

## **CABINET – 1st October 2009**

### **Report of the Director of Housing and Health**

ITEM 6      RESPONSE TO INVESTIGATION AND REVIEW SCRUTINY:  
CHARNWOOD NEIGHBOURHOOD HOUSING (CNH) AND  
CHARNWOOD BOROUGH COUNCIL (CBC) PANEL  
RECOMMENDATIONS

#### Purpose of the Report

To consider the responses to the recommendations of the Scrutiny Panel in respect of CNH and CBC.

#### Recommendations

That the response to the recommendations of the Charnwood Neighbourhood Housing and Charnwood Borough Council Panel, as outlined in the report, be approved.

#### Reason

To ensure that the recommendations of the panel are taken into account as indicated.

#### Policy

The Corporate Plan commitment to review and improve how we deliver our services to make sure we are constantly challenging ourselves to deliver services better, quicker or more cheaply, and to develop our staff to focus on performance management and continuous improvement is the context for this report.

#### Background

Cabinet, at its meeting on 6<sup>th</sup> August 2009 received a report setting out the findings of the Investigation and Review Scrutiny Panel in respect of the CNH/CBC relationship.

It was resolved (Min 47) “that the recommendations of the Charnwood Neighbourhood Housing and Charnwood Borough Council Investigation and Review Scrutiny Panel be referred to the Director of Housing and Health, in conjunction with the Cabinet Lead Member for Housing and Health, to report back to Cabinet within two months, in accordance with Overview and Scrutiny Procedure Rule 9(c), setting out proposals for further action if necessary. The reason was to ensure that the report and recommendations of the Investigation and Review Scrutiny Panel, which were comprehensive and had involved a lot of work by the Panel, were fully considered and to allow for a considered response to be drafted taking into account the financial and risk implications of any proposed actions.

## Recommendations and Responses

The recommendations of the Panel in respect of CNH/CBC and the response to each recommendation (in italics) are set out below:

### **Recommendation 1**

**Remedial plans should demonstrate how the proposals for action will bring about the desired change. Remedial plan meetings should address progress on the specific actions in the plan, showing the direct link between the actions and the updates on progress and change.**

#### Response:

*This issue has been raised previously with CNH by the DHH and the recent internal audit investigation. CNH have been asked to consider this once again with a view to improving the monitoring of the effectiveness of the remedial actions being taken, and the DHH will continue to pursue this at the remedial plan monitoring meetings.*

### **Recommendation 2**

**Consideration should be given to using the range of available sanctions and penalties in the event of a breach of the management agreement, or continued failure to meet performance targets. However, this should be done in the light of the complex and mutually dependent relationship and in the spirit of partnership working.**

#### Response:

*The range of sanctions available have been considered and a number of them are actively being pursued, for example the remedial plans and additional monitoring meetings which result. In addition a formal escalation of voids and finance has already been pursued. It is important to stress that the basis of the relationship is that of partnership working and officers and members are working closely with the CNH executive team and Chair to resolve any performance issues in a supportive way.*

### **Recommendation 3**

**We note and support the ‘intelligent client’ monitoring which takes place. This needs considerable experience and skills as well as appropriate seniority and clout on CBC’s side.**

#### Response:

*Noted no action required at this time.*

### **Recommendation 4**

**CBC should review its internal re-charging procedures so as to ensure that the cost of services provided to other bodies represents good value for money.**

Response:

The initial fees charged to CNH for support services were based on the equivalent recharges to those services whilst they were still being provided internally by the Housing directorate in Charnwood Borough Council. As the initial period was for only 4 months to the end of March 2008 it was agreed that the charges would be at a similar level for the 2008/09 financial year, but with a built in 7.5% reduction as it was assumed that there would be benefits from shared services part way through the year. In addition, it was difficult to gauge the level of support that would be required by CNH in its first full year of operation. As part of the budget setting process for 2009/10 the actual costs for the first full year to CNH were reviewed and reduced fees providing a year on year saving to CNH of £210k were put forward. However, CNH decided to terminate various support services from CBC in 2009/10 so these savings were not put into effect. Net savings in the region of £6k for continuing services have been passed on to CNH for 2009/10.

**Recommendation 5**

**CNH should meet the requirements on content and dates of the Delivery Plan so as to fit in with CBC planning and budgetary cycles.**

Response:

There have been delays in this year's delivery plan process due to a number of issues emerging within the year. These included the termination of Service level agreements and the mock inspection. This meant that the action plan information needed to be revised part way through the development of the delivery plan. In addition the Council requested more detailed information on the planning and delivery of the revised SLA services. The CNH chair has been made aware of the need to fully align the Council's budget process with the development of the CNH delivery plan and has given her commitment that this approach will be supported.

**Recommendation 6**

**The process of appointment, training and support and reporting mechanisms available to Board members nominated by the Council should be improved so that they are better informed and better equipped to carry out their tasks.**

Response:

The Acting Director of Programmes and Resources will ascertain from the board members what their specific training requirements are, and arrange for this to be undertaken as soon as possible. This will relate to the appointment, training and support and reporting mechanisms for Board Members.

**Recommendation 7**

**There should be clarity about the responsibilities and remit, and lines of accountability for Board members.**

Response:

*There was a Member Training Session held here on 23rd March 2009 which Councillor board members attended. The training was provided by Brown/Jacobsen and covered the duties and responsibilities for board members and in particular how they could be held to account.*

*The Acting Director of Programmes and Resources will ascertain from the board members what their specific training requirements are, and arrange for this to be undertaken as soon as possible.*

**Recommendation 8**

**As an aspect of partnership working, consideration should be given to CBC officers receiving supporting papers and attending Board meetings as observers.**

Response:

*The Acting Chief Executive has been invited to Board meetings and the issue of Board papers has been discussed with the Chair of CNH.*

**Recommendation 9**

**The recommendations in respect of performance monitoring (in particular, to ensure that the way specific actions will lead to desired changes is outlined, recorded and then reported at meetings) are repeated here.**

Response:

*This issue is being picked up in the performance monitoring liaison meetings held between CBC and CNH.*

Financial Implications

None

Risk Management

No risks have been identified relating to these responses.

Key Decision: No

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Background Papers: None