

Homelessness and Temporary Accommodation

Merton Council

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Local Authority Housing Inspections

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively and delivers high quality local and national services for the public.

Within the Audit Commission, the Housing Inspectorate inspects and monitors the performance of a number of bodies and services. These include local authority housing departments, local authorities administering Supporting People programmes, arms length management organisations and housing associations. Our key lines of enquiry (KLOEs) set out the main issues which we consider when forming our judgements on the quality of services. The KLOEs can be found on the Audit Commission's website at www.audit-commission.gov.uk/housing.

This inspection has been carried out by the Housing Inspectorate using powers under section 10 of the Local Government Act 1999 and is in line with the Audit Commission's strategic regulation principles. In broad terms these principles look to minimise the burden of regulation while maximising its impact. To meet these principles this inspection:

- is proportionate to risk and the performance of the Council;
- judges the quality of the service for service users and the value for money of the service;
- promotes further improvements in the service; and
- has cost no more than is necessary to safeguard the public interest.

Summary

- 1 Merton Council is an outer London council situated in South West London. The population is approximately 190,000 people contained within 80,000 households, of which 25 per cent are from minority ethnic communities.
- 2 The Council is Labour led with 32 of the 60 seats.
- 3 The Council employs approximately 5,000 staff across all services.
- 4 The Homelessness and Temporary accommodation inspection covered:
 - access and customer care;
 - diversity;
 - strategic approach to homelessness;
 - homelessness assessment;
 - prevention and advice (including how the LA work with partners and stakeholders);
 - temporary accommodation; and
 - value for money.
- 5 The service is estimated to cost £1,281,635 for 2005/06.

Scoring the service

- 6 We have assessed Merton Council as providing a 'fair', one-star service that has promising prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Table 1 Scoring chart¹

		Prospects for improvement?				
Excellent						'a fair service that has promising prospects for improvement' A good service?
Promising		☀				
Uncertain						
Poor						
		Poor	Fair	Good	Excellent	
			★	★★	★★★	

Source: Audit Commission

- 7 We judge that the service is a fair one-star service because of the following.
- Applicants have good access to the service whether they are visiting in person, or using the telephone, accessing the service through the website, or through home visits from staff.
 - Officers and their customers have easy access to the in-house translation service.
 - The service also provides a sensitive service to vulnerable applicants.
 - The level of housing advice provided is of good standard and there are good monitoring arrangements in place to help maintain the standard of casework.
 - The speed of homelessness casework processing has improved significantly.
 - The service uses exit surveys and mystery shopping, to help improve the level of customer care.

¹ The scoring chart displays performance in two dimensions. The horizontal axis shows how good the service or function is now, on a scale ranging from no stars for a service that is poor (at the left-hand end) to three stars for an excellent service (right-hand end). The vertical axis shows the improvement prospects of the service, also on a four-point scale.

- The service is good at responding to complaints within advertised timescales.
 - Applicants who are homeless or threatened with homelessness are given realistic housing options without having to go into temporary accommodation.
- 8 However, there are a number of areas where we considered there to be weaknesses.
- There is a lack of preventative outreach work among the BME community who are severely overrepresented amongst homeless applicants.
 - Diversity monitoring is inconsistent across the service.
 - The overall quality of temporary accommodation is low, and there is no temporary accommodation strategy as yet in place.
 - There is no resettlement support provided for residents leaving temporary accommodation (TA).
 - There are no service specific customer service standards as yet in place.
- 9 We have concluded that the service has promising prospects for improvement because of the following.
- There here has been a range of service improvements that are a key priority for the organisation and have had the greatest impact for service users.
 - A sound performance management framework has been put in place which is helping to drive service improvement.
 - Performance data shows that overall the housing needs service (HNS) has been improving over time.
 - Key projects are being developed to address service weaknesses.
 - New initiatives are also being developed to ensure that the twin themes of prevention and choice continue to produce results.
 - The service has extended its financial capacity by being able to attract significant amounts of external funding, which will benefit service users.
 - The service has negotiated the gold-star service with the housing benefit service for implementation when the new 'private sector shop' gets off the ground.
- 10 However there are also barriers to improvement.
- The approach to procurement is mixed and the approach to value for money is underdeveloped.
 - There has been little comparison of costs and some occasional benchmarking through HouseMark, but it is not sufficient to help drive service improvement.
 - There has been a lack of progress against key actions from various strategies that affect the service, for example, the Black and Minority Ethnic Housing Strategy. This is due to a lack of funding and appropriate prioritisation.

8 Homelessness and Temporary Accommodation | Summary

- Progress against previous service inspection recommendations is mixed, and implementations of key internal audit recommendations have not been implemented.

Recommendations

- 11 To rise to the challenge of continuous improvement, organisations need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the organisation. In addition, we identify the approximate costs² and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the Council shares the findings of this report with tenants and councillors and addresses all weaknesses identified in the report. The inspection team makes the following recommendations.

Recommendation

R1 Ensure that there are appropriate contingency plans in place to address the overrepresentation of BME households among the homeless, if both the Ethnic Minority Innovation Fund and internal growth bids fail. These plans should consider:

- *what others are doing in this field;*
- *whether an external agency could be contracted to do the work;*
- *whether it can be achieved within existing resources; and*
- *value for money considerations.*

The expected benefits of this recommendation are:

- a reduction in the number of BME households applying as homeless or with an acute housing need; and
- further reductions in the number of households in temporary accommodation.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by June 2006.

Recommendation

R2 Take immediate steps to ensure diversity monitoring and analysis is implemented across all the housing needs service activities with particular reference to:

- *the rent deposit scheme and other housing options; and*
- *new initiatives that are implemented.*

The expected benefits of this recommendation are:

- ensure that services provided are being accessed fairly; and
- those outcomes can be monitored.

² Low cost is defined as less than 1 per cent of the annual service cost, medium cost is between 1 and 5 per cent and high costs is over 5 per cent.

The implementation of this recommendation will have high impact with low costs. This should be implemented by April 2006.

Recommendation

R3 Put in place immediate monitoring arrangements with regard to homelessness review cases. The monitoring arrangement should include:

- *collecting diversity information on the applicants;*
- *monitoring the reason why the review was asked for;*
- *the outcomes of the review; and*
- *at least an annual review to identify issues or learning points that can be used to improve the service.*

The expected benefits of this recommendation are:

- to ensure that all reviews are conducted in an open and fair way;
- that similar cases get treated consistently;
- to ensure that discrimination does not take place; and
- to identify the training needs of staff.

The implementation of this recommendation will have high impact with low costs. This should be implemented by March 2006.

Recommendation

R4 Expedite plans to develop a TA strategy supported by appropriate monitoring arrangements. The TA strategy will ensure:

- *that it takes into account the existing temporary accommodation reduction plan;*
- *it considers alternative methods of procurement;*
- *it takes account of best practice;*
- *it takes account of VFM considerations;*
- *improves the quality of accommodation;*
- *that it considers service users views; and*
- *monitoring arrangement are in place that ensure:*
 - *agreed standards of service are maintained and health and safety considerations are being observed;*
 - *that residents are occupying the accommodation; and*
 - *complaints are being dealt with.*

The expected benefits of this recommendation are:

- that it will ensure the quality of accommodation is improved;
- reduce the cost of TA even further;

- reduce the number of households in TA;
- that residents are safe and receiving the services being paid for; and
- ensuring that value for money is being achieved.

The implementation of this recommendation will have high impact with low costs. This should be implemented by September 2006.

Recommendation

R5 Take steps to ensure that a resettlement function is provided for residents leaving TA ensuring that:

- *links are made with review of temporary accommodation;*
- *co-ordination of support services occur; and*
- *there is closer co-operation with the housing support team in the housing management service.*

The expected benefits of this recommendation are:

- ensure that the new tenancies are more likely to be sustainable;
- that it will help to ensure the right services are in place to support vulnerable residents when they leave TA;
- residents will be able to leave TA more quickly;
- better customer care; and
- better customer satisfaction.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by September 2006.

Recommendation

R6 Report and publicise the key findings of this report to service users, councillors and staff.

Recommendation

R7 Take action to address all other weaknesses in this report.

- 12 We would like to thank the staff of Merton Council who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 23-27 January 2006

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Report

Context

The locality

- 13 The London Borough of Merton is located in South West London, and borders the London Boroughs of Wandsworth, Lambeth, Croydon, Sutton and Kingston-Upon-Thames.
- 14 It has a population of approximately 190,000 residents in 80,000 households. The 2001 Census shows that it has a diverse population with 75 per cent considering themselves to be white and 25 per cent considering themselves to be from black and minority ethnic (BME) backgrounds. The census shows the largest ethnic minority groups as:
 - Indian - 4.3 per cent;
 - Black African - 3.7 per cent; and
 - Black Caribbean - 3.4 per cent.
- 15 The 2005 Housing Needs survey states that the BME groups form 20 per cent of all households (as opposed to 25 per cent of the population) and is broken down as follows:
 - 8.3 per cent - Asian & Asian British;
 - 7.1 per cent - Black & Black British; and
 - 4.5 per cent - Mixed & other ethnic groups.
- 16 The same survey also states that:
 - 19 per cent of the population are pensioner (older persons) only households;
 - 25 per cent of all Council accommodation is occupied by older persons only; and
 - 11.7 per cent of all households (9,453) contain people who have a limiting illness or disability.
- 17 Twenty-one per cent of pupils speak English as a second language and a total of 101 languages are spoken in Merton's schools.
- 18 The indices of deprivation show that the Village and Hillside wards in Wimbledon are in the top 5 per cent of the most affluent wards nationally. However, four wards are in the top 25 per cent of most deprived wards in England. These are Lavender, Pollards Hill, Cricket Green and Ravensbury.
- 19 There are five town centres situated at Wimbledon, Morden, Mitcham, Raynes Park and Colliers Wood and there are currently over 7,500 businesses providing more than 70,000 jobs within the borough.

The Council

- 20 Merton is a Labour controlled authority (Labour have 32 seats on the council, the Conservatives have 24 seats and there are 4 independents). It employs over 5,000 staff with approximately 20 per cent of them located in the Civic Centre in Morden.
- 21 The council has adopted the Leader and Cabinet model of governance under the Local Government Act 2000. They have also adopted the principle of delegation with exception. This means that all functions are delegated to officers unless they are specifically reserved to the Council or the Cabinet as its executive.
- 22 There are five council departments - the Chief Executive's, Corporate Services, Children Schools and Families, Environment and Regeneration, and Community and Housing. In 2002 the Audit Commission's Comprehensive Performance Assessment (CPA) classified the council as 'weak'. By 2004 they had moved up to being classified as a 'fair' council. In 2005 Merton has been rated as a two-star council. The council aims to become excellent by 2006/07. Its general fund budget was £211 million for 2005/06 (up from £199 million in 2004/05).

The service

- 23 The Housing Needs Service comprises the following:
 - Housing Advice team;
 - Registration and allocations Team;
 - Homeless Persons Unit;
 - Projects and Policy;
 - Home sales and initiatives; and
 - Temporary Accommodation Floating Support.
- 24 The budget for the service in 2004/05 was £1,159,590. For 2005/06 it was £1,281,635, which is an increase of £122,045 or 10 per cent.
- 25 As an outer London borough, Merton does not have the same level of homelessness as many inner London authorities. It does not have the problem of street homelessness that is faced by other boroughs, nor is it a high user of bed and breakfast accommodation. However, Merton does face many similar challenges to other London authorities, for example, high house prices and rental values, and a diminishing stock of social housing. While there are some affluent areas within the borough, there are others that are amongst the most income-deprived areas nationally. Merton has one of the lowest numbers of homelessness acceptances in London, despite recent increases.
- 26 There are 5,856 applicants on housing register. During 2004/05:
 - 232 households were housed in properties belonging to Registered Social Landlords;
 - 386 were housed in Local Authority dwellings; and

- 230 individuals were housed in supported housing accommodation.
- 27 The average council rent in for 2004/05 was £66.08³, this compares to the national average of £55.1, and London average of £69.37. For 2005/06, so far, the average overall house price in Merton is £286,168 compared to the London average⁴ of £291,023. The house price to income ratio in Merton stands at 4.12 times the average income compared to the national average of 4.12⁵.
 - 28 The Housing management service manages approximately 6,548 tenanted properties and 2,400 leasehold properties. The stock options appraisal completed last year, saw council deciding to retain the stock.
 - 29 During 2004/05, 661 households made a homelessness application. Forty per cent of these applications were accepted as homeless. For the first three quarters of 2005/06, 283 households made homelessness applications and the rate of homelessness acceptances has increased to 63 per cent. So although the number of applications has fallen the rate at which they are accepted has increased.
 - 30 During 2004/05 the housing advice service recorded 537 cases where they provided housing advice. Of these 150 were prevented from becoming homeless. For the first three quarters of 2005/06 the number of case so far where housing advice was provided stood at 623 of which 345 were cases that homelessness had been prevented.
 - 31 The HNS manages six hostels consisting of 55 units. Only seven of the units were being used at the time of our inspection and the others have been decommissioned and are awaiting disposal. The seven still being used will also be discontinued as soon as the households have been rehoused. The decision to dispose of these units was made following a review of all Housing Revenue Account land and properties. They were found to be uneconomical to repair and bring up to the required standards of self contained accommodation. All the hostels have now been earmarked for other development projects. Currently there are only 141 household in all forms of temporary accommodation⁶.
 - 32 There are approximately 4,400 properties belonging to registered social landlords (RSLs) within Merton, representing 5.5 per cent of the housing stock. During 2004/05, 37.5 per cent of households who were permanently rehoused were housed in RSL properties.
 - 33 Merton as yet is not operating or taking part in a Choice Based Lettings scheme (CBL). It plans to have one up and running by April 2006.

³ Source: ODPM

⁴ Source: ODPM - First three quarters of 2005/06

⁵ Source: Audit Commission – Area Profiles

⁶ As at the end of December 2005

How good is the service?

What has the service aimed to achieve?

- 34** The council's vision for Merton is for it to be a 'great place to live, work and learn'. The vision is supported by six strategic objectives:
- Education Merton;
 - Safe, Clean & Green Merton;
 - Caring Merton;
 - Thriving Merton;
 - Equalities Merton; and
 - Effective Merton.
- 35** In consultation with local residents seven key priorities have been identified and the ones most relevant to the area covered by the inspection are:
- establishing healthier communities;
 - creating safer and stronger communities; and
 - better accessibility for housing.
- 36** The Housing Strategy 2004-2007 focuses on tackling these issues and has as its priorities the following:
- Increasing the Supply of Affordable Housing;
 - Supporting Vulnerable People and Preventing Homelessness;
 - Improving Housing Conditions;
 - Developing Sustainable Communities; and
 - Delivering through Effective Partnerships.
- 37** These priorities tie in with the corporate ones above, and have a 'good fit' with the London Housing and South West London sub regional strategies. Beneath this sits the homelessness strategy 2003-2008 which reflects the findings of the homelessness review carried out during 2002/03, and informed the priorities contained in the housing strategy. The priorities established under the homelessness strategy were to:
- reduce the incidence of homelessness through prevention;
 - maximise housing and support options and choice for all homeless households;
 - develop an effective, evidence based inter-agency strategy that minimises homelessness in the longer term; and
 - meet the diverse needs of all people who are homeless, or are at risk of becoming homeless.

- 38 This strategy is rooted in a multi-agency approach to tackling homelessness and it built on the work and initiatives in progress, as well as identified new areas to tackle. The approach adopted by the Housing Needs service (HNS) is to prevent homelessness by providing permanent housing solutions before people become homeless. Staff work to prevent and delay homelessness, through advice work and negotiation with the client and the person responsible for excluding them from their accommodation. This approach also works on the principle that people should be given options to help resolve their housing need and that social housing is not the only answer.
- 39 According to the findings of the Ethnic Minority Housing Strategy (2004–2006), people from ethnic minorities who live in the borough were more likely to need housing and suffer from social exclusion. They also were more likely to suffer from racial discrimination and racial harassment, and have difficulties accessing information and services because of language and cultural barriers. It also confirmed that ethnic-minority households are over-represented among homeless households needing accommodation, or needing help and advice in finding accommodation. In recognition of these issues the council developed the strategy. Its main aims are to:
- promote race equality through working together;
 - identify and respond to housing needs;
 - make sure there is community wellbeing and fair access to social housing;
 - provide quality housing services for everyone;
 - tackle exclusion; and
 - invest in a varied workforce.
- 40 Progress against all these plans are monitored by the Housing Strategy Review group at a series of regular meetings and through review reports.

Is the service meeting the needs of the local community and users?

- 41 The following assessment is based on the Key Lines of Enquiry for homelessness and housing needs issued by the Audit Commission's Housing Inspectorate in July 2004. In addition, we also consider the over-arching issues of:
- access and customer care;
 - diversity; and
 - value for money.

Access and customer care

- 42 This is an area where overall strengths outweigh weaknesses. Applicants have good access to the housing needs service whether they are visiting in person, using the telephone, accessing the service through the website, or through home visits from staff. Customers are seen reasonably promptly at reception, and telephones are answered quickly and to a reasonable standard. The website is informative, and customers are able to download forms for their use. Staff have access to verbal and written translation facilities which are used frequently for the benefit of their customers. There is regular performance monitoring and mystery shopping, which provides accurate real time information which is used to improve the service.
- 43 Physical access to offices, located on the ground floor of Merton Civic Centre, is good. The office is DDA compliant, but has one flaw in that there is no hearing loop installed in the initial 'meet and greet' area of the reception desk. In all other respects the reception is suitable for use by visitors who may have a disability. For example it has automatic opening doors and the building is wheelchair accessible. There are also good transport links to the office. The office is open from 9.00 am to 5.00 pm, Monday to Friday. Visitors are dealt with promptly by the staff of Merton Link (ML) in a large and pleasant reception area. ML also delivers information and advisory services through generically trained officers. It provides front line services for Housing Benefits, Council Tax, Student Support and Environmental Waste Services. It also offers reception, queuing and signposting service for visitors requesting the Housing Needs and Education and Planning services. Most interviews are carried out in confidential interview rooms.
- 44 The reception operates the efficient electronic 'Q-matic' queuing system which, once the visitor is allocated a number, is able to monitor their progress (between different queues if need be) and waiting time. Customers of the HNS are seen initially, if they do not have an appointment, by the Registration and Allocations assessment staff. The 'Q-matic' system ensures that visitors are not waiting for long periods and helps the organisation monitor performance against its service standards.
- 45 With regard to how quickly customers are seen, the HNS service performed reasonably well in this area during 2004/05 and met corporate performance standards. The corporate service standard is that all visitors should be seen within five minutes of their arrival and have their enquiries dealt with within 30 minutes. Visitors to the HNS had their enquiries dealt with within on average 28 minutes of arrival.
- 46 During 2005/06, the service improvement team have been carrying out more monthly surveys which monitor performance against corporate and housing customer care standards. These surveys are qualitative in nature and ask customers, for example, for their views on the way they have been dealt with by officers. During the period 31 May and 13 September 2005, 125 HNS customers were surveyed. The exit survey revealed the following:
- only 81 per cent of staff wore name badges;

- nearly 26 per cent of visitors had appointments of which just over 84 per cent were seen on time;
 - only 62 per cent of those who did not have an appointment ,were seen within half an hour;
 - just over 15 per cent of those who did not have an appointment had to wait over an hour to be seen;
 - 95 per cent of those surveyed felt that the officer who interviewed them listened to their enquiry; and 92 per cent said they felt the officer understood their enquiry; and
 - 75 per cent of those surveyed rated the overall service received as excellent or good, with only 5 per cent rating it as poor.
- 47** These surveys have highlighted areas of weakness (people with appointments were waiting too long, as are those without appointments), which have been targeted for action. The findings were communicated to managers and staff and prompt instructions were issued highlighting the main area for improvement for example, increasing the number of people seen within 30 minutes. As a result the most recent data available for November 2005 demonstrates continued improvement with 100 per cent of customers with appointments seen within 15 minutes and 71 per cent of those without appointments seen within 30 minutes.
- 48** A strength of the service is the use of translation facilities. Officers and their customers have easy access to the in-house translation service (Merton Translation Service - MTS). MTS provides an oral and written translation service with or without an appointment. They also provide a British sign language service. MTS has a register of external translators and can be contacted by reception. The service can be provided as a three-way telephone call or by personal attendance by appointment with the customer and the appropriate department (and can respond at very short notice). The housing needs service spent £2,267 on translation services in the first six months of this financial year. This equated to 49 transactions involving ten different languages (including sign language). For example we saw a case file that had letters translated into Urdu. The HNS is therefore ensuring equal access to their services by providing additional facilities for those that need it.
- 49** Overall telephone contact with the service is good. The most recent performance data shows the percentage of telephone calls answered within 5 rings (15 seconds) as 94.8 per cent against a target of 85 per cent, and the percentage of telephone calls answered within ten rings (30 seconds) as 98.6 per cent, against a target of 95 per cent. However this is a slight reduction in performance compared to the first quarter where the figures were a very good 97.4 per cent and 99.2 per cent respectively. Just above three percent of calls do not get through, for whatever reason, and although the figures indicate generally good performance, this equates to over two thousand customers are still not receiving the full benefits of the service.

- 50 The HNS (and the council) have given equal priority to the quality, as well as the speed, of telephone responses. The quality of telephone answering is monitored independently by members of the Mystery Shopping Syndicate⁷. These more qualitative assessments measure the quality and content of the response, as well as the speed. The mystery shopping exercises found that the speed of answering the calls was a strength, but the weaknesses were with officers failing to give the proper greeting and not dealing with the queries first time (when they should be able to). The response to these findings was immediate with managers being reminded to speak to and monitor staff on these issues and to highlight any identified training needs. It is clear that the HNS (and the council) are striving to ensure performance is improved for the benefit of their customers.
- 51 The HNS also conducts home visits as a standard part of the service. All applicants applying as homeless receive a home visit where it is practical to do so. Officers also visit upon request. All applicants in temporary accommodation are also visited within ten days of being placed there, but this is not kept up on an ongoing basis. Home visiting serves the dual purpose of verifying circumstances of an application and ensuring that customers are receiving a service appropriate to their needs.
- 52 There is a wide variety of printed material available to customers giving advice on all aspects of the service. The use of plain English is promoted with all documents gradually being reviewed to ensure they comply. All the material is available in different formats upon request (to MTS) and carry prominent translation 'straplines' advertising this fact. However the straplines do not identify the title of the document in the translation, so unfortunately anyone who cannot read English would not be able to tell the name of the document.
- 53 The information about the HNS provided on the website is good. The website provides information, advice and assistance on homelessness, housing advice, housing options and how to apply to go on the housing register. Forms can be downloaded for use, for example, the Pre Tenancy Determination form (for housing benefit) and the housing register application form. There is a clear explanation of the homelessness legislation and the rights under it. The website is easy to navigate and is ranked at 48 out of 460 local government websites⁸. The website is also listed as one of 23 'good practice' sites for achieving the Internet Crystal Mark for Plain English⁹. No translated documents are provided on the website, but it is capable of being used by people with sight impairment, for example, the font size is adjustable. The website therefore allows users to access reasonably good information and documentation without having to visit the office.

⁷ The Housing Service is a member of the London Mystery Shopping Syndicate. Each quarter the syndicate undertakes 25 assessments of each authority comprising of personal visits, telephone scenarios and speed and greet checks and distributes a quarterly report of the findings.

⁸ January 2006

⁹ The website has been accepted for the Internet Crystal Mark scheme by the Plain English Campaign. This means that the site contains documents written in a way that can be understood with a single reading.

- 54 In December 2005 the housing service produced its 'top twenty' service standards that have clear links to the corporate customer services strategy and service standards. These were consulted upon with tenants, but not with housing needs service users. Four of the top 20 relate directly to the HNS (20 days to process a register application, 33 working days to make a homeless decision, ten days to provide an appointment upon request for housing advice and delivering transfer offer letters within two working days). However, the relevant sections within the HNS do not have individual service standards tailored to meet the needs of their respective customers. This is a weakness that the HNS recognises and are currently working on drafts in consultation with service users and stakeholders.
- 55 During this financial year the HNS has began to engage with its customers more positively, for example, by doing customer exit surveys and consulting them over the new service standards. But they have not engaged them so far over issues such as the standard and use of temporary accommodation, choice based lettings the review of the homeless strategy, and the implementation of new initiatives (such as the new property shop). As a result the service is not sufficiently involving users in the design and delivery of services, and therefore is less likely to cater for their diverse needs.
- 56 The corporate complaints policy and procedure is a good one. It emphasises the importance of encouraging complaints to aid service improvements as well the importance of dealing with them promptly. Complaints can be made in any format, and give both staff and public realistic timescales to respond to the different complaints stages. The HNS manages complaints and councillors enquiries well. Performance against timescales is monitored closely and performance is good. The service receives very few complaints (11 in six months), and of these only one was dealt with outside the advertised timescales. There were no stage two or three complaints made during this period. Councillors' enquiries are also dealt within timescales, for example in four out five months the response rate was 100 per cent within timescales. In the one month when this was not the case, performance was at 98 per cent (which equates to one enquiry not being completed in time). This sort of performance can give customers the assurance that their complaints are taken seriously and will be dealt with promptly.

Diversity

- 57 The HNS has demonstrated a positive approach to cultural diversity, but its overall approach to diversity in its widest sense is inconsistent and therefore overall this is an area where strengths balances weaknesses. Council-wide policies and plans reflect a strong commitment to promoting diversity. The main tools for measuring progress on diversity are in place including the Equality Standard for Local Government and a Race Equality Scheme. The council has attained level two of the Local Government Equality Standard (LGES). The housing department has played a leading role in the development of its own BME housing strategy, which in turn is informing the development of the sub regional BME housing strategy.

The HNS service has carried out equality impact assessments (EIAs), which reveal weaknesses in the service but they are being addressed. However diversity monitoring is not yet fully embedded within all of the work of the department, and the information collected is not being fully utilised and therefore the impact on service delivery is limited.

- 58 A departmental equalities steering group (DESGs) has been reconstituted as a result of the expansion of the department and. It seeks to help the organisation deliver against its equalities action plans by raising the profile of the equalities agenda with staff and creating visibility and leadership in equalities and diversity in the department. The group has met regularly since last September and are working to improve equality data though this is at an early stage.
- 59 The council achieved level 2 of the LGES in March 2003 and is aiming for level 3 by March 2006 and level 5 by March 2009. The housing department is already at Level 3 of the CRE code for rented housing. Equality impact assessments have been ongoing since 2004 in the housing department (and from 2003 within the council) and these assessments cover discrimination in terms of race, gender, disability, age, faith and sexual orientation and more recently locality and social deprivation. The HNS service has carried out EIAs in all its services, the last being in April 2005. An examination of internal council wide monitoring reports indicate that the housing is ahead of most other departments in the way it is implementing the Council's diversity policies and conducting EIAs. Key findings highlighted weaknesses with consultation, information provision and equalities monitoring. The resultant action plan is gradually addressed these issues. For example, the provision of printed material in different formats has improved, a steady improvement in the amount of equalities monitoring and the start of consultation with users over service standards. However, some of these improvements have been slow in being delivered, for example, customer service charters, the production of which would help to establish a base line against which the department can begin to measure the quality of each of its services.
- 60 Ethnic minority applicants in Merton are over-represented on the housing register, homeless applications, and among people seeking general housing advice from the housing advice service. This means these households are disproportionately bearing the brunt of the housing problems within the borough as can be seen in Table 2.

Table 2 Ethnic monitoring data¹⁰

Ethnicity	Population %	Housing Register %	Homeless Applications %	Housing Advice¹¹ %
Asian	8	13	8.2	7.6
Black	7	26	33.5	27.2
White	80	54	43.5	43.2
Mixed	2.5	0	2.2	3.6
Other	2.5	7	9.8	10.7
Total	100	100	100	92.3 ¹²

- 61** The BME Housing Strategy 2004-2006 and the Homelessness Strategy 2003 - 2008 identified some key actions to help tackle these issues, for example:
- research into the reasons as to the high incidence of homelessness among ethnic minorities;
 - improve the quality of advice to ethnic minority communities with the aim of reducing homelessness and provide advice and assistance on housing options; and
 - undertake awareness campaign to inform ethnic minority communities about housing options available, with the aim of meeting different needs and preventing homelessness.
- 62** However, little has been done to reduce the overrepresentation of households from the ethnic minority communities who are in acute housing needs. The examples given above have not been acted upon despite the fact that they would have had the most direct impact on the situation. However, the HNS service has recently taken steps to try to address this and will be dealt with later in the report. Ethnic monitoring of allocations reports have only been recently been restarted after a two-year gap. The recent report (December 2005) although analytical in parts, does not go far enough in identifying areas for improvement and setting targets to address the shortcomings. The report identifies a number of groups that are underrepresented in the allocations process but make no suggestions about how these should be addressed, which means these groups will continue to be underrepresented when it comes to the allocation of properties.

¹⁰ Ethnic Monitoring of Allocation 2004/05

¹¹ The housing advice data has been taken over a 2 year period ending January 2006

¹² This figure is not 100 per cent because not all applicants wanted to provide this information.

It also means that the housing department is not fully compliant with some aspects of level three of the CRE code, for example, racial equality targets that are SMART¹³ have not been defined or agreed.

- 63 The approach to diversity is sometimes inconsistent. For example although access arrangements to the HNS are generally good, when it comes to the design and delivery of services there is insufficient consideration given to some aspects diversity. For example, most of the temporary accommodation in use by the authority is not reasonably accessible to people with physical disabilities. On the other hand, in its workforce development plan the department has set targets to help achieve a more diverse workforce. But again the service has done better in some areas compared to others as the table below shows (the weakness is again with regard to disability in that the performance figures are unknown). The service is however striving to achieve a more reflective balance in its workforce in proportion to its service users and broader community.

Table 3 Workforce diversity targets

Category	Target	Achieved
BME Employees	15 per cent	24.9 per cent
Percentage BME Employees as top earners	15 per cent	21 per cent
Disabled staff	1.85 per cent	Unknown

- 64 However, the service does provide a sensitive service to some vulnerable applicants. For example they have a good protocol and relationship with the local women's refuge, who were complimentary about the service received. The HNS also have a good working relationship with the learning disability team, which has led to the proposals to use unwanted temporary accommodation units as supported housing for adults with learning difficulties. It also works well with other organisations (for example, the YMCA, Probation service, Youth Offending Team) to provide support services to vulnerable teenagers, but at the same time accommodates a significant number of this vulnerable group in unsuitable bed breakfast accommodation.
- 65 Staff have received mandatory training on diversity on induction. However, none of the staff we spoke to had received recent refresher training on diversity. An examination of training records for 2004/05 and 2005/06 show only three people scheduled to do any form of training on diversity despite there being a training schedule for three diversity courses between June and November 2005. However staff do have access to information and material on diversity through the council's intranet.

¹³ Specific, Measurable And Realistic and Timed

- 66 As mentioned under the access and customer care section of the report, the service is demonstrating that it is providing good access to its services, with good physical access to the Civic Centre, prompt responses to verbal and written translation and alternative format requests, and home visiting. This means that customers are being treated fairly when they access the service.
- 67 As mentioned earlier ethnicity and diversity monitoring of service users is being carried out in most areas. But there are some areas where there is no diversity monitoring of the service provided. For example, the rent deposit scheme and homelessness review decisions. Further the service is not using this information to improve services to its customers.

Strategic approach to homelessness

- 68 The strategic approach to homelessness is an area where strengths outweigh weaknesses. The Council developed a homelessness strategy based on extensive consultation with stakeholders. Implementation of its action plan has secured some significant improvements, particularly in relation to prevention work at the point of contact with the service and achieving low numbers in temporary accommodation. The council is utilising available resources effectively. However there are some weaknesses in its approach with regard the lack of involvement of service users, the absence of a temporary accommodation strategy, and the lack of outreach work among the BME community.
- 69 As required by the Homelessness Act 2002 the council carried out a review of homelessness in their area and published a five-year homelessness strategy in July 2003. It was a thorough review which involved key stakeholders and representatives of user groups (but not users themselves). The Homelessness Strategy Team (HST), chaired by a representative from the voluntary sector, was created to help oversee and monitor the implementation of the strategy. The key aims of the strategy were to reduce homelessness through prevention; to increase choice and support options homeless households; and to develop strategies together with partners that minimised homelessness in the longer term. This strategy supports the council's housing strategy which addresses other strategic aims closely linked to tackling the incidence and effects of homelessness. These include:
- maximising the supply of new housing - which will include increasing the supply of new affordable housing by 400 units over a three-year period; and
 - improving housing conditions - by taking action to address unfitness in the private sector, bringing empty homes back into use, the use of renovation grants for vulnerable households and disabled facilities grants for owner occupiers thereby helping them to stay in their homes.

- 70 To support these aims the council has shifted resources towards prevention and giving individuals and household more choice about how they can resolve their housing crisis. However, this has resulted in a lack of investment in the Council's own temporary accommodation provision, leading to some poor quality accommodation, and an absence of resettlement support for those leaving temporary accommodation, which threatens tenancy sustainment. This will be dealt with in more detail later in this report.
- 71 Other key elements of the overall approach include the following.
- The HNS using its allocations scheme effectively to prevent homelessness, by prioritising households for permanent offers who have 'delayed' their homelessness by remaining where they are or have made alternative arrangements, thereby avoiding going into temporary accommodation. This saves costs and prevents unnecessary disruption to the household involved.
 - Promoting their under-occupation scheme where households in council accommodation are made payments of up to £5,000 to move to smaller accommodation if they are under-occupying the property by two or bedrooms. This releases larger family sized accommodation for households on the housing register or who are homeless. In 2004/05 the council achieved 21 moves this way. The target for 2005/06 is 30 and so far (as at the end of December 2005) 20 moves have been achieved.
 - Maximising its nomination rights to the 40 or so RSLs operating in the borough, which accounted for 37.5 per cent of permanent lettings during 2004/05. The council has reviewed this area satisfying themselves that the RSLs are providing them with the correct entitlement.
 - Targeting lettings towards homeless and potentially homeless households. During 2004/05, 32 per cent (against a target of 31 per cent) of all lettings went to homeless households, with a further 32 per cent going to new starters which included households who were given additional priority in order to prevent homelessness.
 - Opportunities in the private rented sector being utilised by giving priority homeless households and those threatened with homelessness a realistic alternative to the social housing by using its rent deposit and empty properties scheme to do this.
 - The council bringing back empty homes into use and using them for homeless households for up to five years. This is an area where the council is seeing increasing success. During 2003/04, thirty properties were brought back into use. It was 45 in 2004/05. This financial year so far, 39 properties have been brought back into use against a target of 50.
 - Working with statutory and voluntary agencies to provide alternative accommodation and support (particularly among vulnerable groups), if homelessness cannot be prevented, for example the YMCA.

- Meeting affordable housing targets and therefore increasing access to affordable housing in the borough. A target of 400 affordable new homes was set in Housing Strategy 2003-08 to be delivered by 2006/07. In the first year (2004/05) council exceeded the target (120) and were presented with 172 new homes. This year it is anticipated that 159 (against a target of 164) new affordable homes will be provided. This is good performance against the set target, however it should be set in the context of that there is a net affordable housing requirement (shortfall) of 1,848 units per annum¹⁴ and that these targets need to be reviewed in the light of this new information.
 - Developing a partnership with the Housing Benefit Service (HBS). The relationship with the HBS is a good. The services communicate well with each other. The HBS has produced a service guide for HNS officers to help guide them through assisting applicants obtain accommodation in the private sector. It details the procedure that officers need go through, including advice in dealing with Pre tenancy determinations, the verification framework and advice that should be given to applicants.
- 72** Progress against the homelessness strategy action plan has been mixed with only 41 per cent of the 137 year 1 and 2 targets having been met. A further 16 per cent have been partially achieved with 29 per cent (that is 40 targets) not being achieved. This is because a number of targets were rescheduled because they could not be realistically achieved in the timescales originally envisaged. Updates on progress against the action plan provided to the HST have focussed mostly on the numerical performance against targets or provides a list of things that have been achieved. They have not been analysed to assess their impact. For example, the mediation service. The council is currently conducting a review of the strategy which is due to be completed by March 2006. The review is over a year late. This means it is not yet possible for the council to fully assess how successful the homelessness strategy has been.
- 73** The council has got clear and detailed plans for its supporting people (SP) programme which is based on the clear objective of improving housing related support, some of which will impact on services for homeless people. Following a needs assessment and service reviews within the borough, priority has been given to commissioning and developing more support arrangements for people with drugs and alcohol problems, ex-offenders, those escaping domestic violence, young people leaving care, as well as extra care for older people and generic floating support services. It takes account of the homelessness strategy. SP funded services are contributing to tenancy sustainment which help prevent homelessness.

¹⁴ Merton Housing Needs Survey 2005

74 There are, however, a number of other key weaknesses in the strategic approach to tackling homelessness. They are as follows.

- Although the service has moved a long way towards being more customer focussed, in some areas it still fails to take into account the service user experience to help develop the service, for example with temporary accommodation no satisfaction surveys have been conducted. But the lack of involvement of service users, past and present, in helping to formulate and deliver the homelessness strategy is being addressed with them beginning to attend the Homelessness Forum meetings.
- The lack of a temporary accommodation strategy that deals with the overall standard and quality of accommodation and addresses the issues of alternative procurement methods and value for money.
- There has not been any preventative outreach work done among the local BME community, who are significantly overrepresented among the homeless. The BME housing strategy action identifies that 'an awareness campaign to inform ethnic minority communities about housing options available, with the aim of meeting different needs and preventing homelessness' should be undertaken, to improve the quality of advice to ethnic minority people through multi-agency training and to develop project which promotes housing options.
- A lack of a private sector housing strategy (although one is currently being consulted on), which addresses improvements to houses in multiple occupation (HMOs) and promotes landlord accreditation. Both these things are key activities in trying to prevent homelessness and can also to provide viable alternatives for homeless households if properly regulated. To illustrate this point a recent private sector stock condition survey (2005) estimated that there were over 5,000 HMOs in the borough, of which half are in the private rented sector. Further the HMOs had above average levels of unfit and a third were categorised as inadequately or poorly managed.

Prevention and advice

75 The approach homelessness to prevention is an area where strengths outweigh weaknesses. Homeless prevention has improved and provides real choices for applicants. The standard of housing advice provided is good and there are monitoring arrangements in place to assess and help maintain the standard of casework. Targets that have been set in this area have been exceeded. There are good relationships with stakeholder and advocacy groups. However there are some weakness with regard the absence of outreach work among the BME community, and there are gaps in provision of services for 16 and 17 year olds with high support needs.

The HNS approach to homelessness prevention is a comprehensive one. The service seeks to provide permanent housing solutions before people become homeless. All officers in the HNS work to prevent and delay homelessness. For example, officers will negotiate with landlords to delay evictions, provide advice and assistance on how defend possession proceedings if they are defensible, negotiate with parents and relatives, offer mediation services for younger people, and liaise with the housing benefit department to pay discretionary housing benefit (DHP) if it would prevent homelessness. These activities help to ensure people remain in their homes indefinitely or at least until a solution has been found.

- 76 The HAT also provide surgeries to probation service (and receive some funding from the probation service for this), Connexions and faith groups. However there is no outreach work being carried out with BME communities. The HNS is trying to address this and have applied for funding to help do something about this. More will be said about later in the report.
- 77 For the non priority single homeless, a 'single homelessness pack' has been produced along with a guide to finding accommodation which is readily available. A weekly drop in surgery ('route to housing') for non-priority homeless customers has just been established. These surgeries offer practical support such as providing the use of telephones and the use of advocacy to secure accommodation. However the service was only opened during the inspection week so it is to early say what the impact has been.
- 78 The HNS has entered into an agreement with Threshold Housing to provide housing for non-priority homelessness cases. This has proved successful in 2004/05 with Threshold housing 25 cases and increasing housing options for this client group. This has been extended as a result of additional funding received from the Homelessness Directorate for 2005/06.
- 79 The HNS is working effectively with other council departments to prevent homelessness. For example they are working closely with their colleagues in housing management to tackle cases where tenants are in rent arrears and in danger of losing their homes. This early intervention prevents homelessness and promotes tenancy sustainment. Another good example of this collaborative working is with the Learning Disabilities team. Here the housing department have agreed to use one its ex-sheltered scheme buildings to provide supported accommodation for adults with learning difficulties. This will enable this client group to learn the relevant life skills to prepare them for future independent living.
- 80 There are four teams in the HNS service, and no matter which team is approached first applicants are able to receive advice (the level of detail may vary depending which team is seen by the applicant) and assistance. For example, the prime role of the registration and allocations team (RAT) is to provide the first initial point of contact. They interview applicants to assess need and provide advice on the level of priority of customers who are applying to be offered accommodation through one of the housing registers. They provide initial advice on the different options that are available to customers. They assess whether a customer needs to be referred to the Housing Advise Team (HAT), the Home Sales and Initiatives Team (HIT) or to the Homeless Persons Unit (HPU).

- 81 The HNS has been successful in preventing homelessness and performance against BVPI 213¹⁵ by the end of December 2005 stood at 345 cases. This has exceeded the target of 215 for the year and is well over double the previous year's performance. Relatively few cases seen by the HAT is not related to homelessness. For example, so far during 2005/06¹⁶, 623 customers have been seen and of those only 52 (8 per cent) were seen for reasons other than actual or threatened homelessness. During the 2004/05, 92 out of 537 cases (17 per cent) fell into this category. Therefore proportion of the work carried by the HAT relating to homelessness is increasing which is in keeping with its increased focus on homelessness prevention.
- 82 Within the HAT the standard of casework that we examined was good. A written record of the advice given is sent to the applicants who confirm the accuracy of the meeting and the options discussed. They were of a good standard and written in plain English. We even saw on that was translated into Urdu. Regular casework audits are carried out (in the HPU and RAT as well) and they are scored and used to assess the quality of work and identify training needs, thus ensuring the standard of service for customers continually improves.
- 83 The HPU also plays a very important part in homelessness prevention. When cases are referred to them, they carefully go through all the housing options again with applicant, explaining the alternatives to making a homelessness application. The HNS does not as yet use the rent deposit scheme to discharge their duty to house¹⁷ to those owed the duty. It has however used the rent deposit scheme to provide temporary accommodation to those owed the housing duty pending an offer of permanent accommodation. This means households avoid going into bed and breakfast or a hostel, and the council avoids the higher cost of providing hostel or bed and breakfast accommodation.
- 84 In 2003/04, the number of households assisted through the rent deposit scheme was 51. This increased slightly to 54 in 2004/05, and as the end of January 2006 the figure stood at 80. By the end of March 2006, the HNS estimates another 22 households will be assisted by the scheme. Alternative options that are also discussed with applicants who may qualify include, key worker initiatives, shared ownership and Home buy schemes. These options are targeted at applicants who have income of £20,000 or more.
- 85 We do have one concern over the level of written information provided to applicants about the choices available to them. The last booklet produced giving such advice was produced in March 2003 and was called 'Accommodation in Merton - your housing options explained'. There are more options available now which are not explained in writing, including choosing not to apply as homeless in exchange for property under the rent deposit scheme. We have seen examples of the HAT writing to applicants setting out their options in writing, but this is not done to the same degree by the HPU caseworkers and creates inconsistencies and is therefore a weakness.

¹⁵ Number of households who considered themselves as homeless, who approached the local housing authority's housing advice service(s), and for whom housing advice casework intervention resolved their situation

¹⁶ End of January 2006

¹⁷ S.193 Housing Act 1996 Part VII

- 86** Re-housing in the private sector through the rent deposit scheme has been relatively successful in providing good quality homes and stability for the applicants concerned. For example in the time the scheme has been running, 43 lettings have come to an end, and 32 of these were renewed. The remaining households were housed through the housing register.
- 87** The HNS is working well with agencies dealing with 16 and 17 years olds who are homeless and require low level support. For example we have seen good examples of the work done with the YMCA, and local advocacy groups have told us that the HNS service deal with their clients fairly and sympathetically and in the majority of cases providing either a temporary housing solution or referral to the mediation service. The HNS also recognise that it can be alienating or difficult for young people to receive advice at the Council's main offices and therefore provide housing advice surgeries at the Connexions and Probation offices. The areas of weakness are that, in some cases the temporary accommodation is not suitable (dealt with in later in the report) and the HNS have also acknowledged there is insufficient provision of services for those young people who have high support needs. This was also recognised also by the advocates we talked too. The HNS will be conducting a review of services in this area during the summer.
- 88** The council has been good at maximising external funding opportunities and so far this year have received £400,000. They received a Public Sector Agreement (PSA) grant of £120,000 and a Homelessness Directorate grant of £80,000. The PSA funding has enabled the service to recruit a private sector procurement officer to assist in meeting the national target of reducing the number of households in temporary accommodation and the local target of less than 20 single households in B&B, which it is well on the way to achieving. The other £80,000 has funded schemes already mentioned (for example, the rent deposit scheme and the empty homes officer) and will fund other initiatives, for example, a mortgage arrears scheme for families with children. The other £200,000 will be dealt with later in the report.
- 89** The HAT provides the minimum level of independent advice and assistance to households who have been assessed as not being owed any duties under the homelessness legislation, for example those found intentionally homeless. Negative decision letters contain contact details of the HAT telling applicants to get in touch with service if they require further assistance. The HPU caseworkers do not proactively refer such cases to the HAT, but instead rely on the household making any further contact. This is particularly important given that the majority of households (55 per cent)¹⁸ during 2004/05, who were not owed a duty, were from the BME communities. This means not only are BME communities over represented among homeless, but they are also overrepresented among those who are not owed any duty.
- 90** Further we have no way of knowing what proportion of these cases asked for a review of the decisions, as no records or statistics were kept. As only 18 per cent of these case were found not to be homeless, the rest (538) were homeless households still in need of accommodation and therefore in need of expert advice to resolve their homelessness situation.

¹⁸ Source P1E statistics for 2004/05

- 91 Diversity monitoring has not in the past been carried out with regard to the rent deposit scheme, key worker living, shared ownership and Homebuy schemes, although this currently underway. Within housing advice, although monitoring information is collected it has not been analysed. The housing advice figures contained in Table 2 have been calculated by the inspection team. Without this information being collected and analysed systematically, the service cannot be sure that it is not discriminating against some of its clients.

Homelessness assessment

- 92 Performance in this area is mixed. The speed of decision making is rapidly improving and the quality of the casework is of a reasonable standard. Case files are well maintained and easy to navigate. There are some minor weaknesses in some of the quality of the decision letters and other correspondence. There is a no satisfactory process in place for carrying out reviews of homelessness decisions and no records of decisions are kept which is poor practice.
- 93 The assessment of homelessness applications and decision-making on what, if any, statutory duties apply is carried out by a team of four full time and two part-time HPU caseworkers. Home visits are carried out primarily to check the authenticity of the applications, to advise on the availability of alternative housing options, and the advantages and disadvantages of making a homeless application.
- 94 We tested the out-of-hours service and found that it was well run and officers were knowledgeable. The service runs from 5.00 pm to 9.00 am Monday to Friday and over the weekend. It is run by duty social workers in the social services department. The council is providing an effective safety net as well protecting itself from potential abuse.
- 95 HPU performance on the speed of homelessness decisions has improved significantly over the last two years from a low base. The Council has set a target to decide 85 per cent of cases within 33 days. In April 2003/04, 28 per cent of decisions were made in 33 days. However, in 2004/05, overall performance was 31 per cent. Figures for 2005/06 show that until the end of December performance had reached 64 per cent. The month of December so performance exceeding the target, that 87 per cent against a target of 85 per cent. Improvements in the speed of decision-making reflect improvements in working procedures and the introduction of a new performance culture and framework.
- 96 Despite not reaching the overall target of completing 85 per cent of case within 33 days, the average amount of time spent on each case is 28.5 days. This means that for most people they are receiving their decisions within a reasonable period of time. Performance against BVPI 214¹⁹ (repeat homelessness) shows the current figure to be 5.2 per cent is just, which is equivalent of one a month, which is low.

¹⁹ Proportion of households accepted as statutorily homeless who were accepted as statutorily homeless by the same Authority within the last two years

- 97 The officers receive regular training, particularly the annual housing law update training. The same system of casework monitoring and quality checking is in place as for the HAT. Regular casework review meetings occur between caseworker and the team leader. Cases are allocated by the team leader which ensures no one caseworker is over burdened with work.
- 98 Our own inspection of case work files showed good case recording and management, with clear chronology on the record sheets making it easy to identify work undertaken by the prevention and homelessness teams. However, there were a few instances where ethnic monitoring had not been completed and no explanation had been given. Also the HPU casework files we examined did not show that caseworkers had written to applicants detailing the advice given and asking the customers to let them know if they disagreed with information provided. This is something the HAT did. Therefore this is an inconsistent approach given that they provide the same sort advice to customers at their interviews.
- 99 The quality of homelessness decision letters varies from adequate to very good. There were a few examples of negative decision letters that were good because they gave very full and easily understood reasons for the decisions. There were others that provided the basic information only. The provision of the fuller explanations means that it is less likely that the decisions would be open to challenge.
- 100 There is no satisfactory process in place for carrying out reviews of homelessness decisions. The procedure is not well publicised, spelling out the statutory timescales for lodging an appeal (21 days) and making decisions on cases (eight weeks). Some negative decision letters sent out to applicants only mentions the 21 days to appeal with no other information provided. Others do mention that a leaflet is attached giving fuller information about the process. The HNS does not keep records of the cases where applicants have asked for a review of a negative decisions. Therefore we were unable to ascertain the quality of the decisions or whether the organisation is learning from its mistakes.

Temporary accommodation and support

- 101 This is an area where weaknesses outweigh strengths. A temporary accommodation strategy has not yet been developed. The overall quality of temporary accommodation is low. There are no service standards and residents are not consulted over the service they receive. There is no resettlement service provided and the storage facilities provided are generally poor. There are also too many 16 and 17 year olds in bed and breakfast accommodation. However the service has recruited a Temporary Accommodation Floating Support Officer (TAFSO) to help provide low level support to residents in temporary accommodation. The numbers in temporary accommodation remain relatively low compared to the majority of other London Boroughs. The majority of residents in temporary accommodation are within Merton's boundaries.

- 102 The number people in temporary accommodation is low compared the majority of London Boroughs. At the time of our inspection there were only 141 households in temporary accommodation. But just under a quarter (33) of the people in temporary accommodation are 16 and 17 year olds. A third of these are in Bed and breakfast accommodation, which is unsuitable for this age group. The rest are in hostels and housing association temporary accommodation. Sixteen and 17 year olds therefore account for over half those in bed and breakfast accommodation.

Table 4 Temporary accommodation usage

TA type	Numbers
Council Accommodation on Licence	17
Bed and Breakfast (B&B)	23
Self Contained Annexes	17
Council own TA	7
Other external TA	3
Housing Association TA	22
Hostels	12
Out of Borough self contained annexe	1
Out of Borough Women's Refuge	3
Women's Refuge - Merton	9
Private Accommodation by Merton	27
Total	141

- 103 On a more positive note the councils PSA²⁰ target is to get the number of single people in B&B down to 20 or below by March 2006. It would seem that that this target will be met as currently there are only 23 as shown in the table above.
- 104 We visited a number of the temporary accommodation sites and overall we were disappointed with the standard of accommodation. Our findings are as follows.
- Deseret House - is managed by a Housing association. We found the scheme to be poorly managed, the surrounding environment was poor, the building inaccessible to any one with physical disability, and there was racist graffiti prominently scratched on to one of the front doors, which had been there for some time.

- Hall Place - is managed by a private company and provides bed and breakfast and self contained annexe accommodation. We found the standard of accommodation to be mixed. The self contained annexe accommodation (which was new) was of a reasonable size and fully furnished with their own cooking facilities and bathrooms. Twenty-four hour on-site staffing is provided and CCTV is fitted throughout the building. A free laundry was also provided for residents use. The shared facilities accommodation was less attractive and we could see visible signs of wear and tear. This is where the bulk of families requiring temporary accommodation have been placed. All the 16 and 17 year olds in B&B are here. It has received an 'A' grade rating from BABIE²¹. Our overall view is that the accommodation was clean and well equipped, but the accommodation was not DDA compliant.
 - We visited a number of council owned hostels which were not fully occupied as the residents were gradually being decanted because of the unsuitability of the properties, most of which had shared facilities. They were overall in poor condition and some were not DDA compliant. These properties were recently taken over by the HNS. In the meantime a HRA²² land property review was carried out that concluded that these properties were no longer viable and should be disposed of.
 - YMCA Wimbledon - in contrast we found this to be a well run establishment suitable for single people, with a range of on site facilities, including a very good restaurant which is open to the general public. The facilities include a well equipped gym and communal area, a chapel and support staff.
- 105** All the TA used by the council is inspected every six months by the council's environmental health department. However they are not updating the new Setting the Standard (STS) system²³ with their findings as the council has not signed the relevant documentation. In the past two years there have been two reports of rodent infestation (one at Desert House and the other at Hall Place) and a report about the safety of a window. All were resolved relatively quickly. However HNS does not have system in place to visit on a regular basis all of the establishments it uses for TA. This means they are not satisfying themselves that standards being provided are acceptable and are value for money.
- 106** The council lacks a temporary accommodation strategy, which they acknowledge, and so have not been able to address issues such as the that standard of accommodation that needs to be provided, how users will be consulted, value for money and procurement, a resettlement service and adopting best practice. There are no service standards in place with regard to temporary accommodation. A sign up pack is provided that contains some useful information about local facilities, but there is no information about how to make a complaint or the level of service that can be expected at the establishment.

²¹ Bed And Breakfast Information Exchange

²² Housing Revenue Account

²³ Setting the Standard (STS) is a project to modernise and improve the London temporary accommodation inspection and standards system.

- 107 However, the HNS does have a plan to meet the government target of reducing the amount of TA by half by 2010. This temporary accommodation reduction plan seeks to reduce the number of people in TA to 78 by 2010. However, it is acknowledged that the plan needs to part of the wider TA strategy which the service will be addressing later in the year.
- 108 We spoke to a number of residents in temporary accommodation who were dissatisfied with a number of aspects of the service and their concerns have been passed on to the HNS. These include issues relating to nuisance, privacy, breakfast provision and repairs. Issues like these would likely to have been picked more quickly if the HNS was gathering customer feedback about the quality of the temporary accommodation it uses. At present users are therefore not able to influence the level of service provided.
- 109 The occupancy of some temporary accommodation is being checked but this is not happening in all of the accommodation used. Where it is done it is not systematic. This could mean that the council could be paying for temporary accommodation that is not being used.
- 110 The HNS decided to create a new post of Temporary Accommodation Floating Support Officer (TAFSO) to manage the TA and to provide support to their clients. This role is part funded by supporting people grant. With the decision to reduce the number of council owned and managed TA²⁴, the TAFSO is used to provide support at Hall Place. However the TAFSO role does not cover the provision of a resettlement service. The HNS does not provide this function for those leaving temporary accommodation. This threatens ability of those leaving TA to sustain their new tenancy.
- 111 With regard TA income collection there is only small amount of arrears owed. Sixteen residents of Hall Place owe £652 between them. However we do have concerns over the arrangements for collecting income and the way the arrears are managed. For example, residents of Hall Place have to visit the Civic centre to pay any rent owed. This is despite the fact that there is a housing office right next door to hall place. Also the arrangements in place to deal with the cash was criticised by an internal audit report and the promised new arrangements were never implemented by proposed target date of July 2005. We have not given a satisfactory reason for this not being implemented.
- 112 The manager of Hall Place is faxed information about the amount of rent arrears owed by each resident and is asked to 'advise them of the level of arrears'. This is not good practice, as confidential information about the resident is being revealed to a third party, and could put the manager in a situation that could be confrontational if not properly handled.
- 113 On a more positive note performance against best value performance indicators in this area is generally good with all indicators improving, in particular with regard to the average length of stay in all types of TA, the continuing reduction in number of households in temporary accommodation and the number of household prevented from becoming homeless. More detail about performance information is contained within Appendix 2.

²⁴ Only 7 of the 55 unit are currently occupied

Is the service delivering value for money?

- 114** This is an area where weaknesses outweigh strengths. The approach to value for money in the HNS is underdeveloped compared to the rest of the housing service. Procurement arrangements are variable. There has been no systematic benchmarking of costs with others to help determine whether level of the service provided is achieving value for money (VFM). Some partners are not provided with clear guidelines or service standards about the level of service to be provided. There is no real monitoring going on with regard to this. Nevertheless there are some positive initiatives that have been developed that take account of the fact that extra resources are not forthcoming, for example, making improvements at Hall Place at no extra cost, and attracting external funding to develop initiatives that will further reduce the demand for temporary accommodation.
- 115** The corporate approach to VFM is a robust one and to demonstrate the importance it attaches to this, the council set up a corporate VFM unit to monitor efficiency gains, kick start local projects and to lead on more strategic approach in partnership with others. The Council has set itself a target in its 2005 Annual Efficiency Statement (AES) of generating efficiency savings of 7.5 per cent over three years. In 2004/05 it produced efficiency savings of £1.4 million. The council also anticipates efficiency gains for 2005/06 of £5.35 million. These savings equate to 5.7 per cent of total needed over the three years.
- 116** The strategic approach to achieving VFM in the HNS is not well developed. For example, there has been no systematic benchmarking of costs with others, nor have all areas have not been looked at to identify efficiencies. The approach to procurement is underdeveloped and no efficiency savings in the area have been clearly identified or quantified for 2005/06.
- 117** Despite these draw backs the HNS have made progress in some areas. For example, homelessness expenditure per head of population is the fourth lowest in London at £2.38²⁵. Further at the end of 2004/05 there were only 156 households in temporary accommodation. The number in temporary accommodation continues to fall which reflects the policy of working with the customer to find a housing solution before they actually become homeless.
- 118** The HNS has also sought to improve the facilities available at Hall Place by negotiating with the landlord to convert more units into self contained ones at no extra cost. We saw some of the results which were of a much higher standard than elsewhere in the establishment and there has also been the introduction of a laundry room at no cost to the residents.
- 119** However there were other aspects of the service received from Hall Place that do not provide value for money. An exclusive contract was entered into in December 2001 with the landlords. However, the contract does not make clear the standard of services required in any detail. For example the quality and/or frequency of the out-of-hours service, the standard or frequency of cleaning, the degree of privacy, the level of maintenance to be provided and the standard of breakfast provided.

²⁵ Source: Audit Commission Area Profiles information

The agreement also committed the landlord to provision of a play area, but one has not been provided. This is a requirement to get a grade 'A' rating from BABIE²⁶. The HNS have stated that the priority for them was the provision of self-contained accommodation within the building which has improved since the agreement was entered into, but have accepted that this may have been to the detriment of other areas within the whole agreement. Therefore the gains achieved from converting to more self contained units have been negated by the lack of service standards in the contract.

- 120 Further an internal audit report in January 2005 concluded the following with regard to contract with the owners of Hall Place:

'In order to reflect current knowledge regarding volumes and usage, and in the interests of procedural correctness and accountability we recommend that Housing Services should formally apply for an exemption from Contract Standing Orders for the ongoing contractual relationship with the owners of Hall Place'.

- 121 This recommendation has not been implemented over a year later. The internal audit report questions the continued validity of the arrangement given the amounts of money involved. The contract is worth approximately £600,000 per annum and therefore over a four-year period is worth approximately £2.4 million. There are other agreements also that need to be tested for value for money, for example, with the YMCA and MASH²⁷. Similarly they are received similar sums for the services provided. The difference here is that the procurement was done through supporting people team and the standards are better specified. We would also query the value for money received for the service provided by Threshold Housing Association after seeing was being provided at Deseret House. The HNS service have stated that as part of the development of a TA strategy it will be seeking to review and benchmark costs currently incurred against the best performers in this area, and seek to put in place proper procurement procedures. The review is expected to be completed by September 2006.
- 122 The council offers facilities to store possessions for people living in temporary accommodation. However, this is in garages which are distributed across the borough are difficult for some people to get to and some are in poor condition. The charge for this is £10 per week. There service has been reviewing this service during this year and it is proposed to use a professional storage company to carry out this function following a tendering process. This will ensure that applicant's belongings are kept safely as required by legislation.
- 123 The HNS most recent procurement project has been the IT package for its Choice Bases Letting scheme (CBL), which goes live in April. Together with the Royal Borough of Kingston they sought to involve others in the sub region in the project and indeed received funding on the basis that this would be eventually pursued on a sub regional basis. The two authorities worked in partnership to ensure they would achieve economies of scale and value for money. Contracts were competitively tendered for against a clear specification.

²⁶ Bed And Breakfast Information Exchange

²⁷ Merton Single Homeless

As a result the award of the contracts went to the supplier that provided the best value for money.

- 124** There are areas where the HNS has improved at no extra cost to the council, because of access to external funding and these have been dealt with elsewhere in the report. However these improvements could be short-lived when funding runs out unless additional resources can be identified. We are not aware of any contingencies for when this happens.

Summary

- 125** In summary, we concluded that the Council is providing a 'fair', one-star service. Applicants have good access to the service whether they are visiting in person, or using the telephone, accessing the service through the website, or through home visits from staff. It uses translation facilities well. The service also provides a sensitive service to vulnerable applicants. Implementation of the homelessness strategy action plan has secured some improvements for users. Homeless prevention is working which is seeing relatively low levels of temporary accommodation usage and provides real choices for applicants. The standard of housing advice provided is good with good monitoring arrangements in place to help maintain the standard of casework. The speed of homelessness casework processing has improved significantly.
- 126** There are also some significant weaknesses within the service. There is a lack of preventative outreach work among the BME community, and diversity monitoring is inconsistent across the service. The overall quality of temporary accommodation is low and there is no resettlement support provided for residents leaving TA. There is no TA strategy in place and the approach to procurement is of mixed quality and the approach to VFM is underdeveloped.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 127 This is an area where strengths outweigh weaknesses. The Council has made progress in delivering some customer-focused improvements to its homelessness service. The service has been effective in achieving a number of its objectives with the resources at its disposal. The service has steadily improved in most areas, the most notable exceptions is with the standard of temporary accommodation. The approach to VFM is underdeveloped and therefore is not embedded within the thinking of the service. Recent service reviews have recognised this along with lack of benchmarking, but there are plans to take advantage of their subscription to HouseMark in this regard. There has been steady progress against key action plans with re-prioritisation taking place where appropriate. Recent procurement decisions have shown more emphasis on VFM, for example the procurement of the IT system for the CBL scheme.
- 128 The HNS can evidence continuous improvement over the last three years. Most of the improvements have been customer facing ones which have led to improvements in service delivery. Since its re-structure during 2002/03, the service has embraced the government agenda to increase its prevention of homelessness work, while at the same time reducing the usage of B&B and other forms of temporary accommodation overall. There has been a range of improvements that have been made to service that are a key priority for the organisation and have the greatest impact for service users. These include, for example:
- establishment of a mediation service with RELATE for 16 and 17 year olds;
 - establishing a partnership with the YMCA which has seen the increase in provision of low level supported accommodation for 16 and 17 year olds;
 - the production of a single homeless pack, for single non priority homeless applicants;
 - having no families in B&B since March 2004;
 - the introduction of a very successful rent deposit scheme;
 - average length of stay in hostel accommodation well below the target set;
 - the significant increase in households who have been prevented from becoming homeless by using the allocations scheme to good effect;
 - significant improvements in customer care even without service specific customer charters; and
 - the introduction improved casework management in the HAT and HPU that lead to speedier decisions.

- 129** The housing service has had two previous housing inspections and as a result of these and other reviews (for example KLOE²⁸ review) conducted during 2004/05, a comprehensive Housing Service Improvement Plan (HSIP) containing 144 actions was put together in April 2005. This was instigated by the new Head of Housing and coincided with the restructuring of the housing management service. The plan contains 21 actions that were related to previous inspection recommendations. In summary, ten of these have now been completed, 11 are on target to be completed with the one behind schedule. This is fair performance given the length time that had elapsed since those inspections.
- 130** An internal audit report on the temporary accommodation service also had some problems with implementation with two key actions not yet implemented, both of which have already been mentioned in this report. Both will now be addressed as part of the temporary accommodation review.
- 131** Progress against the homelessness strategy action plan has been mixed with only 41 per cent of the 137 year 1 and 2 targets having been met. A further 16 per cent have been partially achieved with 29 per cent (that is 40 targets) not being achieved. This is because a number of targets were rescheduled because they could not be realistically achieved in the timescales originally envisaged. Some of the outstanding actions are important to the majority of homeless households (for example BME households) and any delays in the implementation of the actions will continue to have a detrimental impact on these applicants.
- 132** As mentioned in the diversity section of this report the BME housing strategy action plan saw some key actions not implemented. The lack of resources is a major factor in these key actions not being progressed, for example, undertaking an agreed project to identify needs of ethnic minority young people. However a recent review of the progress made against the action plan shows some 88 per cent of the actions contained in the plan have been completed by the Council and its partners. This is good progress considering no specific resources were earmarked for the delivery of the strategy and action plan.
- 133** Performance against key local and national indicators have shown a sustained improvement over time. The performance against national indicators for 2004/05 is contained within Appendix 2 and they show good performance in most areas. In particular the average numbers in temporary accommodation show the service to be in the top 25 per cent of London Boroughs. With regard to the other 2004/05 performance indicators there is only one where performance is not good and it is to do with the number of unfit private sector housing brought back into use which have been empty for more than six months. Performance in this area is among the worse performing 25 per cent of London Boroughs. Performance information, where available, against 2005/06 indicators generally show continued improvement against the previous year's performance.
- 134** Performance against relevant local indicators is shown below. Again they show a service that is improving almost in every area.

²⁸ The Audit Commission's Key Lines of Enquiry

Table 5 Performance against local indicators

Indicator	Target	Current performance	Previous year performance
Percentage of calls in 5 rings	85%	94.8	91.5%
Percentage of call in 10 rings	95%	98.6	94%
Complaints completed on time	95%	91%	81.3%
Increase the number of under occupation moves	30	20	21
Increase in supply of affordable housing	164	94	172
Number of single adults over 18 in BB	20	12	15

- 135** However the HNS has no track record in considering VFM issues as part of its service planning. Individual service areas have not has their unit costs broken down and compared with others. It has only recently identified (for 2006/07) contributions to the annual efficiency savings of the housing department. However external funding has been obtained used well to provide and extend additional services at no extra cost to the council, but there has been no evaluation of VFM or the impact obtained from these additional services.

How well does the service manage performance?

- 136** This is an area where strengths outweigh weaknesses. The HNS service has strengthened its performance management framework, by bringing in new managers, refocusing the work of the Service Improvement Team (SIT), strengthening performance monitoring and reporting. However some key plans are not sufficiently prioritised or costed and therefore estimates about resources required to implement the action plans year on year is not known. The service does not have clear proposals for meeting efficiency targets and improving value for money.
- 137** The council's Homelessness, Housing and Ethnic Minority strategies provide clear vision for the service. They provide clear links with the council's other priorities over the medium term. There are also clear links with national, regional and sub regional priorities. The existing information sources are being used and new ones developed. For example a housing needs survey has been completed and published last July and has identified that there is an annual shortfall of affordable housing units of over 1,800. These and other findings will be fed into the reviews of the above strategies, some of which of which are already under way (for example the homelessness review).

However the action plans for these strategies were not originally prioritised or costed and therefore a number of actions stalled because of a lack of identified funding. In the case of the homelessness strategy action a number of actions were considered and then delayed until the next financial year to ensure that they could be implemented.

- 138** A new performance management framework was introduced in January 2005 at the same time as a new senior management team. Now that the framework has been embedded it is anticipated that from 2006/07, more comprehensive team plans will replace the HSIP as the main documents that prioritise and details areas for improvement. This approach coincides with council aligning its business planning and budget setting processes. This will further ensure that there are clearer links between priorities for improvements and funding.
- 139** For example, the 2006/07 HNS team plan, that details activities and projects that need to be completed to ensure the identified service improvements are implemented. A number of them are a continuation of projects identified and begun in the 2005/06 team plan. The team plan addresses new ideas and service weaknesses. For example, a number of the key weaknesses contained in this report are contained within the team plan, for example the development of a TA strategy, improving storage facilities for homeless households, and improving outreach prevention work among the BME communities. The team plan is prioritised, and costed. Examples of projects that are in place to address key weaknesses as well as provided enhanced services to the customers include the following.
- A bid submitted to the ODPM under the Ethnic Minority Innovations Fund for £250,000 to address the prevention work among the BME communities. The HNS has also submitted an internal growth bid for the 2006/07 financial year to obtain two extra HAT caseworkers to focus on the same issue.
 - The acknowledgement that current arrangements for 16 and 17 year olds is not good enough. Plans include the development of more supported accommodation for this age group for example, the HNS has begun negotiations with the Wimbledon YMCA to develop a supported lodging scheme for young people aged 16/17.
 - The opening of the 'property store' jointly with the London Borough of Sutton. It will have the same feel and look of an estate or letting agent, but catering only for homeless people. The shop will bring prospective landlords and tenants together. The properties will be let to clients referred by the HPU. The scheme depends on the HBS providing a 'fast track Gold Star service'. A property has now been identified for this purpose.
 - The launching of a choice-based letting system in April 2006. Implementation work has addressed the needs of homeless households and protecting the approach to homelessness prevention. The HNS is addressing the concerns of advocacy groups over the ability of vulnerable individuals and households to access the new service. This includes continuing to make direct offers to the most vulnerable.

44 Homelessness and Temporary Accommodation | What are the prospects for improvement to the service?

As part of the CBL project the HNS have taken account of the EIAs for Homelessness, Allocations and Housing Advice in deciding how they will deliver the scheme. This will help to ensure that potential for indirect or direct discrimination on any grounds is minimised.

- The launching of a 'Sanctuary Scheme'²⁹ for victims of domestic violence on the 1 April 2006. It is working in partnership with other agencies under the Safer Merton Partnership that includes the Police, Merton's Women's' Refuge and Victim Support. Measures that can be taken to provide protection include providing security alarms and the creation of a 'sanctuary room' in the property.

- 140 The performance reports we have seen are good, with clear reporting against targets, trend analysis, and exception reporting detailing corrective action taken and to be taken. The reports also strikes a balance between reporting on BVPIs³⁰ and technical (increase in the amount of affordable housing) and customer care local indicators. There is an auditable system of collecting performance data and the Service Improvement Team is responsible for checking that data collected for BVPIs is correct. The lead councillor for housing receives regular performance reports and performance information is widely disseminated to staff (through Spread the Word³¹) in interesting and informative way.
- 141 Staff are given targets and their performance and quality of work is regularly monitored through one-to-one meetings with their managers. There are also regular teams meetings within housing needs, and a section meeting takes place each month. The corporate learning and development team provide annual training needs analysis and develop and procure the training programme for the HNS. For example, a recent audit of IT skills has resulted in training is being rolled out for those who need to improve their IT skills.
- 142 Service planning is improving. During 2004 the service improvement team (SIT) was created to help drive, monitor and deliver improvement. The SIT has proved to be a valuable resource for the housing department as it has staff who are trained in project management techniques and whose function is to help support managers in driving improvement in their sections. The SIT has a clear and prioritised programme of work aimed at supporting service improvement within the housing service. The emphasis over the past 12 months has been to improve customer focus, performance management and implement the findings from the KLOE and other reviews (for example a mock inspection). However users have not been involved, until recently, in any of the service reviews, evaluations of the service or consulted over what service improvements should be made.

²⁹ A sanctuary scheme gives victims of domestic violence the option of remaining in their current accommodation by improving security measure as an alternative to going into temporary accommodation

³⁰ Best Value Performance Indicators

³¹ A staff magazine

- 143 The level of commitment and enthusiasm of the staff and management team is good. The leadership of the housing service has improved leading to a shift in culture towards continuous improvement and the achievement of outcomes. For example, staff are more aware of performance management issues and the need to set and meet targets. The management team have generally been focusing on the right things, for example, improving access and customer arrangements, and are now turning their attention to improving customer involvement and satisfaction.
- 144 The HNS will be also be seeking to improve its approach to VFM and procurement. Expertise is being brought in from elsewhere in the housing department to help develop the approach to procurement in the future. One of the first projects that will be tackled is to improve temporary accommodation. With regard to VFM for 2006/07 the HNS have identified efficiencies with regard to the introduction of the CBL scheme, through staff savings and the extension of the rent deposit scheme. Other possible efficiency savings relate to the introduction of Housing Benefit Gold Service, and the possibility of introducing e-forms and document imaging.
- 145 The HNS service has been gradually benchmark and testing its service against others. For example, it is part of a mystery shopping syndicate; it is a member of Housemark. The HNS has also sought to learn from others, for example Camden, Enfield, Hounslow Homes, when deciding to implement initiatives. It is also continuing to develop its customer feedback mechanisms, but as yet have not been fully rolled across all the service, for example, to users of temporary accommodation.

Does the service have the capacity to improve?

- 146 The HNS service has begun to putting the right things in place to help drive improvement. The housing needs service has ensured it has the capacity, resources and structures in place to enable it to continue to improve. Examples include:
- the creation of SIT to support managers and staff with service improvement work;
 - the introduction of a new performance management framework;
 - the creation of a corporate Workforce Development Strategy, which seeks to address recruitment, retention and learning and development; and
 - the implementation of new strong leadership and a new, but experienced senior management team, who bring with them new in skills project management, financial and performance monitoring.
- 147 There is a dedicated Information Support Services section within the housing department, whose role is to manage and develop ICT systems and work with the teams in housing to improve its effectiveness. An information group has been established to identify, discuss and resolve issues relating to performance information and promote innovative ways of using technology.

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'Expert users' within each team across the housing service have been appointed to support the implementation, development and effective use of existing IT systems. This is an important development as there are elements of the service that could benefit from this approach. For example the computerisation of nominations function to RSLs and the keeping of associated ethnic monitoring data.

- 148 The HNS is maximising external funding opportunities and so far has attracted £400,000. It is waiting for the outcome of another bid and if successful will bring the total up to £650,000. Some of this bidding has involved working with external partners to ensure that they maximise their opportunity to be successful. For example the CBL project (with Royal Borough of Kingston upon Thames) and the ODPM Innovations bid (with the London Borough of Sutton). As a result of this success the service has reduced the burden on the general fund, helping to achieve the council's goal of not increasing Council Tax. However until the various schemes that have been implemented are properly evaluated then it difficult for the service to conclude that it is obtaining value for money.
- 149 The HNS service had a small overspend on it budget for 2004/05 (£2,000). But the budget profile for the period up to the end of October 2005 shows an underspend of £105,000. These are largely accounted for by underspends on the CBL project and the B&B budget. The organisation has the financial capacity to provide the current service. Future financial planning does take account of future service aims, priorities or work programmes. For example, the team plans are costed and therefore there are sufficient financial resources to deliver future planned service improvements.
- 150 Human resources policies and procedures have been revised and modernised during 2005 to meet the changing needs of the Council. The Human Resources department maintains a variety of data about the workforce, such as sickness absence, training activities and exit interviews. This is analysed and evaluated on a monthly basis in the monthly performance reports provided to each senior manager. Workforce development plan seeks to address recruitment, retention and learning and development and as mentioned previously they contain diversity targets.
- 151 Staff surveys have been conducted and has included a focus group that was conducted with BME social services and housing staff, and independently facilitated. The report was made available in March 2005 and highlighted some concerns about discrimination among a small number of BME staff particularly of Black African origin. A number of recommendations were made and an action plan developed to cover areas of awareness of cultural diversity, equal opportunities issues, consistent of approach and learning and development (for all staff). The focus groups also helped to identify barriers to career progression and access to training opportunities. As a result the housing service has introduced measures to promote career development for BME staff.

This includes a programme for PATH³² trainees and signing up to the Housing Corporation's COFEM³³ programme which provides training and mentoring opportunities.

- 152 The HNS service works well with its internal and external partners which has led to the introduction of new services (the mediation service) and will lead to tangible improvements in existing ones, for example, the Sanctuary Scheme.
- 153 The HNS has some weaknesses in its procurement strategy and contract management procedures as highlighted in the section on temporary accommodation. But action is being taken to address these weaknesses by undertaking a full procurement options appraisal and the strengthening the existing contract management and monitoring processes. This should deliver improved performance in this area as well as value for money.

Summary

- 154 We judged that the organisation as having promising prospects for improvement. There here has been a range of improvements that have been made to services that are a key priority for the organisation and have had the greatest impact for service users. Recent performance data shows that overall the HNS is improving its performance most significantly in number of households that have been prevented from becoming homeless. The standards of customer care has also improved as has the access arrangements to the service.
- 155 Key projects are being developed to address service weaknesses. New initiatives are also being developed to ensure that the twin themes of prevention and choice continue to produce results. There is strong leadership of the service and sound performance management arrangements are in place which is supported by a workforce development strategy. The service is good at extending its financial capacity by attracting external funding.
- 156 In contrast, there is an underdeveloped approach to procurement and VFM. There is some weakness in the contract monitoring. There has been little comparison of costs and some occasional benchmarking, but it is not sufficient to help drive service improvement. Some key actions from various strategies that affect the service have not been progressed due to a lack of funding, Progress against previous service inspection recommendations is mixed, and the implementation of key internal audit recommendations have not been implemented.

³² Positive Action Training Highway

³³ Career Opportunities for Ethnic Minorities - a mentoring scheme, which can be used by the social housing sector to contribute towards the development of staff from black and minority ethnic communities. It aims to redress the imbalance of black and minority ethnic staff employed within the social housing sector and their concentration in low level jobs.

Appendix 1 – Performance indicators

BVPI Number	2003/04	2004/05	2005/06 Year to date	2005/06 target	2004/05 Top quartile	2004/05 Bottom quartile	2004/05 Median
62	1.24	4.4			4.63	2.04	3.42
64	20	45	39	50		Yes	
164	Yes	Yes					
183a	16.2	0	0	25	5	21	12
183b	22.9	13	17.6	25	0	32	13
202	N/A	10	Not available				
203	N/A	-10.7	-18.7	-2.5	5	19.96	9.3
212		53.5	34.7	35	Not available		
213	N/A	150	345	215	Not available		
214	N/A	N/A	5.2	5			

Appendix 2 – Documents reviewed

- 1 Before going on-site and during our visit, we reviewed various documents that were provided for us. These included:
 - Housing Strategy, 2004-2007;
 - Homelessness Strategy, 2003-2008;
 - Ethnic Minority Housing Strategy 2003-2006;
 - Performance management and audit reports;
 - Service and Corporate equality plans; and
 - Customer care performance information.

Appendix 3 – Reality checks undertaken

- 1 When we went on site we carried out a number of different checks, building on the work described above, in order to get a full picture of how good the service is. These on-site reality checks were designed to gather evidence about what it is like to use the service and to see how well it works. Our reality checks included:
 - focus group meeting with residents of temporary accommodation;
 - staff focus group;
 - visits to the reception areas;
 - visits to temporary accommodation, including hostels, bed and breakfast and private sector leased properties;
 - telephone checks on the housing advice and out-of-hours services; and
 - case file reviews of homeless assessment Housing Advice casework files.