



South  
Cambridgeshire  
District Council

# Scrutiny Review of Value for Money in the Housing Service



March 2011

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The scrutiny and overview committee (SOC) acts as a local watchdog for the people of South Cambridgeshire, looking at how to improve local services, whether or not they are provided by the Council. This work is designed to complement the work done by the council's cabinet. It provides a forum for non-cabinet councillors to use their knowledge and skills to benefit residents.

The committee can also challenge decisions made by cabinet members, or help them to develop new policies. This work demonstrates the council's commitment to openness and accountability.

SOC often sets up small task and finish groups to look at an issue in depth. These groups are usually cross-party and often involve other participants, such as residents or representatives of partner organisations.

In June 2010, the Scrutiny and Overview Committee set up a small task and finish group to find out how well the council was able to measure value for money provided by the housing service. The intention was to find a process that could be adapted and used across the council.

The following councillors made up the task and finish group:

Cllr Nigel Cathcart

Cllr Tumi Hawkins

Cllr Roger Hall

Cllr Liz Heazell (chair)

Cllr Cicely Murfitt

The task and finish group also included three tenants, who contributed a valuable element of external challenge based on their experience as users of the housing service. They were Wendy Head, Thora Saunders and Joan Spencer.

The cabinet members for Housing and Value for Money were copied on all documentation and had an open invitation to attend meetings.



## Value for Money in the Housing Service

The focus of this review was to find out how value for money (VfM) was being measured within the council's housing service. The main trigger for the review was a new regulatory framework published by the Tenant Services Authority (TSA) for social housing providers. One of its six standards dealt with value for money.

The task and finish group used a toolkit published by the Housing Quality Network (HQN) to examine eight aspects of VfM:

- Financial strategy
- Efficiencies and targets
- Understanding costs and making comparisons
- Effective procurement
- Financial and performance management
- Information management and development
- Embedding a culture of VfM
- Placing VfM at the heart of the organisation's plans

Within these there were 100 specific criteria for examination and one of the positive findings of the review was that the council was already meeting around 80% of them. This showed that the council already had robust systems in place for measuring and improving value for money in the housing service and corporately.

In the areas where further action was needed, it became clear that there was one main underlying theme: the need for a more systematic approach to measuring unit costs, performance standards and customer satisfaction, and comparing these to best practice and over time.



## **A Value for Money Strategy and Action Plan**

This theme was addressed in a draft VfM strategy for the housing service, which aimed to build on the existing good work within the service and provide an action plan for addressing those areas identified for further development. The task and finish group endorsed the strategy and action plan and they were adopted by the Cabinet in March 2011.

Data gathered during the review showed that the council's housing service performs in the top quartile in terms of customer satisfaction and other aspects of performance, and in the top (best) quartile for unit costs.

The task and finish group felt that it was important for this good news story to continue to be widely publicised and understood by tenants and staff. It was especially important to correct an apparent misunderstanding regarding the funding of housing services - making it clear that tenants' costs are not being subsidised by other residents.

The Cabinet agreed with the recommendation that the impressive value for money already achieved by the housing service is appropriately celebrated and communicated to tenants, residents, staff, members, partners and the housing sector including via South Cambs Magazine.

## **Sharing the approach with other service areas**

The task and finish group found the HQN toolkit very thorough and yet easy to use. While it was written from a housing perspective, the group felt that it could be readily adapted for use in other service areas within the council.

Many of the 100 specific criteria covered in the toolkit related to corporate processes already embedded across the council, such as integrated performance and financial reporting, service planning and budget monitoring. The group felt that other service areas would therefore need to focus on only their service specific issues.



The task and finish group was aware that some service areas may need to improve their access to benchmarking data. The housing service was fortunate to be able to draw on data supplied through its benchmarking club, HouseMark. Other service areas may use other existing clubs or start new ones, although it was recognised that the national reduction of performance indicators may reduce the availability of comparative data over time.

The Cabinet asked officers to consider how the value for money toolkit produced by the Housing Quality Network could be adapted for use in all other services areas across the council.

The Policy and Performance Portfolio Holder had recently agreed to the development of a robust framework for ensuring that VfM would be central to everything done by the council and every decision made.



Pictured are: Cllr Tumi Hawkins, Cllr Liz Heazell, Cllr Cicely Murfitt, Cllr Nigel Cathcart, Joan Spencer and Thora Saunders

## **Witnesses**

The following officers provided evidence to the task and finish group:

Alex Colyer, Executive Director Corporate Services

John Garnham, Principal Accountant

Anita Goddard, Housing Services Manager

Stephen Hills, Corporate Manager Affordable Housing

Paul Howes, Corporate Manager Community and Customer Services

Paul Knight, Senior Policy and Performance Officer

Sean Missen, Procurement Officer

David Purnell, Asset Manager

Jackie Sayers, Scrutiny Officer

Gwynn Thomas, Principal Accountant

Duncan Vessey, Project Manager

## **Acknowledgement and Thanks**

The task and finish group would like to offer sincere thanks to Wendy Head, Thora Saunders and Joan Spencer for the time and commitment they gave to this review. Their experience from the tenants' perspective was especially useful.





## How to get involved

The process of scrutiny is strengthened by involving partners, residents, service users and so on. They bring expertise, local knowledge, fresh ideas and an element of external challenge.

If you would like to know more, please ring the Scrutiny Development Officer, Jackie Sayers on 01954 713451 or email [scrutiny@scambs.gov.uk](mailto:scrutiny@scambs.gov.uk)