

REPORT TO: BEST VALUE SUB-COMMITTEE – 16TH MAY 2002

REPORT ON: PRIVATE SECTOR GRANT UNIT, INCLUDING HOUSING ACTION AREA SECTION, BEST VALUE REVIEW

REPORT BY: CHIEF EXECUTIVE

REPORT NO: 445-2002

1. PURPOSE OF REPORT

- 1.1. The review will examine the detailed operation and functions of the Private Sector Grants Unit (PSGU) and their specific relationship with the Housing Action Area Section of the Housing Renewal Unit as well as other Housing Sections for services provided and other Council Departments for specific services.
- 1.2. The objective of the review will be to determine whether:
- Changes can be made to the services delivered;
 - Procedures can be simplified;
 - Costs can be reduced (charge to Council Tax);
 - Any duplication can be eliminated;
 - Improved services by a single approach to Private Sector services can be achieved.
- 1.3. The review will also take into consideration the aims and objectives of Housing Management and future changes in legislation which will affect the Housing Department including the impact of the new Housing Bill, the review of the Tolerable Standard and the introduction of Licensing of Houses in Multiple Occupation together with Housing Advice Services.

2. RECOMMENDATIONS

It is recommended that:

- 2.1. The Sub-Committee agrees the proposals for amalgamation of the Private Sector Grants Unit and Housing Action Area Section of Housing Renewal, outlined in Section 12, and for continuous improvement outlined in Section 13.

3. FINANCIAL IMPLICATIONS

- 3.1. This review accounts for 1.15%¹ (£390,625) of the Department's 2000/2001 Revenue Budget (£47 M. less loan charges of £13 M.).
- 3.2. The Revenue costs of the Unit are currently funded between the Other Housing Account - Capital and Revenue. All Technical Salaries are currently charged to the Capital Account and amount to 0.52% (£176,630) of the Department's Revenue Budget for 2000/2001 with the balance of the costs 0.63% (£213,995) charged to the Other Housing Revenue Account. In meeting the objectives of the review it is anticipated that costs associated with the provision of the Grants Service will reduce with a resultant reduction in the charge to the Council Tax.

¹ PSGU only

4. **EQUAL OPPORTUNITY IMPLICATIONS**

- 4.1. There are no equal opportunity implications arising out of this report.

5. **LOCAL AGENDA 21 IMPLICATIONS**

- 5.1. None

6. **DEFINITION OF THE SERVICE TO BE REVIEWED**

- 6.1. The Private Sector Grants Unit is involved in the provision of a wide range of services, mainly to the Private Sector housing market, but also to other Sections within the Housing Department and to other Departments of the Council. These services include:
- The provision of Mandatory and Discretionary Grants to Private Sector Properties;
 - Technical and Clerical support to Dundee Care and Repair;
 - Building Condition Surveys (Area Offices);
 - Property Enquiries (Planning);
 - Mandatory Licensing of Houses in Multiple Occupation.
- 6.2. PSGU have an establishment of 15½ posts. Current staffing levels within PSGU are equivalent to 13½ full time posts, headed by a Principal Housing Officer and comprising of 7 full time Technical Officers, 4 full time Administrative Officers, 1 job share Clerical Officer (half post unfilled), 1 part time Clerical Officer and 1 job share WP Operator (half post unfilled).
- 6.3. The Housing Action Area Section is mainly concerned with activity within declared Housing Action Areas and related statutory Repairs Notices. As the Private Sector housing situation in Dundee has changed so has the Section's work, to include non grant aided housing advice (particularly important as grant funds have reduced significantly). One Housing Officer provides Care and Repair services.
- 6.4. The Section consists of five staff (4½ FTE) – 1 Senior Housing Officer (AP5), 2½ Housing Officers (AP3) and 1 Clerical Officer (GS3)

7. **JUSTIFICATION FOR REVIEWING THIS SERVICE**

- 7.1. The Private Sector Grants Unit (provision of Mandatory and Discretionary Grants) was originally to be reviewed in line with the programme previously agreed for Best Value Reviews. The review has been expanded to include all functions of the PSGU reflecting changes to and the introduction of new legislation. The Housing Action Area Section was included once it was deemed that there would be potential benefits from a single approach to Private Sector Services.

8. **REVIEW METHODOLOGY**

- 8.1. The review team comprised of the following officers:
- Review Team Leader (1) Personnel and Management Services
 - Lead Officer (1) Private Sector Grants Unit
 - Support Officers (4) Private Sector Grants Unit
(2) Housing Area Renewal
(1) Housing Improvements and Maintenance Unit

8.2. The review was conducted by means of:

- Analysis of workload and current practises of both PSGU and the Housing Action Area Section;
- A consultation exercise utilising an ongoing Customer Satisfaction Survey of Grant Applicants to determine satisfaction levels;
- A Benchmarking exercise with five other Local Authorities;
- Analysis of existing Performance Indicators.

8.3. Due to the late inclusion of the Housing Action Area Section and the limited time since the introduction of HMO Legislation, no customer surveys or benchmarking exercises were carried out in these areas. Building Condition Survey work has already been the subject of a Best Value Review within the Architectural Services Section.

9. **CRITICAL SUCCESS FACTORS**

9.1. **Stakeholders**

9.1.1. The main stakeholders were identified as those members of the public who received the service. However there are a number of other stakeholders associated with the grant process. These would include:

- Other Housing Sections including IMU and Area Offices;
- Internal Council Departments including Social Work, Support Services, Finance and Planning and Transportation;
- Private Sector architectural and quantity surveying practises;
- Local contractors and suppliers;
- Landlords and tenants;
- Tayside NHS Trust.

9.2. **Critical Success Factors**

The critical success factors were identified as:

- **Cost**
 - (a) Cost per application (to include the full process – approval, site and finalisation and not just relating to numbers approved or numbers finalised).
 - (b) Number of properties improved, by category for budget allocation.
- **Quality (Customer Satisfaction Survey)**
 - (a) Number of complaints.
 - (b) Percentage satisfaction achieved.
- **Efficiency**
 - (a) Average time to Approval (two existing PI's).
 - (b) Average time to Final Payment (existing PI).

10. **PERFORMANCE REVIEW**

Performance was reviewed by the analysis of current workload and practises, the customer survey, benchmarking exercise and performance indicators.

10.1. **Private Sector Grant Unit**

(a) **Mandatory and Discretionary Grants**

The Private Sector Grants Unit, in general terms, accepts requests for grant assistance, either mandatory or discretionary, vets the applications, carries out inspections of the properties, calculates and approves the level of grant assistance, monitors the work and carries out final inspections to ensure that all works have been completed. The grant is then recalculated based on the final account and processed for payment.

As indicated previously, the full salary cost of all of the Technical Officers is currently charged to the Non HRA Budget.

(b) **Building Condition Surveys**

Site supervision of Building Condition Survey work to Council houses is carried out, on behalf of Architectural Services, by the Unit's Clerk of Works the cost of which is recovered from the Housing Revenue Account.

(c) **Care and Repair**

Care and Repair is supported by both PSGU and the Housing Action Area Section with PSGU providing a dedicated Technical Officer with Clerk of Works and clerical support. The separate administration of Care and Repair Grants is carried out by staff within PSGU

The Technical Officer's salary costs incurred by PSGU are currently charged to the Non HRA Budget. Clerical and administration costs are charged to the Other Housing Account

(d) **Houses in Multiple Occupation**

Legislation from the Scottish Executive requires Local Authorities to ensure that Houses of Multiple Occupancy are licensed. From October 2000 owners of premises housing six or more occupants and being members of more than two families are required to apply for a licence. In subsequent years the number of residences falling into the category of HMO will increase as the number of occupants reduces, i.e. five in 2001, four in 2002 and three in 2003.

Although a new area of work for the Unit and all other Departments involved, it is clear that a significant workload will result from the introduction of this new legislation. With Housing as the Lead Department, PSGU were tasked with establishing an administrative framework, collecting statistics and data, setting fees, publicising the scheme, enforcement and co-ordinating reports to the Licensing Committee. This alone created a significant workload and training requirement within the Unit. At this time we are dealing with the larger end of the market including a number of 200 bed residences, requiring additional technical resources to be allocated to this work.

As the occupancy thresholds decrease, conversely the numbers of HMOs will significantly increase as we begin to deal with smaller flats in a University City and this will have an impact on staffing – a view held by all Council Departments (and the Police and Fire Brigade) as well as other Local Authorities. The accepted view is that there are thousands of HMOs in the City which, under current legislation, will require to be licensed.

The costs associated with processing HMO licences are recoverable from the fees charged.

(e) Property Enquiries

Property enquiries are dealt with by the administrative staff within PSGU generating an income from Property Enquiry Fees.

(f) Volume of Work

Despite reducing budgets a high volume of work has been maintained. The maintenance of the throughput of grants is due to a number of factors:

- A reduction in the number of high cost improvement grant applications;
- A change to the qualifying age criteria from pre-1964 to 10 years old at time of application;
- The introduction of Council Tax Valuation Bands replacing Rateable Values;
- Continued implementation of the reduced percentages of grant awarded;
- Increase in the number of Ex-Council Capital Works applications;
- Care and Repair generated discretionary grants;
- Advertising.

A reduction in volume in Financial Year 2000/2001 was as a result of the deferral of three categories of grant (replacement windows, environmental improvements and replacement boilers), necessitated by further reductions in the Non HRA Budget.

In addition however to mandatory and discretionary grants, the Unit has become involved in a number of other housing areas, including Building Condition Surveys and Capital Project Surveys. The introduction of Care and Repair has also resulted in the full time commitment of one Technical Officer together with Clerk of Works and clerical support. The volume of work created by the introduction of Mandatory Licensing of Houses in Multiple Occupation has now required the allocation of two dedicated Technical Officers to the processing of applications, again with administrative and clerical support.

The table at Annex A indicates the comparative volume of grant and non-grant related work carried out by the Unit over the past seven years.

Effectively whilst the budget has reduced, so has the level of grant payment per application and this combined with the changes in eligibility criterion has maintained the volume of grants being processed. The introduction of Care and Repair, Building Condition Surveys and HMO Licensing together with reduced staffing levels have more than compensated for the reducing grants budget.

The staffing together with the opportunity to re-charge and/or recover the cost of work relating to these new areas of work will significantly impact on the cost of administering the Non HRA Grants Budget and therefore, in turn, the charge to the Council Tax. (CI 13.6)

The new Housing Bill and in particular amendments to Grants for Improvement and Repair in respect of Means Testing, Amount of Grant, Eligible Works, Revised Tolerable Standard and Index of Housing Quality together with potential increased demand for Fire Escape Grants in respect of HMOs as well as proposals for the provision of Housing Advice and Approved Landlords Schemes in the Private Sector will have a significant but as yet unquantifiable effect on the provision of the Services to the Private Sector. It will therefore be important that the effects of these changes are closely monitored and evaluated as part of the ongoing Best Value process. (CI 13.20).

(g) Other Housing Capital Account/Staffing Costs

At the present time the full salary cost of the Technical Officers is charged to the Other Housing Capital budget. However as indicated earlier significant elements of these costs are recoverable from the HRA Account and HMO Licensing Fees. Unfortunately the existing Charge Sheet Codes do not allow a detailed breakdown of hours for Technical Officers alone. Both Administrative and Technical Staff use the same codes, although their staffing costs are charged to two different cost centres (Other Housing[Capital] and Other Housing Account[Revenue]). As indicated in Annexes B and C attached, on the basis of the current staffing of the various functions carried out within the unit the actual charge to the non HRA Budget should be significantly reduced, the balance of the salary costs being recovered from the HRA Account and HMO Fees. This effectively maintains the percentage salary charge to the Non HRA Budget at a similar level to 1996/97 (5.6%). The possibility exists for a resultant reduction in the charge to the Council Tax. The figures below do not include the Care and Repair element of the Non HRA Budget or the staffing costs associated and charged to the Non HRA.

Financial Year	Non HRA Budget	Salary Charge	%age
1996/97	£2.811 M.	£157,751	5.6
2001/02	£1.115 M.	£63,904 ²	5.7

A review of charge sheet codes would enable accurate information on staffing costs to be maintained. (CI 13.21)

(h) Customer Satisfaction Survey

A copy of the Customer Satisfaction Survey Questionnaire is appended at Annex D. The survey is issued to every grant applicant, with the exception of ex-council house owners involved in capital projects and in the case of Repairs Notices in Default. The survey allows assessment of the stakeholders perceptions of service quality and satisfaction and tries to gauge just what customers wanted the service to provide.

Consideration needs to be given to including capital projects and Repairs Notices in the Customer satisfaction Survey. (CI 13.13)

The survey commenced in the second half of 1997/98 with 839 returns received from 1,482³ issued, giving a 56.6% return rate for the period ending March 2000. The level of overall satisfaction expressed is very high and a full copy of the results are contained at Annex E.

² Refer Annex C

³ Total questionnaires issued is based on finalised grants for each year from PI's less Ex-council and Repairs Notices with 50% allowed for 1997/98

A summary of the results reveals that:

- 78.9% of respondents believed that the Grants Unit could do more to make people aware of the services they provide (Question 4). (CI 13.22)
- 94.2% of respondents found the Guidance Notes/information helpful (Question 7).
- 88.7% of respondents were satisfied or very satisfied with the time it took to receive Formal Notice of Approval (Question 8).
- 59.6% of respondents indicated that they would not have carried out the work had grant assistance not been available (Question 9).
- 98.8% of respondents found the Grants Unit Staff to be helpful or very helpful (Question 12).
- 97.8% of respondents were satisfied or very satisfied with the overall service (Question 14).

Question 14 asks the customer to grade their experience when dealing with the PSGU in terms of Very Satisfied, Satisfied, Dissatisfied and Very Dissatisfied. This led to customers being asked via an “open question” (question 15) if they had any further thoughts on why they answered the previous question as they did.

Following on from the above, the customer was then asked in another “open question” (question 17) if there were any observations they would like to make on how they felt they could help the PSGU improve their service to them as customers.

The following tables are based on the analysis of the returns for question 15.

1997/1998 – 120 comments

Positive Comments towards PSGU	Complaints relating to time delays	Complaints relating to PSGU	Complaints relating to other Sections	Complaints relating to contractors
88.0%	7.3%	4.4%	3.6%	1.5%

1998/1999 – 321 comments

Positive Comments towards PSGU	Complaints relating to time delays	Complaints relating to PSGU	Complaints relating to other Sections	Complaints relating to contractors
87.0%	7.5%	6.5%	1.0%	0.6%

1999/2000 – 220 comments

Positive Comments towards PSGU	Complaints relating to time delays	Complaints relating to PSGU	Complaints relating to other Sections	Complaints relating to contractors
82.0%	8.3%	4.0%	1.8%	4.0%

1997-2000 averages based on a total of 661 returns

Positive Comments towards PSGU	Complaints relating to time delays	Complaints relating to PSGU	Complaints relating to other Sections	Complaints relating to contractors
86.0%	7.6%	4.9%	2.1%	2.0%

- Positive comments relating to PSGU

Of customer satisfaction returns relating to question 14, 97.8% showed a satisfaction level of satisfied or very satisfied. In addition an average over the three years of 86% went on to answer question 15, making written comments praising the performance of the Private Sector Grants Unit. These complimentary comments were directed in the main towards staff attitudes, procedures and level of service.

- Complaints relating to Time Delays

Given the complexity and potential for delay in what can be seen as a lengthy process, only 7.6% saw the need for a direct written comment. But no common factors or underlying trends were evident in pinpointing any one specific area to target, in reducing this already low figure.

- Complaints relating to PSGU

When inviting comment from customers on the Department who have been the focal point in their dealings with the City Council, it may have been expected that this figure, averaged over three years, of 4.9% could have been higher. In reality it was mainly focused towards some of our customers not being fully aware of the £25 recording due, which is highlighted in the Notes of Guidance and in Scottish Executive literature. We are addressing this problem by seeking approval to insert a statement of fact in the notes which accompany the application form for grant assistance.

- Complaints relating to Other Sections

The average return over the three years did not highlight or focus specifically on any one Section within the City Council, and the figure of 2.1% in the form of written comments was so low as to be an insignificant indicator towards any possible trend.

- Complaints relating to Contractors

Although only a small percentage of complaints were received about contractors (2%), a significant number of respondents (84%) indicated that an approved list of contractors would have been helpful. (CI 13.10)

Of the 16 specific comments made by our customers suggesting ways to improve our service, 70% were directed towards more advertising and publicity. These comments ranged across a wide spectrum, from: "I didn't know the City Council had a grants system", to, "what grants are available?", and highlighted the lack of knowledge and awareness towards the availability of Improvement and Repairs grants within the City.

The analysis of question 17 (100 returns) revealed an uncanny parallel to that of question 15. Here 20% of customers suggestions focused on the £25 recording due (32%) and the need for a pro-active promotion campaign and literature, highlighting the availability of grants (68%).

10.2. **Housing Action Areas Section**

- 10.2.1. The main functions of the Housing Action Area Section revolve around designated HAAs, Repairs Notices and Improvement Orders. Apart from the statutory elements a significant part of this work involves providing advice, guidance and assistance to members of the public involved in the above processes.
- 10.2.2. The HAA process requires the identification of property within the designated areas which are in need of repair and/or improvement, advising and organising owners/residents and ensuring satisfactory completion of the project. During the process HAA staff co-ordinate staff from other Council departments who might become involved.
- 10.2.3. As funds available for Repairs Notices have reduced the importance of advice and guidance to owners/residents has increased. Repairs Notices which go into Default through non co-operation of owners have serious financial consequences for the Council as the Council has to make good any gap in funding and seek recovery thereafter. Avoiding default situations is, therefore, an essential part of the Section's activity. There are close ties between HAA and PSGU in progressing work related to HAAs and Repairs Notices not least of which is budget management.
- 10.2.4. Care and Repair activity involves one member of staff who operates in conjunction with a PSGU Technical Officer. A review of the process suggests that Care and Repair activity could be carried out by one member of staff.
- 10.2.5. There are clear overlaps and joint working situations between the work of HAA and PSGU. Amalgamation of the two Sections would lead to a number of efficiency and administrative savings.

10.3. **Benchmarking**

- 10.3.1. A Benchmarking exercise was carried out with seven other Local Authorities based on a Benchmarking Questionnaire. Five Authorities responded and an analysis of the responses is attached at Annex F to this report. Council A represents Dundee City Council.
- 10.3.2. The Benchmarking Questionnaire covered budget allocation and expenditure, staffing levels and costs, service delivery and procedures.
- 10.3.3. In addition to the Benchmarking Questionnaire issued, PSGU participated in a Benchmarking Exercise with Renfrewshire Council who subsequently provided an analysis of their Benchmarking Review. A copy of this analysis is attached at Annex H.

11. **RESULTS OF COMPARISONS**

11.1. **Lead Departments**

- 11.1.1. Responsibility for the provision of the Grants service rested with a variety of Lead Departments as indicated below:

Council	Lead Department
A	Housing
B	Building Control
C	Environment and Property
D	Community Services (Housing)
E	Housing (Special Grants)
F	Housing and Property Services

- 11.1.2. From the above it can be seen that the Grants service is predominantly a Housing function. In the case of Council D, the Community Services Department incorporates the Housing and Social Work Divisions with the Housing Division responsible for Grants. Two Authorities identified their Legal and Finance Departments as having a primary involvement in processing grant applications. All Authorities identify a combination of Departments, including Finance, Legal, Social Work, Environmental Health, Housing and Planning, providing support to the service.

11.2. **Staffing**

- 11.2.1. A comparison of staffing levels in respect of the Grants Service only, indicates that Dundee City Council had a higher staffing level than any other Authority with the exception of Authority C. It should however be noted that the figure of 8.5 indicated in Annex F included an unfilled maternity leave post and an unfilled secondment to IMU. This effectively reduced the actual staff working on grants to ⁴7.5. This figure compares more favourably with the remaining Authorities particularly when the volume of grants received and processed is taken into account.
- 11.2.2. The employment costs indicated in Annex F reflect the above position (i.e. they include the cost of the unfilled maternity leave post but not the cost of the seconded post).
- 11.2.3. The increasing allocation of staffing resources towards the new service of Mandatory Licensing of Houses in Multiple Occupation has effectively further reduced the staffing associated with the Grants service in the current Financial Year to a figure of 6.58 staff as indicated in Annex B to this report.

11.3. **Cost of Administration**

- 11.3.1. A comparison of the administration cost per grant reveals the following:

FY Year	Council A	Council B	Council C	Council D	Council E	Council F
1998/99	£257.77	£339.62	£266.88	£476.42	£157.07	Unknown
1999/00	£332.56	£300.00	£362.46	£412.67	£136.99	Incomplete

- 11.3.2. This comparison is based on employment costs and the average of grants approved and finalised each year.
- 11.3.3. Council F could not provide information on the volume of grants received, approved or finalised by them in 1998/99 and the information provided for 1999/00 was incomplete.
- 11.3.4. Dundee City Council's performance is comparable with Council B and better than Councils C and D.

⁴ from Annex B, grant time for Heather and Gordon

- 11.3.5. Council E has a significantly better cost per application than any other Council, however a significant volume (an average of 60% over the two years quoted) of the applications processed relate to lead plumbing which the Authority confirmed required much less staff time to process than the other types of grant processed. Furthermore it was indicated that within the disabled adaptation grants processed, accounting for a further 25% of applications, those for the installation of stairlifts were also subject to reduced manpower input.
- 11.3.6. A true comparison is impossible as it has not been possible to take into account the balance of grants received, but not yet approved within each year, but which are still being processed. This will affect the results for Council's B and D as well as Dundee City Council, effectively improving their overall performance.

11.4. **Number of Properties Improved by Category**

- 11.4.1. None of the Councils provide an identical range of grants to that provided by Dundee City Council and where a similar grant is provided only limited information is available in many cases. As a result no direct comparison is therefore possible. Within the limitations of the information provided Annex G provides an indication of the average grant per category.
- 11.4.2. Dundee City Council Private Sector Grants Unit participated in a Benchmarking exercise with Renfrewshire Council of their Grants Service. A copy of their analysis of that review is attached at Annex H to this report.
- 11.4.3. The figures provided for Dundee City Council are for the Financial Year 2000/01. A comparison between the five Councils reveals that the approval rate per £1 M. budget allocation for Dundee City Council is significantly better than all of the other Councils.

11.5. **Grant Procedures**

- 11.5.1. Analysis of the various Councils responses to the Grant Procedures section of the questionnaire reveals that each Authority, whilst all not offering the same variety of grant types within their own service, all have a similar approach to delivery of the service.
- 11.5.2. All Councils require a minimum of two estimates, all but two inspect the property prior to issuing Formal Notice of Approval, one of the exceptions being Council E who do not carry out initial inspections of disabled adaptations involving stairlifts, but otherwise carry out initial inspections. All but two apply conditions of grant. Every Council carries out inspections when interim payments of grant are requested and upon completion of the works, once final accounts have been inspected. Council E do not carry out final inspections of Lead Plumbing Grants, relying on approval of the work by the local Water Authority. All Councils offer interim payments of grant and will consider approaches to the Scottish Executive to increase the Approved Expense Limit. (CI 13.23)
- 11.5.3. There are a few areas where some Councils have a significantly different approach and these merit further examination:

- **Means Testing**

Two Councils do basic means testing. Council C in respect of Lead Plumbing Grants and Council F in respect of Lead Plumbing and non-substantial/non-structural repairs. In the case of Council C it is an income based calculation whereas with Council F it is based on whether the applicant is in receipt of a Council Tax Rebate. Dundee City Council operates a simple means test for all discretionary grants in that where an applicant is not in receipt of Direct Council Tax Rebate they

will receive a reduced grant level of 10% lower than the standard level of grant assistance. This approach has had the benefit of maintaining the majority of grant categories encouraging the necessary repairs and improvements to be carried out. The new Housing Bill will have an impact on this area of procedure as it proposes standard means testing.

- Priority Approvals

Other than date of submission, within the disabled adaptation category, Council B gives priority to disabled adaptation grants in the priority order determined by it's Social Work Department. The priority given by Council F appears to reflect the categories of grant currently being awarded but not a priority order within these categories.

- Title Deeds

Council E does not request the submission of Title Deeds with any category of grant. In consultation with Support Services Dundee City Council no longer requires the submission of Title Deeds when dealing with owner occupiers. This has created a significant corporate saving to the Housing Department and merits further consideration in extending this policy to all categories of applicant. (CI 13.8)

- Fees

Although the question may have been ambiguous, it would appear that all Councils charge a Recording Due to register the payment of grant, the charge being deducted from the grant payment.

- Ex-Council House Owners

Two Councils will not consider grants to this category of owner. Dundee City Council offers grants to ex-council house owners involved in Capital Works Programmes but not for External Cyclical Maintenance (ECM) Projects.

This policy reflects the owners' inability to influence essential repairs and benefits the recovery of outstanding accounts. It has also often encourage owners to agree to essential fire safety improvements to Council property which might otherwise not be carried out to the detriment of the Council's tenants.

- Register of Approved Contractors

Only one Council indicates that it maintains a register of Approved Contractors. Dundee City Council maintains a register of Specialist Timber Infestation Contractors only. This register has been operated for a considerable number of years without any great problems. 84% of respondents to this Council's customer satisfaction survey indicated that they would have found a list of Council Approved Contractors useful. There are however some old legal concerns regarding this issue which need to be resolved. (CI 13.10)

11.6. Customer Satisfaction Surveys

- 11.6.1. Only 50% of the Councils responding to the Benchmarking Questionnaire carry out Customer Satisfaction surveys.

- 11.6.2. Dundee City Council's PSGU Customer Satisfaction Survey has been in operation for over three years and shows consistently high satisfaction ratings averaging 97.8% to the year ending 1999/00. There are however a number of areas where improvement can be sought and these have been identified in the Continuous Improvement Section of this report.
- 11.7. Care and Repair
- 11.7.1. In June 2001 the Scottish Executive issued the guidance "Working together on Care and Repair – A Strategic View". It states that Care and Repair:
- (a) Helps people to live independently in the community complementing community care services. It supports many national and local objectives in housing, health and social care.
 - (b) Assists older people and people with disabilities living in the private sector to have a warm safe home that meets their needs. The focus of Care and Repair is on repair, adaptation or improvement of properties – and providing the advice and support to clients to enable them to get the right work done to the right standards with the minimum disruption.
 - (c) In particular Care and Repair should have particular relevance in:
 - Facilitating Hospital discharge;
 - Preventing inappropriate admission to hospital and other care settings;
 - Consider ways to provide household maintenance services;
 - Improve delivery of equipment and adaptation services;
 - Addressing condition issues within Private Sector properties.
- 11.7.2. Only Councils C, E and F are involved in the operation of a Care and Repair Scheme. In each of these cases the Care and Repair Scheme is operated by an external service provider. A Housing Association in respect of Councils C and F and Age Concern (Scotland) Ltd. in the case of Council E.
- 11.7.3. Dundee City Council are unique in that they operate an in-house Care and Repair Scheme. The advantage of delivering the service through an external service provider is reduced revenue costs, with the Council and Scottish Homes sharing the revenue costs. Earlier attempts to identify an external service provider failed due to the inability of the bidders to match the full selection criterion with regard to both the "Care" and the "Repair" aspects of the service. As a result a decision was taken to provide the service in-house. This has the disadvantage that the revenue costs of the service are fully borne by the Council however the Care and Repair budget allocation of £60 K. is fully utilised in providing Small Repairs Awards and Care and Repair Grants to the client group in addition to access to Discretionary Improvement and Repairs Grants.
- 11.7.4. The variations in service delivery and limited information from two Councils makes it difficult to carry out a reasonable comparison of the service between the three Councils.
- 11.7.5. Council C however provides a very similar service to Dundee albeit through an external service provider. The Local Authority provides 50% of the revenue funding for the project, with Scottish Homes providing the other half. As well as staffing, a proportion of the revenue funding is allocated towards a "handyman service". This aspect of their service is aimed at dealing with small repairs up to the value of £100 and although referred to as a "handyman service", is in reality a list of approved contractors employed to carry out the works. Once the allocation is spent, no further work is carried out in this area.

The Grants Section within the Local Authority allocates a proportion of its Non HRA Budget (£45 K. in 2001/02) to the provision of Discretionary Improvement and Repairs Grants to Care and Repair clients. An additional sum is allocated to an "Affordable Warmth Scheme" which is also administered by the external service provider.

- 11.7.6. Dundee City Council's scheme provides a small Repairs Award up to the value of £375 plus VAT which is comparable with Council C's handyman service as well as a Care and Repair Grant with a maximum approved expense limit of £2,750 and a typical grant level of 40% or 50%. For larger works access to Discretionary Improvement and Repairs Grants is available.

- 11.7.7. The table below gives a comparison of volumes of work between Dundee Care and Repair and Council C.

FY 1999/00	Enquiries	Advice Only	Repairs Grant	Improvement Grant	C & R Grants	Small Repairs
Council C	310	42	18	11	N/A	175
Dundee C & R	336	147	19	5	20	130

- 11.7.8. Dundee City Council recognise that whilst following the guidelines issued by the Scottish executive, the delivery process adopted is not ideal. A review of this service has considered a number of options which need to be explored including the options of an External Service Provider or a Trust. In the case of continued in-house service delivery the preferred option is to have a single, dedicated, Care and Repair Officer with dedicated administrative and clerical support reporting to a single Line Manager. The proposed amalgamation of PSGU and the Housing Action Area Section would help achieve this preferred method of service delivery for an in-house scheme. (CI 13.24)
- 11.7.9. 99.2% of respondents were satisfied or very satisfied with the service of Dundee Care and Repair in Financial Year 2000/01.

12. **OPTION APPRAISAL**

12.1. **Review of Findings**

- 12.1.1. There is a close relationship between the Private Sector Grants Unit and the Housing Action Area Section and in some cases, particularly Care and Repair, an overlap of duties.
- 12.1.2. Assessment of the services provided concludes that a better, more focused service could be provided by amalgamating the two Sections. An amalgamation would save £58,232 plus on-costs through the deletion of 1 x AP3 post (Care and Repair), 2 x GS3 posts and 1 x GS1/2 post.
- 12.1.3. It is also the case that PSGU Officer time expended on grant related work has reduced considerably since Local Government Reorganisation, specifically as a result of the reducing budget allocation. Examination of workloads and charge sheets reveals that the equivalent of 6½ staff from the establishment of 15½ are engaged in grant related duties.
- 12.1.4. A further seven Officers are engaged in HMOs, Care and Repair, Building Condition Surveys and property enquiries. There are two vacant posts.

- 12.1.5. Whilst grant related work has reduced over the years, new duties, particularly the licensing of HMOs, have required staff to alter work patterns and acquire new skills. However the Other Housing Account charging process has not been altered to reflect these changes. Consequently, the equivalent of six staff are charged to Other Housing Capital whereas actual staff time accounts for the equivalent of three Officers.
- 12.1.6. The reason for this is the new and as yet uncertain income stream generated by the licensing of HMOs, and to a lesser extent the income from Building Condition Surveys. Whilst the HMO system does raise an income at present sufficient to fund all of the Officers engaged in this activity, for accounting purposes, it is considered prudent to maintain the charge to Other Housing Capital until such time as the income stream is confirmed. However it is possible to transfer funds from HMO and Building Condition survey income to Other Housing Capital as they become available.

12.2. **Proposed Structure**

- 12.2.1. It is proposed that a new Unit of the Housing Department be formed from the amalgamated PSGU and HAA Section. The new Unit would be named Private Sector Services Unit (PSSU).

- 12.2.2. The Unit would comprise of three Sections:

- **Advice And Liaison**

All Private Sector policy and preparation for new legislation. Liaison with Private Sector landlords, tenants and owner occupiers over maintenance of property and environs. All work related to Housing Action Areas and Repair Notices.

- **Property Inspection**

All inspections and reporting of work related to Mandatory and Discretionary Grants, Licensing of HMOs, Care and Repair and Building Condition Surveys.

- **Assessment and Administration**

Assessment of Mandatory, Discretionary and Care and Repair Grant applications. Means Testing of applicants. HMO management and procedure verification. Performance monitoring and budget control.

- 12.2.3. The staffing Structure proposed is attached at Annex J to this report.

- 12.2.4. This structure has a number of advantages to the Council and customers:

- A clear and more focused identity;
- One Unit dealing with all private Sector Services;
- Streamlining of grant applications, assessment and finalising, especially Care and Repair grants and awards;
- Saving on administration and staff costs;
- Expansion of service into areas of concern to Elected Members and residents of mixed tenure private sector property.

12.3. **Staff Savings**

12.3.1. It is anticipated four FTE posts will be saved:

- 1 x AP3
- 2 x GS3
- 1 x GS1/2

This will result in savings of £58,523 plus on-costs.

12.3.2. As all staff currently employed within the two Sections are permanent employees, redeployment within the Department will be necessary to achieve the proposed savings.

13. **CONTINUOUS IMPROVEMENT PROPOSALS**

- 13.1. Implement changes to grant procedure to allow cheques to be issued by PSGU rather than Finance. Implemented – Corporate Saving.
- 13.2. PSGU to assume responsibility for checking and approving mandates instead of referring to Support Services. Implemented – Corporate Saving.
- 13.3. Use of Recorded Delivery in respect of follow up letters for Ex-Council Capital Projects. Implemented – Marginal Increase in postage.
- 13.4. Adopt a Single File system for all categories of grant. Implemented – Reduced Administration.
- 13.5. Ensure appropriate credits in respect of Property Enquiry Fees. Implemented – Reduced Charge to Council Tax.
- 13.6. Verify appropriate charges are credited to the relevant budget in respect of Building Condition Survey and HMO fees. Implemented – Reduced Charge to Council Tax.
- 13.7. Investigate possibility of electronic access to the Lands Register for the purposes of checking Title Deeds. Potential Corporate Saving.
- 13.8. Consider whether requests for submission of Title Deeds should no longer be a requirement in the case of non owner occupiers. Title Deeds are no longer requested in the case of owner occupiers. Potential Corporate Saving. Potential Corporate Saving.
- 13.9. Produce revised Notes for Guidance for each category of grant incorporating a guide to the key stages of the grants procedure. Enhanced Service.
- 13.10. Consider the option of producing a list of Approved Contractors for the use of Grant Applicants. Enhanced Service.
- 13.11. Review the Approved List of Contractors used for Care and Repair and ensure compliance with current Health and Safety Policy. Efficiency.
- 13.12. Review current system for recording and monitoring customer complaints. Enhanced Service.
- 13.13. Review Customer Satisfaction Survey forms and issue to applicants involved in Capital Projects and Repairs Notices. Enhanced Service.

- 13.14. Amend Unix System to record previous grants paid. Implemented - Efficiency.
- 13.15. Amend Unix System to record whether an applicant is an owner occupier or a landlord. Implemented. – Efficiency.
- 13.16. Amend Unix System to record whether a property is located within a Social Inclusion/Regeneration Area. Enhanced Service.
- 13.17. Amend Unix System Key Stages to reflect new procedures regarding issue of cheques by PSGU. Implemented - Efficiency.
- 13.18. Discuss possibility of PSGU carrying out pre-contract solum inspections on behalf of IMU. Corporate Efficiency.
- 13.19. Property Enquiry computer access log-in to be changed to reflect staffing changes in PSGU Admin Team. Implemented - Efficiency.
- 13.20. Monitor and evaluate the impact of new Housing Legislation, particularly in respect of Grants, HMOs and Housing Advice and review services accordingly. Efficiency.
- 13.21. Consider amending Charge Sheet Codes to enable accurate staffing costs to be allocated to the relevant Capital (Non HRA) and Revenue (Other Housing) Accounts. Efficiency.
- 13.22. Consider opportunities for increased advertising of services available within limitations of current budgets. Enhanced Service.
- 13.23. Assess the opportunity to carry out reduced inspections in respect of the installation of stairlifts and replacement of lead plumbing. Efficiency.
- 13.24. Undertake a review of service delivery within the Care and Repair Scheme. Efficiency and Enhanced Service.

14. **CONSULTATION**

- 14.1. The Director of Housing, Director of Finance and Director of Personnel and Trades Unions have been consulted on this report.

15. **BACKGROUND PAPERS**

- 15.1. Best Value Submission to the Secretary of State for Scotland, December 1997.
- 15.2. Policy and Resources Committee 11th December 1997