

# Strategic Housing Services

**Stratford-on-Avon District Council**

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## Local Authority Housing Inspections

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively and delivers high-quality local 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](http://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.

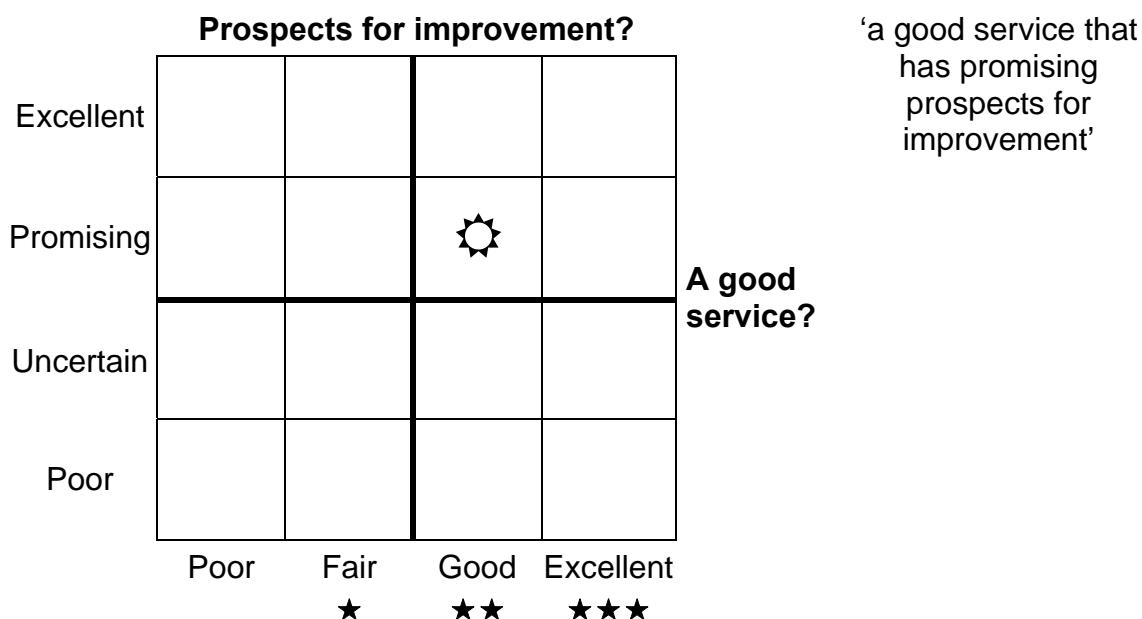
## Summary

- 1 Stratford-on-Avon District Council is a district council in the West Midlands of England. The population is 119,000 with 1.3 per cent from black and minority ethnic (BME) communities although new migrant worker communities have recently developed. Geographically it is one of the largest English districts and is predominantly rural, with Stratford-upon-Avon town being the largest community along with 250 small towns and villages. There are approximately 52,500 homes in the district.
- 2 The Council is run by a Conservative administration holding 32 seats. Liberal Democrats hold 18 and there are 3 seats held by independent/other. The Council operates with a Leader and a Cabinet.
- 3 The Council does not have its own stock of homes having transferred these to a Registered Social Landlord (RSL) in 1996. The inspection focused on the Council's strategic approach to housing including its role in enabling new housing and how housing services assist in making the best use of existing housing.
- 4 We found that strengths outweigh weaknesses in the Council's housing service. Housing strategy has been effectively developed through consultation with partners and stakeholders. Overarching priorities are clear and link other plans and strategies and with regional housing objectives. Affordable housing has been prioritised by the Council and significant numbers of high quality affordable homes have been delivered over the last two years with a substantial proportion delivered through planning policy without public subsidy. The approach to developing rural affordable housing is also strong. The homelessness service is effectively focused on prevention and temporary accommodation is of a good standard with support mechanisms in place. Services are generally easy to access.
- 5 However, the development of housing needs information has not always been well co-ordinated and further analysis is required in a number of areas including older persons and key workers. Planning policy does not fully reflect the need to maximise levels of affordable housing. Private sector assistance policy is underdeveloped and there are some delays in delivery of grants. The approach to addressing empty homes is not comprehensive. Lettings policy and associated monitoring is also underdeveloped. There is no clear value for money strategy for housing services and the Council's approach to diversity is also limited.
- 6 The prospects for improvement are promising. The Council has a recent track record in improving services and there are robust plans in place that cover key areas for improvement. There is strong leadership of the service and a clear performance management framework in place. There are still some barriers to improvement including inconsistency in some aspects of performance management, insufficient involvement of partners in monitoring action plans and lack of clarity on resources available for new affordable housing in the medium term.

## Scoring the service

- 7 We have assessed Stratford-on-Avon District Council as providing a ‘good’, two-star service that has promising prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

**Figure 1 Scoring chart<sup>1</sup>**



Source: Audit Commission

- 8 We found the service to be good because of the following strengths.
- A significant number of new affordable homes have been delivered in recent years using planning policy and internal and external funding.
  - Recently developed affordable housing is of a high quality and well integrated within sites to assist in creating balanced communities.
  - Services are generally easy to access.
  - Customer surveys are widely used to assess satisfaction with services.
  - Positive action has been taken to meet the needs of victims of domestic violence.
  - Comprehensive consultation on the Housing Strategy has taken place and the overarching aims are clear and linked to other strategies and plans.

<sup>1</sup> 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.

- Comprehensive Supplementary Planning Guidance on affordable housing is in place.
  - There is a robust approach to assessing needs and developing affordable housing in rural areas.
  - A significant proportion of affordable housing has been developed without public subsidy.
  - Homelessness services are well focused on prevention and there is a robust approach to the provision of temporary accommodation.
  - There is a clear approach to enforcing the Health and Housing Safety Rating System and regular inspection of houses in multiple occupation.
- 9 However, there are some areas which require improvement. These include:
- private sector assistance policies are underdeveloped and the Council's impact on improving homes in the private sector has been limited;
  - there is no comprehensive strategy for dealing with empty homes and there has been limited action to address this issue;
  - there is limited choice in the lettings process and lettings policy has not undergone a regular comprehensive review;
  - there is no clear policy for key worker and older person accommodation and actions in this area of provision have been limited;
  - planning policy does not maximise affordable housing in line with needs information and assessment of how different affordable housing tenures should be best used to address need has not been regularly updated;
  - there are some delays in delivering Disabled Facilities Grants and significant waiting times for Discretionary Repair Grants;
  - the Council's approach to meeting diversity needs is underdeveloped;
  - comprehensive procedures are not in place in all service areas; and
  - there is not a clear value for money strategy in place for housing services and cost benchmarking has been very limited.
- 10 The service has promising prospects for improvement because:
- there is a track record in delivering improvement in a number of areas;
  - there are clear plans in place for the service and these cover key areas for improvement;
  - a clear performance management framework is in place and a wide range of performance indicators are in use;
  - there is strong leadership of the service and political scrutiny of housing activities is increasing; and
  - human resources are being managed to deliver improvements.

- 11 However, there are a number of barriers to improvement. These include:
- partner monitoring of improvement plans is underdeveloped;
  - the level of internal capital resources likely to be available for affordable housing beyond 2008 is unclear; and
  - there has been some inconsistency in the delivery of performance management arrangements.

## Recommendations

- 12 In order 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 costs<sup>2</sup> 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 residents and councillors and addresses all weaknesses identified in the report. The inspection team makes the following recommendations.

### **Recommendation**

*R1 Improve the strategic approach to meeting housing need by:*

- *reviewing planning policy to ensure it reflects the need to maximise affordable housing in line with needs information;*
- *reviewing how different affordable housing tenures should be best used to address need;*
- *identifying indicative capital resources likely to be provided for affordable housing by the Council in the future as part of medium term financial planning;*
- *reviewing partnership working with RSLs to establish clear nomination agreements, to ensure developing partners are regularly reviewed and to more effectively monitor RSL performance; and*
- *carrying out a comprehensive review of lettings policy linked to the development of choice based lettings.*

The expected benefits of this recommendation are:

- maximising delivery of affordable housing in tenures that most effectively meet needs;
- increasing effectiveness of joint working with RSLs; and
- developing lettings policy which best meets needs and customer aspirations.

The implementation of this recommendation will have high impact with low costs. This should be implemented by December 2007.

<sup>2</sup> 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 cost is over 5 per cent.

**Recommendation**

*R2 Improve intervention to make best use of existing homes by:*

- *reviewing private sector assistance policy to ensure effective links with national standards and to consider wider funding options to reduce disrepair in the sector;*
- *taking action to end delays in delivering Disabled Facilities Grants and waiting times for Discretionary Repair Grants; and*
- *developing a comprehensive strategy for dealing with empty homes and ensure robust action to address this issue.*

The expected benefits of this recommendation are:

- reducing disrepair in private sector housing;
- increased customer satisfaction; and
- more empty homes brought back into use.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by July 2007.

**Recommendation**

*R3 Strengthen the approach to meeting the housing needs of all sections of the community by:*

- *ensuring a comprehensive approach to diversity including robust customer profiling, assessment of disability needs in affordable housing and active engagement of new migrant communities; and*
- *developing clear policy for key worker and older person accommodation and take necessary actions to meet the housing needs of these groups.*

The expected benefits of this recommendation are:

- housing services better meet the needs of all sections of the community; and
- increased customer satisfaction.

The implementation of this recommendation will have high impact with low costs. This should be implemented by July 2007.

**Recommendation**

*R4 Ensure a comprehensive approach to performance management and value for money by:*

- *developing mechanisms to enable effective ongoing partner monitoring of improvement plans;*
- *delivering appraisals and ongoing supervision consistently;*
- *producing comprehensive procedures for all service areas; and*
- *developing a clear value for money strategy for housing services and engaging in cost benchmarking to inform this work.*

The expected benefits of this recommendation are:

- improved performance management; and
- a stronger approach to ensuring value for money.

The implementation of this recommendation will have high impact with low costs. This should be implemented by July 2007.

- 13 We would like to thank the staff of Stratford-on-Avon District Council who made us welcome and who met our requests efficiently and courteously.

Dates of inspection: 30 October to 3 November 2006

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# Report

## Context

### The locality

- 14 Stratford-on-Avon is one of the largest English districts geographically, encompassing 979km<sup>2</sup> of South Warwickshire and the West Midlands. The area is largely rural and made up of approximately 250 small towns and villages. Its largest community is the historic town of Stratford upon Avon, famous for its theatre and connections with Shakespeare.
- 15 The population is 119,000 with approximately 23,000 residents in the town of Stratford itself. Residents are, on average, older than the national average with 46.9 per cent of the population being over 45 years and only 18.3 per cent under 16 years. Only 1.3 per cent of the population are from black and minority ethnic (BME) communities, lower than the national average. There are emerging BME communities from Eastern Europe coming to work in tourism and the rural industry.
- 16 Unemployment is low at 1.2 per cent and what deprivation exists is in small pockets across the area. On the index of multiple deprivation for all districts, Stratford ranks at 315 out of 354 local authorities in England. Agriculture still plays an important role in the local economy, but tourism is a vital part, providing an estimated 17 per cent of employment in the area.
- 17 Despite very high levels of employment, many people living and working in the district are low paid and can find accessing the housing market to be particularly difficult in the continuing environment of high house prices and rents.

### The Council

- 18 The Council is run by a Conservative administration holding 32 seats. Liberal Democrats hold 18 and there are 3 seats held by independent/other. The Council operates with a Leader and a Cabinet.
- 19 The Council's headquarters are in Stratford-upon-Avon and there are three area offices in Alcester, Shipston-on-Stour and Southam.
- 20 The Council was assessed as 'weak' by the Audit Commission in a Comprehensive Performance Assessment in 2004 but judged to be 'progressing well' in an update assessment in December 2005.
- 21 In 2005/06 the Council's net revenue expenditure was approximately £12 million and capital expenditure was £7.1 million. It became debt free through transfer of its housing stock and as a result has approximately £26 million capital reserves.

## The service

- 22 In 1996, Stratford-on-Avon District Council transferred all the homes it owned to the South Warwickshire Housing Association (SWHA), who are now responsible for the maintenance, safety and security of these properties.
- 23 The Council's retained housing services cover housing strategy and enabling, homelessness and housing advice services and private sector housing services. All of these services are provided by the Council's Housing and Revenues department except for private sector enforcement services which sit with the Environmental Services department. The revenue cost of the service excluding capital charges is approximately £1.3 million. The inspection focused on the Council's strategic approach to housing including its role in enabling new housing and how other housing services assist in making the best use of existing homes.
- 24 There are approximately 52,500 homes in the district. Of these around 79 per cent are owner occupied. Forty three per cent of homes are detached houses which is higher than the national average. Around 13 per cent of homes are owned by RSLs and 7.8 per cent are privately rented. Of those in the private rented sector approximately 120 have been identified by the Council as houses in multiple occupation (HMOs).
- 25 A survey of private sector homes in 2003 found that 4.9 per cent of properties were unfit with an estimated repair cost of £17 million. Unfitness was highest in the private rented sector where the level was 13.6 per cent.
- 26 There are increasing numbers of households on the housing register rising from 2,625 in 2004 to 3,292 in 2006. Of these 1,800 require one bedroom homes and 1,000 two bedroom homes. The affordability ratio between wages and houses prices is high and a recent housing market assessment showed a need for an annual requirement for 954 new affordable homes. There are no areas of low demand.

## How good is the service?

### What has the service aimed to achieve?

- 27 The vision for the Council's Housing Strategy is:

*'To create sustainable communities by improving the housing and support options of all people in Stratford-on-Avon District who are experiencing housing difficulties, or who are at risk of experiencing housing difficulties.'*

- 28 The strategy has the following overarching aims and objectives.

Aim 1: To increase the supply of affordable housing both in Stratford town and surrounding rural areas to meet local needs.

Objectives: Enabling a minimum of one hundred and ninety affordable homes in Stratford-upon-Avon and a minimum of 60 affordable homes in rural areas between 2005 and 2008.

Aim 2: To enable people to live independently in good quality homes.

Objectives: Improving the housing conditions of vulnerable people in private sector housing and enabling an extra 50 people to live independently each year.

Aim 3: To reduce homelessness.

Objectives: Increasing by 10 per cent annually the number of households where homelessness is prevented; ending use of bed and breakfast accommodation for all households, except in an emergency, by April 2007; and improving the choice of housing options.

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

#### Access and customer care

- 29 Strengths outweigh weaknesses in access and customer care. Services are generally easy to access and the majority are adequately promoted. Customer surveys are widely used and complaints procedures are robust. However, customer service standards are not yet comprehensive and a clear marketing strategy is not yet in place.

- 30 There is mixed performance in relation to producing comprehensive service standards agreed with service users. This has been completed for homelessness and housing advice services but is still planned for private sector housing services. A corporate service standard document is in place which provides corporate access standards and although this includes coverage of specific service areas the coverage of housing is limited. Performance against service standards is also not widely publicised. This means that users can not always be clear on the service standards they can expect or that are being achieved.
- 31 The services inspected are easy to access. Monitoring of performance against corporate access standards show a prompt response to letters, e-mails and telephone calls. Homelessness and housing advice services are provided through the Council's main office and three local offices, outreach services and home visits. An effective joint housing waiting list with RSLs is also in place. Private sector services are also provided by appointment at local offices and through home visits. The housing elements of the Council's website are informative and provide direct access in a number of areas. The housing policy and enabling team is also seen externally as being responsive and easy to contact.
- 32 Overall, the Council has been proactive in promoting the services inspected. There has been proactive work to publicise homelessness and housing advice services. This has included the production of publicity material, workshops in schools and 30 presentations to partner organisations. There are some good examples of promotion of private sector housing activities including writing to all GPs and health centres explaining the new Housing and Health and Safety Rating System and requesting referrals where appropriate. There is regular distribution of information for partners to display in reception areas. This means that people faced with housing problems are more likely to know how to access these services and partners are clearer on how to signpost to services.
- 33 There is not a clear marketing strategy across all housing services. This means that while there are good examples of pro-active promotion of services this is not comprehensive in all areas and the quality of activity varies. For example, there has been limited promotion of the adopted housing strategy beyond partners and there is no system for market testing publicity material. Some leaflets could be more user friendly and the partnership approach to promoting DFGs is underdeveloped.
- 34 There is a strong approach to customer surveys for services provided directly by the Council. There is a bi-annual corporate survey of customers which provides comparative performance across services. There are also ongoing detailed surveys covering the majority of service areas. There is specialist centralised quality control on these surveys and IT software to enable easy analysis of results. However, there has been insufficient analysis of the trends in the level of returns and incentives to address low returns are only used in one service area. The one area where satisfaction surveys are underdeveloped is in obtaining feedback from tenants of new housing developments. The Council has recognised this and this forms part of improvement plans.

- 35 Overall satisfaction levels with housing services are mixed. In 2006, 71.9 per cent of residents were satisfied with housing services which was below the Council average. Of those residents who had actually used specific housing services 71.2 per cent were satisfied which was higher than the Council average. These figures have not been benchmarked with other Councils so a comparative judgement is not possible.
- 36 The Council has clear complaints procedures in place and monitors response times. These show only a small number of complaints in relation to housing and these were responded to within timescales.
- 37 There is not an overarching customer care and access strategy in place. The Council has developed specific improvements in this area, for example significantly improved reception areas but these do not form part of an overall strategy. This is important to ensure that developments within specific services link with an overall corporate approach. This is part of corporate improvement plans.

## **Diversity**

- 38 Weaknesses outweigh strengths in the approach to diversity. There are some gaps in information on customers and actions to engage and address the needs of new communities have been limited. There is not a clear approach to ensuring that new homes meet existing and developing needs of people with disabilities. The corporate approach to addressing diversity issues is under developed. There is a focus on ensuring the Council's own buildings are accessible and work on addressing some specific supported housing needs has been positive.
- 39 The corporate approach to diversity is underdeveloped. Some plans are in place but these are not comprehensive. The Council has achieved level two of the CRE equality standard but there is not a clear focus on further improving performance against this standard. Equality impact assessments take place on new strategies but this does not extend to strategies that already exist or to service areas generally. Diversity champions have recently been appointed but this approach is not yet embedded. Training on diversity is now mandatory for all staff but this is still being delivered and, similarly, for Councillors it is now identified as essential but is part of a planned training programme.
- 40 Collection and analysis of information on customers to inform service improvement is mixed. Information on the housing register is effectively collected and analysed. There is also collation of information on homeless applicants. However, outside of this information collected is not comprehensive and regular analysis of the information is limited. Diversity questions on customer surveys have only recently been introduced and therefore collection is not yet sufficient for meaningful analysis. This means the Council cannot be clear that all its services are being effectively accessed by different sections of the community.

- 41 Actions to engage and address the needs of new communities have been limited. There is clear evidence of a significant and growing Polish community within the area. While, two private sector information leaflets have been produced in Polish and sent to Polish households on the waiting list there has been limited engagement beyond this. There are no clearly identifiable notices in public reception areas in Polish. More detailed assessment of this community does form part of future plans as part of a regional project. However, currently, the Council can not be sure it is effectively meeting the housing needs of this new community.
- 42 All public areas in Council offices are compliant with Disability Discrimination Act 1995 requirements. Works have been completed to offices to achieve this requirement. A mini-com system is in place and an induction loop system is installed in the public offices. This helps make services more accessible to people with disabilities.
- 43 Interpretation and translation services are in place but are not consistently promoted. A telephone interpretation service is available for use and translation of documents can be provided on request. However, the notice publicising these services in the main reception area is small and not well placed. There is an inconsistent approach to the use of straplines on documents and leaflets. The Council does not keep a database of residents who are pro-actively provided with information in preferred non-standard formats.
- 44 The Council has sought to assess BME housing needs through a county wide BME survey in 2005. This showed that at that time BME communities were at low levels in the district and there was no evidence that specific housing needs were not being met. As part of this project the Council asked for additional work to be undertaken specifically for the Stratford-on-Avon District on the housing needs of gypsy and traveller communities. While this also did not demonstrate any specific unmet need it did recommend that a gypsy and traveller category was added to the housing waiting list monitoring system which has been done by the Council.
- 45 There has been a focus on ensuring specific housing needs schemes are developed in response to identified need. Recent developments include a supported accommodation scheme for people with mental health problems, a scheme for people with learning disabilities.
- 46 There has also been a focus on ensuring the needs of victims of domestic violence are met. In response to an identified need the Council enabled the provision of a high quality purpose built refuge in the District. Alongside this a rural outreach and resettlement service has been developed which can provide support for 20 households suffering domestic violence. A 24 hour domestic violence helpline is also in place. There is not currently a sanctuary scheme in place to provide support in establishing a safe place within the home although this does form part of the Council's Homelessness Strategy action plan.

- 47 Policy on older persons housing is underdeveloped. The recent housing market assessment commissioned by the Council had a focus on ensuring detailed information on older persons was collected as this group is a higher proportion of the population than the national average. However, this has yet to be fully analysed, actions on older persons housing have been limited and an older persons housing policy is not due to be in place until April 2007. HIA services are effectively assisting older persons. There are some delays in the Council's delivery of grants for aids and adaptations but an increased budget for 2005/06 was fully spent.
- 48 There is not a robust approach to ensuring that new homes are built to meet changing needs over time and that sufficient homes are built for people with disabilities. The Council's housing partnership agreement with RSLs states that the production of lifetime homes is encouraged. However, of 200 affordable homes completed in 2005/06 only 20 were built to lifetime homes standards. There is not a clear view on the numbers of units specifically adapted for the people with disabilities required and very few have been developed in the last four years.
- 49 There is a mixed approach to monitoring and letting adapted properties. The largest RSL within the district does maintain an adapted property register but this is not part of a co-ordinated approach by the Council involving all RSLs. This is important to understand the level of adapted properties and ensuring that these are quickly and effectively matched to people with appropriate needs when they become vacant.

### **Strategic approach to housing**

- 50 There is a balance of strengths and weaknesses in the Council's strategic approach to housing. Performance on collection and analysis of housing needs and market information and use of this to inform strategy and policy has been mixed. There has been robust consultation on housing strategy and overarching priorities are clear and linked with regional housing objectives. The housing strategy is supported by a range of sub-strategies and there is a robust approach to addressing needs in rural areas.
- 51 The approach to collection and analysis of housing needs and market information has been mixed. A housing needs survey was completed in 1999 and was updated in 2002. Some work to update this information was completed in the following years but this was not done in a co-ordinated way to produce a clear picture of changing needs. This is particularly important where there are significant changes taking place in the market such as rapid increases in house prices. A housing market assessment was commissioned during 2005 but the process of completing this work was delayed due to competing priorities within the partnership. The final elements of information on market analysis were received in October 2006. However, significant work is still required in analysing the information produced for the survey.

- 52 There has recently been robust work completed locally with partners to assess supported housing needs and this has been fed into a county wide analysis of supporting housing needs. While this was not available at the time the Housing Strategy was formally reviewed this will help inform ongoing strategy development.
- 53 Stock condition in the private sector has been assessed although does not yet link comprehensively with nationally identified standards. A stock condition survey was conducted during 2003 that identified levels of disrepair and unfitness in the private sector. A survey of vulnerable households in the private sector was also carried out in 2005 to assess the level of vulnerable households in non-decent homes in this sector. This only covered private sector tenants but showed that the Government's target of achieving 70 per cent of vulnerable households living in decent homes in this sector is currently achieved in the District. However, there has not been an assessment of the 2003 survey against the new Housing Health Safety Rating System (HHSRS) and the decent homes standard. This will be assessed as part of the next private sector stock condition survey due in 2008.
- 54 Consultation on the Housing Strategy was comprehensive although full analysis of the recent housing market assessment was not available in time to inform these discussions. A full review of the Housing Strategy was carried out in 2005/06 with the previous strategy running until 2005. The Council used a variety of mechanisms to consult stakeholders during the development of the Housing Strategy. This included existing structures such as the district housing forum and specific events such as a strategy conference and coverage in the Council's newsletters. The headline housing needs figure from the new housing market assessment was available towards the end of the development process but more detailed analysis of the assessment was not available. The strategy was adopted by the Council in June 2006 and was also approved by the Local Strategic Partnership. It was awarded 'fit for purpose' status in by the Government in July 2006.
- 55 The Council's Housing Strategy provides clear overarching priorities and these are linked to priorities in the Corporate Strategy and Community Plan. In particular, the priority of increasing the supply of affordable housing is clear within all these documents. This consistent identification of priorities helps ensure there is a clear direction for housing services.
- 56 The Council's strategy does link with the overall regional strategy and the Council is engaging with partners at regional and sub regional level. The Council has actively engaged in discussions on regional housing issues and the development of strategy. It is also actively engaged in the sub regional South Housing Market Area group but there is no formal strategy in place at this level. However, this group has commissioned an assessment of housing registers across local authority areas to inform an ongoing review of the regional spatial strategy. There is also a robust South Warwickshire affordable warmth strategy in place which the Council is engaged with.

- 57 There is a clear Private Sector Housing Strategy which supports the Housing Strategy and provides direction for the development of private sector services. The strategy, developed in 2005, is the first private sector strategy the Council has produced. Some aspects of the strategy do require further development but it does provide a clear statement of the current position and an action plan to take the service forward.
- 58 A housing sub-group of the Local Strategic Partnership provides a focus for a partnership approach to delivering housing objectives in the community plan. However, this group has not been successful in achieving a number of its targets during 2005/06.
- 59 Housing policy on key workers and older persons is underdeveloped. More detailed information on these groups has been collected as part of the recent housing market analysis but this has yet to be fully analysed. This has meant that actions relating to meeting the needs of these groups have been more limited. Developing policy for these groups is part of the Housing Strategy action plan.
- 60 There is comprehensive SPG on affordable housing. This was adopted in June 2006 and provides clear guidance on levels of affordable housing required, integration requirements, tenure types and likely funding arrangements. Previous guidance within related SPG and the Local Plan was limited. The new SPG will help delivery of planning policy and speed up negotiations with developers by having a range of issues already explicitly covered.
- 61 Levels of affordable housing required through planning policy and previously through internal policy have not been maximised to meet identified needs. The recent SPG increased levels of affordable housing required on applicable sites to 35 per cent. Prior to this, levels were at 30 per cent. However, the 2002 update of housing needs included a recommendation that the Council should seek a level of 40 per cent on applicable sites. The Council commissioned feasibility work which demonstrated that this was achievable. However, a decision was not taken to increase the percentage until the 2006 SPG and then only to 35 per cent.
- 62 Recommended tenure split for affordable housing is not based on an up to date analysis of needs. A split of one third shared ownership and two thirds rented is identified in the SPG but this is based on the 2002 update of the 1999 needs survey. Income and house price ratios have been increasing in the district and it is not clear that this split most effectively meets needs. The Council's Housing Strategy action plan does include producing a new supplementary planning document following further analysis of the housing market assessment.

- 63 The Council has taken a considered approach in introducing a supplementary planning document on managing housing supply. The Council has assessed that if delivery rates continue on sites with existing planning permissions this will allow sufficient development to exceed levels identified for the area in the Regional Spatial Strategy. Supplementary Planning Guidance has therefore been introduced to restrict future planning permissions for housing. Schemes that consist only of affordable housing will be permitted. These will require Council or Housing Corporation funding to be viable and this does also limit the approach to achieving sustainable communities. Mixed tenure 'local choice' schemes are also exempt and other schemes will be examined against an exceptional circumstances criteria. This means that affordable housing will continue to be delivered. However, a detailed assessment of the likely loss of units through reducing S106 agreements has not been robustly analysed. The SPD guidance is to be kept under continual review and in particular will be examined when the outcomes of the review of the Regional Spatial Strategy are known in the new year.
- 64 The Council has taken a robust approach to assessing needs and developing policy to address the need for affordable housing in rural areas. A clear hierarchy of priority areas for development in rural areas have been developed. A rural enabler has been part funded by the Council since 2003. The enabler has worked closely with parish councils to develop local needs surveys. Planning policy includes exemption sites in rural area where 100 per cent affordable housing is required and also an innovative 'local choice' scheme. This scheme enables mixed tenure developments to come forward in rural areas where there is demonstrated local need for both the affordable and private housing. This is important as much of the district is rural and affected by high house prices.
- 65 There has not been a comprehensive analysis of the nature of existing private housing across the district and how this should be influencing planning policy for new private developments. While planning policy identifies that a mix of property types and sizes should be provided it does not provide policy for redressing any existing imbalances linked to need. This means that existing imbalances in provision are less likely to be addressed.
- 66 There has not been a recent comprehensive review of lettings policy. A lettings review group was established by the Council in 2004 to review lettings policy. However, while some work was done to inform lettings policy there was not a full review of policy carried out due to capacity problems at that time. This work has now been superseded by initial work on choice based lettings.
- 67 The level of choice in the allocation process is limited. The Council does not have a choice based letting scheme in place although it has submitted a bid to Government in conjunction with neighbouring councils to fund the establishment of a cross authority scheme. Initial meetings with stakeholders have been programmed to discuss how this will be taken forward. The existing allocation policy does allow specification of choices to local level. However the Council cannot currently be sure that lettings best meeting applicants' needs and aspirations.

- 68 The Council has responded effectively to specific letting policy issues when they have arisen. Some specific changes have been introduced in response to identified issues. For example, changes were made to award move-on points in response to evidence that supported temporary accommodation was silting up. This has helped to significantly ease the problem. Changes have also been introduced to offer two bedroom homes to single people and couples. This came from recognition that despite high need from this group relatively few allocations were being made. Both of these changes are helping to ensure that the allocations policy make best use of existing homes.
- 69 Work on under-occupation has been mixed. This was analysed during 2004 with partner RSLs and the main RSL did introduce incentives to encourage tenants under-occupying to move. However, the Council has not maintained an ongoing focus on this issue through regular monitoring of under-occupation levels and initiatives by RSLs to address this.

### **Enabling the provision of more housing to meet need**

- 70 Strengths outweigh weaknesses in the provision of more housing to meet need. There has been a robust approach to applying planning policy which has delivered significantly increased levels of affordable housing. Internal and external resources have been used to address this priority. Affordable schemes are of a high quality and well integrated with private developments. Relationships between the housing team and internal and external partners are strong. However, there has been insufficient focus on monitoring performance against planning policy, there have been delays in delivering S106 agreements and the future programme for affordable housing does not match district wide needs information on tenure types.
- 71 There are effective relationships in place with developing RSLs. Developing partners were selected in 2000 following a competitive process. The developing RSLs attend partnership meetings where ongoing and future developments and available resources are discussed. The process for selecting partners for particular developments is open and transparent and links to the strengths of each organisation. Individual liaison is also effective with regular communication taking place and updating of progress on particular developments.
- 72 There is not a process for regular review of preferred RSL partners. The Housing Partnership Agreement between the Council and RSLs has not been updated since December 2000 and does not include review procedures. The Council does not comprehensively monitor the housing management performance of developing RSLs to inform judgements on partners. Reviewing the Housing Partnership agreement is part of the Council's Housing Strategy to be completed by April 2008.

- 73 More robust scheme review processes have recently been put in place. Scheme evaluation sheets have been completed by RSLs for some time but these do not incorporate any challenge by the Council and do not require consistent collection of satisfaction survey information from residents. A project review process has recently started where there is a formal meeting to assess the success of a scheme and learn from any issues arising, and more robust collection of information is to be incorporated into this process. This process will inform learning for future schemes.
- 74 There is effective joint working between housing and planning departments. There are formal consultation procedures between the teams for planning applications, involvement in pre-application processes and planning involvement in the Strategic Housing Officers group. This is also assisted by adjacent location in the Council's offices which increases informal contact.
- 75 There have been problems in the time taken to deliver S106 agreements. Insufficient progress has been made on developing these agreements in the earlier stages of the planning process which has slowed down delivery at later stages. This has been recognised by the Council and the process of delivering S106 agreements is currently under review by the overview and scrutiny committee. As part of this, good practice is being sought from other Councils. Delays in delivering S106 agreements slow down the delivery of new housing.
- 76 The level of new affordable housing delivered in the Stratford District in recent years demonstrates a more robust approach to enforcing and using planning policy. Two hundred and one units were delivered in 2004/05 and 200 in 2005/06 units. These levels compare very positively with those delivered by other Council's in the same sub-regional area during this period. It also shows improvement on the previous two years with 57 units completed in 2003/04 and 73 units 2002/03. Two thirds of the units delivered were social rented housing and one third was shared ownership properties in line with targets. This is a positive contribution to meeting housing need.
- 77 The proportion of these that are rural units has remained fairly consistent over the last four years and the future schemes pipeline shows an expected future increase. Forty five units were delivered from 2002/03 to 2003/04 and 43 units from 2004/05 to 2005/06. The lead in time for rural housing schemes tend to be longer than other developments and therefore the benefits of recent rural enabling activities have not yet fully impacted on the programme.
- 78 Recent affordable housing developments are of a high quality and well integrated with private housing developments. We viewed a number of recently developed schemes and examined plans of others. This demonstrated that recent affordable housing developments are of a high standard and integrated in clusters across developments to help create balanced communities. The Council publishes a design guide which all developers are expected to comply with.
- 79 There has been a focus on ensuring specific housing needs schemes are developed in response to identified need. Recent developments include a supported accommodation scheme for people with mental health problems, a scheme for people with learning disabilities and a women's refuge.

## 24 Strategic Housing Services | How good is the service?

- 80 There is clear and ongoing analysis of current affordable housing developments and future potential developments. A schedule of schemes and potential schemes is in place with the current status identified. This helps future planning and assists performance management.
- 81 The Council has allocated a significant level of resources to assist in the delivery of affordable housing. £1.2 million was allocated during 2004-2006 and an additional £5.1 million was allocated for the period 2005-2008. £4 million of this remains to be spent but there are clear plans to use this to assist RSL with land purchase for future developments. Expenditure has been in line with budget forecasts.
- 82 The Council, in partnership with RSLs, has successfully attracted consistent level of Government grant for affordable housing development through the Housing Corporation. £3.2 million was allocated for the 2004-2006 and £3.8 million has been allocated for 2006-2008.
- 83 The tenure split on projected future delivery of affordable housing is not in line with the Council's current target. The schedule for delivery of new affordable housing during 2006/07 and beyond shows higher levels of shared ownership than previously delivered without needs evidence to support this. Of 65 units being produced in 2006/07, 37 are shared ownership and of 172 units identified for 2007/08 and beyond, 70 are identified as likely to be shared ownership with 24 currently being unclear. There is demand for shared ownership properties in the area but it is not clear that producing higher levels of this tenure most effectively meets housing needs. While there will be some opportunity for adjusting the predicted levels it is not apparent why levels have been set at these levels.

### **Making the best use of existing housing - homelessness and housing advice services**

- 84 Strengths outweigh weaknesses in homelessness and housing advice services. The service is focused on prevention and a number of effective initiatives are in place. Partnership working is strong. Temporary accommodation is of a good standard and support mechanisms are in place. However, there is a lack of emergency provision for non-statutory homeless households and procedures for the service are not up to date.
- 85 The Council has a clear focus on preventing homelessness and a variety of measures are in place to help achieve this, including:
- a homelessness prevention officer in place since 2003;
  - a restructured homelessness and housing advice service which provides an increased level and more structured approach to housing options advice;
  - independent mediation for young people;
  - an effective rent deposit and advance scheme;
  - a private accommodation reference book;
  - a homelessness prevention fund for use by front line officers;

- use of discretionary housing benefit to top up housing benefit shortfalls. This was used in 73 cases in 2004/05 and 99 cases in 2005/06;
  - a housing benefit welfare officer to maximise benefits and fast track housing benefit applications where homelessness is threatened; and
  - promotional preventative work at schools.
- 86** There is an effective generic floating support service in place. The Council worked with a partner RSLs to establish a generic cross tenure floating support service that provides support to homeless and potentially homeless households. This service, funded by Supporting People, provides support to 82 households and receives regular referrals from the housing advice team. However, the scheme is currently unable to meet demand with 35 people on the waiting list.
- 87** Partnership working to prevent homelessness and deal with homelessness is strong. Activities include:
- a district housing forum meets regularly to help co-ordinate work on homelessness. This is well attended and has developed its own action plan on homelessness linked to the housing strategy. The forum also has a representative on the LSP housing key group to ensure homeless issues are raised at this level;
  - a member of the housing advice team regularly attends a hot food project run by a partner agency. This has led to 12 rough sleepers being advised and rehoused in the last year; and
  - a hospital discharge protocol is in place covering discharges from mental health services. This ensures that where required case conferences of partners take place to effectively co-ordinate activities through and beyond the discharge process.
- 88** Partnership work with social services is underdeveloped in some areas. Work with social services to identify potential homelessness of their clients is not sufficiently pro-active. There is no protocol in place covering this work or regular joint meetings to review cases. This can play a role in preventing homelessness.
- 89** The housing advice service has a number of strengths and limited weaknesses. It is a significant strength that the service has achieved external accreditation through complying with Community Legal Standard advice standard. Different housing options forms are tailored specifically for the main causes of homelessness and these identify further actions that the client has been advised to take. A copy of this is provided to the client. However, the housing options forms do not cover all housing advice interviews and therefore not all advice is confirmed in writing. The forms used could also be clearer on any further action the Council intends to take. Overall satisfaction with the service was 71 per cent during 2005/06 but this has increased to 95.8 per cent from April to September this year.

- 90 Performance in homelessness prevention, as measured by a national performance indicator, is ahead of target. A national best value performance indicator measures homelessness prevention where households would have otherwise have been statutory homeless. This is measured per 1,000 of the local population and the Council achieved a score of 1 against a target of 0.5. There is a challenging target to double this in 2006/07. National comparative figures are not yet available for this performance indicator.
- 91 It is positive that the Council provides funding to the CAB to provide advice services including debt advice. There are good relationships between the CAB and Council but these are not guided by a formal protocol and there is no formal referral procedure in place. This would help monitoring of outcomes for referrals between the two organisations and any trends in numbers.
- 92 Signposting is taking place between internal teams but there is not a formal referral procedure in place. For example, housing advice clients are being referred to the housing renewal teams where adaptations could assist in helping them remain in their home. However, this is not a formalised process and therefore levels and outcomes are not effectively monitored.
- 93 There is a robust approach to the provision of temporary accommodation. All temporary accommodation is self contained and the majority comprises houses and flats. These were provided by the main RSL in the district in an agreement where the Council funded a new affordable housing development. This means that the temporary homes are of a good standard and are spread across the district to provide increased opportunities to place homeless households closer to local connections. The temporary accommodation is managed by RSL but there is no quality assurance processes in place which means that the Council cannot be sure that the quality of accommodation is being maintained.
- 94 The Council has been successful in limiting the use of bed and breakfast accommodation for homeless households. Average length of stay in bed and breakfast reduced substantially from 2004/05 to 2005/06, and during the first eight months of this financial year has only been used on one occasion for three days. Bed and breakfast accommodation is not generally suitable accommodation for most homeless households and therefore it is positive that it is now very rarely used in the district.
- 95 There is a lack of emergency accommodation within the district for households who are not statutorily homeless. Emergency provision for this group can only be accessed outside of the district. The Council has been unsuccessfully trying to secure emergency accommodation for 16-25 year olds with support attached. This was part of the original homelessness strategy action plan and an action has been carried forward to explore options for addressing this issues. This does mean there is a gap in services for this client group.
- 96 The Council has been successful in reducing the number of households in temporary accommodation. Numbers rose during 2004/05 but has steadily reduced since this then. This is evidence that the Council is promptly allocating homeless households permanent accommodation.

- 97 Housing benefit processing times are comparatively slow. Average time to process new claims was 32.5 days in 2005/06 which is below average compared with similar local authorities. This does represent an improvement from 40 days in 2004/05 and 54.8 days in 2003/04. Longer processing times can contribute to homelessness and make private landlords reluctant to take on tenants on housing benefits.
- 98 There are mechanisms in place to maintain regular contact with households in temporary accommodation. A temporary accommodation officer is in post whose role involves maintaining regular contact with household in temporary accommodation. The majority of these households are also receiving support from the floating support service. Meetings take place between the floating support team, the temporary accommodation worker and the Council's housing advice team to review cases on a fortnightly basis. This helps ensure that homeless households are kept well informed and are less likely to fall back into homelessness.
- 99 Homelessness and housing advice procedures are not up to date. These were last reviewed three years ago. A new homelessness code of guidance has been issued since then and the Council's housing options advice process has changed. Up to date procedures are important to ensure staff have clear guidance and to ensure consistency of service.
- 100 Figures for homelessness presentations demonstrate that homelessness is still a significant issue in the district although improved access to these services and housing advice has affected these levels. There has been increased promotion of housing advice services and more pro-active outreach work which has enabled more customers to access the service who otherwise may not have done so. There has also been a conscious attempt to ensure that housing options advice is not used to actively discourage homelessness applications. It is therefore difficult to make a conclusive judgement from the homelessness figures but the Council does recognise that close monitoring and analysis of these figures is important.
- 101 Performance on processing homelessness applications is mixed. Eighty two per cent of cases were processed within 35 days in 2005/06. The current average processing time is 19 days. The Council believes that lower targets for homelessness processing allow for more time to explore housing options for complex cases and has set a target of 75 per cent for 2006/07. However, longer processing times can mean longer stays in temporary accommodation and increased uncertainty for applicants and therefore this target is still not sufficiently challenging.
- 102 Satisfaction with the housing advice and homelessness service is at adequate levels but would benefit from regular external benchmarking. Overall satisfaction with the services stands at 71 per cent. This is a difficult service area to achieve high levels of satisfaction but the Council is not regularly benchmarking this figure to assess its comparative performance.

- 103 There is a recently agreed protocol in place to guide the allocation of properties. This was agreed with partner RSL and explains roles and expected performance in relation to the lettings process. This is positive and the Council's performance against target is strong. However, the target of providing nominations within five days of request is not challenging.
- 104 There are no nomination agreements with RSLs and monitoring arrangements for allocations are not robust. The common waiting list does ensure that a large proportion of lettings are let to households from the housing register. However, there is no agreement on appropriate levels of transfers or monitoring of how allocations are distributed in terms of areas and property sizes. Lettings to housing register applicants represented 71 per cent of the largest RSLs lettings with the other 29 per cent being transfers. In areas of high need Council's often request at least 75 per cent nomination rights. This means the Council can not be sure that housing register applicants are getting sufficient priority in the allocation process.

### **Making the best use of existing housing - private sector housing services**

- 105 Weaknesses outweigh strengths in private sector housing services. Elements of private sector assistance policy are underdeveloped and there is not a comprehensive approach to addressing empty homes. There have been some delays in delivery of DFGs and discretionary repairs grants although a recently increased budget for DFGs has been fully spent. The Council funded HIA is providing an effective holistic service and effective processes are in place for implementing the HHSRS and inspecting HMOs.
- 106 Elements of the Council's private sector assistance policy are underdeveloped. A discretionary grants policy has been introduced which is focused on providing support to vulnerable households. This does provide a range of minor and major assistance covering works relating to unfitness, security and energy efficiency. However, it is not clearly focused on achieving decent homes or addressing the Health and Housing Rating System. Loan options have not been fully considered despite high house prices in the area that increase the opportunity for equity release. Work on assessing the use of loans is planned as part of the review of the private sector strategy to be completed by April 2007.
- 107 The Council is supporting effective home improvement agency services. The Council part funds this service with additional funding being provided by the Supporting People programme. This service was established in 2004. The service provides a holistic service encompassing advice, agent role for building works, handyperson scheme and security assessment scheme. Quarterly performance monitoring reports are provided to the Council and quarterly monitoring meetings take place. These indicate that performance is of a high standard. A care and repair advisory committee is also in place. This is run jointly with a neighbouring council who work with the same HIA and also involves the occupational therapy (OT) service, fire service and, police. Effective HIA services play a significant role in enabling people to remain in their homes in a safe and independent environment.

- 108** The overall approach to partnership working on DFGs is mixed. In addition to the structures described above a Stratford Adaptations Panel is in place which facilitates liaison between the Council and the OT service. However, there is no co-ordinated partnership monitoring on timescales for processing cases and there is no written protocol in place to guide how joint working should operate. The HIA does not attend the Stratford Adaptations Panel and there are currently no operational meetings between the OT service and the HIA. There has also not been a co-ordinated approach to ensuring that RSL property improvement programmes maximise adaptations as part of improvement works.
- 109** The Council has effectively spent an increased DFG budget during 2005/06. However, this does follow two years of under spends. Expenditure was £198,776 against a budget £275,000 in 2003/04, £292,441 against a budget of £322,000 in 2004/05 and £401,807 against a budget of £396,500 in 2005/06. The budget during 2005/06 was increased mid-year to help address the backlog of applications. The budget for 2006/07 is £377,000. This service has a significant and direct impact on service users and therefore it is important that funding available is fully utilised.
- 110** There are some delays in delivering DFGs and prioritising of cases is limited. There is currently a three month wait for processing of non-priority cases. The Council completes all non-priority cases in date order. While discussions with the OT service about further prioritising have taken place there has been insufficient investigation of this issue. Average time from receipt of cases to grant approval is currently five months. Reducing the wait times for DFGs is a priority for the Council and the initial target in the private sector strategy action plan of reducing the wait time from receipt to approval from 18 months to six months has been achieved. However, a new target has not been set. Any delays in delivering this service can have a significant impact on service users.
- 111** There is a significant waiting list for discretionary grants. At the end of October 2006 there were 50 households on the waiting list for discretionary grants. The oldest case dates back to January 2005. This is primarily due to the level of resources allocated to grant funding. Any delays in this service area will also have a direct impact service users.
- 112** The spend on discretionary grants was in line with an adjusted budget for 2005/06 although slightly under spent during 2004/05. A budget of £160,000 was reduced by £40,000 in 2005/06 as funding was moved to tackle the backlog in DFGs. All of the remaining £120,000 was spent.
- 113** There is high a level of satisfaction from clients who have received grant services from the housing renewal team. Recent satisfaction surveys show levels of satisfaction at 98 per cent.
- 114** The Council's intervention in the private sector has had a limited impact on levels of unfitness. The Council only assisted in bringing 0.31 per cent of unfit properties back to a fit standard in 2004/05 and 2005/06 which is in the bottom 25 per cent of performers compared to similar councils. While the high property values in the District may enable the market to assist in addressing unfit properties the impact of this cannot be clearly evidenced Council.

- 115 There has been a robust approach to introducing the HHRSR. There is a clear protocol and procedure in place for implementing the HHRSR and there has been comprehensive training of staff. IT systems are in place specifically to assess compliance with the new standard and this system also assesses performance against the decent homes standard. This means the Council is in a position to effectively respond to homes which do not meet the standard. There is an overarching enforcement policy in place and evidence of regular and prompt response enforcement enquiries.
- 116 There are no comprehensive procedures in place for the housing renewal team that administers grants. While there are some guidance notes and private sector policy provides a framework there is no detailed procedure in place. This is important to ensure staff have clear guidelines and to ensure consistency of service.
- 117 There is not a comprehensive approach to dealing with empty homes. There were 809 private homes which were vacant for more than six months at the end of 2005/06. The Council has taken some limited action to encourage empty properties to be brought back into use. This includes reducing the council tax discount for empty homes to 10 per cent and writing to the owners at the same time about bringing properties back into use. A grants scheme for bringing empty homes back into use as affordable housing has not been successful and the Council has recognised that the grant incentive is not sufficient to make this scheme work. There is not a comprehensive strategy in place to co-ordinate the approach to empty homes or a staged procedure to address specific cases. Overall actions have been limited. This means that the Council is taking insufficient action to help ensure the best use of these existing homes.
- 118 There is an effective private landlords' forum in place. This has involved the major local lettings agents and some other smaller landlords. This meets twice yearly and there have also been additional focus groups on specific issues. This has been used to promote initiatives and consult on policy. For example HMO licensing, the HHRSR and the rent express scheme have all been discussed at the forum. However, there is not a newsletter for private landlords to ensure regular communication outside of these meetings. Engaging with private landlords can help ensure private sector housing services are effective.
- 119 There is a robust inspection regime in place for HMOs. All known HMOs are inspected every two years and with high risk properties inspected every year. This helps ensure that these homes meet minimum standards.
- 120 Progress on HMO licensing has been mixed. A scheme was introduced in line with government guidelines and the first draft licence has recently been issued for consultation. The numbers of HMOs requiring licensing are very low, estimated to be 11 properties. However, of these, three have not returned applications and at the time of inspection had not been robustly pursued by the Council. There has also been insufficient work on identifying HMOs. For example, while local newspapers are scanned, council tax and housing benefit records have not been examined.

## Is the service delivering value for money?

- 121** There is a balance of strengths and weaknesses in the delivery of value for money. There is not a clear value for money strategy for housing services and cost benchmarking information is very limited. There are some good examples of delivering value for money in new affordable housing and homelessness services and joint working with other authorities is developing.

### How do costs compare?

- 122** There has been no meaningful comparison of revenue costs and performance in the delivery of housing services. This information is essential in assessing relative value for money.
- 123** Figures show the Council is performing comparatively well in value for money in the delivery of affordable housing through section 106 agreements. The Council has compared its performance with other councils in the South Housing Market area and shows strong performance in delivery of affordable housing without public subsidy. However, more detailed benchmarking on related factors such as land prices and house prices are needed to further validate this. This does though provide some indication of value for money in this area.

### How is value for money managed?

- 124** There is not a clear value for money strategy for housing services. There are some specific initiatives focused on achieving improved value for money. However, there is not a clear strategy identifying how far the Council understands value for money across service areas, how this understanding will be improved, what the priority areas are for improving value for money and how this will be achieved. In addition the efficiency savings section of the 2005/06 housing service plan were not completed.
- 125** It is a significant strength that a substantial proportion of affordable housing has been delivered without public subsidy. The Council changed its approach to subsidising affordable housing on S106 sites following the changes in regulations for LASHG. This represents a significant saving on previous public expenditure.
- 126** Savings have been made in homelessness services. There has been a significant saving in expenditure on bed and breakfast accommodation. The Council now very rarely uses this expensive form of temporary accommodation following the implementation of a new approach to temporary accommodation. The focus on homelessness prevention should help ensure reduced expenditure over time.
- 127** HIA services have been used as an effective and efficient way of helping people stay put in their homes. This also helps deliver value for money.
- 128** Collaborative procurement and delivery in housing services has been mixed. Housing market assessment and needs surveys have been procured at regional and sub regional level. However, there has not been significant consideration and achievement of collaborative procurement and delivery beyond this. This means the Council cannot be sure it is maximising economies of scale through this route.

- 129 There is a robust approach to developing revenue budgets and budget control. A base budget review process is in place that works up budgets from looking at specific costs rather than historical budgets. There are also mechanisms in place to ensure that regular budget information is provided and monitored.
- 130 Private sector assistance policy and work on empty homes is not maximising value for money. There has been insufficient progress in consideration of loans for private sector improvements and work on bringing empty homes back into use has been limited.
- 131 Modern methods of procurement in private sector grants have not been effectively considered. Individual tendering processes are still carried out by the Council and other organisations where schedules of rates or forms of partnering could reduce lead in times and direct costs.

## Summary

- 132 Overall, we judge that services are of a good 'two-star' standard.
- 133 There has been robust consultation on housing strategy and overarching priorities are clear and link with regional housing objectives. The Housing Strategy is supported by a range of sub-strategies and there is a strong approach to addressing needs in rural areas. There has been a consistent approach to applying planning policy which has delivered increased levels of affordable housing. Work on addressing some specific supported housing needs has also been positive. Affordable schemes are of a high quality and well integrated with private developments and internal resources have been used to address this priority. Relationships between the housing team and partners are strong.
- 134 The homelessness and housing advice service is focused on prevention and a number of effective initiatives are in place. Partnership working is strong. Temporary accommodation is of a good standard and support mechanisms are in place. In private sector housing the Council funded HIA is providing an effective holistic service and effective processes are in place for implementing the HHSRS and inspecting HMOs.
- 135 Services are generally easy to access and the most are adequately promoted. Customer surveys are widely used and complaints procedures are robust. There is a focus on ensuring the Council's own buildings are accessible.
- 136 There are some good examples of delivering value for money in new affordable housing and homelessness services and joint working with other authorities is developing.
- 137 However, private sector assistance policy is underdeveloped and there is not a comprehensive approach to addressing empty homes. There have been some delays in delivery of DFGs and discretionary repairs grants. Performance on collection and analysis of housing needs and market information and use of this to inform strategy and policy has been mixed. There have been delays in delivering S106 agreements. Lettings policy and associated monitoring is also underdeveloped. Procedures for some services areas are not up to date.

- 138 Customer service standards are not yet comprehensive. There are some gaps in information on customers and actions to engage and address the needs of new communities have been limited. There is not a clear approach to ensuring that new homes meet the existing and developing needs of people with disabilities. The corporate approach to addressing diversity issues is underdeveloped.
- 139 There is not a clear value for money strategy for housing services and cost benchmarking information is very limited.

## What are the prospects for improvement to the service?

### What is the service track record in delivering improvement?

- 140 Strengths outweigh weaknesses in the track record on delivering improvement. Recent performance on delivering improvement plans within timescales is strong. In particular delivery of homelessness and housing advice services, levels of affordable housing and timescales for DFGs have all improved with direct benefits for service users. However, there are still a number of areas where progress has been slower than expected.
- 141 Overall, there has been positive progress against previous Audit Commission recommendations. Following a previous inspection of these service areas the Audit Commission published a report in August 2003. Of 13 recommendations eight were achieved, three partially achieved with limited progress on two. Following a CPA inspection in 2004 a number of key weaknesses were also identified in relation to these service areas and these were incorporated in Council improvement plans. The majority of these have also been progressed.
- 142 Progress in relation to the Council's housing strategy 2002-2005 was mixed. There was slippage on original timescales on a number of actions and a few items were carried forward. However, at the end of the Strategy period a substantial number of actions had been achieved although not all of these were SMART targets.
- 143 While the 2006-2011 Housing Strategy action plan was only formally adopted in June 2006 early progress against the plan is positive. All actions in the plan were assessed as green in the first update report to the Housing Advisory Panel.
- 144 The housing elements of the Council's corporate improvement plan have been completed. This plan was also developed out of the CPA inspection in 2004. There were four housing actions within the plan all of which are now complete although there was a delay in completing one of the projects.
- 145 There have been significant improvements in homelessness and housing advice services that have had a direct impact on service users. These include:
- refocusing the service on preventative initiatives including more comprehensive housing advice;
  - improving the quality of temporary accommodation including ending the use shared temporary accommodation; and
  - significantly reducing the use of bed and breakfast accommodation.

- 146** These improvements are also reflected in strong progress against the homelessness strategy action plan. The majority of actions in this plan were delivered in line with timescales. The most significant action not achieved was to provide emergency access/high support accommodation. A supported housing project for 16-25 year olds was planned but failed following a successful application by local residents to have the site designated as a village green.
- 147** National and local performance indicators for homelessness also reflect progress in this service area.
- Average time in bed and breakfast accommodation was 7.7 weeks in 2003/04, 2 weeks in 2004/05 and 1 week in 2005/06. It has only been once used since April 2006.
  - Housing benefit performance has improved with new claim processing time at 43.5 days in 2003/04, 39 days in 2004/05 and 32.5 days in 2005/06.
  - The average time to process homelessness applications was 24 days in 2005/06 and is 19 days in the first half of 2006/07.
  - Numbers accessing the rent express scheme have increased from 12 in 2005/06 to 27 in the first half of 2006/07.
- 148** The Council's bi-annual satisfaction survey shows that user satisfaction with housing services increasing. The 2002 survey showed 65.3 per cent satisfaction, the 2004 survey 66.2 per cent and the 2006 survey 71.2 per cent.
- 149** There has been a significant increase in the number of new affordable homes enabled. Seventy one were delivered in 2002/03, 51 in 2003/04, 201 in 2004/05 and 200 in 2005/06. This also has a direct impact on meeting housing need in the area.
- 150** There has been a significant improvement in the time taken to carry out DFGs. Time taken to commence processing of cases has reduced from 18 months at the end of 2004/05 to three months at the end of October 2006.
- 151** Other indicators for private sector housing show a mixed performance:
- 34 empty homes were brought back into use in as a result of Council action during 2004/05 and 26 in 2005/06; and
  - the proportion of unfit properties made fit was 0.31 per cent during both 2004/05 and 2005/06.
- 152** There are a number of areas where progress has been slower than expected including:
- the level of progress in addressing key worker issues and older person accommodation has been limited;
  - progress on choice based lettings has not been in line with original timescales;

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- an empty homes strategy is still not in place and action in this area has been limited; and
- while comprehensive SPG is now in place it took a considerable time to achieve this.

**153** The track record in improving value for money is positive although this is not comprehensive. There have been significant value for money improvements in the reduced use of bed and breakfast and in the delivery of affordable housing without public subsidy. Housing market and needs assessments are also now being delivered in conjunction with other Councils. However, outside of these areas delivery of value for money improvements have been limited.

### **How well does the service manage performance?**

**154** There is a mix of strengths and weaknesses in this area. There are clear plans in place for the service that address the key priorities. A performance management framework is in place although there is some inconsistency in delivery of this. A wide range of performance indicators are in place although some targets could be more challenging. Partner involvement in monitoring plans is also underdeveloped.

**155** There is a clear hierarchy of strategies and plans. The Community Plan and Corporate Strategy have identifiable links with the Housing Strategy. Sub strategies are also in place and service plans. This helps ensure there is clear and consistent direction for the service.

**156** Overall plans are SMART<sup>3</sup>. Strategies all have clear action plans and the majority of actions within plans are measurable and resourced with officers responsible clearly identified. This helps ensure focus on achieving priorities and assessment of performance against targets.

**157** Improvement plans focus on key issues relating to the service, and corporate and national priorities. These include:

- further understanding housing market assessment information and reviewing strategy and SPG in response to this;
- continuing the focus on delivering increased levels of affordable housing;
- review of partnership working with RSLs;
- review of the private sector strategy including policies for private sector assistance;
- developing an empty homes strategy;
- developing of an older person accommodation policy;
- examining options for emergency accommodation for non-statutory homeless households;

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<sup>3</sup> Specific, Measurable, Achievable, Resourced, Timebound.

- developing a comprehensive marketing strategy for housing services; and
  - assessment of gypsy and travellers needs, migrant worker needs and development of a well being strategy.
- 158** Improvement plans have been informed by learning from other organisations although this is not consistent across services. Policies on affordable housing and homelessness services have been informed by joint working and by visits to beacon Councils. However, this approach has been limited in private sector services.
- 159** Scrutiny of housing services by Councillors has been strengthened. A Housing Advisory Panel has been established which comprises members and officers. This reviews progress on the action plans in the Housing Strategy and sub-strategies. It also examines other specific housing issues where appropriate. For example it recently received a report on work on develop rural housing schemes and from this identified the need for Councillors to work more closely with the Parish's who have not actively engaged in this process. The overview and scrutiny committee have also specifically examined the operation of the HIA and the working of the housing waiting list. It is currently examining the process for S106 agreements following concerns about delays in this process.
- 160** There is a clear performance management framework in place. This is presented in a number of key documents and links corporate priorities through to individual appraisal processes. This helps ensure that staff are clear on their role in performance management and that responsibilities are identified at different levels in the organisation. There is also a corporate led performance management and continuous improvement process. This bottom up process review procedure has been focused on particular services and in particular has helped improve improvements in benefit administration.
- 161** There have been some inconsistencies in delivery of appraisal processes and supervision processes. Appraisals are undertaken every six months. Figures provided by the Council show that during the first half of 2006/07 this only took place for 11 of 17 housing staff although following the on-site period the Council provided revised figures of 13 from 16 housing staff. In the previous year all but one appraisal was carried out within timescales. There has also been underperformance on this indicator corporately with only 72 per cent of all Council staff having had appraisal in the first half of 2006/07. We also found inconsistency in the way staff are supervised between appraisals. Some teams within housing had regular one to ones but this was not consistent across teams.
- 162** There are a range of local performance indicators in place used alongside national performance indicators. These have been expanded during 2006/07 and provide coverage of all areas of the service inspected. The Council has prioritised key performance indicators where they link strongly with corporate priorities. Included in these is the percentage of new homes that are affordable, use of bed and breakfast and numbers in temporary accommodation, and average wait time for disabled facilities grants. However, the BVPP for 2006/07 does not identify a target for these for 2006/07.

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- 163** Operational performance monitoring is underdeveloped in some areas. Areas where monitoring is inadequate include:
- trend information on delivery of affordable housing in line with planning policy;
  - time taken to deliver S106 agreements;
  - trends in numbers of private sector homes brought in line with the decent homes standard and the HHSRS; and
  - overall process monitoring for DFGs.

This means the Council cannot clearly identify performance in these areas and take appropriate action.

- 164** Mechanisms for involving partners in monitoring the delivery of Housing Strategy, Homelessness Strategy and Private Sector Strategy action plans are underdeveloped. The LSP housing key group brings together partners to monitor performance on the delivery of housing aspects of the Community Plan but this is limited. Some established forums may discuss specific aspects of action plans there is not a co-ordinated process ensuring partners are involved in monitoring process. These are all strategies developed in partnership and which require partners to assist in delivery and therefore joint monitoring is important.
- 165** Ongoing benchmarking of performance is also limited. While this does happen against the national performance indicators when comparative figures are available there is not a co-ordinated approach to linking with and initiating more comprehensive ongoing benchmarking of performance. This is important in assessing comparative performance.
- 166** There is a mixed approach to target setting. The majority of targets are challenging but there are a number that are not. These include homelessness case processing times, empty home performance, nomination request targets and some elements of DFG targets. The target for affordable housing for 2005-2008 was also not adjusted when the impact of withdrawal of LASHG became clearer. Challenging target are important drivers for improvement.
- 167** There are not yet targets for affordable housing delivery beyond 2008. These will be set following the review of the corporate strategy that will in turn identify the likely capital resources available for affordable housing for 2008-2011. The Council's medium term financial strategy does not identify the likely resources available beyond 2007/08. While there are clear indications that affordable housing will remain a main priority for the Council in the future it does mean that future plans for delivery are less clear.
- 168** Value for money issues are not explicit in improvement plans. While some actions will have value for money implications there is not a systematic approach to identifying value for money implications.

- 169 Plans do include actions aimed at bringing in further external resources. Bids have been made to Government for funding to bring a gypsy and traveller site up to decent homes standard and to develop a choice based lettings scheme with neighbouring Councils. The Council has also used match funding to help attract Housing Corporation grant for affordable housing. This is important to maximise the resources available to deliver improvements.

### **Does the service have the capacity to improve?**

- 170 Strengths outweigh weaknesses in the capacity to improve. There is robust leadership of the service, staff are competent and well trained and human resources are being managed to deliver improvements. Capital resources have been allocated to the priority of enabling affordable housing. However, the level of Council capital resources available beyond 2008 is not clear and capacity for improving private sector housing conditions is partly dependent on future policy changes and restructuring.
- 171 The Council has restructured its management team and heads of service to ensure that the people with the rights skills and competencies are in place to take the service forward. This took place during 2005 and resulted in a streamlined senior management team to improve decision making and service co-ordination. This has also brought together housing services and benefit services within the same department. This restructuring has increased the capacity of the service.
- 172 There is strong and visible leadership within the housing services. Managers are competent, committed and focused on delivering improvements to services. This is evident in some of the improvements already delivered and in the attitudes of other staff.
- 173 There are positive relationships between Councillors and Officers in relation to housing service. There is regular communication between the portfolio holder and the head of service. The housing advisory panel has also played a role in strengthening relationships between Officers and Councillors encouraging close working on housing issues.
- 174 Staff training needs are regularly assessed and training is provided as required. There has been some slowness in initiating a comprehensive corporate approach on customer care and diversity training but specific service related training has been delivered in a timely fashion. This helps ensure that staff capacity is maximised.
- 175 There has also been a strengthening of recruitment processes. This has focused on recruiting staff on the basis of skills sets rather than previous experience and has resulted in staff being recruited from a wider range of backgrounds including an increasing number from the private sector. This also helps to ensure that staff have the correct skills to carry out their roles.
- 176 The Council regularly surveys staff opinion and uses this information to help address areas of concern. Surveys are carried out every two years with the 2006 survey ongoing at the time of inspection. The 2004 survey was used to inform the Council's improvement plans.

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- 177** Staffing capacity is adequate to deliver improvement plans for housing policy and enabling and in and homelessness and housing advice services. Staffing levels in homelessness services and housing advice services were increased by two staff members in 2005 to enable an increased focus on housing options work. A small team of staff is in place to deliver housing policy and enabling and together with the planned recruitment of a land manager this is sufficient to deliver planned improvements.
- 178** There have been capacity issues within private sector housing services which has limited progress in some areas. This has been affected by long term sickness and by separation of enforcement and renewal between two departments. There are provisional plans in place to bring housing enforcement into the housing and revenues department alongside a half post increase in staffing. The issue of long term sickness is expected to be resolved during this month. Capacity to deliver further improvements in this area are dependent on progressing these issues.
- 179** Information Technology (IT) is being used to maximise capacity in most, but not all, of service areas. The homelessness and housing advice service and the housing enforcement service both have effective systems in place. IT for enabling activities is not integrated with other systems but is used effectively in monitoring progress of schemes. IT for housing grants services is reliant on basic stand alone spreadsheets and is also not integrated with other systems. The Council does have an integrated module for grants but capacity issues delayed implementation of this.
- 180** Significant resources are available for affordable housing development in the short term although levels are not clear in the medium term. £5.1 million of the Council's capital budget for 2005-2008 has been allocated for affordable housing. This is in addition to £3.8 million Housing Corporation grant for 2006-08. However, the Council's medium term financial plan up to 2010/11 does not identify any indicative internal capital allocation for affordable housing beyond 2007/08. The Council states this is to be decided following the review of the corporate plan to be carried out in 2007. The medium term plan does show scope for further capital allocations as capital reserves still remain at £14.7 million at the end of 2010/11. There is no evidence to suggest affordable housing will not remain a high priority area for the Council.
- 181** Capital resources available for investment in private sector assistance are more limited but investigating alternative funding options is part of the Council's improvement plans. The Council is committed to ensuring that sufficient funding is available for mandatory DFGs but funding for other intervention in the sector is limited. Increasing impact on private sector disrepair is dependent on developing new methods of intervention such as loans. This is recognised by the Council and forms part of housing improvement plans.
- 182** Procurement methods are increasing capacity in some areas but alternative mechanisms have not been considered in all areas. For example assessment and needs surveys are now being conducted on a sub regional basis but there has not been consideration of how value for money can be best achieved in the delivery of DFGs. Effective use of procurement can help increase capacity.

- 183** Overall, partnership working is increasing capacity but needs reviewing in some areas. There is effective joint working in homelessness and housing advice services and joint working is generally effective in enabling and private sector services. Specific aspects of joint working to maximise capacity do need further review. For example partnership working with RSLs needs to be reviewed and joint working on DFGs needs further development. The Council corporately is carrying out a best value review of partnerships during 2006/07. Partnership working can play an important role in increasing capacity to deliver improvements.

## Summary

- 184** Overall, we judge that prospects for improvement are promising.
- 185** Recent performance on delivering improvement plans within timescales is strong. In particular delivery of homelessness and housing advice services, levels of affordable housing, and timescales for DFGs have all improved, with direct benefits for service users. There are clear plans in place for the service that address the key priorities. A performance management framework is in place and a wide range of performance indicators. There is robust leadership of the service, staff are competent and well trained, and human resources are being managed to deliver improvements. Significant Council capital resources have been allocated to the priority of enabling affordable housing up to 2008.
- 186** However, there are still a number of areas where progress has been slower than expected such as work on empty homes and choice based lettings. There is also some inconsistency in staff performance management, some targets are not challenging, and partner involvement in monitoring plans is underdeveloped. The level of Council capital resources available for enabling affordable beyond 2008 is not clear and capacity for improving private sector housing conditions is partly dependent future policy changes and restructuring.

## Appendix 1 – Performance indicators

**Table 1 Best value performance indicators**

<b>Performance indicator</b>	<b>All England top quartile 2004/05</b>	<b>Stratford 2003/04</b>	<b>Stratford 2004/05</b>	<b>Stratford 2005/06 (unaudited figures)</b>
BVPI 62 Unfit homes made fit or demolished	4.69	0	0.31	No longer a BVPI
BVPI 64 Vacant private homes returned to use or demolished	56.25	16	34	26
BVPI 183a Average length of stay in B&B in weeks	1	7.71	2	1
BVPI 183b Average length of stay in hostels in weeks	0	0	0	0

*Source: Audit Commission audited figures*

## Appendix 2 – 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:
  - visits to recently developed affordable housing;
  - visits to temporary accommodation for homeless households;
  - review of councils website and leaflets;
  - interviews with staff, councillors and partners;
  - focus group of RSLs;
  - focus groups of homelessness service partner agencies;
  - frontline staff focus group; and
  - Private Landlord Focus Group.

## Appendix 3 – 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)

### Meeting rural housing needs

- 1 The Council has taken a robust approach to assessing needs and developing policy to address the need for affordable housing in rural areas. A clear hierarchy of priority areas for development in rural areas have been developed. A rural enabler has been part funded by the Council since 2003. The enabler has worked closely with parish councils to develop local needs surveys. Planning policy includes exemption sites in rural area where 100 per cent affordable housing is required and also an innovative 'local choice' scheme. This scheme enables mixed tenure developments to come forward in rural areas where there is demonstrated local need for both the affordable and private housing. This is important as much of the district is rural and affected by high house prices.

### Developing affordable housing

- 2 A substantial proportion of affordable housing has been delivered without public subsidy. The Council changed its approach to subsidising affordable housing on S106 sites following changes in regulations for Local Authority Social Housing Grant. The new approach is supported by comprehensive SPG on affordable housing. This provides clear guidance on levels of affordable housing required, integration requirements, tenure types and likely funding arrangements. This approach has resulted in significant efficiency gains in the use of public finance.