

CHESHIRE EAST COUNCIL

REPORT TO: CABINET BRIEFING

Date of Meeting: 14 February 2011
Report of: Strategic Director - Places
Subject/Title: Strategic Housing Audit Commission Inspection
Portfolio Holder: Councillor Macrae

1.0 Report Summary

- 1.1 Cheshire East was inspected on its approach to housing by the Audit Commission in October 2010. This report summarises the outcome of the inspection, highlighting the strengths, areas for improvement and recommendations which were put forward by the Audit Commission. The Council achieved a score of 'Fair' for its service quality (no other Authority has achieved better than this) with 'Promising' prospects for improvement.

2.0 Decision Requested

- 2.1 To note the contents of the report.
- 2.2 That the Strategic Director Places be requested to draw up an action plan to address the areas for improvement highlighted by the Audit Commission.
- 2.3 Authorise the Strategic Director Places to take all necessary actions to implement and deliver the action plan.

3.0 Reasons for Recommendations

- 3.1 To progress the recommendations suggested by the Audit Commission.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

6.0 Policy Implications including – Carbon reduction - Health

- 6.1 Housing is fundamental to the well being and prosperity of the Borough. There are direct connections between the quality of the housing stock and

health, educational attainment, carbon reduction and care for older people. Providing sufficient housing is essential to maintain economic growth and vitality – and access to housing is a key issue in rural areas. A strong strategic housing service will enable other service areas to deliver their priorities.

7.0 Financial Implications (Authorised by the Borough Treasurer)

7.1 No financial implications

8.0 Legal Implications (Authorised by the Borough Solicitor)

8.1 Inspections are carried out by the Audit Commission using powers under Section 10 of the Local Government Act 1999 which allows it to carry out inspections of any of the functions of a best value authority.

9.0 Risk Management

9.1 Our approach to Strategic Housing is fundamental to achieving our priorities within “Ambition for All” our community strategy. In particular, the priorities of: Nurturing strong communities; supporting children and young people; ensuring a sustainable future; and driving out the causes of poor health. Our Corporate Plan supports delivery of these priorities and having an effective approach to housing is a core element of the Council’s ambitions.

9.2 Whilst the coalition government have taken the decision to abolish the Audit Commission there remains a requirement to manage performance effectively and to ensure we offer value for money to our residents. National Indicators will be replaced with a single core data requirement and we will continue to be assessed by the Audit Commission to give a “value for money “ opinion for at least the next two years. The improvements identified, when implemented, will support both the achievement of our community aspirations, our approach to providing value for money and our commitment to continuous improvement.

10.0 Background and Options

10.1 In 2010 the Audit Commission released their new key lines of enquiry (KLOEs) for the assessment of the strategic approach to housing within a local authority. The new KLOE was designed in order to challenge local authorities to ensure that they, along with their partners and other stakeholders, have the ability to address the housing needs and challenges within its area, and that they are working together to shape and deliver their housing vision.

10.2 The new KLOE focused on three specific areas:

- Vision and strategic approach.

- Capacity to deliver.
- Improving housing outcomes for the local community.

10.3 In October 2010, the Audit Commission undertook a Strategic Housing Inspection on the services provided by Cheshire East. The assessment was carried out over a week and involved interviews with internal staff and external partners and stakeholders. The judgement was assessed on two levels, the first being how the service is performing now and the second is the improvement prospects of the service.

10.4 A full report was published by the Audit Commission on the 6th January 2011 which stated that Cheshire East Council provides a “fair” strategic housing service that has promising prospects for improvement.

10.5 The Audit Commission found a number of strengths within the authority which enabled them to award the rating of “fair”. These included:

- Ambitions for housing that support the Council’s vision for sustainable growth.
- Housing Priorities that are shared with partners, reflecting a generally strong partnership culture.
- Unitary status has brought benefits, including joined up working, efficiency savings and improved sub-regional working.
- Positive leadership that promotes the housing vision and tackles opposition to strategic objectives.
- An effective approach in preventing homelessness and reducing the use of temporary accommodation.
- The quality of housing related support, including support for homeless households and those at risk of homelessness.
- Easy to use choice based lettings scheme.
- Good understanding of costs and services at the service level that have led to efficiency saving.
- A reasonable understanding of markets, conditions and needs including diverse housing need.
- Commitment to the needs of Gypsies and Travellers.

10.6 Some areas for improvement were also highlighted by the Audit Commission and included:

- A lack of clarity for developers about some planning policies and weak, but improving, performance in planning;
- Rural housing need is currently not being fully met;
- Strategies are developing and are not yet based on an evaluation of up-to-date research;
- The approach to equality and diversity is recent and the use of equality impact assessments is weak; and
- The approach to improving private sector housing and returning empty homes to use which is currently in its infancy.

10.7 The Audit Commission assessed the authority as having promising prospects for improvements based on the following assessment:

- The Council is developing a strong research base to inform the emerging local housing vision;
- The strategic housing service has highly motivated staff who benefit from strong leadership;
- Reviews are used effectively to improve service delivery;
- Plans are linked to performance and risk monitoring;
- Investment in ICT is planned to improve services to customers, increase staff capacity and allow easier monitoring of performance and value for money;
- Customer feedback is used to improve services;
- The strategic approach to procurement is robust and has helped the service expand capacity;
- There is a strong track record in delivering new housing and improving emphasis on all types of affordable and intermediate housing; and
- Improvements to the planning service will make policies clearer and make it more effective in supporting strategic priorities.

10.8 It was felt that there are some barriers to improvement which include:

- A lack of focus on ensuring that strategic housing services are delivering intended outcomes; and
- Costs and performance are not routinely compared with similar or high performing councils.

10.9 Overall the inspection was positive, as indicated by the press release issued by the Audit Commission on the 6th January which read, ***“Cheshire East Council is steering housing strategy in the right direction”*** Riza Yassin, Audit Commission Lead Housing Inspector in the North, said: *‘Cheshire East Council has come a long way in the past year. It is building a better understanding of housing needs and influencing what happens to improve the overall housing situation. Further work is needed to make sure that improvements to existing housing are encouraged and that the Council is reaching all sections of its community.’*

10.10 A number of recommendations have been made by the Audit Commission which they feel will benefit both local people and the organisation. The recommendations are as follows:

1. Improve the strategic approach to housing by:

- Ensuring that the vision, objectives and actions are closely integrated with local and sub-regional health authority objectives;
- Ensuring that opportunities exist for community groups, all partners and stakeholders to be effectively engaged at all stages in developing, determining and delivering strategic housing objectives;
- Improving consistency through articulating strategic approaches to improving:
 - private house conditions;

- affordability in rural housing;
- the sustainability of new and existing housing;
- the approach to under-occupation; and
- ensuring the diverse housing and support needs of local communities are identified and met;
- Implementing a robust approach to Equality Impact Assessments; and
- Developing effective mechanisms to share housing intelligence with partners.

2. Improve outcomes from strategic housing services by:

- Improving the capacity of the planning service to provide a consistent, transparent service;
- Remodelling the adaptations service to provide a faster more consistent service;
- Coordinating the work of partners in improving sustainability and developing successful schemes; and
- Improving the coordination of initiatives to improve private sector housing and financial inclusion.

3. Develop the capacity to improve services by:

- Ensuring that plans and strategies have measurable targets and outcomes, and that projects and schemes are routinely evaluated to measure their impact;
- Improving routine monitoring of performance and costs through planned implementation of new ICT support;
- Improving corporate support and information for value for money to free up managers to make informed decisions;
- Improving benchmarking to ensure a comprehensive assessment of performance and value for money; and
- Using learning to further improve strategic housing services.

10.11 It is recommended by the Audit Commission that the authority takes action to address all areas for improvement identified within the report. It is therefore proposed that each recommendation will be assessed and an action plan will then be formulated. The actions will be incorporated into the Planning and Housing and Strategic Housing Service plans for 2011/12.

10.12 The new Key Lines of Enquiry are considered to be the harder test and have been designed to challenge authorities. When considering Cheshire East's position it is appropriate to compare it against that of other authorities recently inspected. The table below is the Audit Commissions inspection programme for Strategic Housing inspections in 2010/11 and details scores, where available. The table demonstrates that Cheshire East after only a short period of time is performing in line with other authorities across the country and it is also apparent that no other authority has achieved higher than a score of "fair" and only one authority has achieved excellent prospects for improvement.

2010/11 inspection programme

Central

Month on site	Housing authority report	Service quality	Improvement prospects
May 2010	Telford - Strategic housing services	Fair	Promising
May 2010	Herefordshire - Strategic housing services	Fair	Promising
May 2010	Uttlesford - Strategy housing services re-inspection	Fair	Promising
May 2010	Maldon - Strategic housing services re-inspection	Fair	Promising
July 2010	Norfolk - Strategic housing services		
September 2010	West Lindsey - Strategic housing services reinspection	Fair	Promising
November 2010	South Cambridgeshire - Strategic housing services	Not available	

London

Month on site	Housing authority report	Service quality	Improvement prospects
September 2010	Barking & Dagenham - Strategic housing services	Fair	Promising

North

Month on site	Housing authority report	Service quality	Improvement prospects
May 2010	Northumberland - Strategic housing services	Fair	Promising
May 2010	North Tyneside - Strategic housing services	Fair	Promising
September 2010	Knowsley - Strategic housing services	Fair	Promising
September 2010	Liverpool - Strategic housing services	Fair	Promising
October 2010	Cheshire East - Strategic housing services	Fair	Promising
October 2010	Durham - Strategic housing services	Not available	

South

Month on site	Housing authority report	Service quality	Improvement prospects
September 2010	Teignbridge - Strategic housing services	Fair	Excellent

11.0 Overview of Year One and Term One Issues

11.1 -

12.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:



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