

ADULT SOCIAL CARE & HOUSING SCRUTINY COMMITTEE

Agenda Item 35

Brighton & Hove City Council

Subject: Value for Money Review of Housing Services
Date of Meeting: 06th November 2008
Report of: Director of Adult Social Care & Housing
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Key Decision: Yes/No Forward Plan No. HSG 0012
Wards Affected: All

1. SUMMARY AND POLICY CONTEXT:

- 1.1 To provide the Adult Social Care & Housing Scrutiny Committee with an overview of the findings of the Value for Money review of Housing Services.

2. RECOMMENDATIONS:

- 2.1 (1) That the Committee comment upon the findings of the Value for Money Review of Housing Services, and the value for money action plan, attached as an appendix to the report (appendix 1).

3. BACKGROUND INFORMATION:

- 3.1 Brighton & Hove's Draft Housing Strategy 2008-2013 is aimed at:

"Enabling healthy homes, healthy lives and a healthy city that reduces inequality and offers independence, choice and a high quality of life"

The strategy has 3 overall priorities:

- Strategic Priority 1: Improving housing supply
- Strategic Priority 2: Improving housing quality
- Strategic Priority 3: Improving housing support

- 3.2 Action to address these priorities aim to ensure we have enough of the right type of high quality housing in the city to meet the needs of local people and that those in need are provided with appropriate support to enable them to maintain their independence.

- 3.3 Value for Money is identified as one of six fundamental principles that underpin the Housing Strategy 2008-2013. These principles ensure that the Housing Strategy goes beyond the traditional focus upon bricks and mortar focus to deliver real change. The six strategic principles of the Housing Strategy are:

- A healthy city

- Reducing inequality
- Improving neighbourhoods
- Accountability to local people
- Value for money
- Partnership working

3.4 Principle 5: 'Value for Money', recognises that services delivered by the Council and its partners are affected by constant funding pressures and competing demands. The strategy recognises the need to make sure that the services we deliver are the right services, that they are delivered efficiently and targeted in such a way that will provide maximum impact and benefit for the resources available.

4. SCOPE OF THE VALUE FOR MONEY REVIEW

4.1 Brighton & Hove City Council is undertaking a corporate Value for Money (VfM) programme, involving a rolling cycle of service improvement work which will review all council services by autumn 2008.

4.2 The scope of the review covered the housing functions in the Adult Social Care & Housing Directorate, i.e. the following service divisions:

- Housing Strategy
- Housing Management

4.3 The VfM Steering Group agreed that the review should focus on the following areas:

- Strategic approach to housing need and homelessness
- ICT
- Sickness absence
- Staffing costs (use of agency staff)

4.4 A VfM review team was convened to undertake the review, using the corporate VfM review methodology and toolkit. The review team is made up of senior managers from:

- Housing Management
- Housing Strategy
- Financial Services
- Improvement & Organisational Development

5. FINDINGS OF THE VALUE FOR MONEY REVIEW

5.1 The final report (attached) includes a high level analysis of recent, current and planned VfM work across housing services. Opportunities for VfM improvements have been identified, prioritised and included in an action plan which is appended to the main report. Delivery of opportunities and progress towards targets will be monitored by the VfM Programme Board.

5.2 Housing is currently undergoing a number of major changes which should bring significant financial benefits and improved outcomes for service users and tenants. Following the outcome of the tenants' stock transfer ballot, officers reviewed strategic housing options to reflect the decision that the stock will be retained by the council and identified a strategy to fund the investment gap to achieve Decent Homes Standard and meet tenant aspirations for improvements to the stock. Two key approaches have been followed:

- A Procurement Strategy that would see the council enter into a long term partnership agreement for the maintenance and improvement of the council housing stock, reducing overheads and direct costs. The Procurement Strategy for the HRA stock was approved by Policy & Resources Committee on 3 April 2008.
- An asset management plan, which could see the creation of a Local Delivery Vehicle that would sit outside the council to utilise HRA assets requiring reinvestment and not occupied by Secure Tenants leveraging in additional investment to improve the council housing stock

5.3 The review found that value for money has been considered when planning and improving the Housing Needs Service, and in the strategic commissioning of accommodation for vulnerable groups. The Housing Strategy division has made considerable progress in developing a preventative approach to homelessness which has led to the budget no longer being classed as critical and improved outcomes for service users. Levels of homelessness prevention due to housing advice casework (BV213) remain top quartile compared to nearest neighbour authorities, and the council remains on track to meet the government's target to halve the number of households in temporary accommodation by 2010.

5.4 The review also found that the Housing Needs Service has strong partnership working with other BHCC directorates in the provision of housing need/homelessness support to Children and Young People's Trust (CYPT) and Adult Social Care (ASC). This has produced value for money benefits in providing a coordinated approach to housing need and temporary accommodation across the authority with improved procurement and less duplication of effort and spend.

5.5 In addition to these major initiatives there are a number of other positive value for money initiatives across both divisions, these include:

- Successful strategic commissioning through the Supporting People Programme, through initiatives such as the Single Homeless Integrated Support Pathway
- The Brighton & Hove, East Sussex Together Partnership (BEST), led by Brighton & Hove City Council, has been allocated £18.6 million over three years to improve the living conditions of vulnerable households in the private sector
- Efficiency savings achieved through improved contract management of the partnering contracts for the repairs and maintenance of the housing stock
- A reduction in empty property turn-around time for council properties

- A tenant-led review of Estate Services in Housing Management
- 5.6 The review also identified areas where there are opportunities to improve value for money. Headline findings from the review include:
- The opportunity to further improving links between the Housing Management and Housing Strategy divisions
 - The need to reduce the use of agency staff in both divisions
 - The need to maximise the value for money benefits of an effective ICT strategy
 - The need to continue the progress that has been made in reducing levels of sickness absence in both divisions
 - The need to develop a business case identifying the potential wider VfM benefits from investing in adaptations
 - The opportunity to reduce current expenditure on the storage of belongings for homeless households
 - The need to reduce unit costs in Housing Management
 - There is potential to continue the recent improvements in income collection in Housing Management, through the introduction of a marketing strategy and exploration of a 50 week rental year.
- 5.7 These issues are addressed in the appended action plan.

6. CONSULTATION

- 6.1 The review process involved interviews with identified staff and a workshop with senior managers.
- 6.2 The final report final report has been considered by tenants through the Housing Management Consultative Committee

7. FINANCIAL & OTHER IMPLICATIONS:

7.1 Financial Implications:

The Value for Money review identifies a number of actions within the Action Plan which should result in savings to both the General Fund and Housing Revenue Account (HRA) Housing Services. Target HRA savings particularly in Housing Management costs, agency staff and ICT have been included in the 30 year HRA Business Plan and will be included in future year's HRA Budget Reports, as appropriate. Target savings in General Fund services such as storage costs and agency costs for homelessness will be included in the General Fund Budget Strategy.

Finance Officer Consulted: Sue Chapman

Date: 14th Oct 08

7.2 Legal Implications:

The Council is responsible for ensuring that public money is used economically, efficiently and effectively. The value for money action plan will assist in meeting that responsibility. There are no immediate Human Rights Act implications arising from the report. However, in implementing the action plan, the council

will need to have regard to the effect of the proposed measures on any individual's human rights.

Lawyer Consulted: Liz Woodley

Date: 14 Oct 08

7.3 Equalities Implications:

There are no direct equalities implications arising from this report.

7.4 Sustainability Implications:

There are no direct sustainability implications arising from this report. The Draft Housing Strategy 2008-2013 includes a commitment to reducing fuel poverty and improving the energy efficiency of homes in the city through the Energy Efficiency Strategy.

7.5 Crime & Disorder Implications:

There are no direct crime and disorder implications arising from this report.

7.6 Corporate / Citywide Implications:

Providing the homes that people need is a key aspect of delivering priority one of the Corporate Plan 2008-2011: '*Protect the environment while growing the economy*'.

7. EVALUATION OF ANY ALTERNATIVE OPTION(S):

7.1 Not applicable to this report.

8. REASONS FOR REPORT RECOMMENDATIONS

8.1 The Adult Social Care & Housing Scrutiny Committee are asked to comment upon the value for money review and action plan

SUPPORTING DOCUMENTATION

Appendices:

VfM Review of Housing Report

Documents In Members' Rooms

None

Background Documents

None

