

# Finance & Audit Scrutiny Panel

Grand Jury Room, Town Hall  
29 January 2009 at 6:00pm

**The Finance and Audit Scrutiny Panel deals with** the review of service areas and associated budgets, and monitors the financial performance of the Council, and the operational performance of the Council. The panel scrutinises the Council's audit arrangements, including the annual audit letter and audit plans, and Portfolio Holder 'Service' decisions reviewed under the Call in procedure.

# Information for Members of the Public

## Access to information and meetings

You have the right to attend all meetings of the Council, its Committees and Cabinet. You also have the right to see the agenda, which is usually published 5 working days before the meeting, and minutes once they are published. Dates of the meetings are available at [www.colchester.gov.uk](http://www.colchester.gov.uk) or from Democratic Services.

## Have Your Say!

The Council values contributions from members of the public. Under the Council's Have Your Say! policy you can ask questions or express a view to meetings, with the exception of Standards Committee meetings. If you wish to speak at a meeting or wish to find out more, please pick up the leaflet called "Have Your Say" at Council offices and at [www.colchester.gov.uk](http://www.colchester.gov.uk).

## Private Sessions

Occasionally meetings will need to discuss issues in private. This can only happen on a limited range of issues, which are set by law. When a committee does so, you will be asked to leave the meeting.

## Mobile phones, pagers, cameras, audio recorders

Please ensure that all mobile phones and pagers are turned off before the meeting begins and note that photography or audio recording is not permitted.

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# Terms of Reference

## Finance and Audit Scrutiny Panel

- To review all existing service plans and associated budget provisions against options for alternative levels of service provision and the corporate policies of the Council, and make recommendations to the Cabinet
- To have an overview of the Council's internal and external audit arrangements and in particular with regard to the annual audit plan, the audit work programme and progress reports, and to make recommendations to the Cabinet
- To monitor the operational and financial performance of the Council, and to make recommendations to the Cabinet in relation to operational performance, financial outturns, revenue and capital expenditure monitors
- To scrutinise the Audit Commission's annual audit letter
- To scrutinise progress made on best value action plans
- To scrutinise executive 'service' decisions made by Portfolio Holders and officers taking key decisions which have been made but not implemented referred to the Panel through the call-in procedure

*The panel may a) confirm the decision, which may then be implemented immediately, b) refer the decision back to the decision taker for further consideration setting out in writing the nature of its concerns, or c) refer the matter to full Council in the event that the Panel considers the decision to be contrary to the Policy Framework of the Council or contrary to, or not wholly in accordance with the Budget.*

**COLCHESTER BOROUGH COUNCIL  
FINANCE & AUDIT SCRUTINY PANEL  
29 January 2009 at 6:00pm**

**Members**

Chairman : Councillor Sue Lissimore.  
Deputy Chairman : Councillor Dennis Willetts.  
Councillors Kevin Bentley, John Bouckley, Martin Goss,  
Dave Harris, Jackie Maclean, Jon Manning, Nigel Offen,  
Gerard Oxford and Laura Sykes.

**Substitute Members** : All members of the Council who are not Cabinet members or members of this Panel.

**Agenda - Part A**

(open to the public including the media)

**Pages**

**1. Welcome and Announcements**

(a) The Chairman to welcome members of the public and Councillors and to remind all speakers of the requirement for microphones to be used at all times.

(b) At the Chairman's discretion, to announce information on:

- action in the event of an emergency;
- mobile phones switched to off or to silent;
- location of toilets;
- introduction of members of the meeting.

**2. Substitutions**

Members may arrange for a substitute councillor to attend a meeting on their behalf, subject to prior notice being given. The attendance of substitute councillors must be recorded.

**3. Urgent Items**

To announce any items not on the agenda which the Chairman has agreed to consider because they are urgent and to give reasons for the urgency.

**4. Declarations of Interest**

The Chairman to invite Councillors to declare individually any personal interests they may have in the items on the agenda.

If the personal interest arises because of a Councillor's membership of or position of control or management on:

- any body to which the Councillor has been appointed or nominated by the Council; or
- another public body

then the interest need only be declared if the Councillor intends to speak on that item.

If a Councillor declares a personal interest they must also consider whether they have a prejudicial interest. If they have a prejudicial interest they must leave the room for that item.

If a Councillor wishes to make representations on an item on which they have a prejudicial interest they may do so if members of the public are allowed to make representations. In such circumstances a Councillor must leave the room immediately once they have finished speaking.

An interest is considered to be prejudicial if a member of the public with knowledge of the relevant facts would reasonably regard it as so significant that it is likely to prejudice the Councillor's judgement of the public interest.

Councillors should consult paragraph 7 of the Meetings General Procedure Rules for further guidance.

## **5. Minutes**

The minutes of the meetings held on 20 January 2009, 27 January 2009 and 29 January 2009 will be confirmed at the meeting of 24 February 2009.

## **6. Have Your Say!**

(a) The Chairman to invite members of the public to indicate if they wish to speak or present a petition at this meeting – either on an item on the agenda or on a general matter not on this agenda. You should indicate your wish to speak at this point if your name has not been noted by Council staff.

(b) The Chairman to invite contributions from members of the public who wish to Have Your Say! on a general matter not on this agenda.

## **7. Items requested by members of the Panel and other Members**

(a) To evaluate requests by members of the Panel for an item relevant to the Panel's functions to be considered.

(b) To evaluate requests by other members of the Council for an item relevant to the Panel's functions to be considered.

## **8. Referred items under the Call in Procedure**

To consider any Portfolio Holder decisions, taken under the Call in Procedure.

*The panel may a) confirm the decision, which may then be implemented immediately, b) confirm the decision back to the decision taker for further consideration setting out in writing the nature of its concerns, or c) refer the matter to full Council in the event that the panel considers the decision to be contrary to the Policy Framework of the Council or contrary to, or not wholly in accordance with the Budget.*

## **9. Decisions taken under special urgency provisions**

To consider any Portfolio Holder decisions taken under the special urgency provisions.

## **10. Review of the Responsive Repairs and Decent Homes Contract**

**1 - 29**

See report from the Scrutiny Officer.

### **Contract Management Arrangements for the delivery of the Decent Homes Programme**

See report from Topmarks Consultants

Appendix 1 - Answers to specific questions raised by members

Appendix 2 - Definitive list of geographical areas completed

Appendix 3 - Details of sub-contractors used

Appendix 4 - Decent Homes Contract timeline

Appendix 5 - Best Value Performance Indicator results 2003/04

## **11. Exclusion of the public**

In accordance with Section 100A(4) of the Local Government Act 1972 and in accordance with The Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000

(as amended) to exclude the public, including the press, from the meeting so that any items containing exempt information (for example confidential personal, financial or legal advice), in Part B of this agenda (printed on yellow paper) can be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).





## Finance and Audit Scrutiny Panel

Item  
**10**

29 January 2009

Scrutiny Officer

Author **Robert Judd**  
Tel. 282274

Title **Review of the Responsive Repairs and Decent Homes Contract**

Wards affected  
All

**The Panel is invited to consider the attached report on the Responsive Repairs and Decent Homes Contract.**

### 1. Action(s) Required

- 1.1 To consider the attached report on the management of the Responsive Repairs and Decent Homes Contract, and refer any comments to the Cabinet for further consideration.

### 2. Reasons for Scrutiny

- 2.1 The Finance and Audit Scrutiny Panel is conducting a review of the Council's Responsive Repairs and Decent Homes Contract ("the Contract") with Inspace and this report is the final report in this process which contains a review of the management of the Contract as requested by the panel.

### 3. Background information

- 3.1 At the Finance and Audit Scrutiny Panel meeting (**30 June 2008**), the panel requested that the Head of Strategic Policy and Regeneration present to the panel at the earliest convenient meeting, an update report on the Decent Homes Programme, to include information on the number of homes that have received an upgrade and those, by ward or district, that were still to be upgraded, the proposed number of bathroom, windows and doors upgrades and the estimated costs. At the Accounts and Regulatory Meeting (**30 June 2008**) The Portfolio Holder for Resources and Business was asked by the Committee to confirm at a later date proposals to rebuild the revenue balances within the Housing Revenue Account (the Scrutiny Officer later confirmed that the panel would have the opportunity to review the Housing Revenue Account Estimates 2009/10 in respect of the Decent Homes Programme at the time of the 2009/10 Revenue Budget).

### 3.2 Comment

The report 'Repairs and Maintenance Service and the Decent Homes Programme' will be presented to Cabinet on the 28 January 2009, the day

before the Decent Homes Programme review and will provide members with the opportunity to scrutinise the outstanding Decent Homes Programme.

The report 'Housing Revenue Account Estimates 2009/10' will be provided to the Finance and Audit Scrutiny Panel at the extra meeting on the 27 January 2009. This report will come to the panel specifically to provide the opportunity to consider the rebuilding of the revenue balances within the Housing Revenue Account. The Portfolio Holder for Resources and Business will be in attendance on 27 January 2009.

- 3.3 At the same panel meeting (**30 June 2008**), in closed session (due to a confidentiality clause following the mutual agreement to end the partnership with Inspace), the Portfolio Holder for Resources and Business addressed the panel to explain the reasoning for the early cessation of the Contract.

Following further examination by the Finance and Audit Scrutiny Panel, the panel requested the Head of Strategic Policy and Regeneration to present to a future meeting of the panel, which date was to be agreed by the panel, a report to which included an investigation into the Contract. An invitation to attend that meeting was to be extended to the Chairman of Colchester Borough Homes and current and previous Chief Executive's of Colchester Borough Homes. At the following meeting (**29 July 2008**), the panel agreed that an extra meeting in late August / early September should be arranged to review the work as defined on the 30 June 2008.

- 3.4 In closed session, Mr. Andrew Lancaster, Anthony Collins Solicitors LLP (**2 September 2008**) presented a report to the panel on the mutual decision to end the partnership between the Council and Inspace.

The panel agreed to a follow up meeting at the end of November 2008 to discuss in detail the Contract from its inception in 2004 to May 2008, and to include within the review the pre-contract year of 2002-03. The panel also confirmed a further meeting to discuss the role of Colchester Borough Homes, with an invitation to attend given to the Chairman of Colchester Borough Homes, and the current and previous Chief Executives of Colchester Borough Homes and concluded by agreeing that following these meetings, the panel would submit a report of its findings and any proposals to the Cabinet for consideration.

- 3.5 Following lengthy discussions (**16 September 2008**) the panel agreed to an informal briefing for all members of the panel at the earliest convenience, to be briefed on the Contract. Officers would prepare a 'timeline', a chronological order of key points and crucial events, with dates and times, which led to the mutual ending of the Contract, to be presented at the informal briefing. Mr. Ian Vipond, Executive Director, would provide to members of the panel at the informal briefing, a Project Plan, for the panel to agree, detailing what is to be included within the substantive report, with an estimate of how long it will take to prepare.

- 3.6 At the informal briefing (**23 October 2008**) members were briefed on the Contract by the Monitoring Officer. Members received a timeline, a chronological order of key points and crucial events which led to the mutual ending of the Contract.

The panel raised questions with a request that they be clarified or addressed within the final report on the Contract.

#### **4. Standard References**

- 4.1 There are no policy plan references or financial, human rights, community safety or health and safety implications in this matter.
- 4.2 The work of the Finance and Audit Scrutiny Panel is a key function to ensure probity in financial and operational performance and risk, and in line with the aims of the strategic plan.

# **REPORT OF TOPMARKS CONSULTANTS ON CONTRACT MANAGEMENT ARRANGEMENTS FOR THE DELIVERY OF THE DECENT HOMES PROGRAMME**

## **1. Purpose of Report**

- 1.1. This report seeks to address a number of concerns raised by Members concerning the effectiveness of the management arrangements exercised both by Colchester Borough Council(CBC) and Colchester Borough Homes (CBH) in relation to the Inspace contract primarily in respect of the delivery of the Decent Homes Programme.
- 1.2. Most importantly, it also identifies a number of learning points in relation to contract delivery to assist with future partnering arrangements, and answers a number of specific questions posed by the Finance and Audit Scrutiny Panel at its briefing held on 23 October 2008.

## **2. Background**

- 2.1. The Council commissioned a housing stock options appraisal in 2001 to ascertain the most effective way of ensuring the necessary levels of investment to improve and maintain the Council's housing stock in future years.
- 2.2. As part of the overall stock options appraisal, the Council arranged for a stock condition survey to be undertaken. The purpose of the survey was to assess how many of the Council's 7,060 properties (including leasehold properties) met the Decent Homes Standard and to enable it to plan long-term programmes of works both to comply with the decency standard and to provide other repair and improvement programmes as required.
- 2.3. The survey found that overall properties had been maintained well, with the Council having addressed many of the issues raised in the previous stock survey. However the survey found that 65% (approximately 4,590) of the properties did not meet the Government's 'decency' standard and required an investment of £45.4m to bring those that were then non-decent, or potentially non-decent up to the decency standard by 2010. At that time the Council only had approximately £10M of its own resources available to bring the Housing Stock up to the Decency Standard.
- 2.4. In 2003 the Council commissioned a further stock condition survey of 16% of the overall stock which by this time had fallen to 6640, predominantly through right-to-buy sales. This was a random sample which comprised 1080 properties covering a range of factors including age, dwelling type, size and form of construction. The purpose of this survey was to assess, at a strategic level, the future investment requirements of the stock and the extent to which it complied with the Decent Homes Standard.

- 2.5. The data gathered from the survey was analysed in accordance with the then ODPM guidance on the Decent Homes Standard, and this showed that not all stock complied with the Decent Homes Standard and the failure rate was assessed at 58% of the represented stock. This identified the cost for making all non-decent properties decent as £35.7M up to and including 2010/11. This survey, undertaken by Hacas Chapman Hendy, helped inform the wider stock options appraisal process, referred to above.
- 2.6. It is important to emphasise that at no stage was a survey of all the stock undertaken but the percentages of stock surveyed were in accordance with government guidance at that time. Moreover, the above surveys were non-intrusive surveys and would not therefore have identified every single issue which needed to be addressed.
- 2.7. After a comprehensive consultation and engagement process, the Council agreed to prepare an Arms Length Management Organisation (ALMO) bid reflecting tenants' views that the Council should not dispose of its stock. After that time, the housing service continued to separate into two functions – housing strategic services and housing operational services.
- 2.8. A successful ALMO ballot was held in the summer of 2003 with a turn out of nearly 60%. 76% of voters were in favour of the ALMO which was then established in August 2003.
- 2.9. The Council then successfully bid for £35.7m to meet the funding gap to deliver the decent homes standard, conditional upon a two star rating being achieved by CBH in the forthcoming Audit Commission Inspection of the Housing service.
- 2.10. CBH was subsequently successful in achieving a two star rating in the subsequent inspection and thus was able to draw down the requisite funding from Government.
- 2.11. In recognition of the gap in financial resources within Colchester Borough Council and again following a lengthy engagement process of all stakeholders, a report was taken to Cabinet outlining the options available to meet the requirements of the Building and Architectural Services, Responsive and Planned Maintenance programmes.
- 2.12. The Council entered into a contract with Willmott Dixon (now Inspace Partnerships plc) in June 2003 which was to run from 1 September 2003 until 31 March 2014. The original intention was that the contract should have been with CBH rather than the Council. However this proved unviable from Inspace's point of view because CBH was not an asset owning company.
- 2.13. The Council entered into a Management Agreement in August 2003 with CBH in which the Council delegated certain functions to CBH. The Agreement appointed CBH to act as its agent for the contract with Inspace.

- 2.14. The negotiations between CBC and Inspace included a number of advisors. Anthony Collins provided legal advice on the proposed contractual arrangements and a former KPMG consultant advised on financial matters. There was no procurement expert within CBC (which is now considered best practice) but was a relatively new concept at the time. There was no representation from CBC Legal Services because of the engagement of Anthony Collins.

### **3. Scope and Nature of the Contract**

- 3.1. The contract was for the delivery of revenue and capital works and services to the Council's housing stock. It contained largely standard terms recommended by the Office for Government Commerce as meeting the "Achieving Excellence in Construction" principles.
- 3.2. The CBH Chief Executive was named as the Service Manager in the contract and, rather than being a party to the contract, was an administrator of the contract's terms.
- 3.3. CBH's main duties included:
- advising the Council what sums were due to Inspace
  - giving instructions to Inspace
  - approving Inspace's plans for carrying out the services
  - approving the terms for sub-contractors and identity of sub-contractors appointed by Inspace
  - obtaining management information and verifying what works had been carried out by Inspace
- 3.4. Whilst CBH was not a party to the contract, it was a "partner" and as such, under the partnering provisions, played a role equal to that of the other parties.
- 3.5. A high level project management forum, the Strategic Partnering Group (SPG) was established to strategically overview the effectiveness of the contract especially in relation to budget monitoring, service delivery and operational performance. This was underpinned by a Core Operational Group (COG) which was responsible for day to day delivery issues and performance measuring and reporting.
- 3.6. The areas of responsibility covered by the contract were:
- emergency and day to day repairs and planned maintenance of Council owned stock and the council corporate property portfolio.

- delivery of contracts and projects to support the Housing Investment Programme including bringing the Council housing stock managed by CBH up to the Decent Homes Standard.
- 3.7. The terms of the contract were based on a standard form New Engineering Contract (NEC) term service contract. There are a number of forms of NEC contract and the one selected promoted partnering and a proactive approach to contract management.
- 3.8. The contractual solution adopted was unique in that it was an “insource” contract where the staff were not outsourced or transferred under TUPE to the contractor but were retained as a core team by the Council/CBH. The contractor therefore became much more part of the CBH management arrangements than normal, responsible for the teams who in turn were advising on the work requirements through the asset management process.
- 3.9. Barnsley MBC were used a reference point when developing the contractual arrangements with Inspace although it is understood that they did not adopt an “insourcing” approach.
- 3.10. A cost based strategy for re-imbursing the contractor was adopted, where payments to the contractor were made on the basis of actual expenditure incurred plus a fee to cover profits and overheads.
- 3.11. A fully re-imbursable approach does not provide much incentive to the contractor to maintain efficiency, reduce costs and maximise the use of resources. Incentives were therefore part of the contract the contract including mechanisms to share savings and losses. Another incentive was to set a guaranteed maximum price above which any expenditure would be entirely at the contractor’s risk.

#### **4. Original Goals and Objectives**

- 4.1. The key goals in establishing the partnering contract were set out in the Invitation to Negotiate. These included the aims:
- to provide the best possible value for money management and maintenance service that resources allow to Council tenants.
  - to maximise the potential investment in the Council’s housing stock so that the Council satisfies the Decent Homes Standard within Government deadlines.
  - to follow the principles of “partnering” between the key parties rather than an adversarial relationship on the basis that the contractor will have a long term stake its relationship with the Council.
- 4.2. These overall goals for the project were supported by some key objectives for the partnering arrangement:-

- to gain recognition for excellent customer service
- to progress agreed milestones for delivery of Decent Homes
- to share risk and reward
- to effectively involve tenants and leaseholders in the delivery of the service
- to measure, monitor and benchmark performance to drive continuous improvement

4.3. In addition, as in the case of all housing arms length management organisations, there was an aspiration to become a three star housing service in the future.

4.4. One particular intention was that Inspace should help the Council manage its own in-house resources. There was also an understanding on the part of both the Council and CBH that Inspace would primarily deploy its own resources to deliver the Decent Homes element of the contract and that the use of sub-contractors would be at a minimum.

## **5. Contract Management before 2006**

5.1. During the first two years of the contract period, evidence has been found of some sense of partnership which was shared between Inspace, the Council and CBH. There was a level of trust between the parties. During the procurement process Inspace had made promises about what it could deliver and in the main, it appeared to be doing so.

5.2. It should also be remembered that this was an exceptionally large contract for the Council. Although the Council had significant expertise in managing large contracts, partnering contracts were a relatively new concept. Additionally the Service Manager role was being undertaken by a brand new company that was very much in a developmental stage and, like all other ALMOs, focussed on delivering the two star performance required to draw down the considerable funds required to deliver the Decent Homes programme.

5.3. Although a number of invoices provided by Inspace were challenged by CBH in its Service Manager role, the quality of the work undertaken was not questioned because the CBH team did not include a clerk of works function at that time. No sanctions available under the contract were deployed until new arrangements were introduced as described later in this report.

5.4. In June 2005 Internal Audit raised concerns over financial and performance controls in relation to Inspace contract and the following month Atkins reported to Inspace that full surveys were showing that the Pennington's sample survey had underestimated the condition of the stock and more funds would be required.

- 5.5. In October 2005 an Inspace report to CBH Board gave full assurance and cost certainty for completion of Decent Homes if the desired funding was provided. This involved an additional £6.7M investment. The CBH Board took the decision to reduce the standard of work being employed from Decent Homes plus to Decent Homes because of concerns over potential capital shortfall.
- 5.6. In November 2005 and February 2006 the Council's Leadership Team raised concerns in relation to both financial and performance controls in relation to Inspace and lack of clarity regarding progress on the Decent Homes programme. These concerns were evidenced in external audits of accounts in both 2003/04 and 2004/05, the latter of which highlighted "significant control and system weaknesses".
- 5.7. As a result of these concerns the three parties (i.e. the Council, CBH and Inspace) had a robust away session at the Wivenhoe House Hotel in January 2006 to agree various roles and responsibilities especially in relation to data provision, management and validation. Essentially it was agreed that Inspace would provide the information and CBH would monitor and manage that information with the Council providing challenge where appropriate.

## **6. Contract management from 2006**

- 6.1. Subsequent to the Wivenhoe event CBH appointed a Partnership Director, on a full time basis. This post fulfilled the role of Service Manager on a full time basis on behalf of CBH's Chief Executive and as such acted as the agent on behalf of CBC in managing the contract with Inspace. The revised arrangements are widely regarded as making significant progress in addressing many of the issues that had historically given rise for concern.
- 6.2. In addition to the appointment of a Partnership Director within CBH, it was agreed that CBC would create a post of Relationship Manager to lead a more robust and effective client role in relation to the partnership. This role was initially undertaken by an Interim Manager and a permanent post was subsequently established as part of the re-structure of the Strategic Housing Team at the end of 2006 but recruitment difficulties delayed the filling of the post despite the best efforts of the then Head of Service.
- 6.3. It was widely recognised and accepted by all three parties in the Partnership that as well as the need to introduce more robust financial and performance controls, more informal communication mechanisms needed to be integrated into the partnership. As a result, the following initiatives were introduced:
- Regular meetings took place on an informal basis between the Head of Housing and Environmental Policy and the Chief Executive of Colchester Borough Homes to discuss progress on issues of mutual concern and benefit.
  - CBH/CBC liaison meetings were held on a regular basis involving both the Portfolio Holder and the Chair of Colchester Borough Homes.

- Joint management team meetings were held on a six weekly basis between CBH and Housing and Environmental Policy both with and without an Inspace presence.
- A constructive partnership event took place in October 2006 between the three major players in the partnership to review achievements to date, identify issues and develop actions to ensure continuous improvement.
- At a more operational level, there were regular liaison meetings between CBH staff and the Council's Strategic Housing Team.

6.4. It should be noted that the above were in addition to the formal arrangements set out in the management agreement.

6.5. As stated earlier, a number of concerns in relation to financial controls were identified (e.g. processing of invoices/cost control etc) in respect of the contract with Inspace. These concerns echoed comments made in previous Council external audit of accounts and set out in previous internal audit reports.

6.6. As a consequence, CBH was requested to provide a range of financial information on a monthly basis demonstrating numbers and average costs by work package including cash flow analysis, variance analysis and a forecast of the costs to complete the remainder of the Decent Homes programme. The purpose of the provision of this information was to demonstrate that the mechanisms of cost analysis were robust and to provide the Council with the assurance that the programme could be delivered within current timescales and budgets or appropriate mitigating action would be taken.

6.7. Following the appointment of a full-time Partnership Director (acting as Service Manager) referred to earlier, this data was provided and was continually refined to provide more accurate information to the Council.

6.8. By January 2007 there was general acceptance that controls had been strengthened, which comprised both organisational changes and the introduction of independent management information/verification. The following list is not exhaustive but gives an indication of the improvements implemented:

- A Performance Team was established within CBH to assist the Service Manager (Partnership Director) in administering the contract. The Performance Team consisted of a number of key roles including an Architect, Quantity Surveyor, Finance Officer, Clerk of Works, and Gas Inspector.
- The Partnership Director sat on the Strategic Partnership Group and personally chaired the Core Operational Group to provide ownership and leadership. These Groups were the two main formal bodies for overseeing the development and delivery of the partnership objectives.

- Payment to Inspace was only made on the basis of Service Manager appraisal,
- The “Payment on Account” principle ceased and reverted to paying on assessed outputs at target cost,
- Tracking models were implemented which enabled the Service Manager to monitor Capital and Revenue activity based on Quantity Surveyors estimate of Work in Progress,
- Detailed position statements for each Task Order (the budget) were produced which enabled the Service Manager to monitor both financial and delivery performance. For information, a task order is the terminology used within the contract to define a budget allocation.
- A New Clerk of Works instruction process was introduced that allowed the Service Manager real time ability to accept/decline any variation to a Task Order and its cost,
- New Key Performance Indicator collection methods, which were managed by the Performance Team and therefore independent, were introduced,
- There was clarity over the issuing and acceptance of variation orders, Task Orders (the budget) and Specification of Works.
- Independent and targeted checking of work by Performance Team Clerk of Works to ensure work was conducted as intended.
- A number of forums were established or strengthened to support the work of the Service Manager. This included a Voids Operational Group which was focussed on improving void performance.

6.9. The introduction of the measures set out above gave the Council greater assurance and clarity in relation to reliable and accurate financial information to inform more accurate financial forecasting than had previously been the case.

## **7. Breakdown of partnership approach**

7.1. Despite the introduction of the above measures, by the late summer of 2007, the Council and CBH were of the view that the partnership approach had broken down to the detriment of providing the actual service required by the contract.

7.2. Throughout 2007, SPG continually received reports from CBH raising serious concerns over the management of sub-contractors, value for money issues and unsatisfactory management leadership and direction to improve service delivery.

- 7.3. At the end of July 2007, Inspace gave assurances both to the Council and CBH that the Decent Homes programme would be delivered by December 2007 within the agreed budget. However, within two months of that assurance, Inspace declared that the Decent Homes programme could no longer be delivered without the support of additional resources ranging from £3M to £6.7M and requested dispensation to delay until March 2008. At the same July meeting Inspace committed to carrying out 100% of gas services with immediate effect even if this meant providing additional resources from other branches.
- 7.4. In addition to concerns over performance and financial controls exercised by Inspace in relation to Decent Homes, the Service Manager also raised issues relating to failures in gas servicing and failure to control branch overheads.
- 7.5. As well as raising his concerns to SPG, the Service Manager exercised sanctions under the contract, namely a whole series of Service Manager notifications and early warning notices. These sanctions culminated in the issue of three default notices between April 2007 and February 2008.
- 7.6. In March 2008 Officers met with the Cabinet to agree interim arrangements with CBH to provide a responsive repairs service but excluding the decent homes programme which was put on hold until issues over clarity and procurement have been resolved. It was then proposed to complete the Decent Homes programme by 2010. However Members agreed that the programme at Highwoods would continue with Inspace with an anticipated completion date of May 2008.
- 7.7. In May 2008 the parties mutually agreed to end the partnership contract and the details of this were discussed at the confidential meeting of the Finance and Audit Scrutiny Panel on 2 September 2008.

## **8. Lessons Learned**

### **8.1. Context**

- Set out below are the key lessons that need to be addressed by the Council from the Inspace experience. However it is important to emphasise the background and context in which the early decisions were taken in relation to the Inspace contract.
- During the earlier part of this decade much was written about the benefits of partnering, and housing organisations were put under immense pressure to adopt it, regardless of its unproven record in the sector. Touted as an elixir, a complete industry has been built on its acceptance.
- Open book is new to the housing sector and has been actively promoted by contractors for obvious reasons. There are examples where partnering is working and working very well and there is evidence that contractors have made a positive contribution and clients are responding to the

challenges often required of them. Equally there are many examples, as in the Colchester example, of where things have not gone so well and in those cases it is important to identify and respond to the lessons learned from the experience.

## 8.2. Need to ensure effective client resourcing

- The importance of the need for an intelligent client to manage contracts of this type cannot be over-emphasised.
- It is not uncommon for organisations to underestimate this role. However, it is not sufficient just to maintain a strategic overview. Setting up a partnering contract, and driving it through to completion, requires a greater level of professional skills and input than does a traditional contract. It is therefore essential to have a well informed, well trained and sufficiently resourced client in place to ensure that the partnering arrangement is successful.
- It is also crucial to dedicate resources from the very start of the project to educating and training the partnership staff on how the partnering arrangements are to operate and what their roles are inside that arrangement. This is a process that needs to be extended and reinforced throughout the life of the project.

## 8.3. Getting the Right Partnership Arrangement

- It is equally important to ensure that the right partnership arrangements are in place. The form of contract selected was relatively untested but was reliant on the performance of only one contractor. Consideration could have been given to utilising the services of at least two main contractors to help minimise the risk, to generate a degree of healthy competition and to help provide assurances that value for money was being obtained from the contract. Equally there is an argument that utilising the services of a single contractor has the potential to generate more efficiency savings and places less of a burden on the client function.
- In such long contracts the use of break clauses should also be considered. A ten year contract was agreed to give commercial and operational certainty to both contracting organisations. However, due to the contract, a break clause should have been included particularly bearing in mind both its untested nature and the fact that the Decent Homes programme should have been completed within a five year timeframe. This would have facilitated a discussion on the significant change in the repairs, maintenance and improvement work programme with all homes now meeting the Decent Homes Standard.

## 8.4. Supply Chain Issues

- Inspace were heavily reliant on the use of sub-contractors in the delivery of this contract. In this situation it is important to ensure that the terms of

the contract do not in themselves lead to excessive overheads which in turn drive up costs.

#### 8.5. Roles and Responsibilities

- There should have been a clear definition of roles and responsibilities at the start of the contract. Although some of these aspects were set out in the original Invitation to Negotiate, serious attention was not given to them until the Wivenhoe House Hotel gathering in January 2006. Events such as this should have been held both at the start of the contract and periodically thereafter.

#### 8.6. Monitoring of Performance Indicators

- Although performance indicators were established from the start of the contract, there was an absence of regular monitoring and auditing arrangements. It is clearly important to have robust performance management arrangements in place for significant contracts of this nature.
- In addition task orders should have been agreed at the start of the financial year in question but were invariably agreed retrospectively, due to disputes over work done and amounts owed, which undermined the process.

#### 8.7. Importance of good communication

- Unless clear lines of communication, outside of the formal arrangements, are established between all the stakeholders in the partnership, uncertainty and confusion can be generated, especially in the early stages of the partnership when people are in a learning process regarding their roles and responsibilities.
- Although some informal communication mechanisms were in place at the start of the contract, these were not fully developed until after the Wivenhoe event.

#### 8.8. Controlling Costs

- Partnering contracts by their very nature involve a non-traditional approach to carrying out the work and many also incorporate non-traditional ways of rewarding contractor performance as was the case with the Inspace arrangement. This means that appropriate systems need to be developed to monitor and control costs and provide assurance that the contract arrangements represent value for money.
- Until the appointment of the Partnership Director in April 2006, such controls were not in place and therefore too much trust was placed in Inspace and that it was sufficient for the contractor to demonstrate or claim to be “doing their best”.

- A number of concerns in relation to financial controls were identified following comments made in previous council external audit of accounts and set out in previous Internal Audit reports.
- As a consequence, CBH was requested to provide a range of financial information on a monthly basis demonstrating numbers and average costs by work package including cash flow analysis, variance analysis and a forecast of the costs to complete the remainder of the Decent Homes Programme. The purpose of the provision of this information was to demonstrate that the mechanisms of cost analysis were robust and to provide the Council with the assurance that the Programme could be delivered within current timescales and budgets or appropriate mitigating action would be taken.

#### 8.9. Use of Specialist External Advice

- It was highly appropriate for the Council have utilised external legal advice in both the development and the award of the contract because of its significance and complexity. However, when such specialist advice is sought in future, it would be strongly advisable to ensure the in-house team is appropriately briefed by the external advisors to ensure continuity and consistency of approach.

### 9. Acknowledgement

- 9.1. The author would like to thank the staff of Colchester Borough Council, Colchester Borough Homes and Anthony Collins Solicitors for their help and cooperation in this project.

**PETER M NOURSE**  
**10 JANUARY 2009**

## APPENDIX 1 – ANSWERS TO SPECIFIC QUESTIONS RAISED BY FASP

### Questions raised that would be addressed within the report on Decent Homes

- How many default notices were served up to the point of the Service Manager being appointed?

The Service Manager role always existed in the contract. No default notices were issued prior to the appointment of the Partnership Director, who acted as the full time Service Manager.

- How many default notices were served by the Service Manager?

Three default notices were issued by the Service Manager. These were issued on 17 April 2007, 14 September 2007 and 8 February 2008.

- Was the actual 'Inspace Cost' less/more than the AGMP/AMP?

There were problems in being able to agree what the AMP was for each year.

There was clarity on what the new resources forming part of the AMP for each new financial year were, as it was agreed as part of the budget setting process for the Housing Investment Programme (HIP) and Housing Revenue Account (HRA) revenue budgets. The Council would notify CBH of the new resources available and Task Orders would be drafted before the start of the financial year.

The level of AMP for any year was also governed by the amount of unfinished work at the previous year-end and thus carried forward. Given that Inspace and CBH (the Service Manager) had different perceptions of the year-end position, i.e. due to disallowed costs, shared savings and MVF entitlement, it was very difficult to determine the overall AMP for the year.

Inspace challenged the level of the AMP, saying they had received Compensation Events (CEs) for any additional expenditure, which potentially would have increased the AMP. However, hard evidence of these CE's they claimed were instructed is not apparent.

This resulted in a position where what Inspace were claiming was more than the figure the Council felt was the justified AMP. The disputed amounts were unresolved for several years, until the final mediation process.

Given that the respective year-end positions could not be agreed, the Council took advice from the Service Manager as to what the position was in his opinion, given that after April 2006, controls/work instructions etc were in place to give the Council some comfort on the liability to the Council. When CBC closed its accounts, it still took a prudent view as to what the cost and liability was to the Council for any one year

- What was the actual reason for changing the work programme from a 'Decent Homes Plus' standard to a 'Decent Homes' standard?

The original application for funds was based on a sample condition survey of the housing stock, carried out by Pennington's on behalf of the Council, which was in line with the ODPM's recommendations with regards to sample size. The sample surveys identified that the properties in the poorest condition were those on the larger town estates, with those in the rural areas requiring less work to meet the decency standards. The sample identified that by 2010 all properties would fall out of decency.

The full survey programme was to commence in October 2003, with approximately 2000 surveys to be completed each year, completing in September 2005

The original programme strategy was to commence the Decent Homes work in the St Andrews and St Anne's estates which consisted of approximately 2500 Council properties (including sheltered accommodation). This strategy was set by the tenants at the Tenant Forums, on the basis that those properties in the poorest condition should be addressed first.

In order to address those areas that would not be picked up through the Decent Homes programme of work, which is based on a minimum standard, Colchester Borough Homes requested that in addition the remaining elements within the properties be addressed at the same time, rather than complete these works through future programmes. This package of work was referred to within the partnership as the Colchester Standard or Decent Homes Plus.

It was accepted that delivering Decent Homes Plus would minimise tenant disruption and reduce the future maintenance liability of the properties. This additional work was to be part funded through a further allocation from the Major Repairs Allowance (MRA). It was accepted this strategy would place pressure on the overall Decent Homes and MRA budget allocation. However the assumed reduction in volume of work in the rural properties would allow the budget to be balanced over the 3 year period, and allow all homes to achieve decency by 2007.

The review of the survey information in February 2005, 6 -7 months into the Decent Homes Plus programme, indicated that the strategy with regards to the reduction in work volume in rural areas was incorrect, with the same level of work being recorded throughout the stock. It was apparent that should this same level of condition be reported on the final phase of surveys, there would be insufficient funds to complete the programme to the Decent Homes Plus standard and the original timescales.

- Were there sufficient grounds at December 2006 (given the Timeline evidence between the 28 November 2005 and 5 December 2006) to commence proceedings to terminate the contract?

The then Head of Service who had only been in post for 5 months as at December 2006 would not have been confident in recommending termination to Members. At that point there had only been 8 months of the new working arrangements agreed at the Wivenhoe meeting. In addition a constructive partnership event had been held in October 2006 and the Council had still not appointed its relationship manager as agreed.

Evidence was beginning to build and the Service Manager had begun through his reports to SPG to identify consistent and systematic failings but not to a level where a global default notice could have been instructed.

In addition the goodwill and co-operation of Inspace was required in the run up period to and during the Audit Commission re-inspection of March 2007. In March 2007 the first exploratory meeting took place between representatives of the Council, CBH and Anthony Collins to discuss legal issues involved in the potential termination of the Inspace contract.

- In respect of Governance, what was the decision making process on works and finances by Colchester Borough Homes?

Inspace performed the asset management role. The contract mechanism and framework delegated a number of requirements to Inspace. The Service Manager provided the link between the Employer (CBC) and the contractor (Inspace). The Service Manager role was to ensure that the contract was administered correctly. However CBH were also acting as the Council's agent under the Management Agreement which may have led to confusion as to which capacity they were acting.

## Appendix 2 - Definitive list of geographical areas completed

Description for Code	Rank based on % homes failing to meet the Decent Homes Standard	Scheduled for Programme Year	No. of properties completed
St Anne's	1	2004/2005/2006	350
St Andrews	2	2004/2005/2006	965
Berechurch	3	2004/2005/2006	320
Shrub End	4	2004/2005/2006	273
Harbour	5	2004/2005/2006	305
Tiptree	6	2005/2006	83
West Mersea	7	2005/2006	53
Castle	8	2005/2006	59
Lexden	9	2005/2006/2007	81
Stanway	10	2006/2007	131
Prettygate	11	2006/2007	87
Mile End	12	2006/2007	59
East Donyland	13	2006/2007	61
Copford & West Stanway	14	2006/2007	4
New Town	15	2006/2007	61
West Bergholt & Eight Ash Green	16	2006/2007	86
Birch & Winstree	17	2006/2007	26
Highwoods	18	2006/2007	54
Christchurch	19	2006/2007	4
Dedham & Langham	20	2006/2007	31
Great Tey	21	2006/2007	13
Wivenhoe	22	2006/2007	41
St Johns	23	2006/2007	8
Pyefleet	24	2006/2007	12
Fordham & Stour	25	2006/2007	60
Marks Tey	26	2006/2007	9

### Appendix 3 – Details of sub-contractors employed

Lovell's  
Stapletech  
Securidoor  
Remploy (windows)  
Seagers  
Roalco  
Mighty  
Evans  
Abbotts  
AS Ramsey  
AS Woodward  
ADH scaffolding  
CH Lindsay  
DJE Construction  
Extreme environmental  
Fast Tract Structural  
GR Sexton  
Gillard Brothers  
Harvey Jones  
IWJS Plumbing  
Jones & Whymark  
JCH Contracts  
K&K Industrial  
Lees Drains  
Maljon  
Mark Wallington  
Mulcot  
Arches Windows  
ND Smith  
Birkins  
Barrons  
Panther Security  
PHS  
PMC Landscapes  
Primec  
Reed Heating  
Safe Estates  
Stannah  
P&S Multi Services  
Plumbing Wizard  
West Anglia Insulation  
Whitehall Electrical  
RF Aerials  
Walter Environmental

#### Appendix 4 – Decent Homes Timeline

August/September 2001	Tenders invited for a public sector housing stock condition survey
October 2001	CBC commissions Hacas Chapman Hendy to undertake stock options appraisal process.
November 2001 to June 2002	Building Performance Group (BPG) appointed and undertake updated stock condition survey to assess general condition of stock; associated costs of repair; collect data for SAP ratings (thermal efficiency) and make an assessment against the Decent Homes standard. This survey finds that 65% of Colchester Borough Council's (CBC) (7,060 properties) were non-decent and estimates investment of £45.4M required to obtain 100% decency by 2010. This equates to £9.9K per property. CBC only has £10M available.
May 2002	Strategic review of Building and Architectural Services carried out by Johns, Slater and Howard to assess how these services are provided in the future
November 2002	Pennington Property Services appointed to manage Building and Architectural Services and asked to use previous stock condition survey and deprivation statistics to devise a draft £4M programme of works for 2003/04. Also asked to facilitate the procurement of works through an 'appropriate' partnering/competitive tendering exercise
April 2003	Inspace Partnerships Limited (initially known as Willmot Dixon) carry out six months due diligence on providing a asset management, repairs, maintenance and improvement service for the Council's housing stock and corporate buildings
July to October 2003	Pennington's undertake 16% survey of CBC's 6,640 properties and find 58% non-decency. They identified investment requirements of £35.7M which equates to £9.3K per property.
Summer 2003	Successful ALMO ballot undertaken with 76% of tenants voting in favour.
August 2003	Colchester Borough Homes (CBH) established and a five year management

	agreement is negotiated with CBC.
September 2003	NEC Term Service Contract signed with Inspace Partnerships Limited to provide an 'Insource Partnering Arrangement'
October 2003	WS Atkins commence full Decent Homes surveys on each property at a rate of 2,000 per year
January 2004	Decent Homes work commences in Harbour, Berechurch and Shrub End using MRA funds
January 2004	Inspace agree with CBH that work in addition to that required to bring a property up to the Decent Homes standard could be completed at the same time as the Decent Homes work on that property. This is to minimise disruption to tenants.
February 2004	CBC successfully bid for £35.7M to meet the Decent Homes funding gap subject to two star rating. . As part of the bid, 10% of this sum was identified for professional fees.
April 2004	Audit commission award CBH two stars following its inspection.
June 2005	Internal Audit raise concerns over financial and performance controls in relation to Inspace contract.
July 2005	Atkins report to Inspace that full surveys are showing that the Pennington's sample survey had underestimated the condition of the stock and more funds would be required
12 October 2005	Inspace report to CBH Board gave full assurance and cost certainty for completion of Decent Homes if the desired funding was provided. This involved an additional £6.7M investment. CBH Board takes decision to reduce the standard of work being employed from Decent Homes plus to Decent Homes because of concerns over potential capital shortfall.
28 November 2005	Leadership Team raise concerns in relation to both financial and performance controls in relation to Inspace and lack of clarity regarding progress on Decent homes programme. These concerns evidenced in External audit of Accounts in both 2003/04 and 2004/05, the latter of which highlighted

	“significant control and system weaknesses”.
January 2006	CBC, CBH and Inspace hold away session at Wivenhoe to re-define roles and responsibilities especially in relation to data provision, management and validation. Decision also made to appoint a Partnership Director to act as Service Manager on behalf of CBH and as the Agent on behalf of CBC in managing Inspace contract and to create a post of Partnership Manager within CBC to lead robust client function.
20 February 2006	Leadership Team again raise concerns in relation to both financial and performance controls in relation to Inspace and lack of clarity regarding progress on Decent homes programme.
April 2006	CBH appoint Partnership Director and more robust financial & performance controls are introduced supplemented by the integration of more informal communication mechanisms.
11 May 2006	SPG receive presentation by CBH concerning Inspace inability to present reliable and robust commercial and project information. CBC/CBH Recovery Team sanctioned to examine Inspace commercial and project information.
June 2006	Council’s Statement of Internal Control identifies improvements in control mechanisms.
15 June 2006	SPG receive highly report from CBH stating they have no confidence in Inspace. Concerns expressed over commercial and project information, lack of value for money approach, operating outside of contract, poor management control and poor stakeholder reputation.
20 July 2006	SPG receive another critical report in relation to the undertaking of unapproved work, continued lack of commercial and project controls and issues over funding of staff incentive scheme. SPG decide to award Inspace £361K in excess of the 2005/06 AMP but Inspace continue disputing the 2005/06 year- end regarding their claim for additional

	variable profit and shared savings in excess of £700K.
19 September 2006	SPG receive report from independent consultant which reinforced previous conclusions by CBH/CBC that no additional monies were payable to Inspace concerning 2005/06.
October 2006	CBC appoint interim partnership and performance manager.
5 December 2006	SPG receive report from CBH raising concerns over a number of issues relating to relationships with their decent homes contractors. Inspace have substantial disputes with two of these and CBH report inappropriate engagement and control over a third.
January 2007	<p>Report to Cabinet states that at end of August 2006 4076 properties had been made decent and predicts that 5585 properties will have been made decent by December 2007, representing 92 % of the stock. The same report predicts that by the time programme is completed, the Council would have spent 13.8% more than the £45.4M estimated at the time of the bid submission.</p> <p>The same report recommends that FASP receives performance monitoring information on a quarterly basis to enable CBC to be more effective in monitoring performance.</p> <p>Finally the report recommends a review of the Inspace contract as soon as practicably possible after the forthcoming audit commission inspection.</p>
6 February 2007	SPG receive a further report from CBH raising concerns over the management of sub-contractors, value for money issues and the funding of the staff incentive scheme.
March 2007	Further audit commission inspection of CBH undertaken with two stars again being awarded.
28 March 2007	SPG receive report from CBH concerning unsatisfactory management leadership and direction to improve service delivery.

17 May 2007	SPG receive another critical report on Inspace performance especially in relation to value for money and unacceptable management control over sub-contractors.
19 July 2007	Meeting of SPG at which CE of CBC states that "it was absolutely unacceptable for decent homes work not to be completed by December 2007". Inspace representatives do not take opportunity to state decency plans unachievable. Same meeting receives further critical report over Inspace's performance.
27 July 2007	Inspace present spreadsheet to CBC and CBH officers that indicates the programme will be delivered by December 2007 within agreed budget.
August 2007	Inspace submit Decent Homes claim which includes over £400K work not approved by CBH
August 2007	Desktop benchmarking reveals there is a risk that CBH/CBC have overpaid to Inspace in excess of £1M because of Inspace inability to negotiate and drive down target costs.
20 August 2007	SPG advised by CBH of continued concerns over Inspace performance and poor commercial and project control.
29 August 2007	Inspace declare that the DH programme can no longer be delivered without the support of additional resources ranging from £3M to £6.7M and request dispensation to delay until March 2008.
14 September 2007	Global Notice Issued to Inspace.
19 September 2007	SPG continues to hear concerns over a wide range of issues in relation to Inspace performance. No formal response from CBC as it was seeking advice and guidance.
30 September 2007	Closure of 2006/07 accounts identifies major concerns over Inpace's reticence to reveal actual costs from their internal decency supply chain.
15 October 2007	All partners meet and Inspace agree to review works to be done and pricing and then respond to the Council with a new

	quote for the completion of the programme.
13 November 2007	FASP received information on the progress and costs in relation to the delivery of the Decent Homes Programme.
December 2007	CBC appoint permanent Partnership and Performance Manager
8 February 2008	Default notice issued to Inspace.
27 March 2008	Officers meet with Cabinet to agree interim arrangements with CBH to provide a responsive repairs service but this excludes decent homes programme which will be put on hold until issues over clarity and procurement have been resolved. It is now proposed to complete the DH programme by 2010. However Members agree that programme at Highwoods would continue with Inspace with an anticipated completion date of May 2008.
22/23 May 2008	Mediation



**APPENDIX 5**

	62	63	64	66a	74a	74b	74c	74x	75a	75b	75c	164	183a	183b	184a	184b	185
	% of unfit private sector dwellings made fit or demolished as a result of LA action	Energy efficiency average SAP rating of dwellings authority	Vacant private sector dwellings occupied as a result of LA action	Rent collection and arrears: % of rent collected	Survey-tenants' satisfaction with landlord (all)	Survey-tenants' satisfaction with landlord (black & minority ethnic)	Survey-tenants' satisfaction with landlord (non-black & minority ethnic)	Year of survey for BV74	Survey-tenants' satisfaction with opportunities to take part in decisions about housing (all)	Survey-tenants' satisfaction with opportunities to take part in decisions about housing (black and minority ethnic)	Survey-tenants' satisfaction with opportunities to take part in decisions about housing (non-black and minority ethnic)	Do we keep to the CRE code of practice?	Length of stay in bed & breakfast	Length of stay in hostels	LA homes which were non-decent at start of year	Change in proportion of non-decent homes (negative means deterioration in stock)	Responsiveness (non-emergency), appointments made & kept
<b>BEST VALUE PERFORMANCE INDICATORS RESULTS and COMPARISONS 2003/04</b>																	
Result for Colchester	4.1%	68	19	96.7%	83%	69%	84%	2003/04	74%	95%	74%	yes	9	16	58%	16.2%	73%
Average for Eastern region	3.0%	63	10	97.7%	80%	67%	80%	-	65%	57%	66%	5% = yes	6	16	31%	21.1%	54%
Average for Family	4.3%	62	18	87.1%	83%	69%	83%	-	68%	64%	68%	5% = yes	4	7	29%	25.4%	36%
Average for Essex	3.5%	65	14	97.7%	80%	72%	80%	-	65%	62%	66%	0% = yes	7	11	32%	23.4%	54%
for District Councils																	
Averages	3.1%	60	17	94.8%	80%	74%	80%	-	65%	66%	66%	2% = yes	6	14	31%	9.5%	43%
Bottom Quartile	1.3%	58	1	96.8%	77%	64%	76%	-	62%	50%	62%	no	9	22	46%	4.5%	0%
Top Quartile	3.8%	65	20	98.6%	85%	86%	85%	-	70%	76%	70%	yes	1	0	15%	26.6%	83%



