Homes work allocated to the contractors and delaying clearance schemes which have not yet started.
- 5.2.9 Given the emphasis we placed on the achievement of the action in the Plan, it was generally agreed that rigorous monitoring would be necessary and that the contractors would be invited back to Housing and Urban Overview and Scrutiny Committee early in 2004. We have to say that on the basis of the evidence presented to us we are very dubious that the promise to complete the non-urgent repairs backlog of work by 31 March can be achieved without serious implications on both the quality of the work undertaken and completion of other work programmes, eg void repairs, within acceptable timescales.



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- 5.2.10 We also considered the issue of £12m redirection of resources into the repairs budget as part of the wider issue of the Repairs Service and the Performance Improvement Plan. Considerable discussion was had on where the £12m was to be found from and whether this contributed to a reduction in management costs as had been originally envisaged. There was also an appreciation of the need to continue to reduce costs as the number of properties being managed fell. It was recognised that where service charges are levied for specific services to certain tenants both costs and income need to be identified and easily understood. We agreed that continuous improvement was necessary and comparisons with other landlords both RSL and Local Authorities was beneficial.

### **5.3 Improving the Quality of Service and Responsiveness to Tenants**

- 5.3.1 The first objective of the Housing Performance Improvement Plan is to improve the quality of service and responsiveness to tenants. This covers the areas of direct service delivery to the City Council's 75,000 tenants, these being:

- Letting of Void Properties
- Allocations
- Resident Involvement
- Estate Services
- Decent Homes Strategy

The objective also covers the Repairs Service which, as previously explained, was dealt with separately.

The action plans on each of these areas were presented by Housing Department senior officers.

- 5.3.2 We discussed the actions necessary to reduce the average cost of repairs to voids and to reduce lost rent income from voids. We were advised that the management of voids by front line staff is being addressed by the Department. During the debate concerns were expressed about classifying voids as high cost and the intention to dispose of high cost voids. The plan moves away from the definition of "high cost" voids and voids are now being classified either as capable of being re-let or not capable of being re-let. We were assured that a more strategic view was being taken when assessing a property and there was no policy to dispose of a property just because of the cost of repair. However, Members requested that the policy on disposals (formulation of which is in the action plan) be brought to Housing and Urban Renewal Overview and Scrutiny Committee prior to it being implemented.



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- 5.3.3 We also discussed the process involved in dealing with empty properties. The process starts with notification of a tenant's intention to leave and ends with a new tenant moving in. The Committee understood that not all tenants notify the Housing Department when they leave. The note also dealt with the difference between a void which it is intended to be relet and that which is a long term void.
- 5.3.4 We were well aware of the difficulties in letting voids as some properties are left in a very bad condition. In particular rubbish, both inside and outside of the property, and a poor state of the garden are very off-putting to future tenants. Discussions were had about using all methods possible to trace former tenants who damaged properties. The Housing Department explained a pilot scheme in Northfield where an incentive of £100 will be used to encourage tenants to leave their properties in reasonable condition. In considering this incentive scheme we felt for the tenants who left their properties in a clean and tidy state. However, we had to acknowledge that this was not always the case. We felt that if the incentive scheme in Northfield proved successful in reducing the time and cost of reletting voids, it should be introduced across the whole City.
- 5.3.5 We were advised that a review of the allocations process had been undertaken in line with the Housing Act 2002 and the Best Value recommendations. The primary change was a move from a points based system to a banding system which could incorporate choice for prospective tenants. The new policy is currently being consulted on. It was acknowledged that properties should be allocated to people in need and that demand across the City was not uniform. Work on voids, allocations and tenancy support were designed to sustain areas and reduce constant turnover of tenancies. Our discussion centred on concerns about local staff being involved in allocations because of the various pressures which could be brought to bear on them and how communities could be sustained as inappropriate allocations led to problems. Of particular concern was the communication of the new policy to tenants, those on the waiting list and Members and the need for a clear document which everyone could understand.
- 5.3.6 One of the criticisms picked up by the Inspectorate was the tenants' feelings that their comments and complaints were not listened to by the Housing Department and the need to achieve an increase in the confidence that tenants have in the Department is of primary importance. As a consequence a framework for clarity with tenants and leaseholders over the level of services to be provided is being developed. This framework will incorporate dealing with residents' satisfaction levels and complaints. Through the framework tenants will



## Overview of the Housing Service

agree targets for performance improvements. A tenants' handbook and welcome pack would be put together. The Committee felt that how complaints are handled and how they are used to improve performance is critical to tenants' opinion of the Department. It was also felt that the involvement of the Housing Liaison Board movement should be acknowledged.

- 5.3.7 The presentation on Estate Services explained that these are currently being reviewed and discussion centred on the importance of caretakers and concierges in combating anti-social behaviour and ensuring the environment of estates is clean and safe. Reference was made to the tenancy support scheme and its importance in increasing long term tenancies. It was noted that tackling anti-social behaviour was subject to a separate scrutiny review. We felt it important that performance of these services is continually monitored.
- 5.3.8 The final presentation made to the Committee on 12 November 2003 covered the implementation of the Decent Homes Strategy. The Decent Homes standard has been set by Central Government and all local authorities are required to bring their council homes up to the standard by 2010. The Committee was advised that 56,000 of Birmingham's Council properties fail to meet the standard. The Housing Department proposed to appoint a number of partners to deliver the Decent Homes Improvement Programme and establish appropriately skilled client monitoring teams who could undertake inspections needed for major works programmes. This proposal was approved by Cabinet in December.
- 5.3.9 The Committee's discussion centred on whether it was possible to achieve the target and concerns were expressed over the accuracy of the stock condition information and whether the Housing Department would dispose of properties to meet the target. The Committee members were advised that the stock condition information was based on a survey and that properties of a similar design were treated as being in a similar condition. With reference to disposals the Cabinet Member for Housing advised that properties would not be demolished simply to enable the City to meet the Decent Homes target. Decisions taken on demolitions would be based on relevant information and made on an estate basis.
- 5.3.10 Some discussion on the level of the standard and its comparison to the Council's own was then had. The Council's standard is higher in some aspects than the Decent Homes standard and it is acknowledged that it was cost effective in certain circumstances to carry out the work to the higher level.



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- 5.3.11 We had received a specific request to consider the Sheltered Housing Service and a presentation was made to our meeting on 3 December. The presentation stressed that Sheltered Housing is provided for older people to enable them to live independently. It also recognised that people in Sheltered Housing had changing needs as they grew older and that each tenant should be treated as an individual. Following the introduction of the Supporting People regime tenants are now assessed prior to moving into a sheltered housing scheme.
- 5.3.12 There was a great deal of discussion about the role of the warden and the service standards that a Sheltered Housing tenant could expect. During the discussion comparison was made with schemes run by Registered Social Landlords. It was made clear that wardens do not provide care services. The Members discussed the particular difficulties of explaining changes such as Supporting People to older people, and the changes brought about by new regulations such as the Supporting People grant.
- 5.3.13 The future direction of the service is being considered and a service review is being carried out. This review is in line with the Supporting People requirements and the City wide review of Older People's Services led by the Strategic Director of Social Care and Health. The review will cover areas of individual need and the provision of a flexible service, needs of older people in the wider community and the provision of an extended more mobile service. We were advised that Members and tenants would be consulted as part of the review. We discussed the issue of specialist management against area management, whether it is time to consider a partnership with a specialist organisation and the need to involve the Social Care and Health Overview and Scrutiny Committee.
- 5.3.14 The Interim General Manager advised us that because a number of concerns had been raised, a "health check" would be undertaken on the current service being provided in Sheltered Housing. This would be completed by the end of February and would take into account the views of sheltered scheme residents which are being articulated to a number of Councillors. Pending the results of the health check, the warden service will continue to be provided at the same level as at present and temporary staff would be employed to cover warden vacancies.



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### **5.4 Develop the Infrastructure to Sustain Improvements over the longer term.**

- 5.4.1 The second objective of the Performance Improvement Plan is to develop the Housing infrastructure so that improvements made in service delivery can be sustained into the future. This objective covers issues of the strategic housing function, cultural change, the links with the Council's devolution process and development of CBHOs, and the implementation of the new computer system.
- 5.4.2 A separate presentation on devolution and the development of Community Based Housing Organisations was made to the Committee. In our discussion, we emphasised the need to keep tenants informed and to ensure that progress was made at a pace with which the tenants are comfortable. Clarification was given on the stages of development at which a tenant ballot would be necessary. We also highlighted the importance of ensuring that tenant participants were representative of their areas. Discussion covered the range of CBHOs, the tests to be applied prior to devolution to a constituency and the need to examine the financial models.
- 5.4.3 We considered separately the new computer system which is scheduled for implementation in 2005. The presentation made covered
- Benefits for customers; including better information, better informed local staff, a joined up approach, and new services
  - Benefits for the Council including improved management of voids and arrears, better management information
  - Project Management
  - Timescales
  - Costs
- 5.4.4 We discussed a number of issues, the most important of which was our major concern about the inadequacy of much of the management information in the Housing Department which is being used to inform decision making. This was highlighted to us in the discussions on the backlog of non-urgent repairs, when it seemed to us that there were too many occasions on which important decisions were taken, based on information in which there was no confidence of its completeness or accuracy. This had led to both Members and officers making commitments which were almost impossible for them to keep.





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- 5.4.5 Investment in an improved housing information technology system to provide the confidence which is currently lacking is therefore very important.
- 5.4.6 It is imperative that all Members are made aware of the scope of the new system and concerns were expressed about communication with both customers and councillors. A discussion was had on the involvement of both of these groups and the need to keep them up to date. This linked to the discussions on training and the importance of a comprehensive training programme which would enable the benefits of the new system to be realised as quickly as possible.
- 5.4.7 We discussed the intensive training period which would be needed just before the implementation of the new system. During that period the level of housing service will be reduced as all employees will be undergoing training on the new system. Certain core functions will have to continue and a group led by an Area Manager is devising an implementation plan.
- 5.4.8 We discussed the financing involved in the project and the risks involved in such a large project. The budget for the project is £10.4m including training and staffing costs. Expected savings of £1m per annum will accrue once the system is fully implemented. We were also advised that a risk assessment has been done and a contingency plan is in place. It is planned to do four "practice runs on the new system" prior to implementation and there is a three-month contingency with the current IT supplier.
- 5.4.9 The other major area of interest was to ensure the establishment of the appropriate strategic function. Committee members wanted to be sure that a clearly defined role for the strategic function was established and that it was capable of supporting the devolved Housing Service.

### **5.5 Strengthen the Financial Position of the Housing Service**

- 5.5.1 The third objective of the Performance Improvement Plan is to strengthen the financial position of the Housing Service. This includes:
- Strengthen the Housing Strategy
  - Achieve a balanced Housing Revenue Account
  - Implement the Service Improvement Plan on Capital and Procurement



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- Implement the Service Improvement Plan on Income and Debt
- Manage Sickness Absence
- Develop a strategy to achieve Decent Homes Standard.

Presentations were made to the Committee on each of these.

- 5.5.2 We were advised that the Office of the Deputy Prime Minister set the criteria for a Local Authority's Housing Strategy and the Government Office judge whether the strategy is "fit for purpose" against those criteria. It was emphasised that achieving "fit for purpose" was of prime importance as the rating awarded to the strategy governed the housing allocation Birmingham would receive from the Regional Housing Board. Our discussion centred on how Birmingham's allocation could be maximised by the strategy which needs to identify how the City uses resources and how it would allocate future resources.
- 5.5.3 There are a number of outputs to the second strand of this objective which are to balance the Housing Revenue Account budget, regularly monitor spend and maximise the use of resources available to tenants. The Committee discussed the importance of ensuring that budgets were correct prior to devolution and it was explained that devolved budgets would be clearly linked to rents from the properties in that area. The Committee expressed the opinion that there should be ongoing monitoring of the budget and the £12m redirected to repairs.
- 5.5.4 The Service Improvement Plan on Capital and Procurement aims to achieve greater value for money, maximise the level of spend on works programmes and enhance best practice from previous major work schemes. The Committee expressed the view that value for money was of priority and so was the consultation with tenants on the Investment Plan.
- 5.5.5 The Service Improvement Plan on Income and Debt is the product of the Best Value Review undertaken in the previous year. The aim is to ensure that rent and other income is collected promptly and that effective action is taken on rent arrears. Targets have been set on cash collection and reduction of arrears. This involves modernising the approach to rent collection and helping tenants who have difficulty in paying. Dedicated income collection teams in constituencies are being set up. We discussed the importance of reducing the level of arrears of rent and the need to trace tenants who had left their properties while in arrears. The need for effective working relationships between Housing and Neighbourhood Office staff was stressed, as was the importance of realistic repayment plans when tenants got into debt.



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- 5.5.6 We considered the action plan on managing sickness absence and the differences in performance across the Housing Department. It was agreed that resources should be dedicated to the worst performing sections.
- 5.5.7 The strategy on achieving the Decent Homes Standard in council houses was presented and is to be underpinned by a further stock condition survey which would build on the survey undertaken previously. We were concerned to ensure that the survey was accurate and statistically sound.
- 5.5.8 Various Scrutiny reports in the past have been critical of the numbers of strategies and plans in the City Council which have not resulted in increases in performance in the delivery of services to the public. We believe that the detailed work that we have put into scrutinising the Housing draft Performance Improvement Plan will ensure that this is a secure base from which to move forward. It gives the Department a clear sense of direction and enables words to be put into effective action. It is important that this is overseen by vigorous monitoring.
- 5.5.9 Comments and amendments made on the Performance Improvement Plans were incorporated into the draft prior to its submission to the Cabinet Committee on Housing Performance.



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# 6: Key Issues – Conclusions and Recommendations

## 6.1 The Performance Improvement Plan

- 6.1.1 As has already been made clear, we devoted a considerable amount of time to examining the draft Performance Improvement Plan. Our intention was to use our collective knowledge as Members, many having been involved in housing over a number of years, to help the Cabinet Member and Cabinet Committee produce the best possible Plan.
- 6.1.2 We believe the City Council can therefore have confidence in the overall Improvement Plan which was approved by the Cabinet Committee on Thursday 4 December 2003. This is undoubtedly one of the aspects where the Council's response has significantly improved this time. However, once again we must recognise that a clear plan is a necessary step in turning the service around, but in itself is not enough.
- 6.1.3 Returning to the first Inspection report, it is clear that somehow focus was lost during the period when the recommendations should have been implemented. All members of the Council including those in the Executive need to be reassured that this is a single, isolated instance.

	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R1</b>	The Director of Performance Improvement should report to the Deputy Leader and to the 7 May 2004 meeting of the Co-ordinating O&S Committee on the progress made in implementing the recommendations of all major external audit and inspection reports since April 2001	Deputy Leader	May 2004

- 6.1.4 One of the themes of this report is that another necessary condition for service recovery is for Members, senior managers and other staff to work together to promote improvement. It has to be acknowledged therefore that the way in which the new Interim Managers were appointed was unfortunate.



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6.1.5 The authority used to make the appointments was based on a decision of the Cabinet Committee on Devolution on 29 July, "to approve the immediate engagement of interim management support to cover all of the Assistant Strategic Director posts pending completion of the recruitment process." No information was given in the report as to the process through which this engagement should be procured.

6.1.6 We considered whether to recommend that all Cabinet reports asking for "in principle" decisions should contain an indicative timescale and show how the principle would be translated into practice. However, it seemed better to concentrate specifically on the issue of appointments. The normal procedure for appointing to JNC posts is to use the Appointments Sub Committee which has a core membership of the Cabinet Member for Equalities and Human Resources; the Leader and Deputy Leader of the Council; and the Leaders of the two major Opposition Groups. They are joined by the relevant Cabinet Member or Regulatory Committee Chairperson and O&S Committee Chairperson, and by a member of the Principal Opposition Party. We accept the view that appointing interim managers precludes using the Appointments Sub Committee. But if in future officers consult with a similar group of Members then the problems encountered in August and September 2003 will be avoided.

	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R2</b>	That when making Interim Management appointments to JNC posts, the Chief Officer concerned should inform the Leaders of the three major political groups, the Cabinet Member for Equalities and Human Resources, the Chairperson and Vice-Chairperson of the Co-ordinating O&S Committee, the relevant Cabinet Member or Regulatory Committee Chairperson, and the Chairperson of the relevant O&S Committee.	Chief Executive	Ongoing
<b>R3</b>	Following the appointment of interim managers in a senior position all Members should be advised of their roles and responsibilities.	Director of Corporate Human Resources	2 weeks after appointments are confirmed.



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### 6.2 The Repairs Budget

- 6.2.1 As has been set out in section 5.2 above, we devoted a considerable amount of time to consideration of the repairs budget. It is widely acknowledged that this has not been sufficient to meet demand for sometime. The Audit Commission report highlights the funding position which led to the category of "parked" repairs and the resulting unfunded backlog.
- 6.2.2 Both Audit Commission reports emphasised that the City Council needed to obtain better value for money from its repairs budget. We strongly endorse that principle, and expect the successful implementation of the relevant actions in the Performance Improvement Plan.
- 6.2.3 There is a widespread desire in the City Council, with support across the political spectrum, to reduce management costs in the housing service and redirect the resources to the repairs budget. We looked at the long-term trend in the repairs budget, compared with the number of Council –owned properties.

Year	Number of Council Houses	Repairs Budget £'000	Management Costs £'000
94/95	99,929	96,736	34,993
95/96	98,062	101,298	35,385
96/97	96,584	100,493	33,954
97/98	95,000	98,091	34,051
98/99	93,323	81,375	47,860
99/00	89,398	74,540	46,500
00/01	85,791	70,218	52,018
01/02	82,543	(no breakdown given for this year)	
02/03	78,989	62,296	59,476
03/04	75,765	73,396	54,735

Source: Estimates: Budget Book 1993/94 - 2003/04  
Nos. of Council properties: Housing Department

- 6.2.4 These are headline figures. There are some sharp changes in various years, particularly an increase in management costs and a corresponding decrease in the repairs budget in 1998/99. These are attributable; we are told, to changes in accounting practice.



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- 6.2.5 More specifically, the City Council decided to redirect £12.2m to the repairs budget in the financial years 2002/3 and 2003/4. In the words of the report of the Independent Housing Commission, "The Council overspends significantly on housing management and it is already cutting £12m off the budget."
- 6.2.6 It is clear from the information provided to us that a gross £12.2m, £11.1m net, has been added to the repairs budget since the original 2002/3 Housing Revenue Account. Approximately £3m of this stems from income to the HRA from the national Supporting People grant.
- 6.2.7 As an O&S Committee, it is not our intention here to enter into a debate, which may quickly become partisan, over whether finding additional income to the HRA is the same as cutting the costs of housing management. Rather we invite the City Council to reaffirm the principle that the search to reduce management costs and redirect those resources to repairs should continue.

	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R4</b>	That within six months further reductions in management costs be identified so as to provide a further increase in the repairs budget, such that the management costs are comparable to those of other Core Cities.	Cabinet Member for Housing	1 September 2004

### 6.3 The Repairs Backlog

- 6.3.1 The Audit Commission report identified a backlog of 48,000 parked repairs, with an estimated value of £13m. The Commission requires that these repairs be completed. In July 2003 the Cabinet Member informed the Housing and Urban Renewal O&S Committee that he intended the backlog to be cleared this year and that £6.4m had been provided to pay for this.
- 6.3.2 However, one of the continuing problems with the repairs service is the Department's lack of reliable information about what repairs have been requested, what repairs are necessary, and what has been done. We specifically looked at the HITS project (see below) which will provide a new information system in this area. The poor quality of current information, however, meant that the estimated repairs backlog needed to be treated with caution.



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- 6.3.3 Once the Interim Managers took up their posts, they attempted to quantify the backlog precisely and to draw up firm plans to tackle it. We were impressed by the energy and determination with which the Interim General Manger tackled this issue, even if we were simultaneously critical of the Department's inability to keep Members informed of proposals for their wards. This resulted at the end of October in a figure of 48,971 outstanding repairs, with estimated new demand for the rest of the financial year of a further 21,400 jobs. A further £7.5m has been identified to fund the work, in addition to both the original redirection of £12.2m and the extra £6.4m announced by the Cabinet Member in July.
- 6.3.4 We questioned the contractors' capacity to tackle both the backlog and the continuing newly identified priority repairs. Both contractors assured us in November of their confidence that this could be done. Notwithstanding this, our concerns remain, reinforced by continuing reports from tenants of poor quality repair work. Reports made to the Cabinet Committee since we concluded taking evidence have reinforced those concerns.
- 6.3.5 The Cabinet Member has pledged that the backlog would be cleared by the end of March 2004. There is a need to look at the totality of performance here – both the number of repairs which have been carried out and their quality, but also the knock on effect into other areas where work may have been delayed. We are particularly concerned that in concentrating on this backlog, others may have been created, and that void properties may not be coming back into use through awaiting repair.

	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R5</b>	A report should be presented to the Housing and Urban Renewal Overview and Scrutiny Committee showing <ul style="list-style-type: none"> <li>d) the performance up to 31 March 2004 in clearing the backlog of "parked" repairs</li> <li>e) performance up to 31 March 2004 in dealing with urgent and non-urgent repairs notified between 30 September 2003 and 31 March 2004;</li> <li>f) performance in bringing empty properties back to a relettable standard over the same period</li> </ul>	Cabinet Member for Housing	April 2004





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### 6.4 Monitoring the Performance of the Repairs Contracts

- 6.4.1 This brings us to an enigma at the heart of the repairs issue. What was previously the in-house repairs service began to be delivered through the two repairs partners in April 2001. Since then there have been regular monitoring reports on repairs performance to the Cabinet Member, to Cabinet, and to O&S committees.
- 6.4.2 These reports have been structured around key performance indicators in the contracts, and have shown that generally performance has exceeded that of the former DLO and has been improving. When the Housing and Urban renewal O&S Committee in July 2003 considered contract performance for 2002/3, it was informed that the emphasis was now moving towards quality.
- 6.4.3 Yet in September 2003 the Audit Commission report was published, with its conclusion that "while some progress has been made since our last inspection the Service is still poor in most respects.....Contracting decisions made prior to our first inspection were producing some benefits .....However, progress against stated targets has been slow and customer satisfaction has deteriorated."
- 6.4.4 It is difficult to reconcile these two views. The O&S Committee has been critical of successive monitoring reports, considering that only a partial account was included in some areas. These included a lack of information about the performance of the Department in managing the contracts. The reaction to the annual report on 2002/3 was that it was difficult for Members to assess the progress of the repairs service over the previous two years.
- 6.4.5 Running throughout this account are two large issues. One concerns whether, when the repairs service was outsourced, the retained client function was fit for the purpose. It is clear that in fact it was not, and we are pleased to see that the Repairs Action Plan (part of the Performance Improvement Plan) recognises that insufficient control and audit is available to the retained client. This is an important lesson which must be applied in other cases.
- 6.4.6 The other relates to the public reporting on repairs performance. The lesson is not that reporting performance by Accord and AWG should cease, but that it should form part of a wider report structured around looking at performance over a longer term from the tenants' point of view.



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	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R6</b>	That the work on developing the Highways Maintenance PFI pay specific regard to the experience in the housing repairs service of retaining a too restricted client function	Cabinet Member for Transportation and Street Services	March 2004
<b>R7</b>	That the Executive and Scrutiny jointly agree the format of future reports monitoring repairs performance	Cabinet Member for Housing and Chair, Housing and Urban Renewal O&S Committee	March 2004

### 6.5 Devolution

6.5.1 Sections 2.3 and 2.4 of the Performance Improvement Plan concern devolution. We heard from the Project Sponsor, Nigel Christie, and from officers supporting the two Pathfinder projects in Hodge Hill and Northfield, and satisfied ourselves that we understood the approach in practice. The initial discussion left us with several concerns. The first was the need to include all local residents, as well as tenants, in developing proposals for each area. The second was to ensure transparency when deciding that any CBHO is ready to receive the delegation of functions and budgets. The Cabinet Committee on Devolution has already agreed five tests which must be satisfied before devolution can be implemented. We would like to see reports on the readiness of the Pathfinders shared with and discussed by Scrutiny and by the relevant Constituency Committee before decisions are taken.

6.5.2 Our major practical concern lay with the balance between improving the repairs function and devolving it to CBHOs – not just the two Pathfinders but in general. The Audit Commission report of 2003 states that little progress was made on the recommendations from the previous inspection because “the Council were first distracted by LSVT and then subsequently by the Independent Housing Commission”. It states that “there are continuing risks that the Department may be distracted by strategic developments instead of concentrating on improving frontline services”. There is already widespread agreement across the Council that a failing repairs service should not be devolved to constituencies. Now is the time to take the logical next step and clarify that putting the repairs service right is a higher priority than devolution.

	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R8</b>	That the City Council resolve that the devolution of the housing repairs and maintenance service is a lower priority than the necessity to improve that service	Cabinet Member for Housing	n/a



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### 6.6 The Role of Members

- 6.6.1 A consistent theme running through many scrutiny reports this year concerns the benefits to be gained, for service improvement, citizen involvement and better governance, through valuing more and harnessing the knowledge of local Members, and through providing them with the wherewithal to represent local people better. In this case, there is an overwhelming need for Members to become an integral part of the partnership to rescue the repairs service.
- 6.6.2 It is now widely acknowledged that the Housing Department's information base is flawed. The Department does not easily know which repairs are required, nor which the contractors have completed. The Audit Commission's report calls for better stock condition information. Records of the behaviour of tenants and potential tenants are patchy.
- 6.6.3 We have no doubt that the Department would benefit from a stronger partnership with elected Members. There are examples of good relationships between local housing managers and Members, and these need to be built on and emulated across the city. There is a section in the Performance Improvement plan which deals with cultural change, but this makes no explicit reference to Members.
- 6.6.4 Within this partnership, Members need to be given confidence that the complaints they receive from tenants are dealt with quickly and accurately. At the moment, too much uncertainty has developed between Neighbourhood Offices, local housing offices, and the repairs contractors. Routes need to be clarified and signposted. We are aware that the Deputy Leader will be bringing forward a corporate complaints procedure, and indeed that the Co-ordinating O&S Committee may well make recommendations on dealing with complaints in its forthcoming report on customer-focussed services. We would not want to see a different system set up in Housing in isolation from these other initiatives. But it is important that tenants' issues are promptly seen to and not delayed.
- 6.6.5 We must stress that we envisage this partnership as properly two-way. Morale is low within the housing service. Whilst it is right to expose failings in the service, Members also have an important role in reinforcing what is being done well and in supporting front line officers in the difficult job they undertake.



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	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R9</b>	That an addendum be produced to section 2.5 of the Performance Improvement Plan with the aim of strengthening the partnership between elected Members and the Housing Department, in particular local housing offices, through promoting the timely two-way flow of information and feedback on issues raised.	Cabinet Member for Housing	April 2004

### 6.7 Internal Communications

- 6.7.1 One of the aspects of the service which most often comes to elected Members' attention is the lack of a consistent knowledge base amongst housing officers. This applies both between area offices and amongst staff within the same area team. It can also apply to day-to-day operational matters as well as broader plans and policies.
- 6.7.2 The Audit Commission also noted inconsistency in practice and, for example, included a recommendation to improve the consistency of response for customers visiting decentralised offices.
- 6.7.3 The cultural change section of the Performance Improvement Plan includes a series of actions to inform and train staff. It is particularly important that local staff have the information and skills to provide good, consistent advice to tenants and elected Members. All this depends on improved communications within the Housing Service.

	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R10</b>	That the City Council emphasise the importance of improving internal communications in the Housing Department and asks the Cabinet Member to ensure it has high priority	Cabinet Member for Housing	March 2004



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### 6.8 Specific Service Issues

6.8.1 It is quite clear that one of the core weaknesses of the Housing service is the inadequacy of the management information. As discussed previously in this report, in section 5.4, a new computer based information system (HITS) is under development. It is very important that all Members are informed about what this system will do to improve matters, and we understand that the Deputy Leader shares this view,

6.8.2 In paragraph 5.4.7, we highlighted that there will be an intensive training period for officers just before the new system is implemented. This means that during that period the level of housing service will be reduced as all employees will be undergoing training. Members must be informed in advance of the planned effect on the service in their local areas, and given the opportunity to request adjustments to the training plan in the light of local circumstances.

	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R11</b>	All Members to be informed of the scope of the HITS project and consulted on the levels of service proposed to be provided during the intensive training phase.	Cabinet Member for Housing	April 2004

6.8.3 Our discussion of issues around void properties – the conditions in which some are left by some tenants, the process of reletting, and what to do when a property cannot be relet – is summarised in section 5.3, above. There are elements in the Performance improvement Plan which should improve the situation. But it is essential that Members outside the Executive have some involvement and an understanding of this important area.

	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R12</b>	A progress report on the management of void properties, including the results of the incentive scheme piloted in Northfield, be submitted to Housing and Urban Renewal Overview and Scrutiny Committee	Cabinet Member for Housing	May 2004
<b>R13</b>	The proposed policy on disposal of voids not capable of being re-let be submitted to Housing and Urban Renewal Overview and Scrutiny Committee prior to being considered by the Cabinet	Cabinet Member for Housing	February 2004



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- 6.8.4 The final specific service issue which we wish to bring to the attention of the full City Council is that of sheltered housing. This is an issue we were specifically requested to look at, and many Members throughout the Council have received representations from tenants of sheltered schemes or their relatives.
- 6.8.5 Our discussion is again summarised in section 5.3 above. The service is currently under review and we were assured in December 2003 that the warden service would continue at the current level of service until the review had been completed. At the same time we are aware of a review of Older People's services being led by the Strategic Director of Social Care and Health. Members need the opportunity to consider both these reviews and ensure that there is consistency between them.

	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R14</b>	The findings of the current review of Sheltered Housing, and proposed actions, be discussed jointly by Housing and Urban Renewal and Social Care and Health Overview and Scrutiny Committees before any decisions are taken.	Cabinet Member for Housing	February/March 2004

## 6.9 The Scrutiny Agenda

- 6.9.1 Our final issue is to look at our own area. We believe our position is quite clear. We desperately want the service to tenants to improve radically, and wish the Performance Improvement Plan to succeed. We acknowledge that the Housing Department's senior management must devote themselves to implementing the Plan. There is a danger that too many performance monitoring forums – including the Strategic Housing Board, the Cabinet Committee, the O&S Committee and the Audit Commission – may divert management from this task. We agreed with the suggestion of the Chief Housing Inspector that we liaise and share information and concerns so that the Department is not faced with contrasting, conflicting and incoherent demands.
- 6.9.2 Against this background there is an important question of how best O&S Committees, and on a lesser scale Scrutiny Office support, can contribute to the achievement of a much improved service to tenants.



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6.9.3 It is clear that scrutiny work should be sharply focused so as to make the best use of Members' time and officer resources. Four specific issues stand out:

- repairs performance is the core issue and the O&S Committee must keep an overview of this;
- tenants' involvement and the need to improve the City Council's response to tenants is a strong theme running through the Audit Commission's report;
- the progress of CBHOs and the relationship to the City Council's wider devolution and localisation agenda;
- improving asset management and securing future investment to meet the Decent Homes Standard are linked together as a longer term issue where the uncertainty in Birmingham is in sharp contrast to the detailed plans which exist, for example, in Manchester.

6.9.4 Last year a similar prioritised programme of Overview and Scrutiny work to reinforce the Social Care Performance Improvement Plan was underwritten by the Chair of the Social Services and Health O&S Committee and the Cabinet Member for Social Care. This has been positively received by external assessors, Members and officers alike.

	<b>Recommendation</b>	<b>Responsibility</b>	<b>Completion Date</b>
<b>R15</b>	the Housing and Urban Renewal O&S Committee be asked to consider, following discussions between the Chair and the Housing Inspectorate, focussing its work programme for the next two years on the four issues of repairs performance; tenants involvement; devolution; and meeting the Decent Homes Standard.	Chair, Housing and Urban Renewal O&S Committee	March 2004

6.9.5 All scrutiny decisions taken by the City Council need to be tracked to ensure that implementation is proceeding smoothly, and this one is certainly no exception.

<b>R16</b>	Progress towards achievement of these recommendations should be reported to the Housing and Urban Renewal Overview and Scrutiny Committee in July 2004.  Subsequent progress reports will be scheduled by the Committee thereafter, until all recommendations are implemented.	Cabinet Member for Housing	
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## Overview of the Housing Service

# Appendix 1: Ratings of Repairs and Maintenance Services for Core Cities

### **Summaries of Housing Inspections: Repairs & Maintenance**

#### **Birmingham City Council**

**Rating: Poor Service - Promising prospects for improvement**

**Date 17 Sep 2003**

While some progress had been made since the last inspection, most aspects of planning and development are not yet translating into positive outcomes for tenants. Changes to contracting arrangements have produced positive benefits in improving access to services, and reducing significant losses which were being incurred. The time taken to re-let low cost void properties has improved. New strategic plans are focussed on delivering customer facing outcomes and government priorities, which have the support of both customers and stakeholders.

#### **Bristol City Council**

**Rating: Fair Service - Promising prospects for improvement**

**Date 12 Sep 2002**

Customers are reasonably satisfied with the service, which compares favourably with other councils' performance. Improvements are needed in the consistency of service across the city, completing gas safety checks to tenants' homes and engaging with younger tenants and customers from black and minority ethnic communities.





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### **Leeds City Council**

**Rating: Fair Service - Excellent prospects for improvement**

**Date 10 Jun 2002**

Contractors deliver a high level of customer care as set out, for example, in the building agency's 'Customer Pledges' document. The payment scheme for repairs operatives is based on quality of work and customer satisfaction as well as productivity. Letting standards are agreed with tenant representatives, and a tenant representative is included as a full time member of the council's standards team. However, the service is not of a consistent quality across the city, and the levels of service and facilities offered by local offices are variable. The telephone call centres offer a poor service on housing repairs. There are no explicit service standards and no tenants' handbook setting out tenants' rights and responsibilities. The monitoring procedures to ensure gas appliances receive regular servicing are poor.

### **Liverpool City Council**

**Rating: Poor Service - Promising prospects for improvement**

**Date 27 Nov 2002**

Tenants experience difficulties accessing the service and have limited opportunities to influence work programmes. There is a significant backlog of repairs, gas servicing is weak and long term maintenance planning is lacking. However, performance in delivering repairs has begun to improve and there is a clear commitment to deliver improvements across the board, building on the council's recent track record in other service areas.

### **Manchester City Council**

**Rating: Excellent Service - Promising prospects for improvement**

**Date 31 Oct 2003**

Manchester City Council is the first council in the north of England to achieve an excellent rating for its housing management services. Housing inspectors from the Audit Commission found the council's estate management and housing maintenance service to be excellent with promising prospects for improvement. The service was found to have improved significantly since June 2002 when it was rated good with excellent prospects for improvement.



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### **Newcastle City Council**

**Rating: Fair Service - Promising prospects for improvement**

**Date 17 Sep 2001**

The service carries out the repair and maintenance of over 35,000 council houses and over 400 public buildings. It is easy to report repairs to local offices, and tenants are able to contact the works contractor directly. The customer care is good, with 91 per cent of tenants saying they thought staff in local offices were helpful and polite. Tenants are also satisfied with the one stop gas servicing service. However, the appointments scheme for operatives to carry out work is not working effectively; there is a high level of no access calls; tenants are dissatisfied with the use of lower quality materials; frontline staff are not clear on the compensation arrangements for the non-completion of repairs.

### **Nottingham City Council**

**Rating: Fair Service - Uncertain prospects for improvement**

**Date 24 Sep 2002**

There is good consultation and high levels of customer satisfaction with major capital projects, which are securing tangible results in improving the quality of life for some customers. The council has already started to tackle many of the weaknesses and recommendations identified through its undertaking of a best value review. However there is no evidence of long term strategic planning of housing investment and no clear methodology for prioritising particular projects; the backlog of outstanding repairs is increasing and there were no plans to tackle this; the council has no culture of competition and there is little evidence of value for money; the council is not effectively managing budgets or performance and currently has limited knowledge of what they have actually spent or how they are performing this year; and most tenants had not been issued with a tenants handbook setting out the priority times for different categories of repair.

### **Sheffield City Council**

**Rating: Fair Service - Excellent prospects for improvement**

**Date 2 Oct 2001**

Tenant satisfaction levels are relatively high and Sheffield Council has introduced some innovative approaches to its front-line housing maintenance services, but some areas fall short. However, the council is committed to delivering improvements and has an ambitious plan that should make a significant difference to the standard of service local people receive.



## Overview of the Housing Service

# Appendix 2: Reports in Evidence

- A2.1.1 Audit Commission 1991 Best Value Report on the Repair Service
- A2.1.2 Audit Commission 1993 Best Value Report on the Repair Service
- A2.1.3 Report to Cabinet 22 September – Audit Commission Report on Repairs Service
- A2.1.4 Presentation from Roy Irwin, Chief Housing Inspector.
- A2.1.5 Presentation by Repairs Contractors AWG and Accord
- A2.1.6 Draft Performance Improvement Plan – presented by senior officers on 12 November 2003 and 26 November 2003.
- A2.1.7 Report to Cabinet Member for Housing 23 September 2003 – Period 4 Budget Monitoring.
- A2.1.8 Draft letter to tenants and work programme on outstanding non-urgent repairs.
- A2.1.9 Report to Housing Service Task and Finish, Overview and Scrutiny Committee 5 November 2003 – redirection of resources to repairs.
- A2.1.10 Report to Housing Service Task and Finish, Overview and Scrutiny Committee 10 December 2003 – redirection of resources to repairs.
- A2.1.11 Report to Cabinet Committee Housing Performance 4 December 2003 – routine repairs budget allocation 2003/04.
- A2.1.12 Report to Cabinet Committee Devolution 17 September 2003 – Development of CBHOs.
- A2.1.13 Report to Cabinet Committee Devolution 16 October 2003 – Housing Devolution



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- A2.1.14 Update on Northfield Pathfinder
- A2.1.15 Update on Hodge Hill Pathfinder
- A2.1.16 Presentation on HITS – 3 December 2003
- A2.1.17 Void Process Briefing Note – 3 December 2003
- A2.1.18 Presentation on Sheltered Housing Service – 3 December 2003
- A2.1.19 Information on Appointment of Interim Managers – Chief Executive.

# Overview of the Housing Service

