

EAST AYRSHIRE COUNCIL

SPECIAL HOUSING COMMITTEE – 20 APRIL 2005

HOUSING BEST VALUE SERVICE REVIEW

Report by the Executive Director of Neighbourhood Services

1. PURPOSE OF REPORT

- 1.1 To advise the Committee of the outcome of the Housing Best Value Service Review and to seek authority for the approval of proposals to re-align the service to meet the challenges identified by the review.

2. BACKGROUND

- 2.1 The Local Government (Scotland) Act 2003 places a statutory duty on local authorities to make arrangements to secure Best Value. At the Policy and Resources Committee meeting held on 19 February 2004, members agreed revised arrangements for Best Value with particular emphasis on use of EFQM assessments and the development of a three year programme for Best Value Service Review covering all Council services.
- 2.2 The Department of Neighbourhood Services comprises of four separate service units: Building and Works; Housing Services; Leisure Services; Protective Services. The review of the Housing Service is the first to be carried out within the new Department under the terms of the Council's current Best Value Review Programme.

3. SCOPE AND METHODOLOGY OF THE REVIEW

- 3.1 The review considered the structure and performance of the service within the current operational and legislative context. Key stakeholders were consulted and comparative benchmarking carried out with other authorities and housing providers.
- 3.2 The review was conducted by officers in accordance with the Council's guidelines for undertaking Best Value Service Review, focusing on the four C's of Best Value:
- Challenge
 - Consult
 - Compare
 - Consider
- 3.3 The review was carried out in parallel with the Housing Stock Options Appraisal which has examined the challenges and costs involved in improving the Council housing stock to meet the new Scottish Housing Quality Standard by the Scottish Executive's deadline of 2015. The outcomes of the Options

Appraisal will be set out in a separate report to elected members.

4. POLICY AND LEGISLATIVE CONTEXT

4.1 The Council's role as the local housing authority for East Ayrshire is defined by reference to legislation including:

- Housing (Scotland) Act 1987
- Housing (Scotland) Act 2001
- Homelessness (Scotland) Act 2003

4.2 These Acts set out the Council's statutory duties and responsibilities for housing and homelessness services and for the production of the Local Housing Strategy to identify and develop plans to meet future housing needs in East Ayrshire. However, the Housing Service is also responsible for leading delivery of other initiatives including Supporting People and the Anti-Social Behaviour Strategy which, with other new initiatives linked to area regeneration, have increased the range and scope of services provided in recent years.

5. SERVICE PROFILE

5.1 The Housing Service is responsible for fulfilling statutory functions in terms of homelessness and Local Housing Strategy, for the delivery of landlord services to Council tenants, and services to the wider community. In terms of landlord services, these include:

- Council house letting
- Estate management
- Housing repairs
- Rent arrears prevention and recovery
- Tenancy management
- Garden maintenance
- Gas safety maintenance
- Housing investment programmes (Scottish Housing Quality Standard)
- Best Value and Performance

Wider services to the community include:

- Community Wardens Project and Anti-Social Behaviour Strategy
- Supporting People
- Private Sector Housing Grants

5.2 The Council housing stock presently numbers approximately 14,800 although this is projected to continue to reduce as a result of sales to sitting tenants under the current Right to Buy legislation. This reflects a trend evident over many years but despite sales, the Council remains the largest single landlord in East Ayrshire holding around 29% of the total housing stock within the area. The corresponding holdings of registered social landlords and the private

rented sector in East Ayrshire is 5% and 3% respectively.

- 5.3 The main focus of the business is on delivery of front line services to tenants and other customers. Within the existing structure, the majority of these services are delivered through six area based housing teams which are the main point of contact for the majority of service users. Other services, such as the administration of Private Sector Housing Grants are delivered and managed centrally, or in the case Tenancy Support Workers, Anti-Social Behaviour Investigators and staff providing homelessness services are delivered by out-posted staff in area offices.
- 5.4 Funding for the Housing Service is primarily obtained from Council house rental income which is estimated at £32.28M during 2005/2006. However, in recent years, the Executive has increased the level of funding it provides to the Council to deliver national initiatives and a number of funding awards for Supporting People, Private Sector Housing Grant, and for delivery of the Council's Homelessness and Anti-Social Behaviour Strategies have all been reported to elected members in recent months.
- 5.5 Benchmarking operational performance and costs identified a range of activities where performance improvements had been achieved over several years and which compared well with other local authorities. There remains scope for continued improvement and members have approved a series of recommendations over recent months designed to improve performance on housing repairs, debt recovery, and house letting. In terms of benchmarking costs, comparison with other Scottish authorities show that the Council's costs for supervision and management at £462 per house is less than the Scottish average (£474) as reported by CIPFA 2004/2005.
- 5.6 The service review process involved extensive consultation with key stakeholders including service users, staff and partners both inside and outside the Council. In general terms, the feedback was positive but some concerns around the efficiency of the repairs service and the arrangements for dealing with gardens at void properties were highlighted.
- 5.7 As indicated earlier, a separate Housing Stock Options Appraisal has recently been carried out by DTZ Consultants on behalf of the Council. This exercise, part of the strategic planning process, considered future management arrangements for the Council housing stock in response to the need to evaluate all investment options available to improve the Council housing stock to the new Scottish Housing Quality Standard by 2015 and sustain that standard over following years. The results of the Option Appraisal - which considered the condition of the housing stock, analysed life cycle costing of all major building elements over a 30 year period, assessed the value of the stock, and which took views of key stakeholders – are detailed in a separate report to members. However, the conclusions suggest that the Council could reasonably expect to fund the improvements required to meet the Housing Quality Standard without the need for stock transfer.

6. FUTURE CHALLENGES

- 6.1 The Housing Service faces several significant challenges over coming years. Delivering the Council's Local Housing Strategy objectives needs effective but flexible joint working with key partners to secure the necessary resources. Eradicating homelessness by 2012 is a challenging target and needs the Local Housing Strategy and the Local Plan to deliver the number of affordable homes required in East Ayrshire and needs all partners to commit the necessary resources to sustain individuals in accommodation particularly where chaotic lifestyles are in evidence. Responding to the Executive's initiative on tackling antisocial behaviour will require new ways of working with the Police and other key partners to support individuals and improve our communities irrespective of property tenure. The Executive's proposals for the registration of private landlords, under the terms of the Antisocial Behaviour Act 2003, will further extend service responsibility for the private housing sector.
- 6.2 However, the main challenge to the service lies in the Council's ongoing ability to achieve and maintain the Scottish Housing Quality Standard for the Council housing stock by 2015 and beyond. For the purpose of the service review, it has been assumed that the Housing Stock Option Appraisal confirms that stock retention is a viable option and that the Council will adopt this as the preferred option for future planning purposes.

7. PROPOSAL

- 7.1 The service review has sought to recognise the changing nature of the service both in terms of the client groups catered for and the profile of the remaining housing stock. It has sought to address the growth in demand for existing services and has identified areas where the service will require to grow and adapt in future to meet the Executive's national agenda and the Council's objectives as set out within the Community Plan and Local Housing Strategy. Finally, the review has considered the implications for front line services and for reconfiguring support services to meet the needs of Best Value and drive forward performance and continuous improvement.
- 7.2 The review, and the Housing Stock Option Appraisal, have highlighted a number of actions required to mitigate the risks involved in retaining the Council housing stock. These include:
- Development of the Standard Delivery Plan to ensure delivery of the Scottish Housing Quality Standard
 - Development of robust investment planning systems to ensure the Standard Delivery Plan is delivered in practice
 - Continued development of tenant involvement in the planning and consultation process to ensure that tenants are more fully involved in service development and monitoring
 - Continued change management to deliver performance improvement across the Housing Service, including Building and Works as it relates to

delivery of the repairs service

- Consideration of whether some stock transfer would contribute to the Council's wider regeneration objectives
- Managing costs down in line with reducing stock numbers, including HRA and General Fund costs
- Development of an HRA business plan to articulate the change required under retention, approved by the Council with commitment to deliver over the long term.

7.3 The proposal aims to strengthen the Housing Service by:

- Modernising the management structure
- Re-aligning duties and responsibilities resulting from increased workload
- Re-aligning the service to meet the challenges identified by the review in particular, to ensure that Council is able to retain ownership of the Council housing stock and meet the Scottish Housing Quality Standard by 2015.

7.4 The current structure of the Housing Service comprises four separate units, each with a Senior Manager reporting to the Head of Service. In order to streamline management arrangements, and reconfigure the business to meet identified challenges, it is proposed to re-organise the service into two distinct units comprising Housing Services and Development and Strategy, each under the direction of a Senior Manager. These new arrangements will allow the Head of Service to focus on strategic management and planning issues, particularly related to community planning and area regeneration, as well as leading the delivery of efficient and effective services which meet the Council's objectives and the needs of tenants and other service users.

8. HOUSING SERVICES

8.1 In recognising the extended remit and increased responsibilities of the post, it is proposed to re-designate the post of Operations Manager as Housing Services Manager. The post holder will deputise for the Head of Service as and when required and will be responsible for managing all landlord services, services to those who are homeless or are threatened with homelessness, housing information and advice services, community warden projects and implementation of the anti-social behaviour strategy. The post will be re-graded in line with similar posts within the Council.

8.2 Housing stock against staff ratios have been reviewed as part of the review and there is considerable evidence to support the retention of the existing area team structure. This will be kept under review as house sales continue. However, some scope for savings has been identified and it is considered that two vacant Housing Officers posts can be deleted from the existing establishment. It is also proposed to relocate one Senior Clerical Assistant post from the area team establishment to provide support to the Housing Service Manager. There are no grading implications involved in this proposal.

8.3 Arrangements for the implementation of the Anti-Social Behaviour Strategy have been reviewed against the growth in demand for service and the

opportunities presented by the continued funding of this initiative by the Scottish Executive. It is proposed to recruit an additional two Community Wardens to the existing teams to ensure adequate staff cover across the project areas. Owing to an increase in the level of cases being referred, it is proposed to increase the capacity of the Anti-Social Behaviour Team by recruiting one additional Anti-Social Behaviour Investigator together with one Paralegal post and one Clerical Assistant post. The duties and responsibilities of the Investigators have been reviewed in light of experience and it is proposed to re-grade these posts in line with similar posts elsewhere within the Council. Again, in recognition that the remit of the post of Anti-Social Behaviour Co-ordinator has expanded considerably beyond that envisaged in the original funding bid, it is proposed to re-grade this post in line with similar posts within the Council. It should be noted that these posts would be of a temporary nature and funded by the Executive from the Building Strong, Safe and Attractive Communities Grant awarded to the Council. As a result, scope for further savings from the main staffing budgets have been identified and it is proposed that two Neighbourhood Disputes Officers posts be deleted from the existing establishment.

With the formation of the new department of Neighbourhood Services in April 2004 there has been considerable joint working activities between Housing and the former Community Services sections especially at directorate level with the handling of enquiries, provision of information and coordination of diversionary activities with regards to the BSSAC anti-social behaviour initiatives. It is therefore proposed to add an additional Senior Clerical Assistant post within Neighbourhood Services directorate to deal with the new workload.

- 8.4 The review has highlighted the risks attached to lone working in the Council's Homeless Hostels and in order to eliminate these risks, it is proposed to recruit an additional Hostel Support Warden to the establishment. This post will be graded in line with similar posts within Housing.
- 8.5 One area of improvement identified by the service review, and previously raised as an issue within the Tenant Satisfaction Survey, is the need to establish more robust complaints handling systems which clearly link to activities to improve the service provided to customers. It is proposed to re-locate a Policy Officer post, augmented by an additional part time post into a new Customer Liaison Team to work with tenants and tenants groups to increase their involvement in service planning and delivery. These posts will be graded in line with similar posts within Housing and the Council. One vacant post of Customer Support Officer will be deleted from the existing establishment.
- 8.6 Following the passing of CCT and its replacement by the new Best Value arrangements, it is proposed to re-designate the post of Contract Compliance Officer as Maintenance Officer with the post holder being responsible for monitoring quality and best value in housing repairs. It is further proposed to create one new post of Maintenance Assistant to provide administrative and clerical support to the Maintenance Officer. While no change is proposed in

the grade of the Maintenance Officer, the post of Maintenance Assistant will be graded in line with similar posts within the Council.

- 8.7 An opportunity to rationalise activities within the new Neighbourhood Services Department has been identified in relation to administration of the Garden Maintenance Scheme. It is proposed to transfer responsibility for this function to Outdoor Amenities who are responsible for carrying out the garden maintenance works at present. If agreed, it is proposed to re-locate one Senior Clerical Assistants post to the Outdoor Amenities Team to help administer the service. Funding would continue to be sourced for this post from the Housing Revenue Account.

9. DEVELOPMENT AND STRATEGY

- 9.1 As a result of growth in housing development activities, the need to focus resources on achieving the Scottish Housing Quality Standards, Communities Planning Initiatives linked to the Housing Service, and the need for robust arrangements to obtain best value and continuous improvement, it is proposed to re-designate the existing post of Policy and Strategy Manager to Development and Strategy Manager with the post to be re-graded in line with similar posts within Housing and the Council.
- 9.2 In order to ensure the success of the Standard Delivery Plan to meet the Scottish Housing Quality Standard, it is proposed to establish a new team within Development and Strategy to deliver the Council's Housing Improvement Programme. It is proposed to re-designate the existing posts of Senior Project Planning Officer and Project Planning Officer as Housing Improvement Programme Manager and Housing Improvement Officer respectively. It is further proposed to re-locate three Housing Officer posts presently involved in Capital Works Planning, from the Area Housing Teams into the new Housing Improvement Team and designate these posts as a Housing Improvement Assistants. There are no grading implications attached to these proposals.
- 9.3 As a result of the increase of Private Sector Housing Grant funding from the Executive, and changes to associated regulations, it is proposed to recruit an additional Grants Officer to the current establishment, with the post graded in line with similar posts within Housing. Funding for this proposal would be met from the Private Sector Housing Grant.
- 9.4 There has been a significant increase in the work load associated with housing development and regeneration which has been identified as a key objective both in the Community Plan and the Local Housing Strategy. It is therefore proposed to delete one post of Policy Officer from the existing establishment and add a new post of Development Officer to meet identified business needs. This post will be graded in line with similar posts within the Council.
- 9.5 As part of the review of the Strategy Team, it is proposed to delete two Policy Assistant posts from the existing establishment. It is further proposed to

delete two Policy Officer posts and to add two new posts of Local Housing Strategy Officer and Best Value and Performance Officer to help ensure that sufficiently robust arrangements are in place to deliver the Local Housing Strategy and a Best Value Housing Service. These posts will be graded in line with similar posts within the Council.

10. PERSONNEL IMPLICATIONS

10.1 These proposals are subject discussions with the Trade Unions.

11. FINANCIAL IMPLICATIONS

11.1 The proposals outlined in this report, taking into account the use of external funding, will deliver efficiency savings on Housing Revenue Account employee costs amounting to £180,000. These savings will be available for re-investment elsewhere within the service.

12. LEGAL / POLICY IMPLICATIONS

12.1 Nil

13. CONCLUSIONS

13.1 The review of Housing Services has been carried out in accordance with the Council's agreed procedures for Best Value Service Reviews. The Service Review process has been complemented by the parallel Housing Stock Options Appraisal carried out by DTZ Peda on behalf of the Council. The review illustrates the Council's commitment to achieving Best Value and Service Delivery and the proposals arising from the review will help strengthen the service to meet future challenges whilst achieving efficiency gains for re-investment elsewhere within the Housing Service.

14. RECOMMENDATIONS

14.1 It is recommended that members:

- (i) note the outcomes of the Housing Best Value Service Review;
- (ii) approved the proposals set out in Paragraphs 8 and 9 above;
- (iii) authorise the Executive Director of Neighbourhood Services, in conjunction with the Head of Personnel, to submit the staffing proposals for approval by the Corporate Governance Committee; and
- (iv) otherwise note the terms of the report.

William Stafford

Executive Director of Neighbourhood Services

CMCA/LA
1 April 2005

LIST OF BACKGROUND PAPERS

1. Housing Best Value Service Review Report
2. Service review technical appendices

For further information please contact Chris McAleavey, Head of Housing on 01563 554878.

Implementation Officer – chris.mcaleavey@east-ayrshire.gov.uk

East Ayrshire Council
Housing Best Value Service Review
2005 to 2008

Contents

Section 1	Introduction	3
Section 2	Challenge	8
Section 3	Consult	14
Section 4	Compare	17
Section 5	Consider	21
Section 6	Conclusions	27
Section 7	Service Improvements	29

Section 1

1.1 Introduction

The Local Government (Scotland) Act 2003 revised and updated the Best Value criteria within which local authorities must adhere. East Ayrshire Council (EAC) has embraced the Best Value regime through the adoption and implementation of the EFQM pathway process and a regular Best Value Service Review (BVSR). After reorganisation and restructuring of Council services in 2004, departments were charged with carrying out BVSR's in all their service areas within 3 years. The Housing Best Value Service Review (HBVSR) is the first BVSR carried out within the department of Neighbourhood Services. The Housing Service is committed to delivering a quality social landlord service and strives to provide value for money services for our tenants and the wider community of East Ayrshire.

A steering group was set up to oversee the direction of the HBVSR and from this group a core team were charged with the detailed delivery of the BVSR.

1.2 Best Value Approach

EAC aims to bring about real and measurable improvements in its performance and provide accessible, higher quality and cost effective services for our citizens through a commitment to best value, continuous improvement, local government modernisation and the community planning agenda. The Best Value review process is crucial to delivering this commitment by providing an opportunity to assess:

- The quality and effectiveness of the current service provision
- Current service performance and areas for improvement activities
- Stakeholder views
- Options to improve current service provision and delivery and improvement actions for the service.

This process also ensures that the principles of EAC are addressed.

Housing links closely with a number of other EAC services and external agencies, in terms of policy and service delivery. In view of this complex series of relationships, this review is a strategic best value service review. In addition, this review sets out to identify the views of customers and wider stakeholder groups, providing them with an opportunity to influence the improvement agenda to meet their needs and priorities.

1.3 Scope and Review

The review covers all the functions of the current Housing Service but primarily concentrates on the functions of Repairs & Maintenance, Homelessness, Antisocial Behaviour, Estate Management and Communications. These activities were identified for specific attention through feedback from many sources including the tenants satisfaction survey, feedback from a pre survey conducted amongst housing employees and through deliberations of areas of concern within the HBVSR Steering Group. Details of the process in establishing this review and the membership of the steering group are detailed later in this report. The terms of reference were agreed by this steering group with reference to EAC's corporate guidance on the BVSR process (A Guide to Carrying Out a Best Value Service Review - March 2004). The terms of reference for the HBVSR are as follows:

- To clearly establish the aims of the Housing service.
- To clearly identify the customers and stakeholders for the functions of Housing.
- To identify the views of stakeholders
- To identify key issues for effective management and development of the service to include staffing & resources, performance & organisational culture.
- To identify the visions of success, parameters to be achieved, for each element of Housing.
- To establish management policies aligned to the Councils principles and Community Plan objectives.
- To set out an implementation plan for the improvement of the services provided by housing.
- To reconfigure the current organisation, taking into account customer requirements, and ensuring that the services provided by Housing deliver success.

1.4 Housing Vision

In 2004 the Housing Service revisited its vision statement and goals to define the objectives and responsibilities of the service and its functions within the Local Authority. The vision reflects a long term perspective and the need for future planning to implement Housing related projects.

The vision of EAC Housing Service is to provide good quality affordable housing to those in need, and a value for money housing service to the people of East Ayrshire. Supporting this are key aims to continually improve the quality of service in East Ayrshire by:

- Ensuring that the Council's core values of quality, equality, access and partnership are central to all activities.
- Improving standards of service delivery to meet the requirements of our customers.

- Focusing on communication, consultation, participation and training.

Housing objectives are set within the Community Plan, the Local Housing Strategy and the Continuous Improvement Plan. Progress towards these objectives are regularly monitored, analysed & reviewed.

1.5 Councils Key Objectives

The vision of EAC is that East Ayrshire will be a place with strong, vibrant communities where everyone has a good quality of life and access to opportunities, choices and high quality services which are sustainable, accessible and meet people's needs. This vision encapsulates the 4 core values of the Council - Quality, Equality, Access and Partnership which have influenced the 5 guiding principles of local community planning.

With the adoption of the Community Planning process the Council aims to promote social justice & inclusion, build sustainability, succeed in joint working & involving people, ensure quality & accessibility and deliver continuous improvement & best value. The Housing Service plays a vital part in helping the Council move the agenda associated with these principles forward and has a key role to play in achieving the targets set out within the Community Plan thematic action plans:

- Promoting Community Learning
- Improving Opportunities
- Improving Community Safety
- Improving Health
- Eliminating Poverty
- Improving the Environment

Housing Service goals and objectives are focused on supporting achievement of the Community Planning objectives.

The Housing Service contributes other Council policies such as the Local Plan and is a partner in various Social Work led initiatives that are designed to tackle poverty and social exclusion. A wide range of legislation influences the service including the Housing (Scotland) Act 1987, Housing (Scotland) Act 2001, Homelessness, etc (Scotland) Act 2003, the Local Government (Scotland) Act 2003 and the Anti-social Behaviour, etc (Scotland) Act 2004.

The current Local Housing Strategy (LHS) was adopted by the Council in April 2004 and is the major strategy document for Housing in East Ayrshire. This strategy sets out how the Council and its partners aim to meet identified housing needs across the area from 2004 to 2009. It sets out the key issues affecting the housing system in East Ayrshire and includes detailed plans setting out how the aims will be delivered. The LHS aims to help people:

- Live in a safe, attractive & sustainable community
- Access quality housing

- Afford a property that meets their needs and aspirations
- Achieve independent living

The Corporate Management Structure within the Council has recently been restructured and the Housing Service now rests within the Department of Neighbourhood Services which includes diverse services such as:

- Community Recreation
- Dean Castle Country Park
- Leisure Development
- Libraries, Registration and Information Services
- Museums, Arts & Theatre
- Outdoor Services
- Cleansing
- Environmental Health and Waste Management
- Trading Standards
- Licensing and Community Safety
- Emergency Planning
- Central Services
- Building & Works

The aim of the restructuring was to streamline the Council services, eliminate waste and duplication and to move services forward ensuring that as an organisation, EAC focused on its customers and, with its partners, on the attainment of best value and improved performance.

1.6 Outline of the Review Process

The first step in the BV review process was the development of an EFQM pathway action plan which detailed the necessary actions identified from the EFQM process. The next step in the process was to identify and bring together a steering group who would have the responsibility of co-ordinating the review process.

The steering group comprised:

- Head of Housing
- Operations Manager
- Policy & Strategy Manager
- 2 Area Housing Managers
- Homeless Strategy & Services Manager
- Senior Project Planning Officer
- Financial Services Manager
- Policy Officer (Performance & Best Value)

This group formulated the parameters of the review and agreed an action plan to ensure the completion of the review within agreed timescales. The day to day review process was delegated to a smaller core group comprising

of Head of Housing, Operations Manager, Policy and Strategy Manager, and Policy Officer. An officer from the Central Services unit within Neighbourhood Services attended the core group meetings to give an independent perspective on the direction, findings and outcomes of the HBVSR.

Section 2

2.1 Challenge

As part of the BVSR we are required to challenge the need for the service and why the local authority provides the service. In this section we also examine what services are provided, why they are provided, and the mechanisms currently in place to challenge the performance and direction of the Housing Service primarily through the use of the EFQM process.

2.2 Service Profile

The Housing Service provides services that are fundamental in supporting vulnerable groups within the community and for providing high quality social housing to the citizens of East Ayrshire. The range of services currently delivered by Housing includes:

- Allocations and waiting list administration
- Antisocial Behaviour
- Contract monitoring
- Continuous Improvement, Community Planning, Best Value, Quality Management, Service Reviews, Race Equality and Data Protection
- Energy saving and safety initiatives
- Estate Management
- Garden Maintenance scheme/Garden competition
- Homelessness
- Housing Advice and Information
- Housing Investment Programme
- Housing Repairs and Maintenance
- Local Housing Strategy
- Neighbourhood Disputes
- Performance information & customer / stakeholder consultations.
- Private Sector Housing Grants
- Rent Arrears
- Service development
- Supporting People
- Tenancy Management
- Tenancy Support

Housing staffing and management structures currently reflect the former CCT culture and early Best Value exercises. For example, the Housing Service is primarily responsible for the links between customers and tenants on landlord and statutory housing functions. Building and Works however, fulfils the role of the contractor providing repair and maintenance services on behalf of the client.

There are formal partnerships and close working arrangements with other departments and agencies to ensure service delivery. Housing maintains

close internal ties with Corporate Services, Educational and Social Services, Development & Property Services, and externally with our Community Planning partners including, locally based Registered Social Landlords (RSLs), Ayrshire & Arran NHS, and Strathclyde Police.

It had been the intention of this HBVSR to look at all Housing activities and to assess if these are delivered efficiently and effectively and offer value for money. However it was acknowledged that the full range of services could not be explored in detail in the available timescales and therefore more in depth scrutiny was applied to those activities that were deemed to require more attention.

2.3 Need for the service

The provision of affordable housing is held to be a necessity. In Scotland, there is a network of locally based accountable landlords who, on a not for profit basis, provide quality, regulated housing for many people on low or fixed incomes, who may be unable to choose or afford alternative housing tenures. In recent times, the sector has increasingly provided a safety net for some of our communities most vulnerable and needy individuals, some of whom experience problems or difficulties when faced with sustaining a tenancy or lack the means to purchase their own property. The public expect local authorities and other social landlords to fulfil a responsibility for the provision of affordable housing in their communities and that expectation has, over the years, grown to include the provision of support to sustain the tenancy of individuals in their own homes.

2.4 Why should the Local Authority provide a Social Rented Housing service?

Council owned and administered social housing has been the mainstay of the rented housing sector for over 50 years. The Council has a long established proven track record of providing quality affordable housing to local people. In East Ayrshire, the Council currently accounts for 29% of the housing stock within the area with housing associations and the private rented sector accounting for 5% and 3% respectively. In Scotland as a whole, the average level of Local Authority held stock is 21% with Housing Associations and the private rented sector holding 5% each. EAC therefore has a proportionately higher Local Authority housing stock base and, within the 25 local authorities comprising the Scottish Housing Best Value Network (SHBVN), has the 3rd highest proportion of council housing.

The Local Authority is by its very nature a community based democratic organisation with directly accountable elected members who, via the Housing Committee system, determine the future direction of local housing policies and services. Elected members are available to tenants and others within the community who are then able to directly petition the member to make enquiries or raise issues on their behalf. RSLs are regulated by Communities Scotland and have constituted management boards which set policies and

monitor the procedures and practices of the organisation. The same principles of accountability, equitability and fairness which the Council observes, are therefore generally observed by RSLs. However, the Council's accountability is to the much broader community, whereas the RSLs, albeit regulated, are accountable ultimately only to their own members.

The Local Authority has a proven track record delivering quality housing services while keeping rents comparatively low in comparison with other RSLs and the private sector rented sector. In 2004/05, council house rents in EA were comparable with the average rent levels within the SHBVN membership and below the Scottish average.

The Housing (Homeless Persons) Act 1977 as consolidated by the Housing (Scotland) Act 1987, the Children (Scotland) Act 1995, the Housing (Scotland) Act 2001 and the Homelessness, etc. (Scotland) Act 2003 charged Local Authorities with the statutory responsibility to provide accommodation for homeless individuals and families. This responsibility can be effectively co-ordinated and discharged when the Local Authority retains the control of a housing stock as a social landlord, and thereby retains the capacity to introduce allocations and homelessness policies and wider housing strategies that provide support and accommodation to the homeless and which helps sustain and improve the quality of life of some of the most vulnerable individuals in our communities. While there are provisions within the Housing (Scotland) Act 2001 to ensure that RSL's play their part in providing housing to homeless people, there is concern that the same comprehensive and cohesive approach would not be delivered if the Council did not retain ownership of its housing stock.

2.5 Financial Information

The Housing Service is primarily funded from the Housing Revenue Account (HRA). The Housing Service also holds management responsibility for several other budgets, including grant allocations from the Scottish Executive and its agencies. All figures provided are for financial year 2005/06 (estimates).

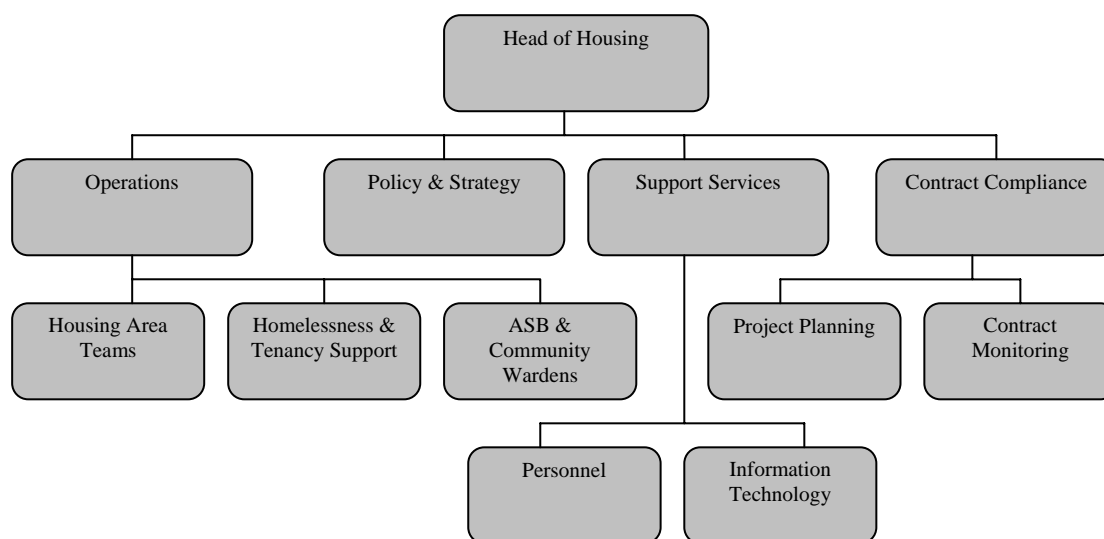
Account	Brief Descriptor of Functions	Annual Value (£)
HRA	Full range of Landlord Services to tenants of Council Houses	34,180,685
General Fund Housing	Housing Services to the general public including Homelessness and Grants administration	147,190
Supporting People Grant	Provision of Housing Support Services	6,184,000
Homeless Strategy	Provision of services to prevent and relieve homelessness.	486,700
Homeless Temporary Accommodation	Provision of temporary accommodation to relieve homelessness.	363,458
Furnished Tenancies	Grant to provide furniture for Homeless and first time tenants	247,434
BSSAC (Building Safe Strong Attractive Communities)	Provision of Community Wardens and other measures to tackle Anti-social Behaviour	935,550
BNSF (Better Neighbourhoods)	Provision of services to improve the environment and community safety	357,000

Common Housing Register	Development of a common register of applications for all social rented landlords in East Ayrshire.	54,200
-------------------------	--	--------

Moreover, the Service manages the Housing Investment Programme - £12.427m in 2005/06 - which aims to deliver the Scottish Housing Quality Standard for the council housing stock by 2015.

2.6 Staffing

The current Housing organisational structure is detailed below:



2.7 Housing Staff Breakdown

The numbers of employees in the Housing Service at the time of the review and funded from all sources are as follows:

CO	1	AP5/SO2	1	GS3	24
		AP5	3	GS1/2	10
SO11	2	AP4	4		
SO8	4	AP3	13	MW3	3
SO5	2	AP2/4	44		
SO3	9	AP2/3	3		
SO2	3	AP2	12		
SO1	6	AP1	50	Total Staff	194

2.8 The Best Value Service Review focus

The Tenants Satisfaction Survey 2004, although complimentary and recording high levels of satisfaction with the Housing service did highlight 2 major areas of concern. These areas included the performance and the process of the

repairs service and the effectiveness of the housing complaints systems. With this information it was considered vital that both areas of activity be included for detailed examination within the HBVSR.

Housing staff were surveyed as part of the review process and asked to identify service areas which should be looked at in the HBVSR. Repairs, estate management, anti social behaviour, housing allocations, homelessness and communications featured prominently. The HBVSR therefore concentrated on these areas to challenge existing structures, thinking and operations looking beyond the current situation to reposition the service to meet the opportunities ahead.

The recent legislative changes relating to homelessness are having a significant impact on the housing allocations system. The requirement to provide temporary accommodation to all homeless applicants, regardless of whether or not there is a priority need, has placed an additional responsibility on the Council. The Council's Homelessness Strategy specifies that all homeless applicants will be given an option of permanent housing following a period of temporary accommodation. Those who do not have a priority need are re-housed from the waiting list and therefore require to remain in temporary accommodation until they attain a position of relative priority on the waiting list to allow them to be allocated housing. The increase in levels of demand recorded locally over recent months suggested that it was appropriate to review present arrangements.

The Antisocial Behaviour initiative is a focal point for the Scottish Executive which has introduced far reaching legislative changes supported by significant funding packages. Again, due to increasing public demands for service, it was considered appropriate to review present arrangements.

With the scheduled termination of the BNSF funded projects and the introduction of the Community Regeneration funding, a review of estate management services and the sustainability of standards which BSFN funding allowed was also deemed appropriate.

2.9 Housing Stock Option Appraisal Exercise 2000

A stock condition survey was carried out in 2000 comprising a 25% survey of the then current condition of the Council housing stock. The findings were revisited in October 2003 to determine the cost implications for future maintenance programmes. This survey information required to be revisited again in the context of the Scottish Housing Quality Standard (SHQS) as part of the Housing Stock Option Appraisal exercise.

2.10 Housing Stock Option Appraisal Exercise 2004

A stock options appraisal exercise was commissioned in 2004 to identify the ability of the Housing Service to deliver the SHQS by 2015. This stock options appraisal challenges and appraises the current Service ability to meet the financial costs of the SHQS. A key element in this exercise is the impact

that continuing Council House Sales will have on the income stream over the ten year period that the Council has to meet the SHQS. The study concluded that the case for transfer is extremely marginal. Essentially, all options, viz. retention, full stock transfer and partial stock transfer are feasible. The Council will, of course, require to take other factors into consideration including implications for staff and the contribution that the Housing Revenue Account makes to the General Fund. Retention is certainly feasible, subject to there being robust investment planning systems to ensure the Standard Delivery Plan is delivered and continued change management to deliver performance improvement across the Housing Service, including critical internal partnerships as they relate to the maintenance and improvement of the housing stock. Crucially, the service will require to manage costs in line with reducing stock numbers. A full report on the stock options appraisal will go to the Housing Committee in due course however since there is no compelling case for an early transfer of the housing stock, the BVSR has assumed that the stock will remain with the Council for the foreseeable future, although this position will have to be reviewed on a regular basis.

2.11 European Foundation of Quality Management (EFQM Pathway)

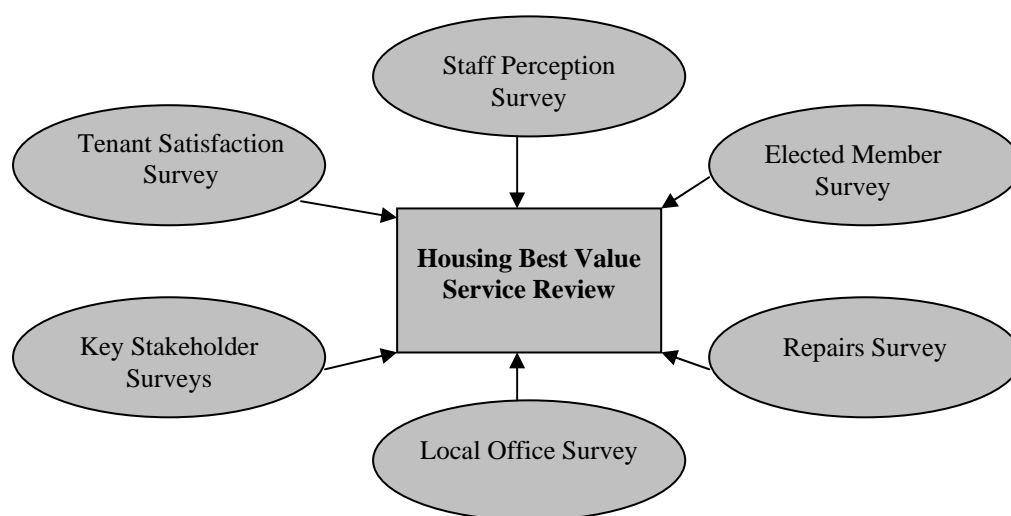
The annual Housing EFQM pathway exercise was completed in early February 2005 and addressed areas significant to the HBVSR. The 2005 EFQM pathway exercise showed that the Housing Service had made considerable improvements since the same review conducted in 2004. Overall improvements were seen across the board in all 8 out of the 9 EFQM standards. However the exercise has highlighted some areas for improvement for the year 2005/06. One of the main areas to be addressed is the need for systematic consultation and communication arrangements to be put in place to improve the current communication and feedback systems between the Housing Service and tenants. Also highlighted is the need for improvements in repairs and allocations systems. Improvement teams have therefore been established with key partner and tenant involvement to address the issues arising from legislative and demographic changes with regards to housing allocations, and lower levels of customer satisfaction in the repairs system.

Section 3

3.1 Consult

An essential factor of the BVSR process is consideration of feedback from stakeholders. Through the consultation process we were able to gather the views of our tenants, service users, employees, elected members and other stakeholders.

The main consultation arrangements for this BVSR are outlined in the following diagram.



3.2 Tenant Satisfaction Survey

In the 2004 Tenants Satisfaction Survey there were generally high levels of satisfaction on many aspects of Housing Service delivery (over 90% describing the Council as a good landlord). However, both repairs and complaints handling (although achieving results higher than 50% satisfied) showed satisfaction at levels much lower than in all other service areas.

3.3 Staff Survey

Housing employees were surveyed as part of the BVSR process early in 2005 with 100 responses from the 194 surveyed. In general most of the responses were positive about the range and quality of services delivered but again, the staff survey results identified the need for improvement in the repairs service.

3.4 Elected Member Survey

The views of elected member were sought with 18 responding to the survey. Again, the survey identified the repairs service as the main area for improvement, but they also identified the management of void gardens as an issue to be addressed.

3.5 Key Stakeholder Surveys

Key internal stakeholders in Legal, Finance, Social Work and Building and Works were invited to comment on service provision and effectiveness. The responses from stakeholders were largely positive but colleagues in Building & Works highlighted scope for improvements in the repairs service.

3.6 Internal Continuous Improvement Groups

The Service has responded to the new Communities Scotland regulation and inspection process by establishing several Single Regulatory Framework (SRF) improvement groups. These groups consider the regulatory framework and have developed action plans to address those gaps and shortfalls identified within the self-assessment process. The groups involve staff from all levels of the organisation and, in future, it is hoped that more tenants from the Tenant Participation Steering Group and other tenants groups will accept invitations to become involved in the work of these SRF groups. A Housing Allocations work group and the Repairs Improvement group, involving senior officers and staff from Housing, tenants and other key partners, have already been set up and aim to report their findings and recommendations to the Housing Committee over coming months.

3.7 DTZ staff consultation

As part of the Options Appraisal project carried out by DTZ on behalf of the Council, a cross-section of staff were consulted on their views of the service, the way it was run and its place in the context of an ever-changing Housing environment.

In general, DTZ found the staff to be highly motivated and performance focussed, with a reasonably sound knowledge of the issues that are presented by the SHQS and stock options appraisal. On balance, there was a preference to retain the stock, if this was financially feasible, as it was felt that this would be the best way to continue to deliver a value for money service and, especially, manage the issues arising from the growing homelessness agenda.

3.8 Local Office Survey

During 2004, EAC Leisure Services conducted a survey into the efficiency and use of the East Ayrshire Local Offices. This survey identified high levels of satisfaction with the repairs reporting process. The most up to date figures identify that over 55% of repairs are reported through local offices with high levels of satisfaction. 60% of those surveyed were highly satisfied with the process of recording repairs and another 32% were satisfied with the process. This approval rating of 92% clearly shows that the process of reporting repairs through the Local Offices is working well.

3.9 Repairs Survey

A telephone operated repairs survey was introduced in the summer of 2004 in response to the concerns highlighted by the Tenants Satisfaction survey and to recommendations arising from the SRF self assessment. This ongoing survey gauges the opinion of a 10% sample of individuals who have had repairs carried out in their homes in the recent past. The satisfaction rates have been high. In the period from the start of the survey to date, 95% of tenants surveyed reported themselves satisfied or very satisfied with the quality of the repair while 97% expressed themselves satisfied or very satisfied with the contractor's service-tidiness, care of property & timekeeping. 85% of respondents reported that the service had improved since their last experience of the repairs service.

3.10 New Tenant Satisfaction Returns

A pilot survey of new tenants to assess satisfaction levels indicated that 94% of those who returned a response expressed satisfaction with the condition of the house with only 6% stating that they were dissatisfied.

3.11 Antisocial Behaviour (ASB) Survey

Regular reports are considered by senior managers on the level of ASB complaints and the performance of the community wardens' service. Residents and youth representatives were surveyed in 2004 to provide base line information for the development of the East Ayrshire Antisocial Behaviour Strategy. Most respondents described the perceived incidence of anti-social behaviour to be common or fairly common and most felt that over the last 5 years the instance of anti-social behaviour had either stayed the same or increased slightly. The most common types of ASB were considered to be noise, rowdy behaviour, litter and alcohol related problems. However, when asked about their perception of neighbourhood safety, most felt safe most of the time. Graffiti was identified as the most common type of vandalism and shouting, swearing and drunken behaviour was the most common type of rowdy behaviour.

Section 4

4.1 Compare

The BVSR process looks at identifying a wide range of performance comparisons with other local authorities through benchmarking and other means. The Housing Service is a member of the Scottish Housing Best Value Network (SHBVN) for the collection of key comparative information and information has also been obtained from statistics published by Audit Scotland and CIPFA.

4.2 Scottish Housing Best Value Network Statistics

Housing provides and receives annual and quarterly information from the SHBVN.¹ This benchmarking group allows the comparison of key data across all areas of service delivery. The SHBVN also encourage process benchmarking and EA Housing staff are involved in various sub groups. The SHBVN provides the opportunity to benchmark with specific groups within the membership and EAC benchmark with other Semi Urban and Rural Councils (SU&RC), the same categories as used by the Audit Commission. The Service also benchmarks with a smaller group of 'similar' housing authorities to better compare on a 'like with like' basis. The Authorities in this latter group are North Ayrshire, South Ayrshire, West Dunbartonshire, East Renfrewshire, Renfrewshire, Fife, Falkirk & Stirling Councils.

In general the performance of EAC compares favourably over recent years. Current tenant arrears had fallen to 4.9% at the end of March 2004 - an improvement from the June 2001 when current tenant arrears stood at 16%. At the end of December 2004, current tenant arrears had fallen further to 4.1%. In 2001 the Scottish average was 8% and was unchanged in 2004. Moreover, in local housing allocations, the percentage of re-lets under 4 weeks in March 2000 had been 20% but by March 2004 this had increased to 48%. At the end of December 2004, this had increased to 61%. The Scottish average in 2000 was 48% but by 2004, the national average had dropped to 44%.

The primary indicator used when comparing repairs performance is the percentage of repairs, in a particular banding, carried out within the targeted timescale. In March 2004, East Ayrshire Council carried out 87 % of all out of hours emergency repairs on time against the Scottish average of 96%. The SU&RC average is 95% and the small benchmark group average is 93%. For emergency repairs carried out in office hours, East Ayrshire Council achieved 82% in target against the Scottish average of 93%, the SU&RC average of 92% and the small benchmark group average of 94% in target. Overall East Ayrshire had 32% of its repairs classified as emergency repairs, (Scottish average is 36%, the SU&RC average is 32% and the small benchmarking group average is 36%).

¹ SHBVN (CIPFA IPF) annual return 2003/04

Urgent repairs for East Ayrshire in March 2004 stood at 68% on target with the Scottish Average 83% the SU&RC average 84% and the small benchmark group average at 83%. All other repairs were 78% in target for East Ayrshire, while the Scottish average is 82%, the SU&RC average is 83% and the small benchmark group average is 84%.

The number of items on the EAC schedule of rates is 13190, the Scottish average is 3938, the SU&RC average is 3024 and the small benchmark group average is 6441 items. East Ayrshire repairs service currently is not offering repairs by appointments while 5 of the 8 Councils in the small benchmark group have an appointments system, however only 2 in the SU&RC group have an appointment system.

In 2004 29% of EAC lettings were to transfers applicants, 14% to homeless applicants and 41% to the general housing waiting. The Scottish average is 23% to transfers, 25% for homeless and 49% from the housing waiting list. In the SU&RC 19% were to transfers, 27% for homeless & 51% from the housing waiting list. In the small benchmark group 26% were transfers, 26% were homeless and 45% were from the housing waiting list.

In East Ayrshire in 2004 there were 2.3 offers per termination, the Scottish average is 2 offers per termination, the SU&RC average is 1.9 offers per termination and the small benchmark group has 1.8 offers per termination. In East Ayrshire 1.5% of tenancies terminated within 6 months, the Scottish average is 0.7%, the SU&RC average is 0.8% and the small benchmark group average is 0.7%.

In 2004 the number of homeless approaches per 1000 households in East Ayrshire is 6.7, the Scottish average is 11.1, the SU&RC average is 11.9 and the small benchmark average is 8.9.

In 2004 EAC had 14.6 complaints per 1000 tenants regarding ASB. The Scottish average is 51.9, the SU&RC average is 42.6 and the small benchmark group average is 60.7.

4.3 Audit Commission PIs

The Audit commission produce annual performance information and financial information reports which are used to compare key results between local authorities.

These performance indicators clearly show improvements over time in many key local performance areas². In 2003/04 Housing recorded current tenant rent arrears as a percentage of net rent due at 4.9%. This performance is the 7th best in Scotland and has improved from 10.6% in 2001/02 when EAC Housing service was 24th in Scotland.

² Audit Scotland Performance Indicators 2003/04

The performance for the percentage of tenants owing more than 13 weeks rent has shown even more improvement. In 2001/02 the figure stood at 6.5% (20th in Scotland) and by 2003/04 this had significantly improved to 1.3% (3rd in Scotland).

The figures for managing tenancy change also show steady improvements. In 2001/02 the percentage of rent loss due to void properties was 3.7% (25th in Scotland) and by 2003/04 this figure was 3.1% (19th in Scotland). Performance in this area is projected to further improve significantly in 2004/05. The percentage of properties re let in under 4 weeks in East Ayrshire during 2003/04 was 50.4% (7th in Scotland) with the Scottish average being 41.3%. This compares with the situation in 2000/01 when East Ayrshire re-let just 26.6% of properties in the same timescale (27th in Scotland) against the Scottish average being 38.9%.

4.4 Cost Comparisons

In 2004 the total East Ayrshire full time equivalent staffing level per 1000 dwellings is 13.4, the Scottish average is 16.8, the SU&RC average is 15.6 and the small benchmark group average is 16.9. The full time equivalent staff dedicated to repairs and capital programme in East Ayrshire was 2.4 per 1000 dwellings, the Scottish average is 2.2, the SU&RC average is 2.0 and the small benchmark group average is 2.6. However, this East Ayrshire Council figure of 2.4 is distorted by the inclusion of the estimated time that local office and helpline staff are engaged in repairs reporting activities.³

In a comparison of costs, EAC Housing Supervision and Management (S&M) costs compared very favourably with those of the three community based RSL's in East Ayrshire, which ranged from £409 to £797 per house, as compared with £335 for EAC.⁴

The average S&M costs for Scottish authorities in 2004/05 were £474. The EAC figure is £462. The average rent cost per house per annum in East Ayrshire was £2180.27 (average weekly rent of £41.93 over a 52 week year) s compared with a Scottish average of £2223.25 (average weekly rent of £42.32 over a 52 week year).⁵

The average debt per house at 1st April 2004 in East Ayrshire was £4511 compared with a Scottish average of £5483. The average repairs & maintenance expenditure per house in East Ayrshire for 2003/04 was £631 which compared with a Scottish average of £887. Rent loss as a percentage of standard rental income in East Ayrshire in 2003/04 was 5% compared with a Scottish average of 3.4%.⁶

³ SHBVN (CIPFA IPF) annual return 2003/04

⁴ Communities Scotland 2002/03

⁵ CIPFA 2004/05 estimate

⁶ Scottish Executive Statistical Bulletin October 2004

4.5 Peer Review

A Peer Review of estate management services was conducted in November 2004. This involved a study of the service provided and was carried out by officers from other local authorities. This was a follow up to a previous Peer Review carried out in 2001.

The review was very positive and highlighted many areas of good practice in the local estate management systems. The Inspectors felt that there was good communication, transparency of information and clear linkages with key agencies and partners. They found that there was a common vision and a clear commitment to estate management. They saw good practice in the adoption of the lettable standards, the fact that staff are visible in the estates through surgeries and clinics, that out of hours helpline arrangements were in place and that estate management plans had been introduced. They found too that there was a strong commitment to preventing and dealing with ASB and strong links to tenancy support services.

Since the previous visit in 2001 they felt there had been a noticeable and considerable turnaround in performance. They highlighted the installation of play areas and all weather facilities, the introduction of community wardens, a multi agency approach to dealing with social issues, the use of youth diversion and youth clubs, targets for rent arrears, the timely landscaping of areas where demolitions had occurred, the introduction of the telephone repairs survey and the expansion of the '1 stop shop' model of service delivery.

Section 5

5.1 Consider

With the previous 3 sections completed the BVSR can move to the final phase where there is consideration of all the available options in light of the Challenge, Consult & Compare information. This allows consideration on the future of the service, asking if the service could be delivered better in another way, and considers alternative methods of service delivery.

A BVSR is asked to consider whether there is scope to make changes to the objectives and priorities of the service, to consider arguments for changes to the arrangements for, or method of, delivering the service and even consider the provider of the service. In considering alternative methods of delivery it is recognised that there could be several possible outcomes.

There could be improved in-house management and delivery of the service. This would recognise that the best provider of the service is the Council but improvement activities and recommendations could be adopted as required to move the service forward. Alternatively, the service could be reconfigured to allow for better working with external agencies, partners and departments or the Council could maintain overall responsibility for the service as a client function externalising service delivery through contract arrangements. The service could also be transferred to another organisation as a going concern if it was felt that another organisation was fully equipped to deliver the service or if merited by the evidence presented, the service could be discontinued as no longer needed or justified due to drops in demand.

The first step in this stage of the BVSR process is to establish the current environment within which the service is operating and through this, attempt to anticipate trends which could impact on current and future performance and service demands.

5.2 Future Council House Sales

Council House sales have had, and are still having, a major impact on the level of stock held by the local authority. Since the Right to Buy legislation was enacted, the level of stock has reduced by more than half in the EAC area. The following indicates the number of sales in recent years:⁷

2001 – 2002	484 house sales
2002 – 2003	636 house sales
2003 – 2004	639 house sales

The projected number of sales in 2004/05 is 536, which will reduce the stock level at the end of March 2005 to 14,380.

⁷ Council House Sales figures and projections from Finance in consultation with Legal services

The estimated sales for the next 3 years is as follows:

2005 – 2006	520 house sales
2006 – 2007	500 house sales
2007 – 2008	500 house sales

These sales in conjunction with any disposals and demolitions are projected to reduce the stock level to around 12,826 by March 2008.

5.3 Population decline

The population of East Ayrshire is predicted to decline for the foreseeable future. The population of East Ayrshire is expected to fall significantly between 2002 and 2018. (down 7.8%) This compares with a 2.4% decline nationally over the same period⁸.

However the rate of decline is not consistent across different age groups.

Age	2002	2008	2013	2018
0-4	6,269	5,635	5,261	5,126
5-14	15,500	13,310	12,128	11,268
15-29	20,386	20,449	19,834	17,937
30-44	27,326	24,007	20,142	18,086
45-59	24,230	24,686	25,824	25,961
60-74	17,515	19,137	20,198	20,876
75 & over	8,514	9,127	10,029	11,109
All Ages	119,740	116,351	113,416	110,363

This indicates that it is the younger age groups that will decline the most with a growth in the older population. The adult population will decline with a significant decline in those aged between 30 and 44 and an increase in those aged 44-59. Comparisons with the Scottish average indicate that the projected decline in the East Ayrshire population is estimated to be significantly higher than the rest of Scotland and slightly higher than the wider Ayrshire and Arran area. This table shows a comparison of population changes between 2002 and 2018 in East Ayrshire, Ayrshire and Arran and Scotland.

Age	East Ayrshire	A&A	Scotland
0-4	-18.2	-16.5	-9.5
5-14	-27.3	-27.8	-21.6
15-29	-12.0	-9.9	-5.5

⁸ GRO 2002 based population projections for Scottish Areas

30-44	-33.8	-34.0	-23.7
45-59	7.1	2.3	9.9
60-74	19.2	22.4	23.0
75 & over	30.5	34.3	28.7
All ages	-7.8	-7.0	-2.4

5.4 Staff to stock ratios

Overall Stock to staff ratio is 76 properties per member of staff however this includes those dealing with homelessness, Antisocial Behaviour, tenancy support & community wardens who provide these services to the wider community and not exclusively to council house tenants. There are 117 staff who are funded through the HRA which gives a HRA staff to stock ratio of 126 properties per employee. There are 43 Housing Officers providing a ratio of 344 houses per Housing Officer. The staff to stock ratios for the area based housing teams are as follows:

Cumnock Area Team

20.5 staff financed through the HRA, which equates to a staff to stock ratio of 187 properties per employee. There are 12.5 Housing Officers, which gives a property to housing officer ratio of 307.

Doon Valley Area Team

8.5 staff financed through the HRA, which equates to a staff to stock ratio of 215 properties per employee. There are 4.5 housing officers, which gives a property to housing officer ratio of 406.

Irvine Valley

13.5 staff financed through the HRA, which equates to a staff to stock ratio of 178 properties per employee. There are 7.5 housing officers, which gives a property to housing officer ratio of 320.

Kilmarnock South

11.5 staff financed through the HRA, which equates to a staff to stock ratio of 157 properties per employee. There are 5.5 housing officers, which gives a property to housing officer ratio of 329.

Kilmarnock Central

17.5 staff financed through the HRA, which equates to a staff to stock ratio of 146 properties per employee. There are 8.5 housing officers, which gives a property to housing officer ratio of 300.

Kilmarnock North

13.5 staff financed through the HRA, which equates to a staff to stock ratio of 174 properties per employee. There are 7.5 housing officers, which gives a property to housing officer ratio as 314.

The client group that the Housing Service deals with has changed over the years. Where council housing was once the aspiration of a large percentage of the population, the reality is that it is now viewed as a preferred option for those in the main who cannot afford to purchase their own homes or have to other housing option to consider. As a result of legislative changes and other social factors, the Housing Service is now required to provide a range of services designed to meet complex and often challenging housing needs and behaviours. This often requires more intensive management than was delivered or expected previously. Managing tenancies and managing multi-tenure estates is rapidly becoming as big a challenge for the Housing Service as maintaining the condition of the council housing stock. The Supporting People Programme and the Building Safe Strong Attractive Communities initiative are just two of the most recent examples of Housing being recognised as crucial to the success of national government initiatives to tackle some of the most pressing social issues in our communities. The Council as the main housing provider in the local area is well placed to integrate the necessary support services but the continuing loss of stock through house sales, and the need to reduce HRA costs against a reducing income, requires careful management of existing resources and any opportunities for maximising the use of external funding.

5.5 Service Delivery

There are essentially four main options for management of the housing stock, viz:

- Transfer the stock, either in full or in part
- Invite alternative management arrangements by means of voluntary competitive tendering (VCT) for all or some of the functions.
- Invite other partners to take over some of the functions
- Status quo

Transfer the stock

The Stock Options Appraisal exercise carried out by DTZ for the Council indicated that there was no pressing case for an early transfer of stock in order to meet the requirements of the SHQS. Moreover, in terms of performance and costs, there is no compelling case for transferring stock to improve on either of these elements of the business.

Invite alternative management arrangements

The performance results, comparative costs and customer satisfaction levels indicate that objectives around efficiency and effectiveness are, in general, being met. There is no obvious advantage to be gained from introducing alternative management arrangements for the service as a whole, and to do so would be likely to present more of a risk than maintaining the status quo.

Invite other partners to take over some of the functions

The service works closely with colleague services within the Council, the Health Service and the Police among others. There are also joint working arrangements with the RSLs in the area to develop individual initiatives and to re-generate areas. These arrangements appear to be generally robust albeit it

is recognised that there is always room for improvement. The only activity for which it would appear there is a good case to transfer the function at this time is in terms of the administration of the Garden Maintenance Scheme and management of the Garden Competition. These services could be carried out by the Outdoor Amenities unit within Neighbourhood Services, which currently provides the garden maintenance contractors service on behalf of Housing.

Status Quo

It is recognised that the nature of Housing has changed significantly over recent years. However, the central landlord role has remained much the same, albeit standards and expectation levels have changed over the years. The level of satisfaction with the Council as a landlord is generally high. Given the continuous improvements in performance which can be evidenced within landlord services over a sustained period, and taking into account that the current costs of providing the service are lower than the Scottish average, there is no strong argument to change what appears to be working well.

With all things considered, taking into account the prudential borrowing code, the level of council house sales, the need to deliver on SHQS and the Scottish Executives push towards community ownership the outcome of the HBVSR and the associated improvement plan will ensure that the Housing Service is well placed to react to future challenges and embrace any new opportunities.

5.6 Challenges Ahead

Social rented housing has featured prominently in the political agenda over recent years. The eradication of Homelessness by 2012 is a bold target set by the Scottish Executive and will require significant investment in resources to meet both the accommodation and the support needs for people who find themselves homeless. Continuing Right to Buy sales will have an influence on how well this service can be provided and how far we can meet the Executive's target. The SHQS presents another challenging target for social rented housing providers to bring the housing stock up to the agreed standard by 2015. A local Standard Delivery Plan will require to be produced in the near future to identify how this will be achieved. The Local Housing Strategy is the means whereby local authorities are expected to identify housing needs and the resources required to meet these needs. The EA Local Housing Strategy, in support of the EA Community Plan, will aim to attract housing development funding to stimulate local regeneration and to provide affordable housing in our communities. Care in the Community and Joint Futures address issues surrounding the housing needs of the vulnerable groups and individuals in our society. The desire to achieve independent living in the community requires a planned approach to ensure that the appropriate accommodation and support needs are available. ASB is a central theme of the Scottish Executive's drive towards improving our communities. The Housing Service is at the centre of the Council's strategy to deal with antisocial behaviour. Tenant Participation features prominently in the Housing (Scotland) Act 2001. There is a significant task ahead in both servicing this agenda and building capacity in the communities to develop Tenant Participation. SRF is the inspection process established by Communities

Scotland for social housing providers. The Inspection process is an evidence based system which calls for significant preparatory work. The Registration of Private Landlords featured in the ASB Act 2003 and will require not only the administrative input into the registration aspect, but also the development of a framework to both monitor and support this group.

Section 6

6.1 Conclusions

This Service Review consulted widely with customers, stakeholders and other partners. A large majority of tenants regard the Council as an efficient landlord, and felt that Housing provided a good level of service. Most of the tenants surveyed thought that the Service managed the estates well however just over half were satisfied with the repairs service.

Stakeholder views were also generally positive about the service with, again, the repairs service being identified as the main area for improvement. Void Garden maintenance featured as the other significant area for improvement among Elected Members. In terms of consultation therefore, it can be concluded that overall there are high levels of satisfaction with most service activities, but Repairs and Void Gardens services need to be improved.

EA Housing Service has been benchmarked against other authorities across Scotland. Performance on arrears, house re-lets, and homelessness all compare favourably with other authorities. EAC showed the greatest reduction of any authority in arrears management in the last financial year.

In terms of dealing with Homelessness, EAC were third best at delivering decisions within two weeks and second best at moving people on from temporary accommodation.

The Service was subjected to a peer review of estate management in late 2004 and the findings were positive across a range of activities and indicators and noted the significant service improvements introduced since the previous review in 2001.

Only 6 authorities in Scotland surpassed EAC performance in re-letting houses in less than 4 weeks during 2003/04.

Repairs performance offers continuing scope for improvement: albeit this has been improving over a number of years, EAC remain below the average set by benchmarking partners in all categories of response repairs.

The costs of providing the service is, according to the available information, competitive when compared with the Supervision and Management costs of other Scottish authorities and also with the local RSLs. In terms of cost comparators, therefore, the Housing Service can demonstrate that it provides good value.

Having considered the wide range of information available, the general conclusion is that the Council's Housing Service is generally well regarded, performs well and is cost-efficient when compared with other providers.

This review has looked forward and attempted to anticipate the challenges that are likely to impact on the Housing Service over the next few years, aligning the business in the process to effectively respond to these challenges and any new opportunities that emerge. The proposal to modify the organisational arrangements for the Service aims to streamline and refocus the business to better meet main priorities and business goals while at the same time strengthening frontline service delivery and making efficiency gains that can be reinvested into meeting the SHQS.

Section 7

7.1 Service Improvements

The main purpose of a service review is to identify areas for improvement and define the most appropriate method of delivering on those improvements.

7.2 Revised Organisational Structure

When considering the future demands on and necessary direction for the service, promoting and strengthening frontline service delivery, and focusing the business towards efficient and best value service delivery, it became apparent that some establishment changes would be required to enhance the level of service provided.

Early in the Service Review it was recognised that although stock transfer may not be an imminent issue for EAC, it is likely that the case for stock transfer may become more compelling at some point in the future. This was recognised and is reflected in the proposal to provide a more front line service focused approach that, if and when required, could seamlessly accommodate any stock transfer agenda.

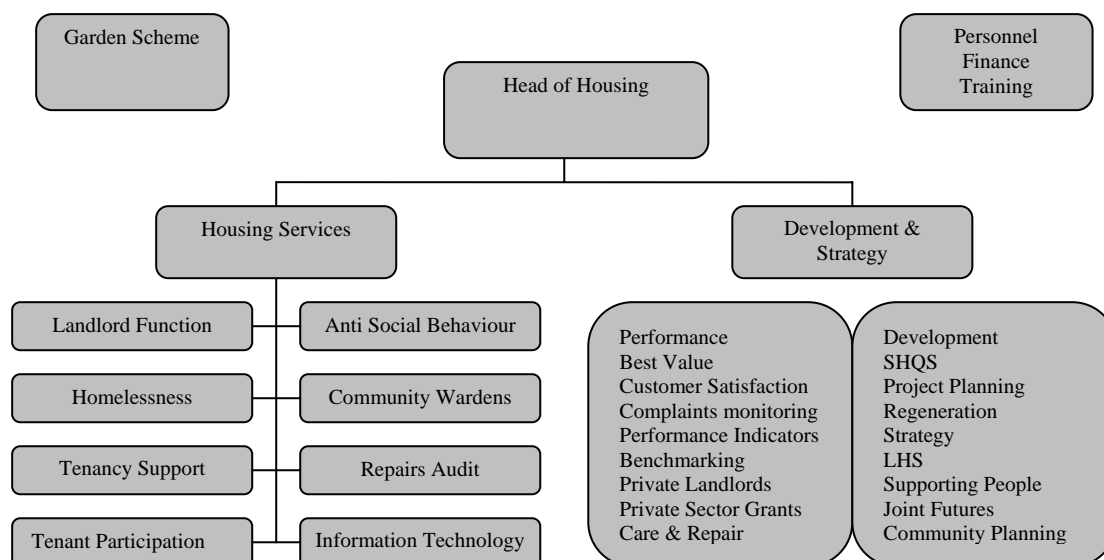
Another challenge in this review was to align the service with national objectives to enhance the effectiveness of the core business through the strengthening of frontline service delivery. This structural re organisation will therefore attempt to bolster the frontline service delivery and improve and enhance the links with strategic development to provide the best possible service for service users and tenants.

Finally, it was deemed important to consider any opportunities to effectively free up resources to be redirected and included within the investment plans that are being drafted to meet the challenge of delivering the SHQS by 2015 through the Housing Improvement Programme and its attendant investment strategy.

This review, therefore, has sought to:

- Recognise the changing nature of the business both in terms of the client group and stock profile
- Address significant growth in existing areas of activity
- Identify new areas of activity which the service has taken on or is likely to take on in future
- Adapt to legislative changes and policy initiatives both from the Scottish Executive and the Council
- Develop a management structure that will be in a position to meet these requirements and retain key existing staff.

This diagram depicts the proposed division of the housing service functions. The detailed proposed staffing implications will be discussed with Personnel prior to submission to elected members.



7.3 Housing Service Recommendations

The aim of these proposals is to strengthen the focus towards delivering real improvements within frontline service delivery.

The new Communities Scotland regulation and inspection regime is another area where the Housing Service has to be robust in meeting the challenges ahead. The local response to the new SRF regime has been to implement a series of improvement groups within housing with membership drawn from relevant management and staff to engage with the SRF self assessment criteria, carry out a gap analysis with the current situation existing within Housing versus the SRF criteria, and then implement changes, carry our pilot exercises, initiate surveys and propose new directions that will seek to address any areas that are perceived to require improvement. These Groups are co-ordinated in their approach by a steering group, chaired by the Head of Housing, which ensures that all groups are on course to meet their objectives. However it was considered that the SRF groups were insular and lacked the wider participation and active involvement of service users and partners. With the implementation of the 2 new service improvement groups in repairs and allocations, which both include partners and customers, it was felt that a beneficial recommendation would be to remit these groups to consider the SRF self assessment criteria and to suggest appropriate recommendations to assist Housing in meeting the requirements of the standard. This will set the pattern for the other SRF groups over future months.

Within the staffing proposals, the need to develop a delivery plan to ensure the implementation of the SHQS by 2015 is recognised as an overriding priority to ensure the overall improvement of our stock and subsequent benefits for tenants. A new Housing Investment Programme (HIP) team will be established to hold responsibility for the implementation of the delivery plan. The delivery plan (which will be produced in April 2005) will be informed by the Stock Options Appraisal conducted by DTZ and the Housing Investment Strategy, and will contain the details of the realignment of the HIP to meet the SHQS by 2015.

7.4 Improvements to the Housing Service

The HBVSR identified 5 main areas within which the needs for service improvements were identified.

7.4.1 Communications

The Communications SRF Group has already been involved various improvement activities including:

- Development of a Communication Strategy that will involve stakeholders and service users
- Robust feedback arrangements to ensure the needs, views and concerns of our service users and stakeholders are recognised and included
- Recording of the feedback information
- Developing a system to monitor informal complaints from service users
- Establishing a new customer liaison team to work with tenants and staff to improve the quality of service delivery

7.4.2 Repairs Service

The repairs service must be responsive to customer needs and expectations. A repairs improvement partnership, involving staff and tenants, has been set up to deliver critical improvements, which are likely to include:

- An appointments system for repairs
- A simplified method of reporting repairs
- A simplified schedule of rates
- A robust recharge system
- Single inspections
- Use of new wireless technology

7.4.3 Estate Management

This review and the previous peer review have both shown that the processes for estate management are robust and have produced generally good results.

However there were some areas identified where improvements could be achieved. These include:

- Maintenance of void gardens
- Development of a new service specification and SLA for grounds maintenance and Hit Squads
- Review of the Housing Asset register
- Transfer of the management of the Garden Maintenance scheme and the Garden Awards scheme to Outdoor Amenities

7.4.4 Anti-social Behaviour

The implementation of the ASB Strategy will have a significant, positive impact on levels of ASB within our local areas. The introduction of the community warden service has made significant inroads into dealing with the impact of the instances of ASB.

The service will focus on:

- A strategic review of the long-term viability and sustainability of the community warden service
- Development of outcome agreements in line with the ASB Strategy
- Development of neighbourhood compacts
- Working with community safety partners to develop diversionary activities

7.4.5 Homelessness & Housing Allocations

A joint partner group has been established to consider the current allocations policy and scope for improving and simplifying the process. They will consider a number of issues including:

- Review of quotas
- Registration of non-priority homeless applicants in the homeless group
- Under-occupation points

Further areas for development and improvement include:

- Developing a Common Housing Register for East Ayrshire, which is due to be delivered in March 2006
- Introduction of specialist accommodation for difficult and challenging families

- Development of information and advice for homeless people to the 'Homepoint' national standards accreditation

7.5 Recommendations

This BVSR of the Housing Service within East Ayrshire Council has been a detailed and rigorous process aimed at discovering the quality of the service currently being provided and the best methods and service improvements that require to be adopted to ensure that, in the long term, a viable, high performing service which delivers best value to its customers and stakeholders remains in place.

As can be seen earlier in this report most of the performance statistics over the past few years have indicated a cycle of improvement across all of the main areas of the business. Arrears performance, void management, re-let times & repairs statistics have all shown improvements over time and clearly show East Ayrshire Housing service as a quality service provider with figures that favourably compare with other Authorities in Scotland.

The evidence that shows the Service has and continues to show year on year improvements has shaped the recommendations that culminate from this BVSR which are designed to reinforce the improvement culture already evident within the Housing Service.

It is anticipated that with the implementation of the improvements recommended in this service review that the Housing Service will be in a better position to respond to the emerging challenges and to meet identified service objectives by delivering a quality, value for money service for our customers.