Agenda Item 12

Housing Review Board
26 November 2009
JG

Opportunities for joint working on housing between EDDC & Mid Devon District Council

Summary

This report explains an initiative to improve housing services by collaboration with neighbouring housing authority Mid Devon District Council. We have a shared interest in continuously improving housing services for our tenants and implementing recommendations from respective Audit Commission inspections.
There has been some high level political and officer liaison with Mid Devon and housing was identified as an area for potential collaboration.
This initiative is consistent with our Service Transformation work where we have been trying to make efficiency savings through shared services and collaboration with other housing service providers.

Recommendation

That the Board support the collaboration with Mid Devon as set out in the report.

a) Reasons for Recommendation

To deliver improvements in housing services through collaboration.

b) Alternative Options

To work with other local authorities or Registered Social Landlords.

c) Risk Considerations

That the benefits anticipated do not materialise.

d) Policy and Budgetary Considerations

These are set out in the report where known at this stage.

e) Date for Review of Decision

It is anticipated that current projects will be reviewed within six months.

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1 Background

1.1 Senior members and Directors have indicated a willingness to explore collaboration in specific service areas with neighbouring Mid Devon District Council. This has emerged as part of the Local Government Review agenda where a number of Devon authorities are committed to enhanced two tier working and integrated local government in Devon. Housing landlord services have been selected as a service area for early consideration.

1.2 There are a number of opportunities that we can explore with the aim of providing improved housing services to our tenants and leaseholders, achieve savings, value for money and efficiency targets, and meet the objectives of enhanced two tier working/integrated Devon.

1.3 It is important to be clear, before we start on detailed work, about our primary aims of joint working, and how we are going to select the first areas for joint work. The potential areas for collaboration and the main housing activities/functions are set out in **annex 1**.

2. Sharing expectations from joint working

2.1 Initially we needed to agree a set of expectations for each organisation:

- Do we want a loose arrangement or more formal partnership?
- Are we especially focussing on savings and efficiencies, on customer service excellence, or on achieving a better score at Inspection?
- Is collaboration intended to deliver equal benefit for both organisations?
- Are we sure we share ambitions and future aspirations for our housing services?
- Are we prepared to tackle radical options in the early stages (stock transfer?)

3. How we might prioritise collaborative work

- Would a quick SWOT exchange of Service information help focus on the weaknesses to identify work streams?
- Should we prioritise those projects where we can get some ‘quick wins’?
- Should we first focus on issues which will deliver the biggest savings?
- Should we first focus on Audit Commission Key Lines of Enquiry and inspection recommendations?
- Should we be working jointly on innovations which are seen as excellent service in the sector?
- What are the adverse member and customer perceptions of our services, and should we first focus on these?
- Should we exploit new opportunities first e.g. the changes to housing finance and opportunities for councils to build new homes?
- Could we agree, say, three big issues we would both like to work intensively upon?

4. Depending on the aims of joint working and priorities for joint working the following are suggested service areas for consideration and exploration:

- Shared management resources including a joint Service Management Team setting vision and direction for the two services (assumes that we are both trying to address similar issues). Co-ordination of management resources and effort on key issues and priorities. Benefits should include stronger leadership and clearer direction of travel and business purpose.
- Share Housing Review Board experience and consider establishing a governance/leadership group for any joint management arrangements agreed.
- Joint HRA Business Planning. Consideration of financial pressures and opportunities. SWOT assessment on financial and political environment we are working in. Prudential borrowing collaboration and effective use of resources.
- Shared housing project, research and development resources directed towards continuous service improvement. Can focus initially on Audit Commission recommendations and importing good practice.
- Dividing up and prioritising project work to optimise the use of specific expertise i.e. equalities/diversity; tenant profiling; affordable housing summit; review of sheltered housing; benchmarking etc. This could include projects that are the 'nice to do' work, which may not be core housing management activities.
- Shared learning from the Systems Thinking review and sharing of other best practice.
- Sharing staff resources on identified projects which are resource hungry i.e. Estate inspections/walkabouts, tenant conference or large scale consultation events, mystery shopping etc.
- Joint commissioning of consultants and projects, examples might include the Tribal HRA health check, Devon Home Choice software implementation etc.
- Procurement of services and work to council homes. Explore the opportunities to jointly purchase construction services for the modernisation and maintenance of council homes.
- Home Safeguard and Telecare. Offer the service to Mid Devon tenants.
- Publications and newsletters. Opportunities to share the work on producing leaflets, tenant handbook/welcome pack, newsletters, public relations and media management.
- Anti-social behaviour case conferences and problem solving. Liaison with the Police, Anti-Social Behaviour Co-Coordinator, Legal and case officers.
- Jointly reviewing and producing Service Level Agreements for grounds maintenance; garden maintenance; communal cleaning; caretaking; service charges.
- Centralised rent management and debt recovery service to improve income collection performance.
- Production and refreshing of core housing management policies (sharing the workload) – rent management; estate management; repairs and

maintenance; sheltered housing services; tenant choice; modernisation programmes; tenant participation and engagement; community development and social inclusion.

- Consider the options for generic housing and restructuring of housing services for fuller integration and longer term options for collaboration including establishing a joint arms length management operation and/or a joint approach to housing stock transfer.
- Updating software and use of new technology. Integrating housing management applications and assessing options for remote working.

5. Shared interests and ambitions

5.1 On 21st August 2009 we held an initial exploratory meeting with senior officers of Mid Devon District Council. We obtained an understanding of our respective priorities, ambitions and existing ways of working. We shared experiences of the Audit Commission inspection process and responding to the recommendations flowing from the inspection reports. Mid Devon wanted to achieve 5 improvement actions in respect of responsive repairs and 8 in respect of planned/improvement works.

5.2 We discovered some major differences in operational practice and quickly realised collaboration opportunities around procurement and contracting in the areas of major repairs. Mid Devon operate a Direct Labour Organisation (DLO) with 31 multi-skilled tradesmen. They run a store and are introducing procurement cards. They use portable devices and remote working technology. Their housing computer system is Orchard and they want to achieve contractor connectivity with the system.

5.3 We discovered that both organisations are looking to commission updated stock condition surveys and that we could jointly tender the work to obtain best value. We have budgeted for this work and are looking to achieve a 25% survey of our stock, whilst Mid Devon is considering 70% coverage. We are obtaining prices for 3,000 property surveys.

5.4 Mid Devon are looking to enter four year major works contracts for kitchens etc. We felt that we could jointly procure major works seeking prices for the EDDC volume of work, the Mid Devon volume of work, combined volumes and over a number of years, then compare the prices to see how savings could be achieved through volume procurement and committing to longer term contractual arrangements.

5.5 Mid Devon are keen to improve their solid fuel appliance servicing arrangements and have approximately 750 such appliances compared to our 200. However, we had a common interest in jointly sourcing a contractor to undertake this work across both districts.

5.6 Mid Devon have 2/3 years to run on their painting contracts and undertake disabled adaptations and grounds maintenance through their DLO, so there was limited scope for collaboration in these areas. Similarly, Mid Devon only have one lift to maintain and do not undertake communal cleaning or caretaking so there was limited scope here for joint working.

5.7 We also identified opportunities to jointly procure gas servicing and gas installation services as both existing contracts are coming up for renewal and we both use the

same contractor. We may achieve economies of scale in procuring this work by packaging our contracts.

5.8 We have exchanged specifications on gas servicing, central heating installations, and solid fuel appliance servicing and kitchen installations. We agreed to compare and scale our respective major improvement programmes to obtain a view on volumes and undertake some price benchmarking on responsive repairs and major works.

5.9 There was considerable enthusiasm for joint working and both parties felt that we would like to achieve a few 'quick wins' to demonstrate the value of collaboration. We will report back to a meeting of Portfolio Holders and Chief Executives on progress.

6. Conclusions

6.1 Collaboration with other housing authorities is encouraged if this results in service efficiencies and improvements. The approach is consistent with good practice in the sector and the Service Transformation exercise. Your officers intend to continue the joint working with Mid Devon and evaluate the initiatives to ensure that it is adding value to our work. I will report further on the projects that we are taking forward.

Legal Implications

There are no legal implications within the report requiring comment.

Financial Implications

It is likely that joint working and procurement will achieve savings but these are not identifiable at this stage.

Consultation on Reports to the Executive

None.

Background Papers

- None.

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Housing Review Board
26 November 2009

East Devon District Council