

To: EXECUTIVE COMMITTEE

Date of Meeting:

Agenda Item:

<b>Title</b>
'Scrutiny of the Estate Controlled Environmental Improvement Budget -Formal response to the Resident Scrutiny Panel'
<b>Prepared by</b>
Joe Joseph – Director of Resident Services
<b>Presented by</b>
Sandra Skeete – Executive Director of Housing
<b>Status</b>
Not confidential
<b>Financial, Risk &amp; Regulatory Implications</b>
Failure to address the issues identified by the Scrutiny Panel could lead to resident dissatisfaction. Effective scrutiny is necessary to demonstrate compliance with the HCA's Consumer Standard relating to Tenant Involvement and Empowerment and the principle of co-regulation.
<b>Summary</b>
The following report is the management response to the review of the ECEIB carried out by the Resident Scrutiny Panel.
<b>Recommendation</b>
The Executive Committee is invited to <b>NOTE</b> the findings of the Scrutiny Review and the proposed response to the Scrutiny Panel.
<b>Consultation</b>
Executive Director of Housing, Director of Property Services, Heads of Neighbourhoods, Resident Consultative Panel, Heads of Neighbourhoods.

## **'Scrutiny of the Estate Controlled Environmental Improvement Budget Formal response to the Resident Scrutiny Panel'**

### **Introduction**

This paper sets out the management response to the review of the Estate Controlled Environmental Improvement Budget (ECEIB) that was performed by the Resident Scrutiny Panel ('the panel').

The ECEIB is for minor improvements to communal areas on Peabody estates. The budget is controlled and distributed by residents at the Regional Consultative Forums.

The ECEIB review, carried out in December 2013, is the first carried out by the RSP and was well received by both residents and staff.

### **Background**

The Resident Scrutiny Panel was set up in May 2013 and is made up of 14 members, including 5 who were nominated via East, West and Sheltered Housing Forums. Its role, in line with regulatory requirements for co-regulation, is to monitor and examine Peabody services, highlighting areas of strength and weakness and contributing to service improvements. The Resident Scrutiny Panel acts as an independent 'critical friend' examining how services work, comparing Peabody to similar Registered Providers and making recommendations for improvement based on the evidence gathered.

All panel members underwent a recruitment process, to ensure competence, and have been trained and mentored over an 8 month period by an independent, external advisor, as well as receiving support from the Policy Officer (Resident Involvement). The workshops included an induction to Peabody, housing management, team building, understanding 'performance information' and scrutiny techniques.

Following training, the Panel selected a 'pilot scrutiny' review based on criteria that includes performance evidence, feedback from residents groups and staff, and service areas that impact most on residents: The ECEIB was chosen on this basis. The review began in September 2013 with a 'desk-top' review of documents, paperwork and benchmarking with other organisations and this was followed by case study analysis, interviews with over 15 residents and staff who have experience of ECEIB, and a random survey of residents.

The Resident Scrutiny Panel worked well as a group and showed considerable commitment to the task. Their final report was completed in December 2013, and presented to Sandra Skeete and senior managers at a meeting on 7th January 2014.

The following extracts are the Executive Summary and Conclusion from the report –

### **Executive Summary**

The Scrutiny Panel found overall that the ECEIB was a positive scheme, valued by staff and residents working together to achieve common goals. The Panel were impressed by the dedication shown to the scheme by involved residents and staff alike. The level of the budget shows an excellent commitment to resident-led spending initiatives to improve local areas. Peabody and residents showed that they had been working well in partnership and the decision to improve the scheme through the use of a single contractor showed that improvements had been brought in.

However, all schemes that have been in existence over a long period will have room for improvement, and the Panel make the following recommendations, summarised here but outlined in more detail at the end of this report:

- a. Introduce a new procedure with resident involvement that has clarity around roles, eligibility, criteria, consultation and impact assessment and ensure it is implemented.
- b. Identify a single senior manager to own the process and ensure all key actions are completed
- c. Introduce a new application form with resident involvement that links to the procedure which is tracked from start to completion
- d. Ensure all bids evidence consultation to ensure value for money
- e. Monitor the process, costs, completion and impact of the ECEIB and report this annually to the Forums – all bids should be tracked
- f. Increase awareness of the scheme through increased and smarter publicity, targeted at those areas who have not previously benefitted
- g. Improve decision making by officers ensuring all criteria in the procedure are met before submitting for decision by residents 10 days in advance
- h. Improve inconsistent decision making by a joint decision making body – possibly the Residents Consultative Panel – deciding or recommending the bids. This will ensure that residents are not deciding their own bids
- i. Exclude bids that qualify for capital programme or for external funding
- j. Rename the ECEIB to increase its accessibility and facilitate understanding of its function.

The Panel looks forward to receiving an action plan from Peabody within 28 days of the publication of the report showing how our recommendations

## **Conclusion**

Overall we felt the scheme is an asset to Peabody residents. It is important that residents direct spending on their estates as they are most easily able to identify priorities and select works which would have the greatest impact. Residents who had participated in the scheme felt it had been successful and were happy with the outcome.

However, there are areas which we have identified as not working so well and the first of these stems from the policy itself. The lack of clarity around this has resulted in problems such as a lack of consistency between East and West Forums, a lack of understanding of roles and confusion about eligible works. In some areas, the policy is specific but is not being adhered to. This is resulting in further problems, the requirement for consultation was one of these. The lack of monitoring or review once works are completed is another.

The second key area is the monitoring and tracking, this is unevenly carried out at present and there is no overall monitoring from start to finish of the bids and residents are sometimes unaware of the progress of their bids.

Finally there are concerns at the lack of awareness of the scheme. This was evidenced both in the survey and in the interviews. The publicity is not as comprehensive as staff may believe and the evidence suggests there are residents who would make use of the ECEIB if only they were aware of it. This has the unfortunate consequence of allowing the scheme to be perceived as less than fair as there are a number of repeat estates who receive funding. These are only broad areas that we have considered, we have made a number of specific recommendations that are listed below that tackle each of these themes in more detail and include some other issues.

## **Recommendations and management response**

The following section sets out the report recommendations, 28 in total, and management response. 26 of the recommendations have been agreed by the Housing management team with the aim of completing all actions prior to the commencement of the 2014 bidding cycle. It has been accepted that these recommendations will enable us to ensure we improve the management of the scheme and achieve better value for money from the scheme.

No.	Comment	Recommendation	Management response	Target date
1	It is important to ensure that recommendations are considered fully and appropriate plans in place for monitoring the implementation of these.	An action plan to be drawn up by Peabody Executive Committee to address the recommendations and presented back to the Scrutiny panel within 28 days of publishing. Scrutiny panel to review and monitor this with residents.	Agreed	Feb 2014
2	The process is simple and accessible	Any revision is kept simple	Agreed	Feb 2014
3	The bid can be spread across several years	This is retained and clarified within the policy. This should be project managed (see point 9)	Agreed - Bids being 'spread across several years'. This is rather vague and clarity is required as to how many years this would be? The £10k cap on bids and subsequent underspend could best be met by agreeing bids which exceed £10k where the schemes/project will provide added value to the community and where the number of bid submissions are low. ECEIB budget levels are not guaranteed as being available from one financial year to the next and so cannot be relied upon for several years.	
4	The policy is complex and unclear.	Write a new policy that addresses these problems in consultation with residents	Agreed – However, it is the procedure rather than policy which is unclear as the example given wishes to address challenges with consultation with residents and clarity of roles for staff and residents. Having said that, the policy does require revision so that it is a policy and not a procedure.	Sept 2014
5	The policy lacks a clarity of roles	Ensure there is ownership of the whole process by a senior manager. The procedure should include clear division	Agreed - As above	Sept 2014

		of roles and expectations of both staff and residents.		
6	The policy does not clarify what is eligible and what is not	Determine set criteria with resident consultation and ensure clarity within the procedure. This should consider the impact on leaseholders.	Agree.	Sept 2014
7	The application form needs improvement – it is not date stamped or countersigned by the surveyor or sometimes Neighbourhood Managers	New application form that can be used for monitoring and tracking purposes from start to completion. The form should contain guidance on how to complete. The form should state clearly whether it is TRA, resident or staff led. The form should also collect diversity monitoring information.	Agreed - The new application should not be staff-led, although staff will make suggestions/feed into the process. Would also suggest that the form is electronic is it is to be used for monitoring and tracking from start to completion.	Sept 2014
8	Bids are incomplete and lack consistency – unsigned, some contain no or little information. There is a risk the process would not meet a financial audit	All bids meet the criteria before they are submitted for decision. No bid that lacks sufficient detail can be approved	Agreed	Sept 2014
9	The process is not tracked – spread sheets are incomplete	Introduce project management system owned by senior manager and ensure it is tracked, including all stages of the process, not just after the bids have been awarded.	Agreed – However, this activity will eventually be managed through QL. Until then we will get staff to properly complete the existing spread sheet.	
10	Participants receive little in the way of updates	Ensure regular updates built into the project management system	Agreed – will be written into the process.	Sept 2014
11	Inconsistent decision making process – Forums have different criteria. One Forum does not see forms, one excludes security, one insists on personal bid	One panel to decide all bids to ensure consistency – The RCP could be the decision making body or at least make recommendations to the Forums All bids need to be seen by panel deciding at least 10 days before	Not agreed – as the Forums do not have different criteria. Forums use the same criteria but it is not consistently applied. Rather than have the RCP decide which bids are accepted; Resident Services prefer that the forums continue to have	

		the decision is made. Personal appearance to support bids should be optional.	the decision making role but will ensure that guidelines are being adhered to consistently. Managers will need to play a more active role in this area. Bids can then be ratified by the RCP or bids which are challenged as not being consistent with guidelines can be reviewed by the RCP?	
12	Concern that Forum members decide their own bids resulting in a risk of perceived lack of transparency. Evidence of non Forum members being treated differently.	See above – with any relevant RCP member leaving the room for their own bid	Not agreed - Forums members have never voted on their own bid submissions. They remain at the meeting to answer any queries raised by the group in relation to their bid, which can not only insightful but is generally very helpful.	
13	Inconsistent consultation – does not comply with procedure	All bids must evidence consultation before being decided in proportion to the value of the bid. If low response - efforts must be evidenced rather than a %. The Panel note that on large estates a 20% minimum may be hard to achieve however we consider serious consultation should take place before funds are spent. NMs should be available to help with this on request	Agreed – The level of input offered by the NM's will be made clear to the bidding residents.	Sept 2014
14	There is not enough monitoring or reporting of performance	Performance information on ECEIB should be added annually to the KPI information received by the Panel.	Agreed	Sept 2014
15	Impact of the works is not assessed – does not comply with procedure	Impact should be assessed and tracked, monitored and reported upon. We suggest that the bidder completes an impact form once work is completed and	Agreed	Sept 2014

		compiles a short report with photographs (this can also be uploaded onto the website) Also suggest questionnaire to residents or a question in surveys already undertaken to monitor resident satisfaction.		
16	All agreed that this was very positive in that the scheme was resident led and empowered residents to make decisions and direct spending decisions	To keep this aspect of the scheme and consult on all changes in the future	Agreed	Feb 2014
17	Forums had been able to discuss and agree changes in policy	To keep this aspect of the scheme and to record this. Consult on all changes in the future	Agreed	Feb 2014
18	Residents and staff were unclear how the budget is set each year	Consult on budget setting process and ensure there is clarity within Peabody staff as to ownership of the budget.	Agreed	Feb 2014
19	Repeat grants given to repeat estates	Better publicity such as roadshows, displays and articles of success stories, website (including easyread) and a yearly design award. Target publicity at those estates that have never bid. Ensure articles are in Engage every time the ECEIB opens for the year.	Agreed	May 2014
20	Residents outside of the Forums were not aware of the ECEIB	See above	Agreed	May 2014
21	Evidence showed that the introduction of a single contractor enhanced the process	Keep single contractor	Agreed	Feb 2014
22	Improve value for money	Exclude bids that qualify for capital programme Exclude bids that qualify for external funding such as bike racks under GLA and	Agreed - Excluded bids should also be extended to day to day repairs and maintenance. Also bids which breach Peabody's policies. E.g. H&S (use of tank rooms)	Sept 2014

		<p>provide support to groups to obtain this funding.</p> <p>Attempt to join bids up to gain economies of scale i.e. gardening equipment over several bids</p> <p>The decision makers should give consideration to whether to place an upper cost limit to bids to make the money stretch further. If no upper limit is agreed upon, then the guidance should be removed as is confusing and not helpful.</p> <p>This is related to point three.</p>	and Peabody's 21st Century (installation of gates and approach to restrict open spaces).	
23	Evidence that underspends can be decided at short notice without full applications	Devise proper process to ensure money is well spent	Agreed	Sep 2014
24	Peabody seems well funded compared to small grants elsewhere	We recommend that this is publicised.	Agreed	May 2014
25	Publicity	We note Viridian website is best practice for this and recommend their website is researched.	Agreed	March 2014
26	Tracking/monitoring	A2 Dominion has a tracking form for their scheme and we consider this to be good practice.	Agreed	April 2014
27	ECEIB is considered to be a cumbersome name which is hard to remember and does not indicate the nature of the scheme.	Other schemes have names which are more suited and reflect their nature. Consideration should be given to renaming the ECEIB. The Panel recommend a competition for renaming is set up with a small prize or certificate as an award. The publicity around this would also publicise the scheme.	Agreed	Sept 2014



<b>28</b>	Conflict of interest by decision makers	L&Q are reviewing policy to avoid this and we recommend assessing their changes for best practice.	Agreed	Sept 2014
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