

WAVERLEY BOROUGH COUNCIL

HOUSING OVERVIEW AND SCRUTINY COMMITTEE

23 NOVEMBER 2020

Title:

**Housing (HRA) Recovery, Change and Transformation Project
Progress Report**

Portfolio Holder: Cllr Anne-Marie Rosoman, Portfolio Holder for Housing, Community Safety & Emergency Planning

Head of Service: Hugh Wagstaff, Head of Housing Operations

Key decision: No

Access: Public

1. Purpose and summary

To provide the Committee with an update report for their scrutiny on the Housing Team's Recovery, Change and Transformation Project. Following the easing of the Covid-19 lockdown in May 2020 the team have been making progress to reinstate services and work within new guidelines.

2. Recommendation

It is recommended that the committee review this report and agree any observations or comments it wishes to pass to the Executive.

3. Reason for the recommendation

To share the progress made against the project objectives and the current, challenging and evolving service provision position with Members.

4. Background

Introduction

The Committee received an initial report providing the background to the project, the project five objectives, project actions and sharing the progress made at their July 2020 meeting. A second progress report was presented in September identifying progress and challenges.

Project Objectives

Five key objectives were identified as essential to the recovery housing landlord services, with timeframes for returning to business as usual ("BAU"):

	Objective	Estimated time to deliver (in months)	Estimated start date (month)
1.	Maximise rental income (support tenants in prioritising rent payments, signpost to benefits, agree repayment plans and consider legal action)	11 months annual rent collection until March 2021	April 2020
2.	Let homes (complete works on backlog of homes and recommence choice based lettings)	12 months to clear backlog and return to BAU May 2021	May 2020 “essential moves”
3.	Reinstate responsive repairs and H&S/compliance works (inc Blunden Court works)	12 months to clear legacy works, backlog and return to BAU June 2021	Dependent on gov guidelines June 2020
4.	Re/commence capital works programme (complete backlog of works, prioritise and programme on hold/ new requests)	12 months to clear on hold works and return to BAU June 2021	Dependent on gov guidelines June 2020
5.	Maintain development programme for new homes	11 months annual development programme – completed July 2020	April 2020

Project Actions

The team developed a plan to restore services and respond to the backlog of requests. A phased approach, fundamentally putting the health and safety of tenants, visiting operatives and officers first, based on agreed priorities and team capacity, was developed.

The project has planned and delivered key housing services, to residents during the changing environment, as the pandemic restrictions were eased and changed, to meet the Council’s landlord responsibilities.

Each objective has a task focussed project group to review the former practice and programme, working in a pandemic advice and health and safety guidance to deliver services and create a new or revised work programme.

The task project groups considered requirements for:

- policy amendments
- budget revisions
- process amendments including use of IT
- prioritisation of work
- capacity of team, and
- communication to residents

The overarching Project Board will support the task groups and manage the project. The success of the project will be monitored through key performance indicators. BAU will be identified as performance targets are met and the backlog

of requests and works are cleared.

Project Objectives Progress

Rent - The team have continued to work empathetically with tenants to collect rent since the initial lockdown.

An addendum to the Rent Collection Policy, to reflect changes in guidance and practice, has been agreed by the Head of Housing Operations and Portfolio Holder for Housing and shared with the Council's Executive. The Tenants Panel and Housing Overview and Scrutiny Committee were consulted on the addendum policy and comments noted.

The Policy has been updated in response to the Coronavirus Act to reflect the change in legislation and guidance. The policy ethos to maximise income with firm and fair rent collection remains the same whilst recognising the financial hardship tenants may experience as a direct result of the pandemic and economic situation.

No legal action was taken from the end March 2020 to September 2020. No notices (seeking possession) were served during this period nor any escalation of expired notices. The team are working closely with tenants to support them to keep their home through repayment plans, financial advice and referrals. In October 2020 pre-covid high arrears cases were reviewed and action taken on a case by case basis. Four notice seeking possession notices have been issued.

The Courts started to hear possession hearings again from 21 September but are subject to new court processes and procedures developed by the Judiciary. Lockdown Two guidance was released on 6 November stating the bailiffs must not evict renters from their homes during the latest lockdown period, exceptions for illegal occupation, anti-social behaviour, perpetrators of domestic abuse and extreme arrears accrued pre April 2020. This guidance together with the Christmas "truce" on evictions due to start at the beginning of December means evictions for rent arrears is effectively blocked until (at least 11 January 2021).

The arrears rate has fluctuated month on month rising from 0.78% at end April to a peak of 1.01% at end of August. There has been two months of a small reduction in arrears - 0.98% at end of September and 0.95% end of October – against target of 0.7%. The total value of arrears at the end of October was £286k.

Letting homes –Working practices and viewing and sign up processes have been reviewed and updated to comply with working during the coronavirus guidance.

We restarted the service late May with a backlog of c70 homes. As more homes were handed back this increased to c80 at end August and back to c70 at end of September. As at end of October there were 49 empty homes. The contractor is taking ten homes a week and has increased sub contractor labour. An implementation plan was agreed to address the backlog of relet homes by end October. This initial plan was over optimistic given the volume works required we do not expect clear the backlog or meet target this calendar year but we hope to continue to see an increase in homes handed back and let month on month.

There were only 13 lettings in Q1 all exceeding target and a total of 56 homes let

in Q2, two within target. 29 homes were let in October and increase from 15 let in September. The current void loss is at £374,469 above the £300k projected annual figure. Financial forecasts have been updated to expect a further £3000k void loss, a total of £600k this financial year.

Responsive repairs and compliance – the team suspended all but emergency works as the first lockdown was implemented. As the government guidance changed the team held contractor meetings to discuss working regimes under new measures, the expectations of the Council and contractor capacity with operatives returning from furloughed status. The outstanding repairs were reviewed with Ian Williams and an action plan developed.

The responsive repairs service resumed 8 June 2020 receiving c200 requests a week. During October the average reduced to 175 request per week. However there remains c1,000 outstanding repairs which equates to approximately five weeks work (with no new requests). The team are working closely with our interim contractor to steadily reduce the backlog.

Lockdown Two does not prevent responsive works taking place but may add further delay if tenants are reluctant to have operatives in their home and/or the number of cases increases within the local population.

The Housing Customer Service team has been incorporated into the Corporate Customer Service Centre, which was launched softly on 5 October. The same team are taking the housing management and maintenance calls within a new management structure, with a strong focus on customer service and a move towards self service as new systems developed.

Through out the lockdown the team continued with compliance works including water hygiene and gas servicing. Electrical checks and associated works have were reintroduced in June too. Work commenced 26 October for Blunden Court legionella/pipe work replacement.

The **gas** safety check performance has greatly improved, there are only two homes at the end of October (compared to seven homes at the end of Q2 and 74 at end of Q1, without a valid gas safety certificate. Of those outstanding: one has been refusing access due to covid but expect to access w/c 3/11 and the other is unoccupied with the resident in a care home, awaiting social services to arrange access to cap off supply. The team have been successful with securing access with three court warrants to ensure the safety of tenants and neighbours.

Capital works – the team reviewed the capital work programmes and held contractor meetings to discuss working regimes under new measures, the expectations of the Council and contractor capacity with operatives returning from furloughed status. The team are working on some external capital works programmes (roofing and external decorations) and a small bathroom replacement programme. 45% of the annual budget has been invoiced/or committed. The full capital programme budget will not be spent this year. This is reflected in the forecast budget report. The underspend will be added the HRA reserves.

New homes development – The new homes objective was been successfully completed July *date* and the team return to Business As Usual with adapted working practices and updated programme.

Conclusion

The team have progressed work identified in the key service areas and recovered services. New ways of working have been implemented to ensure the health, safety and wellbeing of residents, officers and contractors. The team are keeping abreast of the changes in guidance and arising challenges. These areas continue to be closely monitored by the Head of Service through key performance indicators, managers reports and budget reports until backlogs have been cleared and business as usual.

5. Relationship to the Corporate Strategy and Service Plan

The five key services areas of the project reflect the HRA Business Plan and Housing Operations Service Plan and the Council commitment to promote *“housing to buy and to rent, for those at all income levels”*.

6. Implications of decision

6.1 Resource (Finance, procurement, staffing, IT)

Project acknowledges impact from 12 week lockdown increase in void rent loss and underspend of capital works and responsive repairs. Due to the suspension of works during the lockdown and slow recovery there is a potential underspend on responsive repairs and staffing of £1.3m.

6.2 Risk management

A risk assessment has been completed for the project and mitigations identified to be monitored by the Head of Service.

6.3 Legal

Throughout the lockdown period the Housing team has taken advice from Legal Services to ensure that the activities that have been progressed during the lockdown period have been carried out in line with Coronavirus regulations laid down by the Government, government guidance and to focus on the health and safety of both staff and tenants (including those shielding). This work continues into the recovery phase of the Council's response to the pandemic, with careful assessment of the Council's statutory responsibilities to its tenants – both in terms of its Business As Usual statutory functions and the continuing requirements of the Coronavirus statutory regulations.

6.4 Equality, diversity and inclusion

An equality impact assessment has been completed for the project. Noted the positives of increased communication by phone with all customers including disabled and older tenants to explain working practices and safety processes during the corona virus. During lockdown the team contacted all older tenants to complete a welfare check and as services are restarted tenants are contacted to risk assess

before any visit.

6.5 Climate emergency declaration

The lockdown has demonstrated that some services can be managed remotely. There has been a reduction in travel and move to reduce paperwork by offering digital services.

7. Consultation and engagement

Ongoing liaison with Tenants Panel, portfolio holder for housing, housing team and progress reports to Housing Overview and Scrutiny Committee. All tenants information letters sent in March, May and June and tenants newsletter planned for winter 2020.

8. Other options considered

Two other options were considered for the project and immediately ruled out.

“Do nothing” is not recommended as the service would continue to lose rental income from vacant homes, depreciate the asset of homes as responsive work, cyclical and improvement works are not completed. Failure to provide homes to those in housing need, increase dissatisfaction with service and risk of legal challenge.

Reinstate service “as was” is not recommended due to the risk of spreading the coronavirus and putting lives at risk.

9. Governance journey

9.1 Housing O&S and Executive as part of Housing O&S minutes/recommendations

Background Papers

There are no background papers, as defined by Section 100D(5) of the Local Government Act 1972).

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Agreed and signed off by:

Legal Services: 11 November 2020

Head of Finance:

Strategic Director: 12 November 2020

Portfolio Holder: 12 November 2020