

Private Sector Housing - Housing Re-Inspection

London Borough of Lambeth

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively, to achieve high-quality local services for the public. Our remit covers around 11,000 bodies in England, which between them spend more than £180 billion of public money each year. Our work covers local government, health, housing, community safety and fire and rescue services.

As an independent watchdog, we provide important information on the quality of public services. As a driving force for improvement in those services, we provide practical recommendations and spread best practice. As an independent auditor, we ensure that public services are good value for money and that public money is properly spent.

Copies of this report

If you require further copies of this report, or a copy in large print, in Braille, on tape, or in a language other than English, please call 0845 056 0566

© Audit Commission 2006

For further information on the work of the Commission please contact:

Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ

Tel: 020 7828 1212 Fax: 020 7976 6187 Textphone (minicom): 020 7630 0421

www.audit-commission.gov.uk

Contents

Local Authority Housing Inspections	5
Summary	6
Scoring the service	7
Recommendations	10
Context	14
The locality	14
The Council	15
Housing	16
The service	16
How good is the service?	18
What has the service aimed to achieve?	18
Is the service meeting the needs of the local community and users?	19
Access and customer care	19
Diversity	23
Environmental Health (Enforcement)	27
Home Improvement Agency (HIA)	31
Empty Property Service (EPS)	34
Is the service delivering value for money?	36
How do costs compare?	37
How is value for money managed?	38
Summary	41
What are the prospects for improvement to the service?	42
What is the service track record in delivering improvement?	42
How well does the service manage performance?	45
Does the service have the capacity to improve?	47
Summary	49

Appendix 1 – Performance indicators	50
Appendix 2 – Documents reviewed	51
Appendix 3 – Reality checks undertaken	52
Appendix 4 – Positive practice	53
Appendix 5 - Previous inspection recommendations	54
Appendix 6 – Enforcement activity over the past three years	57

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 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 The London Borough of Lambeth is the largest of the inner-London boroughs and the fifth most densely populated authority in the country. The population of 268,500¹ is forecast to continue to rise over the coming years. The Borough has a diverse community, with 38 per cent of the population coming from black and minority ethnic (BME) communities.
- 2 The Borough contains extremes of prosperity and deprivation and is ranked as the twenty third most deprived of the 354 English local authorities².
- 3 Lambeth has a young age profile, with 45 per cent of the population aged between 20 and 40 and only 9 per cent aged over 65 compared to 18.5 per cent nationally³.
- 4 At the time of the inspection the Council comprised of 63 councillors. Labour being the largest party with 29 seats, but the Council was controlled by a joint Liberal Democrat (27 seats) and Conservative (7 seats) administration since May 2002. A leader and executive model governed the business of the Council.
- 5 The Council was assessed as a 'weak' authority by the Audit Commission's Comprehensive Performance Assessment (CPA) in December 2004 and in 2005 the CPA assessment considered Lambeth to be a two-star council.
- 6 The Council employs approximately 5,000 staff across all services.
- 7 The Private Sector Housing Unit (PSHU) inspection covered:
 - access and customer care;
 - diversity;
 - Environmental Health (enforcement);
 - Home Improvement Agency and grants administration (HIA);
 - Empty Property Service (EPS); and
 - value for money.
- 8 The operating cost for the service in 2005/06 was £1,384,760 with a capital budget of £2,295,254.

¹ Office of National Statistics (ONS); mid-year estimates 2003.

² ODPM Indices of Multiple Deprivation, 2004: Average Ward Score.

³ Census 2001.

Scoring the service

- 9 We have assessed London Borough of Lambeth 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 chart⁴:

		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

- 10 We judge that the service is a fair one-star service because of the following.
- The Private Sector Housing Unit (PSHU) services are promoted well. Leaflets promoting all aspects of the services are available in different formats (for example, different languages, large print, on tape, and in Braille) upon request.
 - The Council's website is a good one and it enables users to access information in different languages and in plain English.
 - There is a very active Private Sector Housing Forum (PSHF) that is involved in helping to develop policy.
 - The Private Sector Housing Unit (PSHU) has developed a number of partnerships which have helped deliver improved services to service users.

⁴ 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.

8 Private Sector Housing - Housing Re-Inspection | Summary

- The PSHU has taken a lead role across the region on key policy areas (for example, Landlord Accreditation) helping to ensure regional priorities are implemented.
- The service provided by the Home Improvement Agency (HIA) is good. The service is sensitive to the diverse needs of its customers and is proactive in its outreach work with good relationships with its partners and stakeholders.
- The Empty Property Service works well with external and internal stakeholders and agencies. The service has developed good practices and relationships in order to achieve its goals, for example, the partnership with Lettings First and the development of the preferred landlord's scheme.

11 However, there are a number of areas where we considered there to be weaknesses.

- Telephone answering performance inconsistent, although the last quarter's performance in 2005/06 has improved to meet council targets.
- The reception facilities at Hambrook House are inadequate, but there are plans to address this during 2006/07.
- The administration of complaints is not handled as well as it could be.
- Performance with regard to the numbers of unfit properties is still in the bottom 25 per cent of authorities both nationally and regionally.
- The Council is still not sufficiently using its works in default powers, given the extent of the problems within the Authority.

12 We have concluded that the service has promising prospects for improvement because of the following.

- The PSHU has implemented all the previous inspection recommendations.
- They have a good range of service improvements which has directly benefited service users.
- Diversity information is collected regularly and the service has begun to measure satisfaction levels by diversity.
- The PSHU's performance against national indicators has been constantly improving albeit from a low base, and it has exceeded all its targets.
- The service has planned well for the implementation of the Housing Act 2004, ensuring it has the resources in place.
- There is clear leadership of the service, with it taking the lead in the region and sub region.
- Staff have been well trained and are aware of the aims and objectives of the service.

13 However, the barriers to improvement include the following.

- The approach to value for money is not yet fully embedded within the performance culture of the PSHU.
- The lack of reporting on the performance of the unit at corporate and departmental level on equalities and diversity issues; and also the inconsistent reporting at a departmental level on some customer care performance. There is no reporting to service users and external stakeholders on these areas.

Recommendations

- 14 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 costs⁵ 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 Take steps to do a complete audit of the PSHU reception facilities available for people with disabilities. Any planned improvements should ensure that they comply with provision of the Disability Discrimination Acts.

The expected benefits of this recommendation are:

- better physical access for customers; and
- compliance with legislation.

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

Recommendation

R2 Take appropriate steps to review the administration of complaints, paying particular attention to:

- *logging accurately when complaints are received;*
- *taking prompt action to send out acknowledgements letters within the advertised service standard timescale and ensuring that information quoted in these letters is accurate; and*
- *improve the speed at which complaints are passed between the central complaints unit and the PSHU regardless of the source of the complaint.*

⁵ 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 expected benefits of this recommendation are:

- a quicker response to complaints by customers; and
- meeting corporate service standards.

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

Recommendation

R3 Take appropriate steps to improve the number of telephone calls that are answered within the corporate service standards. Particular attention should be paid to:

- *reducing the number of unanswered calls;*
- *reporting the number and percentage of unanswered calls monthly;*
- *publicising the correct service standard and performance against it; and*
- *taking any other action necessary to implement this recommendation.*

The expected benefits of this recommendation are:

- a quicker response to telephone calls from customers;
- more customers accessing the service; and
- meeting corporate service standards.

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

Recommendation

R4 Ensure that all performance information about the service is reported regularly to the departmental and corporate management teams. Performance should also be reported to service users and key stakeholders at least on a quarterly basis. The information reported is to include:

- *performance against customer care standards - in particular telephone answering (including the number of lost, abandoned and engaged calls) and complaints performance; and*
- *performance against equalities indicators and targets.*

The expected benefits of this recommendation are:

- an improvement in customer care;
- performance against corporate targets; and
- greater scrutiny of performance by an external audience.

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

<i>Recommendation</i>
<i>R5 Take steps to develop a value for money strategy for the service that:</i> <ul style="list-style-type: none">• <i>sets out a programme of review of all the services provided to determine whether they are delivering value for money;</i>• <i>sets targets for efficiency gains;</i>• <i>reviews the methods of procurement with the objective of using more modern methods of procurement where appropriate; and</i>• <i>incorporates a reporting framework.</i>

The expected benefits of this recommendation are:

- Identification of cashable and non cashable efficiency gains which can be re-invested in the service; and
- Improved value for money.

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

<i>Recommendations</i>
<i>R6 Report and publicise the key findings of this report to service users, stakeholders, councillors and staff.</i>
<i>R7 Take action to address all other weaknesses in this report.</i>

- 15 We would like to thank the staff of London Borough of Lambeth who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 27 to 31 March 2006

Regional contact details

Audit Commission

1st Floor

Millbank Tower

Millbank

London SW1P 4HQ

Telephone: 0207 828 1212

Fax: 0207 976 6187

www.audit-commission.gov.uk

Context

The locality

- 16 The London Borough of Lambeth is the largest of the inner-London boroughs. It is the fifth most densely populated authority in the country, with a population of 268,500 which is forecast to continue to rise over the coming years. It is part of the south west London sub-region along with Croydon, Kingston, Merton, Richmond, Sutton and Wandsworth. It has borders with Wandsworth, Croydon, Sutton and Kingston.
- 17 The Borough has a very diverse community, with 38 per cent from black and minority ethnic (BME) communities – the seventh highest nationally - with the largest non-white groups being Black Caribbean (12.1 per cent of the population) and Black African (11.6 per cent). Approximately 158 languages are spoken in the borough, with the most widely spoken languages after English being French, Portuguese, Somali and Spanish.
- 18 The Borough contains extremes of prosperity and deprivation. The Borough is ranked as the twenty third most deprived of the 354 English local authorities, with five wards in the ten per cent most deprived nationally. Unemployment, as measured by the claimant count, stood at 5.1 per cent in September 2005, above the London average of 3.4 per cent, and the national average of 2.3 per cent⁶.
- 19 Lambeth has a young age profile, with 45 per cent of the population aged between 20 and 40 (compared to 28 per cent nationally) and only nine per cent aged over 65 (compared to 18.5 per cent nationally). Despite this relatively young age profile, the census figures show that the number of Lambeth residents with a long-term limiting illness rose from 12 per cent in 1991 to 14 per cent in 2001, against the London average of 15 per cent. It is further estimated that 26,000 people have a physical or sensory disability, that there are 7,134 people with a mental illnesses, and that 37.6 per cent of private sector households are pensioners (compared to their 12.4 per cent nationally).
- 20 Lambeth has a relatively low level of home ownership (36 per cent, compared to 68 per cent nationally) but has levels of social housing (41 per cent) and private rented housing (21.5 per cent) that are double the national averages.
- 21 There are five town centres situated at North Lambeth, Streatham, Clapham and Stockwell, Norwood and Brixton. There are currently over 9,800 businesses providing more than 119,400 jobs within the Borough.

⁶ Claimants of Jobseeker's Allowance (JSA), NOMIS, September 2005.

The Council

- 22** The Council comprises 63 councillors. Labour is the largest party with 29 seats, but the Council has been controlled by a joint Liberal Democrat (27 seats) and Conservative (7 seats) administration since May 2002. A leader and executive model governs the business of the Council. There is an overview and scrutiny committee with four cross-cutting sub-committees, including the Housing and Adult Social Services Scrutiny Sub-Committee. There are also five local area committees.
- 23** The Council's net revenue budget for the year 2005/06 was £411 million, compared to £382 million in 2004/05.
- 24** The Council employs just under 4,000 staff, excluding school staff. There are seven departments within the Council, including a new 'Adults and Community Services' department.
- 25** The Council was assessed as a 'poor' authority by the Audit Commission's Comprehensive Performance Assessment (CPA) in December 2002 and again in 2003. This score was upgraded to 'weak' in December 2004. The Council was assessed again in December 2005 and was rated as a two-star improving well authority. Housing services were rated as two stars out of a possible four stars for this assessment.
- 26** The Council and the Local Strategic Partnership ('Lambeth First') have agreed a Community Strategy 2004-2015 with seven themes. These are:
- creating a cleaner and greener environment;
 - making safer communities;
 - investing in children and young people;
 - better homes and sustainable communities;
 - encouraging enterprise, employment skills and culture;
 - supporting healthy communities; and
 - delivering the strategy for our customers.
- 27** The 'Lambeth Improvement Plan' sets out the Council's plans for the next three years to 2008. It details what the Council will do to deliver its parts of the Community Strategy and the key priorities of the Council. This plan replaces the CPA Recovery Plan.

Housing

- 28 The Housing management service manages 40,000 properties, a large proportion of which (20 per cent) is managed by five tenant management organisations (TMOs). The stock consists (as of April 2005) of 24,479 purpose-built flats, 4,548 houses and 1,300 sheltered flats. The number of leaseholders at 31 March 2005 was 10,500, compared to 6,735 in 2002 and 2,444 in 1991.
- 29 For 2005/06, the average house price in Lambeth was £265,000 (compared to £273,973 in London and £197,020 in England). The house price to income ratio in Lambeth stands at 4.41 times the average income compared to the national average of 4.12⁷.
- 30 During 2004/05, 2,977 households applied as homeless with 55.2 per cent (1,644) of these households being accepted as homeless. There were 2,378 households in temporary accommodation at the end of March 2005. BME households constitute 69 per cent of households on the Housing Register, and 73 per cent of homeless households. BME households also represent 60 per cent of council tenants.
- 31 During the last quarter of 2004/05 the Council prevented 410 households becoming homeless compared to 109 for the same period in 2003. However, 72 per cent of all homelessness decisions made in 2004/05, and 71 per cent of acceptance decisions affected BME households.

The service

- 32 The PSHU comprises the following:
- Environmental Health (enforcement);
 - Home Improvement Agency (including grants administration); and
 - Empty Property Service.
- 33 It employs 35 staff and the operating cost for the service in 2005/06 was £1,384,760 with a capital budget of £2,295,254.
- 34 The age profile of private sector stock in Lambeth is significantly older compared to the rest of London with 57 per cent of the stock being built pre 1919 compared to the rest of London (25.6 per cent) and the rest of England (20.8 per cent). Consequently the level of unfitness is also greater (11.0 per cent) in Lambeth than across London (5.6 per cent) and nationally (4.2 per cent).
- 35 The Private Sector Stock Condition Survey (PSSCS - September 2004) indicated that there was a larger private rented stock (21.5 per cent) compared to the average in other London boroughs (14.9 per cent), and more than double the national average (10.4 per cent). An independent 'Houses in Multiple Occupation' (HMO) Study carried out in October 2004 indicated a high number of HMOs in the Borough.

⁷ Source: Audit Commission – Area Profiles

- 36 The PSCCS also found that a significant number (11 per cent) of HMOs within the Borough were potentially in a poor state of repair. As a result the Council commissioned consultants to carry out a *Study of HMO Properties (2004)*, which confirmed:
- that over 7,000 HMOs exist within the Borough;
 - 72 per cent of which are three-storey or over properties or greater; and
 - 78 per cent of which consist of five or more occupants.
- 37 This data informed a successful growth bid to deal with the challenges of the Housing Act 2004. Consequently, two generic teams were created within the Environmental Health Team, equally splitting responsibility for the number of HMO cases. An update of the survey is planned for 2008.
- 38 It is estimated that around 2,551 private sector dwellings are vacant, representing 2.9 per cent of the total stock. The Council's empty property database states that there are 395 dwellings, which have been vacant for more than six months. The figure of 395 represents 15.5 per cent of the estimated vacant dwellings.
- 39 The service was inspected twice before, in November 2002 and December 2003. In the first inspection the service was judged to be poor, with uncertain prospects for improvement. The second inspection judged the service still to be poor but with promising prospects for improvement.

How good is the service?

What has the service aimed to achieve?

- 40** The Council's Community Strategy themes are reflected in the Council's overarching priorities. These priorities include improving customer services and being an efficient and effective Council. The other overarching priorities are:
- better schools for the future;
 - revitalising Lambeth; and
 - Children's services.
- 41** The Housing Service Plan 2005/08 takes its priorities from the Housing Strategy 2004-2007 which in turn is linked appropriately to the priorities above. Those relevant to the work of the PSHU are:
- increase the supply of affordable housing;
 - prevent homelessness where possible and otherwise provide good quality intermediate housing;
 - ensuring value for money of services; and
 - investing in the housing stock and regenerating communities.
- 42** The final draft of the Private Sector Housing Strategy 2006 captures the work of the PSHU and draws on all of the above. They are:
- to improve the quality of private sector accommodation particularly for vulnerable households;
 - to increase the supply of good quality private sector accommodation;
 - to improve condition of HMOs and practices of people managing HMOs;
 - to work with key stakeholders to improve quality and perception of the private sector; and
 - to maintain and build upon existing knowledge of private sector and effectively monitor and evaluate our work.
- 43** The strategy draws upon existing policies such as the Private Sector Housing Assistance Policy (PHAP), the Houses in Multiple Occupation policy and the Empty Property Strategy. The final draft Private Sector Housing Strategy is supporting the government and council's ambition to reduce the use of temporary accommodation by half by 2010. It is targeting the use of properties in the private sector to help to prevent homelessness by providing a viable alternative to social housing. By regulating the sector more effectively the Council is also helping to prevent homelessness.
- 44** The final draft Private Sector Housing Strategy also has, as one of its objectives, meeting DHS target of 70 per cent by 2010 and 75 per cent by 2020.

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

Access and customer care

- 45 The previous inspection findings in this area found that there was not effective promotion of the service to the public with little printed information available or accessible on the Council's website. The service did not have a clear set of aims, standards and performance targets, which made it difficult to know what level and quality of services should be provided and whether they were being delivered. Measures to obtain feedback from customers and monitor customer satisfaction had not been implemented across the service.

Current performance

- 46 This is an area where strengths balance weaknesses. Current performance in this area is mixed, although access and customer care has improved compared to the last inspection. However, there are some weaknesses in the approach to customer care and the monitoring of performance against customer care service standards. Customer satisfaction is good and the customers are involved in and consulted over policy development.

Access

- 47 The provision of information about the service is good. Leaflets promoting all aspects of the services provided have been produced. They are available in different formats (for example, different languages, large print, on tape, and in Braille) upon request. At the time of our inspection no request for provision of this information in alternative formats had been received during the financial year 2005/06. However, the strap lines on the folders containing the leaflets advising of availability of translation does not say which leaflets are contained within the folders, but this is now being addressed by the service. Nevertheless, the leaflets are informative and easy to understand, enabling most customers to find out quickly and easily about the services provided. Our reality checks however revealed that not all council offices had the full range of leaflets on display; indeed some did not have any of them on display.

- 48 The Council's website is a good one and details of the service are easily found. All the information that is available in leaflet form is also on the website. The website is accessible to people with disabilities and is 'Bobby Approved'⁸ and conforms to priority one and two web content accessibility guidelines⁹. The website is among the top twenty local authority websites in the country¹⁰. The website also enables users to access information in different languages. The information about the service contained on the website is comprehensive, in plain English (the website has also been awarded the Plain English Crystal Mark) and easily downloadable. Users are therefore well served by this website.
- 49 Telephone access to the service is mixed. Two numbers are advertised for callers to use. The Private Sector Housing Support Team (PSHST) is the first point of contact and provides basic advice to callers, sends out information and applications, or refers customers when appropriate to one of the specialist officers. The housing service standard for answering the telephone was changed half way during 2005/06 from answering the phone within five rings (15 seconds), to a less challenging 20 seconds. This brought the housing service standard into line with the corporate one. However, the advertised service standard in the documentation we have seen and on the website continues to show the old service standard. Callers are, therefore, unaware of what the new service standard should be and the fact that they may have to wait longer for phones to be answered.
- 50 Performance against the telephone service standard is improving. Performance (corporately) is measured against the number of calls that are actually answered and omits calls that were not answered (that is, abandoned, lost or engaged). Based on this definition the average performance for the period April 2005 to March 2006 for the PSHU was 89.5 per cent against a target of 90 per cent. The average across the Council also failed to meet this target. However, performance in the last quarter of 2005/06 improved to over 90 per cent. This is largely due to the Customer Services Team being re-configured to place greater emphasis on this area. But if the calls that were not answered are included in the performance monitoring, then performance falls dramatically to 59.2 per cent for 2004/05. For 2005/06 this had improved to 70.6 per cent. However, even on this improved performance the number of unanswered calls remains high.

⁸ Bobby Approved website is a comprehensive web accessibility tool designed to aid webmasters in creating standard compliant web sites and increase the accessibility degree of a website. Bobby tests web pages using the guidelines established by the World Wide Web Consortium's (W3C) Web Access Initiative (WAI).

⁹ The Web Content Accessibility Guidelines 1.0 explains how to make Web content accessible to people with disabilities. Conformance to these Guidelines will help make the Web more accessible to users with disabilities and will benefit all users.

¹⁰ A recent independent assessment of all local authority websites - SOCITM's Better Connected Report 2006.

- 51 Although physical access to Hambrook House is reasonable, the facilities available once inside are very limited. There is an external ramp, automatic sliding doors and a low counter all suitable for disabled people. However, there is no confidential interviewing area, there is no hearing loop fitted, there is a very small reception area and little space for displaying information. Although the service has relatively few visitors, with only 118 between April 2005 and February 2006, the conditions provided are basic and do not fully cater for the needs of visitors. In the meantime, customers with a disability who require additional facilities are re-directed to the reception area of another council building a few yards away, where these facilities are available. This will be the case until the planned works to make Hambrook House more compliant for customers are completed during 2006/07.
- 52 Home visits are a standard part of the service provided by the PSHU, and these are easily arranged, and to a large degree helps to address the problems mentioned in the last paragraph. This is one of the strengths of the service. Officers have access to a portable photocopier and digital cameras to capture relevant information at their first visits. Cards and 'welcome packs' allow officers to leave their own personal details when they visit a customer. This means that customers do not have to have repeat visits or send in documentation and therefore the service is being delivered much more quickly.
- 53 A freephone Language Line supports non-English speaking residents should they want to communicate with staff in a different language over the telephone and it is advertised on the website. This is supported by a number of staff who are willing and able to provide an interpretation service for customers and colleagues.

Customer care

- 54 The PSHU performance against the corporate and housing service standards is inconsistent, ranging from good performance for dealing with councillors enquiries to poor performance when dealing with complaints.
- 55 Performance with regard to answering correspondence, responding to councillors' enquiries and complaints is mixed. The percentage of letters answered within the required ten working days was 92.4 per cent for the period April 2005 to February 2006, which is good performance. Performance with regard to councillors' enquiries is good, with 100 per cent of responses being completed within the ten working day target. However, the PSHU has not been submitting regular returns corporately on correspondence handling and therefore its performance is not being compared directly with other departments in the Council. They are therefore not contributing to the overall picture of performance across the Council.

- 56 Although the number of complaints received were few (only seven), there were weaknesses in the way they were logged, acknowledged and responded to. For example, we saw cases where there were delays between the complaints being received and when they were actually logged. In some cases this was over a week after they were received. As a result acknowledgement letters were being sent out containing wrong information, for example the 15 working days for responding to the complaint was given from the date of the acknowledgement letter and not the date the complaint was received. As a result of these practices customers are provided with misleading information with regard to the timescales for responses. Despite these errors all but one of the complaints were answered within the 15 working day target.

Satisfaction and involvement

- 57 Customer satisfaction surveys generally show a service that is improving. Customer satisfaction survey forms are given to each customer and the results are collated annually. In 2004/05 the Home Improvement Agency (HIA) conducted its first survey which showed that 85 per cent of those responding felt that the advice and assistance provided was very, or fairly, useful. The data being collected for 2005/06 so far shows that over 40 per cent of new service users described themselves as being from a BME community and 78 per cent of new cases involved residents over the age of 60. This shows that the service is being used by the communities most in need of their services and reflects well compared to their representation among the population. Similarly, in April 2005 the Lettings First Landlord survey showed a reasonably good level of satisfaction with 77 per cent of landlords surveyed stating the service received was good or fairly good.
- 58 The surveys did not have a particularly high response rates The PSHU is addressing this by including an incentive for questionnaires to be returned as well as asking officers to give out the questionnaire in person when they sign off a case. Survey data is currently being collated for all areas. However, customer satisfaction monitoring is following good practice by measuring satisfaction by ethnicity, age, gender and disability.
- 59 There are a number of good consultation and feedback mechanisms in place. For example, the Private Sector Housing Forum (PSHF), which was re-established in May 2004, consists of landlords, agents, tenants, advice agencies, statutory organisations and councillors. It meets as an open forum on a quarterly basis. Agendas and the working groups are decided by a steering group, which is appointed on an annual basis at an annual general meeting. This forum has been consulted over, and informed about, the changes brought in by the Housing Act 2004 (in particular HMO licensing and the Housing Health and Safety Rating System) and the new Private Sector Housing Strategy 2006. We saw examples of this information exchange at the most recent PSHF meeting in March 2006. Service users are therefore well informed and able to have their views heard and actioned with regard to proposed council policies. For example, landlords at the most recent forum meeting asked for guidance to be produced on the difference between the definitions of houses in multiple occupation as used by the planning and housing departments. The PSHU is now producing such guidance.

- 60 The HIA Advisory Committee is also a very useful consultative body and consists of service users, officers, advice agencies and councillors. It meets quarterly to look at service development and improvement as well as performance for example, the most recent Committee meeting in January 2006 suggested that an additional monitoring report should be created to identify more quickly any delays in processing grant applications. The Advisory Committee is also consulted over any proposed grant changes and so providing the PSHU with a good indication of the likely impact of any changes.

Diversity

- 61 The previous inspection findings in this area found that the race equality action plan objectives were basic and not challenging, and there had been some progress against the objectives, but none had been achieved on time. Monitoring of service users by ethnicity had not yet begun and nor had monitoring of satisfaction levels. The most commonly used leaflets were either translated in full or contained strap lines in the most common community languages.

Current performance

- 62 This is an area where strengths outweigh weaknesses. Diversity information is collected regularly and the service has begun to measure satisfaction levels by diversity. With regard to service delivery, the PSHU is more sensitive to the needs of its customers and has taken steps to identify areas of weak performance and implement measures to rectify them. Information is provided in different formats both in hard copy and on the website. However, the service has not yet contributed data on performance to the corporate Equalities Performance Digest and there some weaknesses in providing facilities at Hambrook House for people with disabilities.
- 63 The Council has a relatively new framework for planning, delivering and monitoring diversity issues, to ensure all customers receive the service they need. This is contained within the Council's Equalities and Diversity Strategy (2005/08) which was launched in September 2005. The strategy outlines the aspirations and vision with regard to diversity and equalities, and sets out the Council's priorities for action. It recognises the challenges and barriers that will be met in implementing the strategy, and identifies ways in which these challenges will be met. The strategy sets out the core principles that are required for the strategy to be achieved, which are:
- excellent differentiated service delivery;
 - outstanding community growth driven by the principle of diversity as an asset; and
 - excellent people development.

- 64 This broad corporate strategy is underpinned by the Race Equality Scheme 2005/08 and the draft Disability Equality Policy. A Housing Equality Board has been set up though it has only met twice. This is a forum to discuss ideas to promote equality of opportunity and it is helping to ensure that services are delivered consistently across the service. Housing has its own Equalities and Diversity team to co-ordinate their activities under the Equalities and Diversity Action Plan (EDAP).
- 65 Housing services as a whole achieved level three of the Commission for Racial Equality assessment by March 2004. The Council and the housing service have also achieved level one of the Local Government Equality Standard (LGES). This means that the basic processes are in place which will allow the service to monitor its performance with regard to diversity.
- 66 The PSHU has a clear understanding of its local community. It has used census data and other sources of information to understand the diversity of the population and their needs. For example, the housing needs survey was carried out in 2003 closely followed by a private sector stock condition survey in 2004. This information has shown, for example, that the degree of deprivation within some wards is commensurate with greater concentrations of BME households. It also confirmed that these same households tended to be living in the more unfit or unsuitable housing in the sector. The Private Sector Stock Condition Survey 2003 also concluded that as the majority of private sector dwellings (57.7 per cent) have been built before 1919, and that the unfit properties are more likely to be of this age (73.6 per cent), older people were therefore more likely to be living in these poorer conditions. The information is further augmented with data gained from its various partners, for example, Age Concern, Help the Aged and its sub regional partners. This enabled the services to be provided jointly by these agencies for example:
- a Hardship Fund, jointly funded by the Council and the Lambeth Endowed Charities, jointly administered by the HIA and Lambeth Age Concern for the purpose of dealing speedily with housing related emergencies for older people; and
 - the Help the Aged Handyvan Scheme (partly funded through the HIA) carrying out free security and safety works for Lambeth pensioners.
- 67 Links with community groups, such as the Portuguese and Somalis, have also alerted the service to issues of unfitness affecting those communities with regard to houses in multiple-occupation which has led the service to taking appropriate enforcement action. The availability and quality of this information has enabled the PSHU to make the business case for more revenue and capital resources to expand services to address issues such as these (for example capital resources have been increased by 38.5 per cent in 2005/06 compared to 2004/05).

- 68 The PSHU is developing its knowledge of the customers accessing their services. It records, analyses and monitors information about the ethnicity, disability, gender and age of service users. This is being helped by greater corporate data sharing. The unit has improved its knowledge base rapidly with the implementation of the Foundations database (HIA) and the introduction of customer surveys. Policies and strategies are reviewed as more data becomes available. It is using this data to ensure services are delivered appropriately and to prioritise resources. For example, the service is proving to be accessible to members of the BME community. Figures have shown that the proportion of BME service users applying for grant assistance including DFG and aids and adaptations is in keeping with their representation among the population (39.7 per cent as compared to 38 per cent of the population). Consequently, the budgets in this area have been steadily increasing over the last two years, ensuring that more people from the BME community continue to access and receive the service.
- 69 This is of even more significance since the PSHU took over responsibility for aids and adaptations in council properties. The Council realised that there was a different standard of service provided depending on tenure. The housing management service had no monitoring information readily available to check whether aids and adaptations were being supplied within a reasonable timeframe. Information on aids and adaptations did not record the date the tenant made the request and timescales could not be monitored or the speed of the service assessed. In contrast, the PSHU had eliminated its waiting list, reduced waiting time substantially and were providing a customer focussed service. This approach was introduced so that all customers requiring adaptations to their home would have equal access and equality of service no matter what their tenure.
- 70 The PSHU has used diversity impact assessments to provide challenges to service delivery and have been applied to the PSHU policies (for example the Private Sector Housing Strategy) and 2005/06 business plan. These assessments involve a panel with representation from BME and voluntary sector groups, which can make recommendations for change. For example, the housing strategy was amended to include more focus on diversity after the panel had considered it.
- 71 The PSHU has made good progress by successfully achieving its two allocated targets under the EDAP. They were to jointly set equalities targets with the PSHF by March 2006 and to begin measuring satisfaction with services by equalities groups by March 2006. For the former the Private Sector Housing Strategy 2006 action plan details a number of equalities targets, for example, improve access to hard to reach groups by April 2007. It then details how this will be done. With regard to measuring satisfaction by diversity, we have already seen that the PSHU has begun collecting satisfaction data by various diversity categories. The service has also now developed new satisfaction survey forms to continue this process with added incentives to increase the response rate, such as a prize draw. This shows how seriously the service is taking this area of its work, by trying to establish whether the most vulnerable groups are accessing and satisfied with the service being provided.

- 72 The PSHU is working hard to try and reach all sections of the community to ensure fair representation and service take-up. It has expanded its outreach work significantly and in particular is focussing on agencies and departments that come into constant contact with vulnerable groups (for example hospital occupational therapists and social workers) and advising them of the services provided by the PSHU. This is a practical way of ensuring that those most in need of the services get told about them.
- 73 The Council has produced a well written policy and procedure with regard to the abuse of vulnerable people. The document is comprehensive in that it covers the main areas of abuse of vulnerable people and also offers advice to staff – who may not be familiar with this area – about how to proceed. The policy lays out the ways in which abuse can be recognised and gives sympathetic advice on how to deal with abuse and the victim.
- 74 The PSHU is helping to make its staff aware of diversity issues through its commitment to training in this area. All staff are required to attend basic training in equality and diversity issues. There are also more complex courses, for example on equality impact assessments (EIAs), to help ensure that staff responsible for doing them are able to carry them out. We have seen a number of completed EIAs that indicate the training has been effective.
- 75 The management team within the PSHU is well represented in terms of women and staff from a BME background. This is replicated among the rest of the staff. During the second quarter of 2005/06 the housing service had the highest proportion of BME staff (48 per cent) employed by the Council. It also had the highest number of staff who declared them to be disabled (that is 27.5 per cent of all people with disabilities employed by the Council work in the housing Department). This diversity within the workforce has enabled the service to be delivered more sensitively.
- 76 Access to council buildings for customers with disabilities is not meeting good practice or legislative requirements. The Council has been slow to ensure that housing offices comply with the Disability Discrimination Act 1995, which requires organisations to make reasonable adjustments for disabled people in the way they provide their services. This should have been completed by October 2004. Lambeth housing service reported on an audit of its area offices in January 2005, and although a plan is in place, work will not be completed till June 2006. Shortfalls include doors that are difficult to open, interview rooms with doors too narrow for wheelchair users, a lack of suitable parking and no loop system for hearing aid users. We have already commented about facilities at Hambrook House where the PSHU is based.

- 77 The PSHU does not have any diversity performance indicators contained within the Council's Equalities Performance Digest or the Housing Equalities Performance Digest. The Equalities Performance Digest provides information on how the Council is currently performing on equality and diversity in both employment and service delivery. The digest contains an analysis of the information to identify current gaps in performance that need to be addressed and provides departments with a focus for improvement in these areas. Similarly, this applies to the Housing Equalities Performance Digest which replicates much of the same information. By not providing performance information for the digests the PSHU is not benchmarking its performance against other sections in the housing department or other departments in the Council and, therefore, not fully contributing to the overall picture of performance in this area. Steps have been taken to address this and will be dealt with later in the report.

Environmental Health (Enforcement)

- 78 The previous inspection findings in this area found the service did not have a clear picture of the number or location of houses in multiple occupation and was not fulfilling its statutory inspection duty in respect of fire risks in HMOs. Performance of the service in tackling unfitness and in delivering services consistent with best practice, compared poorly with other London authorities.

Current service

- 79 The enforcement section of the PSHU is providing a good service. It has reliable data upon which to base its activities. It has good relationships with landlords and has an effective private sector forum. It has consulted well over the changes brought in by the Housing Act 2004 and produced good information for landlords and tenants about the changes. In particular, it prepared well for the HMO licensing and the HHSRS systems brought in by the Act and are leading sub regionally in both areas. It has also formed an innovative partnership with Lettings First, which helped the Authority to address homelessness demand for temporary accommodation and establish the Council as one of the leading authorities in London with regard to landlord accreditation. However, the PSHU has still not used its powers sufficiently with regards to works in default and performance with regard to the numbers of unfit properties made fit is still in the bottom 25 per cent of authorities both nationally and regionally.
- 80 The PSHU commissioned a fully comprehensive Private Sector Stock Condition Survey (PSSCS) in 2004, including estimates on the cost of private sector repair and energy efficiency levels. The PSHU has been good at keeping it up to date. It shares the same database (UNI-FORM) with the Planning, Building Control and Regulatory Services departments and the development of the database is agreed as part of a cross-directorate user group which meets monthly. Information from grant applications is also stored on the database along with any information gathered by the HIA. This means the unit is able to keep track of the work it is doing to improve the stock as well as what other departments are doing.

- 81 THE PSHU has a range of contextual data in place that enables the Council to assess the situation effectively. This includes data on the number of empty homes (estimated in 2004 to be 2,551 of which 395 have been empty for longer than six months), household statistics, such as demographics, health and incomes and energy efficiency levels. The PSHU draws primarily on four sources of data: the 2004 Stock Condition Survey, the 2003 Housing Needs Survey, the 2005 BRE Stock Condition Model and the HMO study 2004. This means that the PSHU has a solid baseline of information on the condition of the private sector stock which it can use to inform itself of future trends and where future need may occur.
- 82 For example, the PSHU has been able to map where the worse concentrations of housing are by ward. It also is able to plot where the most vulnerable households are by ethnicity. As a result the evidence suggests that high levels of non decency in the private sector are spread throughout the Borough. Vulnerable groups are more concentrated in particular areas than non decent private sector homes in general suggesting that some particular targeting in areas would be useful. Indeed some work around the new licensing regime was targeted in areas in the south of the Borough. However, the PSHU has concluded that generally their policies need to address the Borough as a whole, rather than do any particular targeting based on deprivation and/or vulnerability. This is a missed opportunity to help the most vulnerable households, living in the most deprived areas live in a decent home.
- 83 The PSHU has not been able to determine the exact position with regard to the level of vulnerable households living in a decent home in the Borough. The PSHU has adopted the government target of achieving 65 per cent of private sector dwellings occupied by vulnerable households as being decent by March 2006. This was in line with a target set out within the London Housing Strategy and PSHU Business Plan 2005/08. A report commissioned in June 2005 suggested that the proportion of vulnerable households living in decent accommodation in the private sector was 58 per cent. However, this research was based on evidence from the 2001 census, and the current position may well be different. The PSHU are, therefore, unable to say if they have achieved this target. Plans to address will be addressed later in the report.
- 84 Nevertheless, the PSHU and its partners are ensuring work carried out is aimed at achieving the decent homes standard. Assistance to vulnerable groups, through grants, loans and advice, is aimed at achieving this. Wherever possible, the Housing Health and Safety Rating System (HHSRS) will enable enforcement officers to target work that would contribute to making a dwelling decent. For example, landlords are only eligible for an empty property grants if the property is brought back into use at a decent standard, and Lettings First will only procure new properties at this level.

- 85 The Council knows the extent of non decency in the housing association (HA) sector within its boundaries. The 2005 Regulatory Statistical Return that all housing associations are required to return to the Housing Corporation made it compulsory to give borough level data for the 2005 returns. This was supplemented with information from Housing Investment Programme submission and information directly from the associations. This information found that across their entire stock HAs had 20 per cent of their properties not meeting the DHS. This information has proved useful as it provided a baseline position that will allow the Housing Theme Partnership, the body responsible under the community strategy for this area, to monitor progress in the sector.
- 86 The final draft Private Sector Housing Strategy has made good links with the Community and Housing strategies, and is contributing to the cross tenure Floor Target Action Plan on decent homes as part of the Community Strategy, which aims to make as many homes as possible 'warm, watertight and safe' by 2010. It has been widely consulted on over a reasonable period of time and has included meetings with landlords, tenants and other interested stakeholders. The PSHU has therefore achieved a consensus on its approach to private sector housing.
- 87 The PSHU has prepared well for the implementation of the Housing Act 2004. Publicity around HMO licensing and the implementation of the HHSRS has occurred, with a number of articles in the press and the Landlords newsletters. It has been a constant item on the PSHF agenda. Training sessions have been organised for landlords on HMO licensing, fact sheets have been distributed to all known landlords, and the website is regularly updated with the latest information. Staff have all been well trained on its provisions and this has enabled them in turn to provide training to other authorities in the sub region on the provisions of the HHSRS.
- 88 Further as part of this preparation, the PSHU developed a comprehensive application form for HMO licensing that captures significant information. This has been rolled out to other authorities in the region. Furthermore, the PSHU is offering a service to landlords to come in and get help with completing the application. Licence charges were consulted on with the PSHF and with Accredited Landlords. Discounts have been devised for those landlords that apply early, and for accredited landlords. The PSHU has therefore taken the appropriate steps to encourage landlords of relevant HMOs to come forward and become licensed.

- 89 The previous inspection found that the service was not fulfilling its statutory inspection duty in respect of fire risks, nor did it know how many HMOs there were. This is no longer the case. The Council now has an HMO policy, knows approximately how many HMOs are in the Borough and has continued to employ a variety of techniques to keep up to date with the numbers of HMOs and their location. A database was created in 2004 from the PSSC survey and this forms a core information source and is constantly updated. Performance has improved substantially since the last inspection, with the enforcement team being far more proactive than before as demonstrated in the table below. This means that the service is now meeting its statutory obligations and making it safer for residents living in these properties.
- 90 The performance of the service in tackling unfitness in the private sector is steadily improving although compared to others in London and nationally performance is still in the bottom 25 per cent of authorities. However, for 2005/06 the service has exceeded its target of 1.3 per cent by making fit 111 properties (1.34 per cent). This compares to only 69 in 2003/04. Given the sheer numbers of properties that fall into this category, over twice the national average, the targets set by the Council are realistic, given that the average national target is 3 per cent.
- 91 In our previous inspection we commented on how there had been no works in default carried out since 1997. The inspection team was told then that the service was drafting a procedure, and there were contingencies for works in default in the 2004/05 and 2005/06 budgets. Our inspection has found that there has only been one case where works in default was carried out. We have been told that there were issues about implementing the procedures and that staff are being trained on these procedures, which will be implemented in May 2006. The case remains that the Council is not sufficiently using these powers, given the extent of the problems within the Authority.
- 92 Other enforcement activity can also be seen in Appendix 6, but the main reason for the increase in work in 2005/06 is the HMO activity. The number of statutory notices issued has reduced significantly from 121 in 2003/04 to 76 in 2005/06. This indicates a better relationship with landlords who are more willing to accept advice and grant assistance in order to comply with the law.
- 93 The Council's Private Housing Assistance Policy offers a good range of products for residents to improve their homes. The policy is targeted at home-owners, tenants and landlords. It is well advertised and fact sheets are available in hard copy, on the internet and in different formats upon request. Presentations have also been given at public forums and to other agencies and services, such as Social Services. The policy has been adjusted regularly to reflect national, regional and local policy and has been consulted upon. This ensures that the policy remains up to date and accurately reflects the Councils priorities.

- 94 The Council has formed an innovative partnership with Lettings First, to provide additional good quality self-contained properties for use as temporary accommodation through private sector leasing - or direct lettings in the private rented sector linked to rent deposits as an alternative way of solving housing problems. Lettings First have its own website which is very accessible. Since its establishment in October 2003. Lettings First's relationship with landlords provided a unique opportunity for it to help the PSHU in encourage landlords to join the London Landlord Accreditation Scheme (LLAS). The aim of this scheme is to recognise good landlords who have the necessary skills to run a successful rental business and thereby provide tenants with good quality, safe accommodation. Lambeth is the leading authority in London with 125 accredited landlords and staff from Lettings First and the PSHU have taken a leading role in delivering the training to landlords. The Council in partnership with Lettings First is effectively contributing to the increasing numbers of landlords across London who are becoming accredited and ensuring tenants are living in warm, safe and decent homes.
- 95 Lettings First has successfully acquired 550 assured shorthold tenancies and 735 private sector leased properties (which it manages on behalf of the landlords). Each of these properties represents an individual or family that might otherwise have ended up in temporary accommodation. It has been estimated that this initiative is saving the Council approximately £365,000 per annum.

Home Improvement Agency (HIA)

- 96 Our previous inspection found that no loans for home improvement had been provided, the service has not monitored its performance well and there was a backlog of grant applications.

Current service

- 97 The service provided by the HIA is good. The service is sensitive to the diverse needs of some of the most vulnerable groups in the community. It is proactive in its outreach work and has good relationships with its partners and stakeholders. It provides a cross tenure service for people needing aids and adaptations to their properties. Performance in most areas has improved substantially and the service has been awarded the Foundations Quality Mark. However, there are some minor weaknesses with regard to delays with payments to contractors and contract monitoring procedures.
- 98 The HIA is providing added value to the work that it does by ensuring that income maximisation and welfare benefits take up is an essential part of their work. Casework Managers (CMs) have received training on relevant state benefits and are proactive in helping customers to claim them, so improving their clients' chances of being able to remain living independently in the community and of qualifying for grant aid. HIA recently put a monetary value on the amount additional income it has helped their customers receive. In 2005/06 the service was able to help 59 of their customers increase their income by a total of £118,981. It also secured an additional £36,107 in backdated benefits.

- 99 All users of the service are visited in their own homes by the CMs and Surveyors so those customers with mobility problems and other disabilities are not disadvantaged. The HIA has developed a proactive outreach programme in order to reach vulnerable and isolated older people by promoting the service with organisations and departments who work with the same client groups as the HIA. For example they have met with Age Concern, Leaseholder Forums, Hospital Occupational Therapists (OTs), Community Nursing Staff and Disability Groups and have attended social work team meetings.
- 100 As mentioned under the diversity section of this report the HIA has amalgamated the services provided to people who require aids and so that all customers requiring adaptations to their home would have equal access and equality of service no matter what type of tenure they lived in. This has only occurred during the last quarter of 2005/06 and the service is working to clear the small backlog of 20 cases affecting council tenants where works have not yet been done.
- 101 There is a good relationship between the HIA and OT service. The departments have jointly developed a useful protocol that sets out the various stages of the process, the timescales for each stage and who is responsible for each stage. A joint panel consisting of two representatives from the OT service and two from the HIA has been set up to consider Discretionary Disabled Facilities Grants and to make decisions about particular cases that are outside the usual rules of the HIA. New referrals from the OT service are assigned immediately to CMs who carry out visits within two weeks of the referral. The OT service itself has eliminated its backlog of cases awaiting assessment and for 2005/06 has completed 51 per cent of their assessments within 28 days (there was an 18 month wait at the time of the last inspection). So far for 2006/07, the OT service have 28 people waiting for an assessment, none of whom have been waiting for longer than 28 days.
- 102 The HIA works well with the OT service and regularly carries out joint visits and agree surveyor specifications. The departments meet regularly, every six weeks, to discuss policy and practice and to resolve exceptional cases. The DFG budget for 2005/06 was £501,273 and the budget for aids and adaptations in council tenancies was £750,000. By the end of March 2006 there were 68 cases where the works were completed with a further 58 still on site. The relationship and joint working between the two departments has helped to improve the service, reduce the waiting times and help more people remain in homes.

- 103** Performance with the administration of grants has improved substantially. For example for 2005/06 the HIA received 739 enquiries (compared to 456 in 2004/05). This has resulted in 607 cases being eligible for grant assistance. As at the end of March 2006, 339 of these cases had the works to their homes completed (compared to 143 in 2004/05), with a further 268 awaiting completion of their works. For the same period, the average number of weeks between the enquiry being received and the first visit was 2.75 weeks. This compares favourably to their 2004/05 performance of just over nine weeks, which was a little above the average for London (8.77 weeks). For 2005/06, the average length of time from first visit to completion is ten weeks for jobs costing under £1,000 and 26 weeks for jobs over £1,000. In the financial year 2004/05 the service spent £1,143, 478 (excluding fees and VAT) which was the fourth highest amount in London. For 2005/06 the budget was £1,282,930 (a 12 per cent increase)
- 104** However, we found some areas where we felt that performance was not what it should be. For example, there were delays occurring to contractors to starting works. This was as a result of only one person being responsible for checking, authorising the grant applications and then issuing authorisation in the form of a purchase order. Similarly there were delays in contractors receiving final payments for jobs carried out which was having a detrimental affect on the relationship with these contractors. Despite these problems the PSHU performance in paying invoices is better than most other in departments of the Council and exceeds the target of 80 per cent. The PSHU have informed us they are recruiting additional staff to address these problems.
- 105** We also saw evidence of work not being carried out to the expected standard, or to the surveyor's specification. We linked this to inconsistent contract monitoring. We looked at some files which indicated in some cases that works were not inspected until after they were completed and in some instances several weeks after the works were finished. If appropriate measures were in place it would ensure that works are completed on time and as requested. It would also avoid repeat visits to deal with snagging, would be more convenient for the customer and would lead to quicker payments to contractors. When we put this to the PSHU they accepted that this was valid criticism regarding some, but not all cases. They acknowledged that the shortage of surveyors in the past has led to a tendency to be reactive rather than proactive when trusted contractors are carrying out small adaptations. The HIA have already responded to our criticism and put measures in place to address our concerns.
- 106** The HIA became the first London authority to be awarded the Foundations Quality Mark. Only 88 authorities across the country have received this award. The National Quality Mark Scheme is a method for providing quality assessment of HIAs. This scheme is administered by Foundations, the National Co-ordinating Body for HIAs in England. The scheme uses the same quality assessment framework that had been developed specifically for HIAs to use in the quality assessment part of the Supporting People service review. The Quality Mark is widely accepted as a 'passport' through the service quality component of the SP review process. This means that the HIA has been assessed as delivering a good service that conforms to national standards.

- 107 The HIA plays an active role in developing the role of HIA locally, nationally and regionally. The HIA is represented as a member of the Foundations Advisory Board, which provides a link between the work of Foundations and the wider environment in which HIAs operate. Meetings of this Board discuss issues such as accreditation, Best Value, good practice and equity release. The HIA manager also meets with neighbouring authorities to discuss policies and procedures. The service is therefore ensuring that it is kept abreast of, and contributes to, best practice in this area.
- 108 The HIA works well with rest of the PSHU, often supporting colleagues in resolving difficult cases. For example, we observed a case where enforcement action was being taken to make a property fit for occupation by the tenant, and was referred to the HIA so that tenant could receive a Coldbuster grant. In this way the HIA is supporting the aim of making as many homes as possible comply with the decency standard and ensuring that customers are receiving their full entitlement.

Empty Property Service (EPS)

- 109 The previous inspection found that the service was not achieving its targets and there was confusion over what they were. Only four empty property grants were approved in 2003/04 and CPOs had not been used in Lambeth for several years. There was also little recent liaison between the PSHU and Lettings First.

Current service

- 110 The EPS now provides a good service. Performance is rapidly improving from a low base with the number of properties being brought back exceeding targets year on year. Performance is now in the top 25 per cent of authorities nationally. The Empty Property Strategy helps deliver against the aims and objectives of the Council's Housing and Community Strategies. The EPS works well with external and internal stakeholders and agencies. The service has developed innovative practices and relationships in order to achieve its goals, for example the partnership with Lettings First and the development of the preferred landlord's scheme.
- 111 The PSHU has produced a sound and easy to understand Empty Property Strategy (2004/07). It outlines the Council's approach to tackling the problem of empty homes over a three year period. It clearly addresses the priorities set out in the Housing Strategy 2004/07, that is, increasing the supply of affordable housing, preventing homelessness, providing Decent Homes and improving community safety. For example, the EPS works closely with Lettings First who form an integral part of the empty property strategy. Any property brought back into use with the assistance of an empty property grant is leased for a minimum of five years through Lettings First. There were 12 properties used in this way during 2005/06. The property will meet the decent home standard. These dwellings will be let to either homeless households (80 per cent) or key workers (20 per cent). This partnership is helping the Council to reduce its temporary accommodation bill as well as providing decent and reasonably secure homes for households in housing need.

- 112** Lettings First also accepts referrals, from the EPS, of owners of empty properties who want to receive advice and assistance on how to bring their properties back into use, longer term leasing options and available grants. Landlords are, therefore, being given alternative choices as well as financial incentives to let their properties to Council nominees.
- 113** THE EPS is proactive in identifying empty properties and then acting upon this. The PSSCS 2004 identified over 2,000 empty properties with nearly 400 of them being empty for longer than six months. A database has been maintained enabling the EPS to target its resources at the worst properties and ones that would maximise the Councils' drive to reduce the number of households applying as homeless and going into temporary accommodation. The EPS employs a number of ways to identify empty properties, for example getting referrals from the Housing Benefit and Council Tax services, as well from members of the public, other landlords and the Empty Property Agency. It also employs a number of techniques to persuade landlords to bring properties back into use, including the use of CPOs, as a last resort. For example where properties are suitable and owners are willing to sell, the EPS will encourage owners to sell to partner housing associations or preferred landlords to bring these back into use through either general rent, shared ownership or selling on the open market.
- 114** The EPS has been very proactive at securing resources to further the aims of its own strategy as well as that of the Sub Regional Private Sector Housing Strategy. Empty property grants have been secured through the London Housing Board, via the South-West Regional Partnership. In 2004/05, a total of £418,000 of empty property grants was allocated to Lambeth. The 2005/06 budget was £497,258 which includes a sub regional underspend (approximately £79,000) that was also allocated to Lambeth. A further bid of £3 million has been submitted for the sub-region for 2006/08, of which Lambeth will be allocated £627,000. Over the last two years, 12 properties have brought back into use with a further 18 still on site as a result of empty property grants. The EPS has therefore maximised the opportunities for obtaining additional funding and then used it to bring back properties for use by those in housing need.
- 115** The EPS is contributing to achieving corporate priorities by targeting these grants towards obtaining available one and two bedroom properties that have been empty for longer than two years and where planning permission has already been approved. The grants are capped at £20,000 and will be for a maximum of 50 per cent of the works. Therefore, each owner will be expected to contribute at least 50 per cent. This targeting has taken place as a result of a supply and demand analysis with regard to the number of people applying as homeless and requiring accommodation. The EPS is, therefore, helping ease the demand for homes through this targeted work.
- 116** Performance for 2004/05 compares very favourably nationally as performance is in the top 25 per cent of authorities. Performance in bringing properties into use has steadily improved over the last three years with performance exceeding targets. The service estimates that by the end of March 2006 it would have brought back into use approximately 200 properties, which may continue to keep their performance within the top quartile nationally.

- 117 The EPS has links with Registered Social Landlords (RSLs) and ‘Preferred Landlords’¹¹ which is essential in cases where the EPS pursue a Compulsory Purchase Order (CPO). They will identify a partner housing association or preferred landlord to sell the property on too, once the Council take possession. Factors that will be considered include the area where the property is, the cost of the property, funds available to the RSL and how long it would take the partner to purchase the property from the Council. To date, one CPO has been obtained and the property has been subsequently bought by a partner RSL. However, this mechanism is not restricted to cases of CPOs but is used where empty properties are being auctioned.
- 118 Stakeholders and service users are kept informed of developments relating to empty properties through both the Private Sector Housing Forum, the newsletter, leaflets and through the private sector housing website.

Is the service delivering value for money?

- 119 This is an area where strengths balance weaknesses. Some aspects of the service provide by the PSHU appear to be achieving value for money (VFM), that is, there is a positive relationship between costs and quality of services provided (for example the HIA and EPS). Information on service costs and how they compare to other similar providers are in its infancy. The reasons for differences in costs are not yet fully understood or used consistently to review cost effectiveness. The service is beginning to understand and measure the impact its services are having. It is able to demonstrate significant cost savings in some areas as a result of its activities and that of its partners. It is successful at bidding for grants and match funding and the resulting resources have been allocated in accordance with policy decisions that target and deliver national and local priorities. Procurement decisions have moved away from relying solely on lowest cost, but reflect the desire to improve the quality of the work commissioned on behalf of service users.

¹¹ The EPS compiles and manages a list of ‘preferred landlords’. These are people who are able to demonstrate an effective track record in renovating properties, bringing derelict properties back into use and managing good tenancies. Landlords accredited under LLAS will automatically be added to the database of preferred landlords.

How do costs compare?

- 120** The PSHU's understanding of how its costs compared to others is only in its infancy. It has not previously engaged in the benchmarking of its costs, although it has actively benchmarked its performance across the sub region. In the case of the HIA the service benchmarks its performance nationally and regionally through the Foundations database. The PSHU has recently produced some information on service costs and how these compare to others in the sub region. The PSHU has taken the lead in producing this information for the sub region. The draft figures show that the PSHU has more staff than any of the other authorities and the second highest level of capital resources available, but it also shows that its performance against Best Value Performance Indicator (BVPI) 64 is the second best in the sub region, but the second worst for BVPI¹² 62. The reasons for the differences are not yet fully understood, but it is a positive start to understanding the costs for all aspects of the service in comparison with others.
- 121** The HIA is performing well with regard to the number of enquiries dealt with since the last inspection. Implementing new IT systems during 2004/05 has made it easier to monitor the number of enquiries. Consequently, in 2003/04 the number of enquiries through the HIA team was only 242, this increased to 456 for 2004/05. In 2005/06 the number of customers contacting the service was 739. Therefore, as the result of increased investment in staff, additional publicity and new IT systems the service is handling three times the number of enquiries it did in 2003/04.
- 122** For 2004/05, compared to the other 20 London HIAs, Lambeth's was doing comparatively well, in terms of value of work (fourth highest spend excluding VAT and fees), number of cases completed (fourth highest) and the number of enquiries (fourth highest). Performance has continued to improve in 2005/06 with a 62 per cent increase in enquiries, resulting in 339 cases completed (a 237 per cent increase) and a 12 per cent increase in expenditure. When combined with evidence in the previous paragraph, there have been large gains in performance compared to the amount of increased expenditure, indicating a more effective service.
- 123** External and internal assessors have judged the service provided by the HIA as a good service. For example, as mentioned previously, in January 2005 the HIA became the first agency in London to achieve the Foundations Quality Mark. In the following month a Supporting People review benchmarked the service with seven other London Boroughs and found that Lambeth had completed the most cases, had the most stretching future targets, and was done at the lowest cost. As a result, the Supporting People Team is increasing their funding for 2006/07 from £30,000 per annum to £46,000 per annum for the next three years.
- 124** The service is projecting a 5 per cent saving (£37,500) against the aids and adaptations annual budget by the end of the 2005/06 financial year as a result of amalgamating the private and public sectors and making staffing efficiencies.

¹² Best Value Performance Indicator 62 is the percentage of unfit private sector dwellings made fit or demolished as a direct result of Local Authority action. Best Value Performance Indicator 64 is the number of private sector vacant dwellings returned into occupation or demolished as a result of direct action by the Local Authority.

- 125 With regard to the EPS the recent cost comparisons indicate the service is more expensive compared to its sub regional partners across a number of areas. For example, it has the second highest cost of service per empty property in the sub region and the third highest cost of service per property brought back into use, but it has the second best performance in the sub region for bringing properties back into use. This indicates although the service is high cost, it is performing well.
- 126 The service has produced good estimates of the amount of income lost when a property is brought back into use, or conversely which is lost if it is not. For example, for every property not brought back into use it is estimated up to £25,000 of additional income is lost, such as between £500-£1000 in lost Council Tax revenue and £15,000 in lost rents. In the last two years, 12 properties have been brought back into use through empty property grants which has brought an estimated £9,000 in additional Council Tax revenue per year. The EPS has also checked, through visits, a sample of 400 properties from the council tax empty property list. Of these, 352 were found to be occupied. It has been estimated this generated a further £132,000 of additional revenue. The service is therefore contributing to the Councils objective of keeping the Council Tax as low as possible.
- 127 The enforcement team is a costly one. It is by far the largest team in the sub-region with 17 officers (the next nearest has 12 staff) and consequently has the largest salary budget. The enforcement team have the highest cost of service per private rented dwelling and the second highest cost of service per unfit property in the sub region. With regard to the number of unfit properties made fit or demolished (BVPI 62), performance is the second worst in the region. However, it should be noted that performance in this area has increased five fold since 2001/02. The successful growth bid for 2005/06 was predominantly for additional Environmental Health Officers to deal with the implementation of HMO licensing. This was supported as a corporate priority in the Corporate Improvement Plan which recognised the need for additional capacity. The PSHU admits it is not yet possible to establish whether this is providing value for money, although increased performance from 12 HMOs improved per officer to 15 for 2006/07 has been introduced, as have timescales for issuing a licence, (six weeks).

How is value for money managed?

- 128 Although the service is striving to obtain value for money from the services it provides, the approach to VFM suffers from a lack of a strategic approach, that is, it has not identified what contributions it needs to make towards corporate efficiency targets. The PSHU has not systematically assessed all of its services with regard to their efficiency and effectiveness, although the Supporting People review of the HIA was positive in this area.

- 129** Value for money has been a corporate priority since 2002, and financial planning has improved from the introduction in 2003 of a medium-term financial strategy. A 'Star Chamber' operates to provide constructive challenge and a focus on reducing costs during budget setting, and this is applied corporately as well as in each directorate. Templates are used to help focus on efficiencies and performance. This is a robust and challenging approach, and does appear to have driven down costs.
- 130** Consequently the Housing has been a major contributor to 2004/05 and 2005/06 efficiency savings. In 2004/05, housing savings were £5.539 million out of a council total £11.224 million. About £1.774 million of this was from homelessness efficiencies alone. In 2005/06, housing savings are expected to be £2.669 million out of a total £8.499 million. The PSHU has not expressly identified any efficiency gains or savings within these figures. This is not say there have been no efficiencies or gains since our last inspection, but they have not been sufficiently quantified across all of its services in past the past or identified for the future.
- 131** Although there is a corporate strategy for achieving value for money, there is not a housing one, though work to develop this has been commissioned and has commenced. The objective is to provide a more consistent approach to achieving value for money across housing services.
- 132** There has been a review of procurement corporately in Lambeth with a new procurement strategy and commissioning manual in place for staff guidance. This uses set criteria for procurement decisions and has procurement responsibilities across the organisation. Lambeth Housing services is moving towards adopting modern procurement methods but is not benefiting from them yet. For example, it is working on the responsive repairs partnering contract with a view to implementing in 2007, when the current contract ends.
- 133** The PSHU's overall approach to procurement is a traditional one (with the Lettings First partnership being an exception), which although sound, does not lend itself to speed or generating efficiencies through economies of scale. For example, every grant assisted job, no matter how small or large, has to be tendered. This takes a minimum of three weeks. The procedures are carefully followed in each case. This approach incurs costs both to the contractor and the PSHU in terms of time and resources.
- 134** Furthermore, because there is no guarantee of work from the PSHU, contractors would be less willing to offer discounts because of the potential low volume of work, and there is no schedule of rates against which the contractors could tender which therefore makes it more difficult to predict the cost of doing similar jobs. This means that the available grant monies may not stretch further because of this approach.

- 135** However, the PSHU has recognised that this approach is cumbersome and has sought to stream line parts of the process in the interest of speeding up the works. Procurement meetings have been held with the Departmental Procurement Team to identify procurement opportunities. This resulted in an advert to attract small local businesses being placed within Lambeth Life¹³. In turn, this contributed to the waiver report, the response led to a waiver to Lambeth tendering procedures being applied for by the HIA in February 2006 so that:
- when choosing contractors to tender for disabled adaptations and essential repairs, a rotational system of selection is not applied in all cases;
 - small emergency repairs and adaptations (for example central heating or electrical repairs, security work, repairs to showers and stair lifts) in private sector housing are not competitively tendered when it is necessary to provide a speedy service in order to prevent injury, illness, or hospitalisation; and
 - the lowest price for a disabled adaptation is not necessarily the one that is chosen.
- 136** As mentioned above there have been a few exceptions to the traditional approach to procurement. For example, Lettings First has worked closely with the PSHU, the Council's homelessness service and with landlords which has led to substantial cashable gains and a sizeable surplus (£252,000 was the Council's share). The number of people assisted by the HIA and the enforcement team has increased substantially over the last three years without the quality of the service being affected, indeed it continues to improve. However, further improvements in value for money are being hindered by the lack of understanding of its costs and their comparison to others. Further, the PSHU has not implemented its plans to consider other forms of procurement for high spending areas of the service and, therefore, cannot be sure that the current methods of procurement is providing value for money.
- 137** The HIA has been effective at obtaining match funding in order to achieve service priorities. The grants provided through the HIA help bring in additional funding through external sources. For example, the Hardship Fund is matched by a contribution from Lambeth Endowed Charities, for the purpose of dealing speedily with housing related emergencies for older people.
- 138** Grants to landlord are targeted at areas such as energy efficiency, HMOs and accreditation and are helping to increase investment from the private sector. For example, for 2004/05 £302,000 was invested additionally by home-owners and landlords. Through these activities, the HIA is stretching resources to help improve the quality of life for those residents most in need, as well as improving the quality of their homes.
- 139** The HIA is working well in partnership with others to fund and support borough wide initiatives such as the Handy Van Scheme which is carrying out free security and safety works for Lambeth pensioners. For 2004/5 this delivered 364 completed cases and for the same investment in 2005/06 this was increased to 399, which demonstrates improved value for money.

¹³

This is a borough-wide council newsletter

- 140 The EPS has also done well in accessing capital monies via the London Housing Board for empty property grants. Due to the effectiveness of the service, Lambeth has been able to spend an additional £79,000, which the other sub regional partners were unable to spend. Through empty property grants, private sector landlords have invested a further £733,405. All of these properties are then let back to the Council as a condition of the grant for a minimum of five years. It has been estimated that a cost saving of almost £365,000 per year has been made by the council because of this work which provides a much better alternative to Bed and Breakfast accommodation.

Summary

- 141 Overall, the service has been assessed as being 'fair'. There have been significant improvements in access and customer care compared to the previous inspection with more information about the service in different formats being provided and a good website. The PSHU is more sensitive to the diverse needs of its customers and has taken steps to identify areas of weak performance and implement measures to rectify them. All the service areas have improved substantially with the service playing a more significant and leading role within the sub region and region. An innovative partnership with Lettings First has helped the authority address homelessness demand for temporary accommodation.
- 142 However, there are some weaknesses in the approach to customer care and the monitoring of performance against customer care service standards. The PSHU is still not using its powers sufficiently with regards to works in default and performance with regard to the numbers of unfit properties made fit is still in the bottom 25 per cent of authorities both nationally and regionally. There are some minor weaknesses with regard to delays with payments to contractors and contract monitoring procedures. The approach to VFM is not yet systematically embedded within the performance culture of the organisation.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 143 This area is strength for the service. The PSHU has made good progress in delivering customer-focused improvements to its services. The PSHU has implemented all the recommendations made from the previous inspection in 2003, and has been effective in achieving its objectives with the resources at its disposal. The performance indicators continue to move in the right direction and the service is performing well against one of them nationally. The service is also performing well against its targets. Satisfaction levels with the services provided are generally good.
- 144 The PSHU has done well in successfully implementing all the recommendations made from the previous inspection in 2003. They have been implemented in a relatively short period of time over a 12 month period. Appendix 5 details the recommendations made, gives example of how they were implemented and the time taken to do so. In implementing the recommendations so quickly the service has made a significant impact in the sector and indeed has taken the lead in some areas (for example Landlord Accreditation and HMO licensing) across the region and sub region.
- 145 Since its redesign during 2002/03, the service has successfully embraced the Government's agenda with regard to eliminating the use of bed and breakfast accommodation, reducing the number of homes that fail to meet the decent homes standard and the implementation of the Housing Act 2004. There has been a range of improvements that have been made to the service that have addressed these key priorities while at the same time have had the greatest impact for service users. These include, for example:
- re-established the PSHF and established HIA Advisory Committee - both meet quarterly and involve service users;
 - established the Landlord Accreditation Scheme;
 - lettings First is a success helping to eliminate the use of bed and breakfast accommodation, reduce the need for other forms of temporary accommodation while providing a decent home for service users;
 - producing effective information about the service thus ensuring the service is more accessible;

- improved the website so that it was informative for service users;
 - provided accessible literature on the service and regularly advertising the service which means more people get know about the service and then access it;
 - performance across the service is improving, for example the number of empty homes brought back into use and used for households in housing need;
 - the HIA awarded the Foundation Mark and successfully passed a Supporting People Review; and
 - customer satisfaction surveys show improving satisfaction with the service.
- 146** The PSHU is delivering against the aims and objectives set out in its business plan 2005-2008. Each of the service areas have met or exceeded their targets. For example, every year since 2003/04 the EPS has exceeded its increasingly challenging targets (See Appendix 1 - Table 4) for the number of properties brought back into use, and as a result a number of households have benefited from being housed in a decent home. Similarly landlords have benefited from making reasonable, relatively risk free income from their property.
- 147** The 2005/06 actions that flowed from the business plan were largely implemented. The table below summarises the achievements of the service against the quarterly updates of the business plan. This shows that six of the objectives were not achieved because of government delays in approving the final regulations with regard to HMOs. Of the remaining 15 objectives, all were completed, although one (recruiting to new posts), was delayed predominantly due to lack of suitably skilled applicants applying for the roles.

Table 2 Summary of actions completed against targets (from Private Sector Housing Business Plan Q1-Q3)

Total number of objectives	Total number of objectives completed	Total number of objectives completed on time	Total number of objectives delayed due to delays in Housing Act 2004 regulations
21	15	14	6

44 Private Sector Housing - Housing Re-Inspection | What are the prospects for improvement to the service?

- 148** Performance against national performance indicators continues to improve year-on-year, although when compared to others performance is mixed. With regard to BVPI 64, performance is in the top 25 per cent of authorities nationally and second in the sub region. However, compared to the other London authorities' performance is just below average. With regard to BVPI 62 performance is in the bottom 25 per cent of authorities nationally and in London. Against its sub regional partners the PSHU performance is second from bottom. However, it has been acknowledged earlier in the report that the authority has twice as many unfit properties compared to the national average and has the highest in the sub region (although two authorities are not that far behind with the number they have) and is therefore pro rata doing better than the indicator suggests (see Appendix 1 - Table 3).
- 149** User satisfaction is increasing as a result of measurable changes on the ground in areas that matter to users. The 2004/05 survey of the HIA showed that 85 per cent of those responding felt that the advice and assistance provided was very or fairly useful. A further 25 per cent said they benefited from the advice given about income maximisation. The 2004/05 survey of landlords by Lettings First showed that 77 per cent were satisfied with the service provided. A similar survey of tenants has just been completed but the information had not been assessed at the time of the inspection.
- 150** The service is making effective use of resources. Inward investment over the past two years has seen improved performance in all the services provided by the PSHU. As seen above additional match funding has been obtained from a number of sources and in at least one case it is a result of their improving performance (the empty property service). However, the services of the unit have not been reviewed to determine whether it is actually delivering VFM.
- 151** Senior officers are beginning to look at value for money and its impact on the service, customers and stakeholders. For example, the HIA has calculated the amount of extra income generated for customers as a result of the provision of advice and assistance (see the section on the HIA) to customers; and the EPS has also calculated the amount of council tax brought in as additional income as a result of their activities (see the section on VFM). These activities illustrate the 'added value' being provided by these teams. Because of the lack of a strategy (for example, how will any savings generated be used) and targets, these benefits have not been incorporated in to departmental or corporate achievements therefore lessening their impact.
- 152** The whole housing service has now achieved Investors in People Accreditation and the report describes the progress made in transforming the service since 2001 in 'commitment, leadership, management, and learning and development'. These achievements have required formal assessment by recognised bodies and demonstrate the distance the department has travelled in the last three years.

How well does the service manage performance?

- 153** This is area where strengths outweigh weaknesses. The future priorities for the PSHU are clearly set out in a number of documents all of which link well together. The Housing strategy and the Community strategy in particular have picked out the improvement to private sector housing as key priority. The Council's Improvement Plan also had the improvement of the service as a priority. The various strands mentioned in these documents together with national and existing local priorities are now captured in the new Private Sector Housing Strategy 2006-2010. This is a comprehensive document that sets out the five objectives of the service as influenced by the strategic priorities contained in the housing and community strategies. They are detailed earlier in this report.
- 154** All the objectives in the Private Sector Housing Strategy are outcome focused, that is, they are aimed at making improvements to the service that directly affect existing and future service users. For example:
- 'to improve the quality of private sector accommodation particularly for vulnerable households'.*
- 155** The target associated with this objective is a national one, that is, to achieve 70 per cent of private sector dwellings occupied by vulnerable households as being decent by March 2010. However, progress towards this target cannot be measured by the PSHU without them carrying out another stock condition survey (SCS). They are not able to say if they met the interim target of 65 per cent by March 2006. At best they may have achieved 58 per cent according to the report in June 2005. The intention is to carry out a SCS in 2008.
- 156** The strategy action plan contains other actions that that should lead to service improvements for customers and is cascaded down in more detail in the new PSHU business plan 2006 - 2009. For example, one of the actions under the strategy, replicated in the business plan, is to co-locate the HIA with the OT service in order to improve services focused on disabled people. It is intended this will be achieved by April 2007. This will lead to an even more streamlined and efficient service for disabled residents.
- 157** The Private Sector Housing Strategy addresses comprehensively the requirements of the Housing Act 2004. In developing the strategy the PSHU engaged and consulted with service users and their representatives, partners, councillors and staff which has helped to achieve consensus and commitment from stakeholders with regards to its aims and objectives.
- 158** The action plan contains clear milestones against which progress can be assessed. Timescales and responsibilities for completion are clearly set out, and the resources required to implement them have been identified. This is a fundamental weakness with the action plan, which could affect the ability of the service to deliver the objectives of the strategy.

46 Private Sector Housing - Housing Re-Inspection | What are the prospects for improvement to the service?

- 159** Although the service is beginning to look at how it obtains VFM from the services it provides, the lack of a strategic approach, means that it has not identified what contributions it needs to make towards corporate efficiency targets. Activities it has targeted to improve VFM have not identified the cashable or non cashable gains, together with its partners, that could be made or how it intends to use any money saved to improve the service. Essentially, the PSHU has not quantified the efficiency gains of proposed service improvements, which potentially release resources that could be re-invested elsewhere in the service.
- 160** Nevertheless, some consideration has been given to other forms of procurement for high spending areas of the service. The Business Plan 2005/06 identified as an objective to 'implement a procurement system for DFG's by May 2006'. However, this was not achieved. However it does remain an objective in the PSHU Business Plan 2006 - 2009, that is, 'to create a fixed price procurement system for level access showers by October 2006'.
- 161** Information on costs of the service compared to others is in its infancy. The service has only just begun to collect information on costs, but is keen to compare and evaluate processes, costs and outcomes with its sub regional peers. A report has been prepared by the Head of Service to be shared with sub regional partners. Lambeth has identified itself in the report (while the other authorities have been anonymised) so that it will encourage other authorities to be more open about their costs and enable true benchmarking and discussion to take place.
- 162** The management team has provided visible and effective leadership that has been recognised by staff, partners and other stakeholders. The head of service has been elected chair of the PSHF and the manager of the HIA sits on the Foundations Advisory Board and on the HIA Advisory committee. Through their drive and commitment the service has taken the lead in the sub region and region in a number of areas, including Landlord Accreditation, HMO licensing, and HHSRS training.
- 163** There has been strong support for the service from the Executive Member for housing, and a clear vision for where the housing service is going. The governing party worked well with the opposition members and there was agreement about the direction of travel. However, the recent resignations of the Executive Member for housing and Executive Director of Housing has left an interim senior management team in charge while the Council reviews the future of the housing department. This combined with possible new outcomes from the local elections means that the service future is less clear.
- 164** Staff are supported to perform to the best of their abilities by being given clear targets, linked to the business plan priorities, and regular supervision sessions. A formal appraisal system is in place as part of the performance management framework that has been recognised with the housing service achieving Investors in People status in 2003.

- 165 The aims and priorities of the services have been communicated to staff, partners and stakeholders who have a good understanding and are clear about the priorities of the service and what is required to deliver. For example, the PSHF was used to communicate and consider the changes being proposed by the Private Sector Housing Strategy. The service also ran eight consultation events during 2005/06, to discuss these issues and the changes being brought in by the Housing Act 2004. This gave people the opportunity to ask questions and clarify their understanding of the policies and the changes.
- 166 The service has a track record of sound financial management, with budget headings rarely overspent, and any under spends are carried over with permission of the relevant bodies to the next financial year. Resources are used in line with priorities as evidenced by the extra growth in the enforcement service in preparation for additional duties brought in by HMO licensing and the HHSRS.
- 167 PSHU generally produces regular and robust performance information through a wide range of performance monitoring mechanisms. For example, the HIA produces reports on the foundation system which is quite sophisticated. The enforcement team information is extracted from the UNI-form system. However, none of the national or local indicators were being reported publicly. There is also the issue of the PSHU not submitting regularly some customer care information for the departmental performance digest. Users and stakeholders, therefore, do not know how the service is performing against standards and is a missed opportunity to raise the profile of the service outside of the Council. To address these weaknesses a new Private Sector Housing Performance Digest has been developed in consultation with stakeholders and will be reported on quarterly from April 2006. There are 26 indicators covering all service areas as well as satisfaction levels.
- 168 Staff monitoring arrangements is effective and contributes to performance improvement. There is a consistent approach taken to monitoring team and individual performance, and all staff receiving regular appraisals of their performance, one to one meetings and team meetings which cover communication and performance issues.

Does the service have the capacity to improve?

- 169 This is an area where strengths outweigh weaknesses. The PSHU has developed a track record of improvement, albeit from a low base. It has shown significant improvements in services for customers, key performance indicators and in progress against its plans. The PSHU has put the appropriate resources in place to sustain its continuous improvement. The service has successfully been reconfigured to produce better results for customers. Through good service planning the PSHU has anticipated the need to attract additional resources and has invested appropriately in IT and human resources.

48 Private Sector Housing - Housing Re-Inspection | What are the prospects for improvement to the service?

- 170** Since our last inspection the PSHU has been good at forward planning. In developing its Housing Renewal Strategy (in 2003) and subsequent Private Housing Assistance Programme (in 2004) managers had anticipated the growth in activity as a result of various government initiatives and the then contents of the Housing Bill. As a result of a growth bid for 2005/06 the service was able to recruit more surveyors and administrative support for the unit and they are now fully staffed. This meant that the service was prepared for the new changes being brought in.
- 171** It was also realised that the previous poor methods of keeping records and the qualification of a number of performance indicators by their Auditor meant that new IT systems were needed to help the service improve its performance. Also as a result of our recommendations the improved provision of electronic information was considered a priority. The Foundations and Uni-form data bases were installed and provided good performance information so that the service can compare its performance to others and inform managers and staff of progress against targets.
- 172** The PSHU works well with its partners in delivering improved services. For example, with Age Concern the PSHU has jointly funded the HandyVan Scheme. The service is also working in partnership with other local authorities and landlords to deliver the Landlord Accreditation Scheme. The service is clearly extending its capacity and influence as a result of these partnerships.
- 173** The Council and the PSHU has developed good partnerships. The Lettings First partnership is a good example of this. The development of the 'Preferred Landlords' pool, for the purpose of disposing of empty properties at auction, is another example. The service has plans to continue with this approach, by for example, the HIA intending to develop a preferred contractors list to do DFG work with the aim of improving the speed and quality of the work for customers.
- 174** Lambeth has a Procurement Strategy implemented in February 2005 that is supported by a Commissioning Manual. These provide a clear statement of the Council's approach to procurement and the procedures that staff must follow in order to secure best value, efficiency and consistent management of procurement. Modern approaches to procurement are not, however, in place,
- 175** Human resource practices fully support the needs of the service through training and development, which is identified through staff appraisals, and in response to changes in legislation and regulation. Staff were provided with relevant core and specialist training which included diversity, and customer care. The PSHU have been delivering training across the sub region on the HHSRS. For example, the PSHU decided to share its training expertise with other authorities in the sub region by commissioning a member of staff to provide this training to them at no cost to those authorities. They have also delivered a number of training sessions for landlords on topics such as HMO licensing, the HHSRS and landlord accreditation. These have increased as the implementation of the Housing Act 2004 provisions became more imminent. This was supplemented with good quality literature in hard copy and on the website. Staff therefore, have the capacity and skills necessary to deliver an improving service.

- 176 Further staff are broadly representative of the gender and race profile of their users and the broader community they serve. This ensures the service is more sensitive to the needs of its users as it aids better communication and understanding.
- 177 Staff considers that the provision of training has been good along with the working relationships across the teams in the PSHU. They also consider that there is better approach to performance management and that managers do listen to their concerns and suggestions about the service.
- 178 The service has performed well in attracting external funding and inward investment, which it has used to support delivery of new legislation requirements and support local priorities, such as the reduction of the use of bed and breakfast accommodation and improving the stock to meet the DHS. However, the PSHU has not assessed whether its services are actually providing value for money as a result of this additional investment, although there are strong indications that is doing so in some areas.
- 179 The PSHU has demonstrated that it considers equalities issues in its policies, employment practices and service delivery. It has plans to continue is outreach work with 'new communities', such as the Portuguese community in the borough in response to intelligence around their plight in living in unfit housing conditions.

Summary

- 180 We have assessed the service as having promising prospects for improvement. The PSHU has made good progress in delivering customer-focused improvements to its services. It has implemented all the recommendations made from the previous inspection and its performance against national indicators has been sustained, as is its performance against targets. Clear leadership is being provided, with the service taking a lead in the region and sub region. Staff have been well trained and are aware of the aims and objectives of the service. The PSHU has put the appropriate resources in place to sustain its continuous improvement. The service has successfully been reconfigured to produce better results for customers.
- 181 However, the barriers to improvement include the absence of a value for money strategy and targets for efficiency savings and the lack of reporting on performance of the unit at a departmental and corporate level, as well as to service users and external stakeholders.

Appendix 1 – Performance indicators

Table 3 BVPI trend over the past four years

BVPI	Outturn 2002/03	Outturn for 2003/04	Outturn for 2004/05	Outturn for 2005/06 (Estimated)
62	0.3%	0.8%	1.32%	1.47%
64	45	136	162	192

Table 4 Empty homes performance against targets

	2003/04	2004/05	2005/06	2006/07	2007/08
Target	45	150	170	185	200
Performance	136	162	192 (actual)	-	-

Appendix 2 – Documents reviewed

- 1** Before going on-site and during our visit, we reviewed various documents that were provided for us. These included the following.
 - Housing Strategy.
 - Homelessness Strategy.
 - Performance Management and Audit Reports.
 - Service and Corporate Equality Plans.
 - Customer Care Performance Information.
 - PSHU Business Plan.
 - Corporate Improvement Plan.

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 involved users;
 - two staff focus groups;
 - visits to the reception areas;
 - visits to properties, for example, where enforcement action was being taken;
 - telephone checks;
 - case file reviews;
 - telephone survey; and
 - testing the website review.

Appendix 4 – Positive practice

‘The Commission will identify and promote good practice. Every inspection will look for examples of good practice and innovation, and for creative ways to overcome barriers and resistance to change or make better use of resources’. (Seeing is believing)

Title of item of positive practice

Appendix 5 - Previous inspection recommendations¹⁴

Recommendation	Examples of implementation	When implemented
<p>Ensure that the Council meets its legal requirements for the inspection of fire safety in HMOs.</p>	<p>Identify HMOs through Council Tax and HB databases. Cross-reference with and transfer to HMO database. EHOs given programme of inspections. Appoint agency for external inspections and Commence fieldwork inspections. Complete fieldwork inspections. Present report on findings of surveys. Review results of inspections looking at timescales, resources, and licensing (mandatory and discretionary). Discretionary licensing proposals drafted through PSHF sub-group. Finalise proposals for HMO Licensing.</p>	<p>April 2004 May 2004 July 2004 October 2004 November 2004 December 2004 January 2005 April 2005</p>
<p>Set clear service aims, standards and performance targets for the services delivered by the PSHU.</p>	<p>Business Plan published and available on Council website, setting out clear aims standards and targets. Business Plan reviewed for new financial year.</p>	<p>June 2004 February 2005</p>

Recommendation	Examples of implementation	When implemented
<p>Carry out full consultation with customers and stakeholders on the Housing Renewal Strategy and other strategies under review and incorporate the outcome of this consultation into the revised strategies.</p>	<p>'Owners, Landlords and Tenants Fair' held. Event took place over two days, over a weekend, in order to maximise attendance.</p> <p>Private Sector Housing Forum re-established.</p> <p>Private Housing Assistance Policy, Empty Property Strategy and Compulsory Purchase Policy approved.</p>	<p>March 2004</p> <p>May 2004</p> <p>July 2004</p>
<p>Ensure that regular customer feedback on all aspects of the service is being collated and that procedures are in place to analyse the results and feed this into service development.</p>	<p>Content and format of customer surveys agreed.</p> <p>Customer surveys sent to all closed cases.</p> <p>Responses to surveys analysed.</p> <p>Analysis of service available on website/PSHF.</p>	<p>June 2004</p> <p>July 2004</p> <p>October 2004</p> <p>November 2004</p>
<p>Publicise the full range of services offered by PSHU to potential customers and stakeholders.</p>	<p>Full range of leaflets available.</p> <p>Completes project upgrading PSHU WebPages.</p> <p>Private Housing Renewal Policy, Empty Property Strategy and Compulsory Purchase Policy approved.</p>	<p>January 2005</p> <p>December 2004</p> <p>July 2004</p>

Recommendation	Examples of implementation	When implemented
<p>Ensure that there is regular liaison with other key services and stakeholders, including Lettings First, social services and private sector landlords.</p>	<p>Monthly HIA and OT joint meetings.</p> <p>'Landlord Accreditation' PSHF sub-group established.</p> <p>Quarterly Meetings of the HIA Advisory Committee.</p> <p>Cross-service manager meetings on private sector housing issues (including Lettings First).</p> <p>Private Sector Housing Forum established.</p>	<p>January 2004</p> <p>January 2004</p> <p>February 2004</p> <p>Quarterly</p> <p>July 2004</p>
<p>Work with private landlords to implement the CRE code for rented housing and ensure that service is promoted to different communities within Borough.</p>	<p>BME in Private Sector Housing' sub-group established through PSHF.</p>	<p>July 2004</p>
<p>Present Housing Inspectorate report to Executive Committee accompanied by the comments of the appropriate senior managers.</p>	<p>Housing Inspectorate report to be presented to Executive Committee.</p>	<p>July 2004</p>
<p>Report the findings and recommendations of the Housing Inspectorate report to the Council, staff, tenants and stakeholders setting out proposals for addressing the issues.</p>	<p>Report presented to PSHU staff</p> <p>Report presented to private tenants, private landlords, advice agencies and other stakeholders at PSHF.</p>	<p>June 2004</p> <p>August 2004</p>

Appendix 6 – Enforcement activity over the past three years

Complaint/enquiry type	2003/04	2004/05	2005/06	Active cases
Single dwelling disrepair	302	277	238	157
Drainage	76	79	105	51
Pests nuisances	33	50	16	13
Overcrowding	57	105	70	47
Land search/planning enquires	33	28	38	1
Pollution nuisances	6	13	5	3
Filthy and verminous premises	13	14	24	11
Disconnected services	3	2	12	5
Proactive surveys	5	2	17	0
HMOs complaints	76	252	151	123
HMOs proactive surveys	-	-	523	NA
London Fire Brigade referrals	-	8	14	9
Advice		9	58	26