Strategic Housing Services

Contents

Local Authority Housing Inspections

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

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

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

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

Summary

1   We have assessed the strategic housing service provided by Herefordshire Council as being a fair, one-star service that has promising prospects for improvement.

2   Ambitions for housing are integrated with the Council's wider vision for the county, and are driven effectively by the Sustainable Communities Strategy. Housing priorities are informed by the research base and, with the wider vision for the areas, are aligned to balancing the housing market. Priorities are championed effectively. Strategies and policies are helping the Council to deliver its housing priorities. It has outperformed its targets for the delivery of new affordable homes, and successful prevention of homelessness has helped to reduce the use of temporary accommodation. The range and type of supported housing and related services has increased and better supports previously excluded or vulnerable groups such as ex-offenders, care leavers and rough sleepers. There are some examples of delivering improved services for fewer resources.

3   However, the Council lacks a detailed, published vision for all housing in the area. Engagement with partners, stakeholders and communities to inform and support delivery of the vision and housing priorities is mixed. There are gaps in its research base and strategic approach for some key areas such as provision for older people, and the condition and role of private sector housing. The Council has been slow to meet the accommodation needs of Gypsies and Travellers and the impact of its approach to reducing the level of vulnerable people occupying non-decent private sector homes is limited. The service for delivery of major adaptations is fragmented. The Council does not yet know if the strategic housing service offers comparative value for money.

4   The Council can demonstrate sustained and strong performance in priority areas for housing over time. Procurement arrangements are delivering service improvements and there are examples of how the service has delivered more for fewer resources. Investment in Information and Communication Technology (ICT) is delivering service improvements and is increasing the Council's capacity to better manage performance and resources. Skills and training is matched to priorities, and restructuring has more closely aligned complementary services to deliver the Council's ambitions. Most key internal and external relationships support delivery of housing priorities.

5   But there are some key areas of the service which have been slow to develop or which do not demonstrate a sustained improvement over time. The Council is not routinely evaluating the impact or outcomes of funding decisions or strategies in relation to priorities, and it is not yet maximising the value of partnership working.

Scoring the service

6   We have assessed Herefordshire Council as providing a one-star strategic housing service, which is performing adequately. It has promising prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Figure 1   Scoring chart[1]
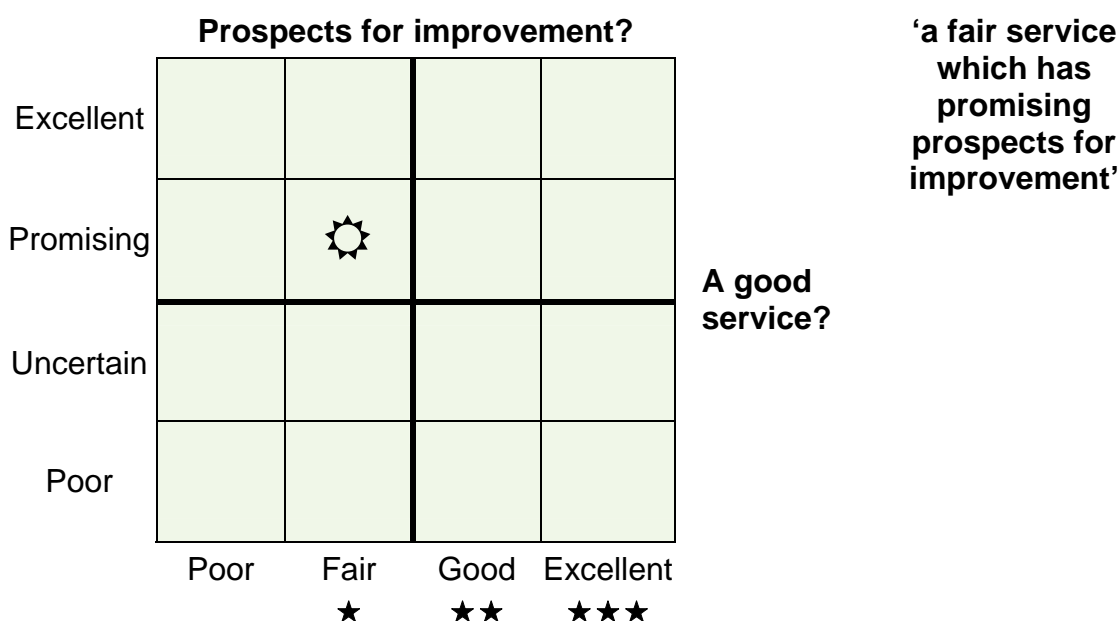
Source: Audit Commission

7   We found the service to be fair because of a range of strengths which include:

- ambitions for housing which support the Council's vision for sustainable growth;

- housing priorities which are widely understood and championed effectively;

- investment and priorities which are informed by the research base;

- the Council's strategic approach is reducing homelessness and increasing the supply of new affordable homes;

- joint working with partners is increasing the type and supply of supported housing and related services; and

- it is easy for residents to access advice and information about how the Council can help meet their housing need.

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

8 However, there are some areas which require improvement. These include:

- the Council lacks an agreed, published vision which sets out the role of all housing in the area;

- engagement with partners and stakeholders is not effective in all areas;

- there are some gaps in the research base and the level of engagement with and planning for the needs of some diverse groups is underdeveloped;

- the Council lacks a robust strategic focus on the role of the private sector, and the approach to strategic commissioning is still developing; and

- the comparative value for money of strategic housing services is not known.

9 We found the service to have promising prospects because:

- there is strong performance against targets for housing within the Sustainable Communities Strategy;

- the supply of new affordable and supported housing has increased and is meeting a wider range of needs;

- fewer households are being placed in temporary accommodation;

- performance is generally well managed;

- investment in ICT is delivering improved services and increasing staff capacity;

- procurement is delivering service improvements and increased capacity for managing performance and resources; and

- skills development and training is focused on priorities and the Council is able to access to a mix of skills in housing and related services.

10 There are some barriers to improvement:

- the Council has made slow progress in some key areas, such as meeting the housing needs of Gypsies and Travellers, or improving waiting times for major adaptations;

- there is a lack of focus on ensuring that projects and plans are delivering their intended outcomes;

- the capacity of partners across all sectors to help deliver priorities is not being maximised; and

- a lack of staff resources is undermining the Council's ability to improve and maintain standards in the private sector.

Recommendations

11 To rise to the challenge of continuous improvement, organisations need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the organisation. In addition, we identify the approximate costs[2] and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context, the inspection team recommends that the Council shares the findings of this report with tenants and councillors; and takes action to address all weaknesses identified in the report. The inspection team makes the following recommendations.

Recommendation
R1   Improve the focus on diversity by: - reviewing the coverage of the research base, and housing priorities and plans, against an inclusive definition of diversity, and developing and implementing plans to address any gaps in knowledge;   - starting to proactively, and regularly, engage with existing voluntary and specialist groups and networks which represent the interests of all groups within the community, using the same definition as above, to inform development of, and monitor the impact of, housing strategies, plans, policies and services;   - developing a robust programme for completing Equality Impact Assessments, and start to complete the programme involving stakeholders and service users from the outset, for housing services, plans, policies and strategies, taking action to address any inequality;   - starting to monitor ongoing service delivery against the seven strands of diversity and regularly review the findings, taking action to explore and address any under or over-representation or use; and   - ensuring that the delivery of new or refurbished accommodation for Gypsies and Travellers meets needs and good practice for site design, supported by robust engagement with the Gypsy and Traveller community throughout.

The expected benefits of this recommendation are:

- strategies, plans and services are informed by, and meet the needs of, all groups within the community; and

- increased capacity to meet the needs of people who may be unwilling to engage with formal services.

The implementation of this recommendation will have high impact with low costs. This should be implemented by January 2011.

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

Recommendation	
R2 Strengthen the approach to developing and delivering the housing vision and priorities by: • presenting partners and stakeholders from across all housing tenures with an up-to-date picture of the housing and wider corporate research base, from which they can challenge assumptions and develop a housing vision and priorities for the area; • reviewing and evaluating opportunities to extend the scope of the Housing Partnership to include representation from the voluntary sector and private sector, and make more effective use of the partnership, and its members' resources, to deliver the housing priorities for the area; and • reviewing the capacity of the service, and its partnership arrangements, to deliver the Council's ambitions and future plans for housing growth.	

The expected benefits of this recommendation are:

• a vision for housing which is challenging and has been developed using the knowledge and experience of partners who are effectively signed up to helping the Council deliver its ambitions; and

• the capacity of the service and partners is matched to delivery of housing priorities and wider ambitions.

The implementation of this recommendation will have high impact with low costs. This should be implemented by October 2010.

Recommendation
R3 Improve performance management by: • addressing gaps in internal and external agreements which govern joint or shared working arrangements and ensure that all agreements have clear targets for delivery which are regularly monitored and reported, taking action to address any areas of underperformance; • start to routinely evaluate the impact of projects, policies, plans and strategies to determine if they are delivering intended outcomes, and taking appropriate action where they are not; and • begin collecting service – user feedback across all areas of the strategic housing service, taking action quickly to correct dissatisfaction or underperformance, and use this information to diagnose and address any causes of repeated service failure.

Recommendations

The expected benefits of this recommendation are:

- joint agreements to deliver services or referrals work effectively;
- risks to delivery of priorities are reduced; and
- services meet the needs of residents.

The implementation of this recommendation will have high impact with low costs. This should be implemented by October 2010.

Recommendation
R4 Improve the focus on value for money within the service by: - exploring how the costs, quality and performance of each element of the strategic housing service compares to others, taking account of policy choices and context, and taking action to address areas of poor comparative performance; - tracking the impact of value for money decisions over time; - routinely evaluating the impact of funding decisions to ensure that resources are being used effectively to deliver agreed priorities and outcomes; and - evaluating the value for money and capacity for sharing resources within partnership arrangements to deliver housing and wider priorities.

The expected benefits of this recommendation are:

- funding decisions and resource allocations are delivering the intended outcomes;
- services provide improved value for money; and
- opportunities to share resources to deliver priorities are maximised.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by March 2011.

Recommendation
R5 Improve the focus on the quality of existing homes and neighbourhoods by: - improving the strategic focus on the role of private sector housing in contributing to sustainable communities, and reviewing the capacity of this service to ensure it is aligned to delivery of wider ambitions for decent homes, and supporting independent living; and - reviewing, with partners, the effectiveness of the choice based lettings scheme; and - implementing a proactive approach to identifying and licensing Houses in Multiple Occupation.

The expected benefits of this recommendation are:

- the scale and impact of intervention in this sector matches the Council's ambitions and its role in the housing market; and
- risks to vulnerable people are minimised.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by January 2011.

Recommendation
R6 Improve the focus on meeting the needs of vulnerable people by: • completing a whole service review for the provision of major aids and adaptations, from point of enquiry through to completion of works, using recognised good practice within the housing and health sectors; • ensuring that the review above takes into account funding and performance management arrangements, including performance reporting, to reflect good practice; and • putting the review findings into practice.

The expected benefit of this recommendation is:

- an effective service for major adaptations with practices and waiting times which reflect good practice.

The implementation of this recommendation will have high impact with low costs. This should be implemented by March 2011.

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

Dates of Inspection: 24 – 28 May 2010.

Report

Context

The locality

13 Herefordshire is a predominantly rural county. It is situated in the south west corner of the West Midlands region, bordering Wales. Over half of its residents live in rural areas, and more of its residents live in very rural areas than any other county in England.

14 The city of Hereford, in the middle of the county, is the centre for most facilities. Just over one third of the population lives in the City, with approximately one fifth living in five market towns. Recently, rural areas and market towns have accounted for more of the county's population growth than the City.

15 The population is growing more slowly than the regional and national average. The proportion of older people is high, and is growing fast. The numbers of children and younger people are decreasing. The level of growth in numbers of working age people is lower than the national average.

16 The county has a small but growing Black and Minority Ethnic Community (BME). It has also experienced growth in the number of migrant workers from European Union countries, with many providing seasonal agricultural labour.

17 The county has a relatively high employment rate compared to regional and national levels, but earnings are lower. Levels of self employment and part time working are relatively high. Recently there has been an increase in unemployment levels, and increasing numbers of people, particularly in rural areas, seeking debt advice.

18 Many people find it expensive to buy or rent a home, and the county has the worst affordability ratio in the West Midlands. In 2008, the owner occupied sector made up 71.6 per cent of the housing stock (higher than average), followed by 15.3 per cent affordable homes (lower than average) and 13.1 per cent homes for private rent (higher than average).

19 In 2005, an estimated one third of all homes in the county failed to meet the Decent Homes Standard, most of which were privately owned or rented homes. Most are rural, older properties which are hard to heat and keep warm.

The Council and the service

20 Herefordshire Council works in partnership with NHS Herefordshire to deliver services in the county. There are several shared services, a joint management board, and one chief executive.

21 The Council comprises 58 elected members. The overall political composition is: 31 Conservative councillors, 14 Herefordshire Independent councillors, 9 Liberal Democrat councillors, 2 Labour councillors and 2 Herefordshire Alliance councillors.

22   The service reports to two cabinet members – the cabinet member for adult social care and wellbeing, and the cabinet member for environment and strategic housing. The service is scrutinised by the adult social care and strategic housing scrutiny committee. There are two member champions for the service. Their roles focus on homelessness, and energy efficiency and affordable warmth, respectively.

23   The strategic housing service is part of the Council's Regeneration Directorate. The service is responsible for housing policy and strategy, enabling delivery of new affordable homes, housing advice and homelessness, administering the county wide choice based lettings scheme, and private sector housing. The Council transferred its housing stock to Herefordshire Housing Ltd in 2002.

How effectively do the Council and its partners strategically plan work to balance the housing market and develop sustainable communities?

Is there an overarching and shared vision for housing which supports wider ambitions for the community and is championed effectively?

24   This is an area where the Council is performing well. Housing is integrated into the Council's ambitions and wider plans for sustainable growth within the county. There has been a sustained focus on key housing issues, and strong performance against targets in those areas. Councillors champion housing issues effectively, and the Council works with partners to promote understanding and gain agreement for key housing priorities and projects. Positive work is underway to translate the Sustainable Communities Strategy into community based plans for delivery. However, the Council lacks an agreed, detailed vision for all housing within the area.

25   The Sustainable Communities Strategy provides clear direction for housing within the county. In 2009, the State of Herefordshire report identified key housing issues as: an increase in homelessness following years of decline, low wages compared to house prices, high demand for social housing across the county and for all types of housing in Hereford, an ageing population, and that one third of homes in the county did not meet the Decent Homes Standard. The Sustainable Communities Strategy (SCS) and associated Local Area Agreement (LAA) targets focused on delivering new affordable homes, and reducing the use of temporary accommodation. The Council can demonstrate a sustained focus on these areas, and, despite the difficulties posed by economic downturn, it has outperformed its targets.[3]

26   The Council has a good understanding of the scale of the challenge it faces to balance the housing market. Housing – in terms of quality and supply – is recognised as being critical to delivering the Council's wider ambitions for economic growth and sustainability, and a top priority for residents. Recognising that the mismatch between wage levels and supply is a barrier to delivering those ambitions, the Council has, within its draft strategic planning framework, committed to delivering 18,000 new homes by 2026 – with at least one third of these to be affordable. This represents a step change in provision within the county to meet existing and emerging housing need, linked to wider ambitions.

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[3] Targets were re-negotiated and agreed with Government Office for the West Midlands in 2008/09.

27 Ambitions for housing are strongly aligned to wider objectives. The regional themes of urban regeneration and rural renaissance are strongly reflected in the SCS, and developing core strategy, which provides the framework for delivery. Plans to support development within the core strategy are focusing on Hereford as a hub to deliver the growth point and regeneration focus, and a second plan is focusing more widely on the market towns and rural areas, to develop and sustain rural communities. Cutting across both plans are the themes of economic development, sustainability and tackling climate change. This approach means that housing is effectively linked to planning for socio-economic, transport and environmental issues, helping to support delivery of sustainable communities.

28 Plans to deliver significant levels of new homes in Hereford are effectively integrated with the Council's ambitions for economic growth and sustainability. The housing element of the wider regeneration and growth planned for the City focuses on the Edgar Street Grid project, with the aim of delivering 800 new homes. Planning permissions for infrastructure to release land for building have been approved, and the Council has released several of its own land holdings to support the project. Key national and regional partners are working effectively with the Council to progress the scheme, which aims to double the levels of housing delivery previously achieved within the City.

29 The Council works well with partners and stakeholders to build support for difficult decisions or policies. For example, it has worked closely with parish councils for some years to ensure that any local concerns about new affordable homes, particularly on rural exception sites, are allayed and creditable numbers of new homes have been delivered as a result. More recently it has, despite local opposition, granted planning permission for new infrastructure to enable housing development in key areas of the City, because without this, its wider plans for housing growth as part of the City's regeneration and would stall. This helps to remove any barriers to progressing the Council's aims.

30 Elected members are active advocates for housing and champion the housing needs of the county effectively. At regional level, for example, their involvement helped to ensure that rural housing growth and sustainability were recognised within the regional strategies. They opted for housing growth above the levels recommended by the Regional Spatial Strategy in order to be able to deliver the Council's longer term ambitions. At a more operational level, members provide challenge in their scrutiny and champion roles, resulting in a more streamlined housing advice service for customers.

31   Although it has clear ambitions for housing, the Council currently lacks a clear vision for the role of all housing within the area. The SCS, and associated targets within the LAA which provide the overall vision for the area, focus largely on new supply, and tackling homelessness. There is a lack of clarity about the role of other housing tenures, and providers, in helping to deliver sustainable communities. This is important where delivery of wider plans, such as increasing the level of education on offer, may impact on the nature of the housing market as it responds to changing patterns of demand. The Council is currently consulting on a refresh of its previous housing strategy while it is developing a sub-regional housing strategy. Without an agreed, published vision for all types of housing, some partners may not be clear about how different parts of the housing sector contribute to delivering the Council's ambitions.

32   Similarly, it is not clear how effectively the housing and support needs of different parts of the community are being planned for. Some elements of key strategic documents, such as the SCS and the emerging core strategy, refer to specific groups such as Gypsies and Travellers, young people with disabilities, and older people. Other groups are referred to in different plans, such as the emerging housing plan for people with mental ill health, or provision for ex-offenders which is referred to in the homelessness strategy. Some groups, such as BME Groups, are not mentioned at all in research about housing needs, or in key documents relating to housing. The lack of a single, integrated approach which brings together the needs of all groups, and progress of existing commitments, poses a risk that the needs of some people will be overlooked.

How effectively is partnership working and community consultation shaping, and supporting delivery of, the strategic approach to housing?

33   This is an area where the Council is performing adequately. The Council has some well developed relationships at local, regional and national level, but is not effectively engaging with local housing partners to shape and deliver housing priorities. It is undertaking some positive work with local communities, but there is a lack of focus on understanding and planning for the needs of vulnerable and diverse groups.

34   The Council has a strong focus on understanding and meeting the needs of communities at a more local level in order to promote sustainability. It has brought together the themes of improving value for money, improved access to services, and sustaining rural communities and the voluntary sector, within its developing approach to Total Place.[4] Six local pilots have recently been completed. It is intending to build on this further through the emerging core strategy, supported by the development of six local housing market area assessments. Although this work is developing, it demonstrates a positive approach to engaging residents at a local level to shape the vision for their communities.

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[4] Total Place is a new initiative led by the Leadership Centre for Local Government. Herefordshire is one of 13 pilot areas. The aim is for all local public services in an area to work together to deliver improved services at a lower cost.

35   The Council has successfully captured a wide range of views and feedback from stakeholders and the community to inform its approach to place shaping. Informed by the priorities within the Sustainable Communities Strategy, the place shaping consultation builds on the previous options consultations completed as part of the emerging Local Development Framework. A number of different engagement methods, including roadshows and postal questionnaires, has generated over 5,000 responses, from a wide range of organisations, and residents. Although the impact of this work is not yet apparent, the level of responses is high compared to others and provides the Council with a firm basis on which to develop its plans.

36   There are well developed arrangements for engaging with communities to promote understanding of, and help inform, delivery of new affordable homes. A rolling programme of rural housing needs surveys is supported by roadshow events for local communities, attended by members, officers and more recently, developer partners. The Council has also been working for many years with parish councils to develop their understanding of rural housing needs. This is helping to generate support for delivery of new affordable homes, particularly in rural areas.

37   The Council has well developed relationships with key external organisations. Close working with the Environment Agency ensured that potential barriers to delivery of the Growth Point were identified early on in the masterplanning stage, and were dealt with quickly. At a local level, this has translated into support and advice on managing risks to delivery of individual schemes. Close working with the Homes and Communities Agency also enabled the Council to secure additional funding to acquire homes from developers in addition to the planning gain already achieved on two sites. This helps the Council to safeguard delivery of its key strategic housing and regeneration plans and projects.

38   Key regional partners and organisations have a good understanding of what the Council is trying to achieve, and how it fits with regional priorities. Members and officers play an active role in regional networks and structures, and have influenced the regional agenda, which in turn supports the local vision. For example, in its influencing role, the Council was able to help ensure that rural housing became a priority, alongside urban regeneration, within the regional housing strategy. Involvement regionally has also helped to secure funding for key strategic projects, such as housing provision within the regeneration scheme for Hereford. This has increased the Council's ability to call upon the experience, and resources, of regional partners to help deliver its plans.

39   Positive relationships with local partners are also helping to deliver priorities. Examples include working with development partners to maintain delivery of new affordable homes in the downturn; with registered providers to provide early notification of potential homelessness cases, and working with the police, fire service, health and social care colleagues to tackle poor housing standards in the private sector. Registered providers have also worked closely with the Council to support and develop schemes for temporary social housing, and new models of provision for vulnerable people.

40   However, the approach to working with partners and stakeholders to develop a housing vision and related priorities is not fully robust. The Council recently consulted partners on a refresh of the previous housing strategy to provide a framework until 2011/12, when it aims to have a sub-regional housing strategy in place. However, consultation was limited to asking partners and stakeholders to comment on a draft vision and priorities which mirrored those of the previous strategy, rather than to develop a vision and priorities from their experience, particularly in a changing market. This was because the research base highlighted the same issues, but in practice, key parts of the research base had not been updated, and it does not provide an up-to-date picture of the housing market now, or in the future. This approach offered little opportunity to challenge and actively shape a vision for housing in the local area.

41   Ongoing engagement mechanisms with local housing partners are not well integrated or focused on delivery of strategic priorities. Housing is acknowledged as being critical to all of the theme areas within the Sustainable Communities Strategy, but is only specifically referenced in two of the six themes, although housing has representation on three of the theme groups. The membership of the Housing Partnership, a sub group of the LSP's Stronger Communities theme group, is limited to registered providers, with separate groups for developers, private landlords, and homelessness partners. The Partnership does not have a work plan, and the functions of its sub-groups are, with the exception of the developer sub-group, largely limited to information sharing. As a result, the Council is missing opportunities to harness the capacity of partners to deliver shared aims.

42   The draft housing strategy vision refers to meeting the needs of a diverse community, but the Council has not actively sought the views of vulnerable or minority groups, or associated voluntary organisations or networks, on what those needs are. There are some examples of targeted engagement in relation to plans for regeneration of the City, such as consultation with a local disability network, and engaging with young people to reflect their views and needs in the homelessness strategy. However, there are few further examples. This is a missed opportunity to ensure that the development of the housing vision and priorities are informed by engagement with groups of people who are vulnerable or at risk of disadvantage.

Is there an up-to-date understanding of the housing market and housing conditions, socio-economic data and the broader policy context which informs the housing vision and strategic decision making?

43   This is an area where the Council is performing adequately. It uses intelligence about the housing market to influence and inform regional and local priorities and decision making. Key pieces of research are supporting delivery of its priorities, and are helping to meet the needs of some groups at risk of disadvantage. However, its approach to sub-regional and local interventions is still developing and it lacks information about the needs of all groups within the community. It does not have an up to date picture of the role and condition of the private sector.

44   Intelligence about the housing market is used effectively to inform and influence the Council's, and wider organisations, priorities and strategies. A key element of the research base is a sub-regional strategic housing market assessment completed in 2008. This highlighted the mismatch between local wages and affordability, and the prevalence of older, rural housing stock in the private sector which is hard to heat and keep warm. This directly informed the 2005-2008 housing strategy, corporate priorities, affordable warmth strategy and the Sustainable Communities Strategy. It has helped to gain the support of partners for shared priorities, for example, raising the profile of rural housing need within regional strategies, and involving health partners in tackling fuel poverty.

45   Housing and development plans are informed by regularly updated information on land availability. The Council has recognised the importance of new supply in rural areas for a long time, and has a well-established programme of rolling housing needs assessments in market towns and smaller settlements. In addition, a Strategic Housing Land Availability Assessment provides the Council with a picture of potential sites for new housing between 2009 and 2026, broken down into five-year blocks of deliverable sites, and those with some constraints. It confirms that there are sites which in total could accommodate over 25,000 homes to 2026, and that there are sufficient deliverable sites to support the City as a designated growth point. This is directly informing, and supporting, the type and scale of the Council's planned interventions and ambitions.

46   In addition to research which identifies potential locations, the Council also undertakes regular reviews to determine what type of new affordable housing is needed. It has completed specific research into demand for key worker housing, and regularly tests the affordability levels of non-rented affordable housing options in relation to local employment patterns and wages. This has been used to inform the type of homes provided through new supply, for example, over the last three years the proportion of new affordable homes for rent has increased as open market affordability has decreased. This approach enables the Council to respond effectively to changing patterns of need and affordability.

47 Sharing data within the Council is providing a joined-up approach to tackling empty homes. Colleagues in different parts of the housing service, along with those in revenues and benefits, are working together to identify and analyse the location, type and profile of empty homes on a quarterly basis. This enables the housing service to target advice or enforcement action as appropriate, but with a focus on encouraging owners to improve their properties, with funding linked to the use of the property as rented affordable housing or temporary accommodation. This is helping to increase the supply of good quality affordable homes.

48 Specific research is helping to ensure that housing priorities reflect the needs of some disadvantaged groups. Research completed jointly by the Council and the Primary Care Trust highlighted the need for a shared approach between mental health and learning disability services and housing need. The ageing profile of the county and key pieces of research, such as the Joint Strategic Needs Assessment, highlighted the need to reduce the level of residential care and promote enablement and independent living. The review of the homelessness strategy also highlighted a need for more provision for care leavers and ex-offenders. The results of this research are evident in the new provision of housing and related support services to meet these needs.

49 However, the research base is not always being used effectively to make sure that the needs of all diverse groups are understood. For example, key research documents identify an increase in the county's BME community, but there has been no targeted engagement to explore housing needs across BME communities. There are gaps in the coverage of commissioning plans, for example, the plan for older people is not yet complete. Operational monitoring of service delivery is also failing to capture take up across the different groups. As a result, the Council cannot be sure that its housing plans and services are meeting the needs of all parts of the community.

50 Analysis of issues at levels above and below the county level is developing, but is not yet complete. Sub-regional work has included shared research relating to the housing market and the needs of Gypsies and Travellers, but there is currently no assessment of how cross-boundary planning for provision may assist in delivery. The Council is also undertaking some positive work to understand the needs and aspirations of localities, supported by community consultation for the Local Development Framework. However, this work is not yet complete, and the Council's ability to target and shape strategic housing services at a sub-regional and local level is not fully developed.

51 The Council does not have an up-to-date picture of the private sector housing market. It undertook a stock condition survey of the sector in 2005, and is planning a further survey this year. It has used the 2005 information to inform priorities, for example, the Council's strategic focus on affordable warmth, and has targeted interventions towards improving the energy efficiency of homes which are hard to heat. However, it has not completed follow up surveys on completion of works to assess the impact of its assistance, or enforcement. It is not sufficiently proactive in its approach to Houses in Multiple Occupation, although it recognises that the number of migrant workers poses challenges in the private rented sector. As a result, it is not able to base priorities for this sector, for example, in the draft housing strategy, upon a realistic understanding of the condition, pressures and opportunities that it offers.

Are there robust housing and planning strategies and policies which support delivery of housing priorities?

52   This is an area where the Council is performing adequately. Planning policies are supporting delivery of new market and affordable homes. The strategy for homelessness is preventing increasing numbers of people from becoming homeless. However, the Council's approach to strategic commissioning and sub-regional working is still developing, and there are weaknesses in its approach to the private sector and equality and diversity.

53   Planning policy supports delivery of sustainable communities. The Council's planning principles reflect the regional and local aims for urban growth and regeneration and sustaining rural communities by setting out a development hierarchy – from urban settings, to market towns, to rural areas – with growth in market towns aligned to meeting local housing need, or supporting local services.

54   The housing stock in the county is predominantly owner occupied, and so the Council has a strong focus on maximising the delivery of new affordable homes alongside delivery of new market housing. Site allocations set out requirements for developers in terms of the location and numbers of new homes required, and the number of affordable homes within each scheme. Thresholds are determined for each site, informed by surveys of housing need, and for windfall sites at 35 per cent affordable provision on rural sites of six or more units, and on urban sites of 15 or more units. Development briefs and Supplementary Planning Documents for planning obligations and affordable housing also help to maximise contributions. For the last three years, the Council has exceeded or achieved its aim of ensuring that 35 per cent of new homes are affordable.

55   Policies are also helping to meet rural housing need. The Council's rural exceptions policy is supported by a rolling programme of housing needs surveys, and the Council has worked with parish councils for many years to discuss how new housing can help to meet local needs. The number of homes delivered this way is small, but has increased each year, for example, from 6 in 2007/08 to 11 in 2009/10. In the last three years, 27 new affordable homes have been delivered in this way and, through the allocations policy, will meet the needs of local people in perpetuity.

56   The Council has an effective strategic approach to tackling homelessness. It reviewed its strategy in 2008 This included a wide ranging review of service data, including housing demand and condition, positive practice and national guidance, intelligence from wider services such as Supporting People and social care, and included consultation with service users, voluntary organisations and housing partners. The review identified gaps in service provision for key groups at risk of homelessness and has resulted in the delivery of new support services, for example, mediation services for young people, and support for people who misuse drugs and alcohol. Risk based service provision and support is helping to prevent homelessness, and is contributing to the Council's priority of reducing the number of households in temporary accommodation.

57 Strategic commissioning arrangements are still developing. The Council is developing its approach through a draft strategy for commissioning housing related support following the removal of the ring fence for Supporting People grant in April 2010. The strategy is not yet complete, and although it has a supporting action plan, it lacks confirmed dates for many actions, including, for example, completing a gap analysis of need and provision. The Council cannot yet be sure that its current strategies and plans are effectively capturing known and emerging needs.

58 The Council lacks an effective strategic focus on the private sector. There is no private sector housing strategy, although one is planned for development during 2010. A strategy for tackling empty homes was refreshed in 2010 following a five-year gap from the end of the previous strategy, during which time the headline level of empty homes had not significantly decreased. The private sector, and the contribution it makes, is not mentioned in the Sustainable Communities Strategy except in relation to delivery of affordable warmth. This is an area which has had a strong focus within the Council but has had limited impact on the level of non-decent homes occupied by vulnerable people, an issue identified by the Strategic Housing Market Assessment. Fifty-two per cent of non decent homes in the private sector were occupied by vulnerable people in 2009/10, compared to 59 per cent in 2006/07.

59 Work with partners to develop a sub-regional housing strategy is underway, but progress is slower than the Council anticipated. The Council has worked with sub-regional partners to commission housing research, such as the Strategic Housing Market Assessment, but aims within the 2005-2008 housing strategy to develop a joint approach to homelessness and a sub-regional affordable housing strategy have not been achieved. The Council is currently working closely with partners and stakeholders, supported by members and registered providers, to develop its sub-regional approach, and it has started comparing strategic aims and priorities. However, this reflects the early stage that this work is at, and as a result, there are no outcomes yet from a shared strategic approach.

60 The approach to undertaking equality impact assessments is having only a limited impact on service provision. Assessments for key areas of service, such as housing development, homelessness and private sector housing, have been completed. However, only the assessment for the Home Point service has resulted in any change to practice or provision. The latter resulted in video guides for the service being made available in community languages. There are key gaps in what has been assessed, for example, the local connection policy, or main strategic documents. The Council cannot demonstrate that it has robustly identified and tackled any inequality in service provision as a result.

Report

Does the council have the capacity to deliver its housing vision effectively now and in the future?

Are the right skills and tools in place to ensure effective delivery of housing priorities?

61   This is an area where the Council is performing well. New structures reflect the role of housing in delivering wider ambitions. Investment in ICT, skills and knowledge is matched to priorities. However, there are some operational gaps in partnership working and capacity.

62   Restructuring has effectively aligned services towards delivery of strategic priorities. Housing, planning, economic development and regeneration, and transportation were all brought together into the same directorate in 2008, with the aim of focusing resources on the 'live, work, visit' focus of the Sustainable Communities Strategy. This has resulted in some positive joint working and approaches, for example, joint pre-application meetings for delivery of new affordable homes. The planning service has been restructured to increase the level of delegated decisions, helping members to focus on strategic applications, for example, relating to delivery of the growth point.

63   The Council deploys skills and staff resources flexibly. Recognising that the growth point and regeneration require a step change in delivery, it has set up a new team to focus on planning, co-ordination, and delivery for key projects, such as developing the Hereford Action Plan. It has also seconded a planning officer into the organisation which manages the Edgar Street Grid regeneration scheme, and allocated a second officer to focus on dealing with applications for that scheme. This provides additional capacity focused on strategic projects, and also enables staff to develop their skills in a more complex environment.

64   Skills development, knowledge sharing and training opportunities are widely available to and from the service. Staff are encouraged to develop their own knowledge and skills, for example, through sponsored professional development, as part of their appraisal and learning plans. Secondments are also used to develop the range of skills that is available to the Council. Staff provide a number of training and learning opportunities for members and parishes. Staff and members we saw are committed to housing plans and priorities, and are knowledgeable about the inter-relationship with other aspects of the Council's vision.

65   Investment in ICT is resulting in more streamlined working processes. The service has benefited from the corporate transformation programme, which aims to deliver improved value for money and more streamlined services for customers through better use of technology. Examples include the new homelessness system, which has reduced manual performance data collection and improved ways of working for front line staff. Other improvements include providing access to specialist software to trace the owners of empty homes, reducing the time and costs spent using an external tracing agency. Better use is made of staff time as a result.

66 The quality of external partnership working is mixed. The Council has well developed strategic and operational relationships with national and regional organisations, for example, with the Environment Agency, which helps to safeguard the delivery of key schemes and projects. It also has well developed operational relationships with local partners, such as registered providers and the police, where joint working is helping to reduce the risk of homelessness for vulnerable people. Examples include developing the emergency assistance service for migrant rough sleepers, and early warnings for eviction. However, the Housing Partnership is not being maximised as a means of challenging or developing strategic and operational responses to delivering the Council's vision for the area.

67 Working arrangements across Council services are broadly aligned to housing services, but are not effective across all services. Teams within housing work well together to prevent homelessness. They also work closely with benefits, and social services, but arrangements are less effective in terms of communication and caseload management with environmental health. Joint working between housing and health colleagues is positive in relation to referrals and delivery for minor repairs and adaptations, but is less effective for delivery of major adaptations in terms of workload planning between the services. Both impact on the ability of the Council's private sector housing team – which has limited staff resources – to deliver services effectively.

68 The Council has not yet assessed the capacity and skills within the service to deliver its future plans. This work is planned following the finalisation of a restructure of Council services. It has completed a workforce planning assessment of the service for current levels of service provision, but this failed to identify that there is insufficient staffing capacity to deliver a proactive approach to inspecting and maintaining standards in the private sector. The Council does not yet know if it has the right level and range of resources in place to deliver planned step changes in delivery, and improved services which meet needs now and in the future.

Are arrangements in place to keep delivery of housing priorities on track and promote a culture of continuous improvement?

69 The Council is performing adequately in this area. It has a clear framework for managing performance which is aligned to priorities. It uses learning to improve its services, and its plans address key weaknesses. However, risks are not always managed effectively, and the Council is not routinely assessing whether outcomes are being delivered as intended. The use of feedback from customers is limited.

70 There are strong links between the vision for the county, and priorities for action identified within the service. The SCS and the Council's corporate priorities, in the absence of a current housing strategy, provide a clear framework for service to work within. The service plan sets out actions and timescales for the coming year against each of the themes within the SCS. Although housing is not referred to as a specific priority in each theme, there is a strong focus within the service on delivering against its specific targets, and contributing to the wider vision for the area

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71 Performance targets are aligned to the delivery of strategic priorities, and are monitored effectively. Reports are tailored appropriately to different levels of the organisation, ranging from high level national indicators at corporate and LSP level, to a wide range of national and local indicators at service and Housing Partnership level. Regular exception reporting and commentary enables the Council, and partners, to identify and correct any areas of underperformance. A positive example is the way the Council and its development partners worked together to review and accelerate schemes within the forward plan to achieve their LAA delivery target. As a result of this approach, the Council and partners are better placed to work together to deliver their aims.

72 The Council has strengthened its approach to keeping planned actions on track. It has invested in dedicated performance management software, which brings together service plans and targets into one system. The system highlights exceptions, and requires commentary for where performance is not meeting target. The Council has also invested to develop a culture of challenge to support its approach, for example, through its 'change champions' programme. These are positive developments, and reflect perceptions from external organisations that the Council is more focused on doing what it says it will do.

73 The Council actively seeks to learn from others to improve its services. There are numerous examples within the service of where learning from high performing organisations and good practice has been tailored and implemented to improve services. Examples include using video guides to explain the choice based lettings system to applicants, and exploring the use of assistive technology for people with dementia. This is resulting in high levels of self awareness, which is helping to inform service improvement plans.

74 Risk management processes are embedded at different levels, but are not always effective. Service level risks are identified and reviewed regularly, and escalated where mitigation measures are required at a corporate level. Poor performance in delivery of grant funded major adaptations is an example of where a service risk was escalated. This resulted in additional funding to clear a backlog and provide additional staffing resources for the service, but did not robustly tackle the fragmented nature of service delivery, which had contributed to the problems. As a result, assurance that the same issues will not occur again is limited.

75 The service is not sufficiently focused on evaluating the impact of projects, partnerships and services which benefit from Council investment. There are some positive examples, such as evaluation of the Herefordshire Supported Housing for Young People Project (SHYPP) which is raising awareness of housing options among young people. However, there are also several examples where monitoring and evaluation are not routine, or are absent. Examples include the choice based lettings scheme, which has not been robustly reviewed with partners since it was implemented in 2002, mediation and debt advice, and interventions in private sector housing. The partnership agreement with developers was reviewed recently, but after a gap of several years during which it had not been monitored at all. The service cannot be sure that all of its activities are effective or delivering their intended outcomes as a result.

76   The collection and use of feedback from service users is limited. There is no clear strategic approach to what should be collected, how or when. Where information is being routinely collected, for example, for Home Improvement Agency services, the service can demonstrate how it has taken action to address areas of dissatisfaction. However, several key areas of service are not collecting any information at all, for example, on new homes and only limited customer feedback is collected for housing advice and homelessness services. Where postal surveys are being used on a regular basis, they are not capturing comprehensive customer profile information. As a result, the service is missing opportunities to improve the quality of services it provides, and to ensure that services are provided fairly and consistently to all parts of the community.

Does the council plan and manage its finances and other resources to support the effective delivery of its strategic housing priorities and achieve value for money?

77   This is an area where performance is adequate. The Council attracts external investment to support its own, and directs resources to priorities, although it is not assessing the impact of funding decisions on delivery of its priorities. There are some examples of improving value for money within the service, but comparative work is underdeveloped.

78   Resources are effectively directed towards the delivery of priorities. Examples include the local mortgage rescue scheme and investment to develop the housing options service. Council owned assets are used to support delivery of new affordable homes, and although commuted sums are rarely accepted, they are also used to support housing delivery, for example, supported housing. Funding and resources are recycled – for example, the use of loans rather than grants for improvements to private sector housing, and use of planning and delivery grant to fund key pieces of the research base.

79   The Council successfully attracts external investment to support its aims. Examples include £4.6 million from the Department of Health to deliver the county's first extra care scheme and £7.6 million from the Homes and Communities Agency between 2007/08 and 2009/10 to support delivery of affordable homes, which relied on effective support from partners. The also placed a successful bid for MIRA[5] funding to provide an emergency housing support service for migrants who do not qualify for other assistance.

80   There is a strong corporate focus on value for money which is reflected in the service. Requirements to identify cost savings of 15 per cent over three years means that the service has regularly reviewed the strategic relevance of what it does, and whether it can deliver the same or more within reducing resources. Examples include using staff to deliver the service previously provided by the Rural Housing Enabler, and investment in adaptations which can be recycled, such as ramps, and more recently, a modular extension to a house. This is supported by a focus within the performance management framework to make sure that performance improves at the same time as resources reduce. This is helping the Council to make better use of its resources.

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[5]   MIRA – migration and integration in rural areas. Funding for the project has come from the Migration Impact Fund, a national fund which comes from the levy migrants pay to the government when they enter the country.

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81   Planning processes are used to support value for money in the delivery of strategic housing objectives. Development briefs are produced for all development where the Council has a direct interest. These have ensured that suitable infrastructure and community facilities are provided on-site in these areas. Section 106 agreements have been used on specific sites where infrastructure requirements can be evidenced, and the number of new affordable homes delivered as a result has increased.

82   The Council's partnership arrangements with developer registered providers is focused on providing value for money. Following selection, the Council negotiated and agreed the allocation of a lead registered provider to a specific geographical area, which avoids price rises through competition for the same site. The allocations also matched the registered provider's concentrations of managed homes. This enables them to gain economies of scale in their activities and enables the Council to work more efficiently with the selected group of partner developers.

83   However, the Council's understanding of whether strategic housing services offer value for money is underdeveloped. Work to explore how costs, performance and service quality compare to others, or over time, is at an early stage. The Council has joined a service specific benchmarking group, although this is yet to report any results. It is also developing an in-house matrix to better understand the relationship between budget spend and outputs, but it is too early to see any outcomes from this. As a result, it cannot yet demonstrate that its services offer value for money.

84   The impact of funding decisions in relation to delivery of priorities is not routinely captured. For example, the Council has invested resources in affordable warmth, and can demonstrate the number of actions it has taken to support this through private sector housing interventions, but it cannot demonstrate the impact that these interventions have actually had on heating costs for vulnerable residents, or the average energy efficiency rating of the housing stock. This limits the Councils ability to evaluate whether resource levels are appropriate to deliver key housing priorities and targets.

85   Partnerships have not been evaluated in relation to resources and value for money. The Council has not completed a review of internal and external partnerships to assess how effectively they are helping to deliver shared priorities for housing. There is no agreed work plan for the housing partnership, and there are examples where existing strategies and targets, for example, for affordable warmth, have not been viewed as an opportunity to formally sign partners up to delivery, sharing responsibility for targets, and identifying opportunities to share resources. There are also examples where service level agreements and partnership agreements are not effectively monitored or regularly reviewed. As a result, the Council is missing opportunities to share resources and maximise the impact of partners in delivering the vision for the area.

Do commissioning and procurement arrangements for strategic housing delivery help to maximise value for money and sustainability?

86 This Council is performing adequately in this area. Procurement is adding value and reducing costs. The use of council owned assets is increasing capacity for delivery of new homes, and commissioning decisions reflect diversity and sustainability considerations. However, commissioning arrangements are not fully effective and the Council has not assessed the effectiveness of its partnerships.

87 Tailored procurement choices are helping to deliver improvements, and reduce costs. The service uses a mix of different procurement methods to meet different needs. In addition to standard contract tendering for known volume and value services, it has used competitive dialogue to secure specialist skills to lead its regeneration and housing programme. It has also recently implemented two framework agreements, arranged through a national collaborative procurement organisation, for purchase and installation of level access showers, and the newly implemented ICT system for homelessness. Both of these areas had been identified as being high spend, but with barriers to delivering improved services for customers. This approach is adding value, as well as reducing costs.

88 The Council is increasing its capacity to deliver affordable homes through the use of its own assets. It has used its own assets and land for some time to support delivery of affordable homes, but this has been largely reactive. A recently completed strategic review of its holdings and how they could contribute was prompted by the impact of the economic downturn on pipeline schemes, and the housing service is now actively working with development partners to explore options for the sites. By using its own assets the Council is reducing the costs of developments.

89 Equality and diversity issues are reflected in commissioning arrangements. There are equality schedules in all contracts which are monitored by the Council. Accreditation schemes, for example the ACQUA scheme for voluntary sector providers, provide an incentive to focus on diversity, as this is considered as part of the commissioning process.

90 Commissioning decisions are helping to reduce the Council's environmental impact of service provision. For example, commissioning decisions for services for people with physical disabilities include a focus on the proximity and accessibility of transport links. For vulnerable people who live in more isolated areas, providers promote recruitment opportunities locally, to help reduce the carbon footprint and sustain local communities. This is supporting the Council's aims of sustaining rural communities, and reducing carbon emissions, whilst providing accessible services for vulnerable people.

91 However, partnership working to commission services is not fully effective. There are some positive examples of joint commissioning, for example between adult social care and strategic housing for the handyperson and Telecare services, and with probation for the wraparound pilot for ex-offenders who are substance misusers. However, there are gaps in the coverage of commissioning plans, and engagement with mental health and learning disability partners is underdeveloped. The Council is missing opportunities to maximise the impact of shared resources as a result.

Is the strategic approach to housing delivering better housing outcomes for the local community?

Is new market and affordable housing offering greater choice for new and existing households and promoting sustainable communities?

92 The Council is performing well in this area. It is delivering increasing numbers of new affordable homes. Effective tools and relationships are in place to support this. Delivery is informed by sustainability assessments, local needs and changes in market supply. Performance in delivering new market housing has been strong. However, new market homes do not always meet the same standard as affordable homes and provision is not meeting the needs of Gypsies and Travellers.

93 The Council has performed well in enabling the provision of new housing, but recently the numbers of new housebuilding completions has decreased. The number of housing units completed has, until 2008/09, been increasing year-on-year. Between 2002/03 and 2007/08 a total of 4,129 new homes were built. There were 829 net completions in 2007/08, the highest level achieved in the county since 2001. This decreased to 689 in 2008/09, and is expected to be lower still in 2009/10.[6] However, despite the impact of the economic downturn, when large assembled sites stalled, the number of new homes in total is only 191 short of the managed target set out in the Regional Spatial Strategy. This is important as market housing provides a key mechanism for delivering new affordable homes, which is a housing priority for the Council.

94 The Council is delivering increasing numbers of new affordable homes. In addition to new build completions, the Council boosts the number of new affordable homes through assistance for households to convert to low cost home ownership, for example, through its local mortgage rescue and DIY shared ownership schemes, providing grant assistance, and through planning gain. The total numbers of new affordable homes has increased from 144 in 2007/08, to 208 in 2008/09.

95 Positive relationships with developers and funders have enabled the Council to manage the risks to delivery of new affordable homes posed by the economic downturn. It actively sought to support schemes in different ways. Examples include conversion of schemes from 35 per cent to 100 per cent affordable homes; helping registered providers to purchase windfall sites for development; and securing additional external funding to deliver more homes on sites being delivered through the planning system. As a result, the Council has delivered 182 new affordable homes in 2009/10, exceeding the agreed LAA target for the year. [7]

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[6] 2009/10 data is not available until the end of June 2010
[7] This is the re-negotiated LAA target, agreed with Government Office West Midlands in 2009/10, which was revised downwards due to the impact of the economic downturn on housing markets and construction.

96 Planning policy and the research base are used effectively to ensure that new market and affordable homes are delivered in the right location. Adopted policies from the Unitary Development Plan for example provide a clear hierarchy approach for all new developments linked to an assessment of community and infrastructure sustainability. Density policies are used to manage the delivery of numbers in different types of development. This is further supported by ongoing Housing Needs Surveys, clear thresholds, template section 106 agreements, pre-application meetings, and development briefs. This helps to ensure that the Council is securing new market, and affordable homes, of the right size and type, in the right place.

97 Delivery of new affordable homes is strongly aligned to local affordability levels. The Council recognises that the type of affordable homes required may change over time, and it uses its research base to regularly test and inform policies for delivery. For example, the Council has moved from a target for an equal split of shared ownership and rented homes in 2006/07, to one of 80 per cent rented homes from 2008/09. The Council has broadly met these targets over time. The annual programme of local Housing Needs Surveys also helps to inform negotiations at an early stage by setting out the number, type and size of homes needed in different places. Regular testing means that the Council is clear about its policies in negotiations at the planning stage, and is better placed to deliver new homes which meet local needs.

98 New affordable homes are completed to agreed, minimum standards. Schemes are well designed to blend in with existing communities, particularly in rural areas. New homes are integrated with, and are indistinguishable from, new market housing. The Council's Design Guide, supported by an adopted Supplementary Planning Document, promotes standards which include secured by design and lifetime homes. In line with grant requirements, it also requires compliance with level three of the Code for Sustainable Homes as a minimum, although there are schemes where this has been exceeded.

99 New market housing does not always meet the same standards as new affordable homes. The Council has successfully ensured that new affordable homes meet lifetime standards when delivered through the planning system, but has yet to work with private developers to stretch standards beyond the minimum required by building regulations, although this is planned. As a result, affordable homes are often being completed to a higher standard in terms of sustainability than new market housing.

100 The Council is focused on meeting the needs of different groups of people through the delivery of new housing. In response to need identified through the research base, schemes to meet specialist needs include an extra care scheme, self-contained accommodation for adults with learning disabilities combined with a floating support scheme, self-contained accommodation for care leavers, and transitional housing for young people moving on from Foyer schemes. The service is currently negotiating with health and housing partners to secure the provision of private and social rented accommodation for people with mental ill health. There are also positive examples of where the Council has, through providing additional grant funding, built in needed adaptations during the planning and delivery phases of new build schemes.

101 The Council also recognises the need to deliver new homes to secure the sustainability of rural communities and retain the skills of local people. A settlement hierarchy is used to ensure that any new development is sustainable. The Council works closely with town and parish councils to deliver new affordable homes on exception sites, makes use of brownfield sites such as redundant agricultural buildings, and has recently completed a live-work scheme.

102 However, it has been slow to deliver any new or refurbished provision for Gypsies and Travellers. An accommodation needs assessment was completed with sub-regional partners in 2008. Some two years after this, the Council has still not finalised options for new provision or refurbishment. Lack of useable or available pitches can lead to overcrowding, poor health and education outcomes for Gypsies and Travellers, as well as a cycle of illegal encampment or development, followed by enforcement action, which is a relatively expensive way to spend the Council's resources.

Is there an effective approach to improving the quality and use of existing housing and promoting sustainable neighbourhoods?

103 This is an area where the Council is performing adequately. It is helping people to remain living in their homes through measures for affordable warmth and independent living. Increasing numbers of empty homes are being brought back into use, but it is failing to have a significant impact on the condition of the housing stock. The Council takes enforcement action where necessary, but its approach to raising standards in the private sector is reactive. It is taking too long to process applications for major adaptations, and this service is fragmented. The allocations policy is not being maximised in relation to delivering wider ambitions.

104 There is a strong focus on improving levels of energy efficiency and affordable warmth within the county's housing stock. The Council offers a range of assistance, which include the Council's Special Energy Efficiency Scheme (SEES), and Repairs on Prescription referral programme, which make use of partner resources to support delivery. The SEES scheme, which has helped 2,627 households since 2007/08, has been delivered with the assistance of CERT[8] funding, is targeted to tackle homes which are hard to heat and keep warm. Repairs on Prescription funds works up to £1,000 which have been referred by health or social workers, and has helped 2,071 householders since 2007/08. This is helping to reduce the impacts on cost and health to residents, particularly those who are vulnerable and who live in homes which are hard to heat and keep warm.

105 A wide range of preventative services is helping to ensure that residents are able to remain living independently in their own homes. They include a rapid response service to complete minor and emergency works to prevent hospital admission, and ensure that patients are able to return home from hospital without any delays; a low level handyperson scheme, and delivery of minor aids and adaptations through an integrated community equipment store. Over 6,000 households have benefited from these services in the last three years, and this approach is helping the Council to make best use of existing housing stock, and manage demand for other types of accommodation.

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[8] CERT – Carbon Emission Reduction Target. This is funding which is available from utility companies.

106 However, the impact of the Council's activities, in relation to the scale of need within the housing stock, is either limited, or not known. Performance is not meeting targets in some key areas. For example, in 2008/09, the Council recorded that 51 homes were made decent as a result of its intervention, against a target of over 300, although it almost achieved its target of improving 1,200 properties. The Council is also underperforming against its target for improving the energy efficiency of the housing stock. In 2008/09, the percentage increase in the energy efficiency of all housing stock since 1996 was 19.7 per cent – but the Council aimed to achieve an increase of 30 per cent by 2011. The Council cannot demonstrate that it has significantly improved the energy efficiency or level of decent homes within the county's housing stock.

107 The Council cannot demonstrate that the type and scale of its interventions have had a sustained impact on reducing the level of empty homes within the county. It has recently refreshed its empty homes strategy, after a gap of almost five years. Between 2006/07 and 2008/09, the number of homes in the private sector which were empty for more than six months increased from 772 to 916.

108 However, a good understanding of the type and location of empty homes is now helping the Council to target its resources and bring more empty homes back into use. It maps the type and location of empty homes across the county, and through site visits and contact with owners, establishes the reasons why, which enables it then to target any further action as appropriate. Action to tackle empty homes is prioritised according to a number of criteria, which focuses on the status of the property, and also its impact on the surrounding neighbourhood. The number of homes brought back into use through action the Council has taken, whether formal or informal, has increased from 145 in 2006/07 to 176 in 2009/10, and is helping to improve neighbourhoods where empty homes have had a negative impact on the appearance of the area.

109 Increasingly effective joint working with partners is also now helping to make use of empty homes to meet housing need. The Council uses its own resources in the form of grant funding to encourage owners and landlords to bring empty properties back into use. There is a wide range of schemes and incentives available which include purchase and repair, temporary social housing and private sector leasing. In 2009/10, 23 empty homes were refurbished and used to provide temporary accommodation for people who are homeless, with leasing arrangements in place for six years; 22 were brought back into use by the private sector leasing scheme, and a further 4 properties were purchased and repaired, adding those properties to the available social housing in the county. This is helping to meet both short and longer term housing need.

110 The Council takes a balanced approach between support and enforcement to improve housing standards. It works effectively with partners such as the fire service to inspect properties, and since 2007/08 has assisted 20 landlords with grants totalling £157,000 to fund fire safety improvements to their properties. The Council also takes enforcement action where necessary, for example, it has recently worked with the fire service to jointly prosecute the owner of an unlicensed house in multiple occupation (HMO), following an enquiry from a member of the public.

111 However, whilst it is positive that the Council takes action where it can, this highlights the largely reactive nature of the service currently being provided. There is a lack of capacity within the service to proactively identify and follow up potential HMOs. For example, the Council is not yet making use of data which already exists within other services to identify possible properties, and does not have the capacity to undertake periodic visual surveys of the housing stock, which is important given the hidden nature of some of the HMOs within the county. It is not always completing follow up surveys of intervention, for example, to capture the impact on levels of decent homes in the private sector, and did not plan effectively for the expiry of its additional licensing scheme, with the result that almost half of the existing licenses will not be required to be renewed under the mandatory scheme. As a result, risks to the health and safety of occupants of HMOs are not being minimised effectively, and the impact of interventions on the quality of the housing stock is not being robustly captured.

112 The extent to which the Council has explored and is maximising the use of existing homes to meet housing need is mixed. It has recently launched an accreditation scheme for private sector landlords, which helps to provide a focus on tackling over-crowding for example, but lacks a proactive approach to identifying this issue through other means. The recently revised allocations policy refers to individual providers making provision for under-occupation of properties, but this is not part of an agreed, county wide approach, for example, through the Housing Partnership. The allocations policy reflects operational concerns about housing need, such as priority for care leavers, but it fails to consider and reflect some of the Council's wider strategic priorities, for example, linking lettings to tenancy skills development for young people.

The housing needs of vulnerable and lower income households are being met effectively?

113 This is an area where the Council is performing well. Housing advice and signposting is easily accessible. The level of homelessness is reducing due to an effective focus on prevention. Partnership working is helping to tackle rough sleeping. The supply and type of supported housing and services meets most needs, and has increased. However, partnership working and commissioning arrangements are not fully effective.

114 Housing advice and signposting are accessible in a range of different ways. The Council has worked hard to ensure that advice services extend into the rural areas, through the offer of home visits and housing advice surgeries in the market towns, in addition to the main service provided in the City centre. There is a wide range of information on the Council's website, and publicity about different services and the help available, for example, for owners of empty homes, or poor condition homes in the private sector, is targeted appropriately. Applicants are able to bid for housing through the HomePoint scheme in a number of ways, including telephone and text messaging. This is helping to ensure that people who live in remote areas or those who cannot easily access the Council's offices are able to get the advice, information and services they need in a way which suits them.

115 This approach has been successfully extended to groups of people who may find it difficult to engage with, or access, traditionally provided services. For example, housing surgeries take place at a unit which delivers acute psychiatric care, and a dedicated, multi-disciplinary adult mental health housing panel ensures that housing needs for adults referred by wider partners and services are identified at an early stage. Advice services in the community provided by voluntary organisations for people with specialist needs are also well used. These services have been provided in direct response to the needs identified in the review of the homelessness strategy, and provide a means of early intervention and advice for people whose vulnerability increases their risk of homelessness.

116 Despite an increase in homelessness applications and acceptances in 2008/09, the Council's focus on prevention has seen a reduction in the number of households who are homeless. It uses a range of prevention options, supported by partnership working, funded by a dedicated prevention budget. Initiatives include its well established local, as well as the national, mortgage rescue scheme, which between them have prevented 18 households from becoming homeless in 2009. Other options include the use of rent bonds and deposits to enable people to rent in the private sector; mediation services for young people; and a sanctuary scheme and refuge provision with floating support. This has enabled the Council to prevent increasing numbers of households from becoming homeless, with 417 preventions in 2009/10 compared to 388 in 2008/09. This has assisted the Council in reducing the numbers of households placed into temporary accommodation, and it has met its target to halve the use of temporary accommodation by 2010.

117 As part of its approach to preventing homelessness, the Council is working well with partners to identify and tackle rough sleeping. Through identification by the Police of a potential increase in rough sleeping by economic migrants, the Council has, with MIRA funding, introduced a dedicated project worker to provide emergency assistance and regular hot spot counts with partners. Within the first six weeks of the scheme the part-time worker attached to the housing advice service helped 13 people. The Council also works with other partners, such as faith organisations, to run a Cold Weather Shelter, staffed by trained workers from partner organisations. This provides an important safety net for people who may be reluctant to engage with formal housing and support services.

118 The supply of supported housing and services meets the needs of most groups of people. Examples of current provision include three Foyer schemes for young people provided by SHYPP, supported by dedicated move-on provision; self contained accommodation for people with learning disabilities, supported by clinical and therapeutic support; and self contained accommodation for ex-offenders, with referrals from the probation services. Plans are also progressing for core and cluster schemes for people with learning disabilities and mental ill health. Supply has increased in response to needs identified through partners and the research base, and there is now a wider range of appropriate supported housing options available.

119 Lettings arrangements are providing choice for applicants. Over 90 per cent of the social housing stock is let through the county's choice based lettings (CBL) scheme. The common allocations policy was reviewed and revised in early 2010, and now includes a stronger focus on meeting the needs of young people leaving care, and customers ready to move on from support services.

120 The quality of partnership and joint working to meet the needs of vulnerable people is mixed. There are some positive examples of where this is working well, for example, the Repairs on Prescription scheme with health and social care professionals; and joint working with the Police and Fire Service in relation to provision of a Sanctuary Scheme, and enforcing standards in the private sector. However, there are also areas where this is not so effective, such as the provision of major adaptations, and lack of monitoring of operational agreements which are designed to prevent homelessness, such as debt advice and mediation services. As a result, the Council cannot be sure that some services, designed to meet the needs of vulnerable people, are fully effective.

121 The end-to-end service for grant funded major adaptations is fragmented. It is currently split between two services, housing, and health, and neither is taking an overview of how well the service works, or how long it takes for customers from their initial contact or enquiry, through to the completion of the work. Having identified an overspend due to a backlog of approvals last year, which had resulted in an average waiting time of three years, the Council allocated additional funding to clear the waiting list, and has approved funding for an increase in Occupational Therapy staff capacity. However, it is not clear that these changes will be sufficient to ensure that similar problems don't arise again. This is important given the ageing profile of the county's population, and the projected increase in the numbers of young people with physical disabilities.

122 It is taking too long for grant funding applications for major adaptations to be processed. In 2009/10, the housing service had a target of achieving this within 20 weeks of receipt, but took 29 weeks, although this is an improvement from 32 weeks in 2008/09. The service has recently implemented new initiatives to improve this, such as increasing the level of capital allocations, and introducing standard specifications for level access showers, which is the most frequently delivered adaptation, but the impact is not apparent yet.

Appendix 1 – Performance indicators

	2006/07	2007/08	2008/09	2009/10
Affordable dwellings completed/acquired		144	208	185
Total number of new homes developed (net)	805	829	689	Not yet available
Number of private sector homes vacant for 6 months or more	-	833	916	874
Private sector homes vacant for 6 months or more as a percentage of the total housing stock	-	1.0	1.1	1.0
Number of empty homes returned to use as a direct result of action by the authority	-	164	153	182
Number of households accepted as priority homeless in-year	-	206	256	251
Number of those threatened with homelessness for whom advice and supported prevented them from becoming homeless (per 1,000)	-	3.95	4.4	6.23
Number of households in temporary accommodation		93	91	79

Data sources: Herefordshire Council; Housing Strategy Statistical Appendix; West Midlands Regional Assembly monitoring data

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:

- focus groups partners;

- interviews with staff, Councillors, partners and key stakeholders;

- tour of the area;

- visits to affordable housing developments; and

- review of Council documents.

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)

Partnership working to tackle rough sleeping

1   Through identification by the Police of a potential increase in rough sleeping by economic migrants, the Council has, with MIRA (Migrants in Rural Areas) funding, introduced a dedicated project worker to provide emergency assistance and regular hot spot counts with partners. Within the first six weeks of the scheme the service helped 13 people. The Council also works with other partners, such as faith organisations, to run a Cold Weather Shelter, staffed by trained workers from partner organisations. This provides an important safety net for people who may be reluctant to engage with formal housing and support services.

Engaging with parish council's and communities to reduce carbon emissions

2   The Council has challenged parish councils to encourage as many households as possible to calculate their carbon footprint using the Council's on-line calculator. The challenge was supported by a prize fund to enable the parish council's with the most participants to invest in energy efficiency measures for their village hall. The on-line calculator provides participants with advice on how to reduce carbon emissions, save money on associated household bills such as heating, and signposts them to wider resources for advice and assistance for affordable warmth.

Video guides to explain the Choice Based Lettings scheme to applicants who speak languages other than English or who have a hearing impairment

3   The Council has developed and implemented video guides which explain each stage of the Choice Based Lettings scheme, how it works, and what applicants need to do, in the four main community languages of the area in addition to English, alongside a video guide with the same information for people who use British Sign Language.

The Audit Commission

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