

WAVERLEY BOROUGH COUNCIL

HOUSING OVERVIEW AND SCRUTINY COMMITTEE

26 JANUARY 2021

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. With a further lockdown announced for 5 January 2021 change in guidance has been reviewed.

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. Further progress reports were presented in September and November 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)	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.

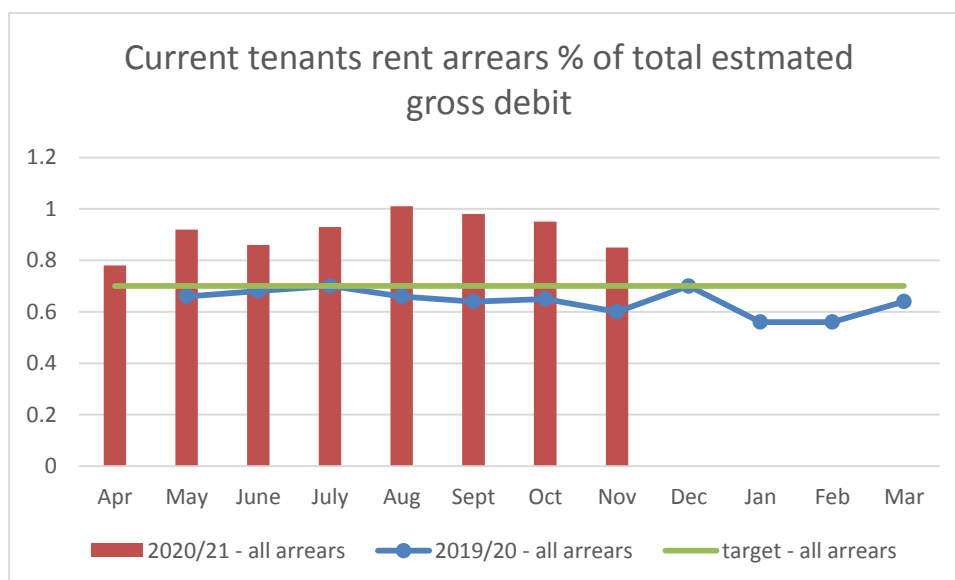
Each objective has a task focussed project group to review the former practice and programme, working in a pandemic advice and health and safety guidance to deliver services and create a new or revised work programme.

The overarching Project Board support the task groups and manage the project. The success of the project is 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.

There was a small reduction of the arrears rate, for the third month, to 0.85%.



The total arrear value was £256k at the end of November 2020 (down from £286k at end of October), with 910 accounts in arrears, compared to £177k at the end of November 2019, with 670 accounts in arrears. Resulting in c45% increase in arrears and additional 240 tenants having problems paying their rent. However [HouseMark report](#) national average is c3.48% compared to Waverley <1% (NB 2.7% rent increase in April 2020).

No legal action was taken from the end March 2020 to September 2020 due to government guidance preventing action during the pandemic. 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 the team started to review pre-covid high arrears cases and action taken on a case by case basis. Four notice seeking possession notices were issued in October and a further five in November, compared to 25 during the same period in 2019.

Notices were served due to lack of engagement and/or payments by tenants, to demonstrate the seriousness of the position. Following the notices c75% of tenants made a payment and/or contacted the team. No further legal action, if required, can be taken on these cases until January 2021. [NB awaiting any change in government guidance on evictions following National Lockdown January 2021]

Letting homes –Working practices and viewing and sign up processes have been reviewed and updated to comply with guidance on working safely during the coronavirus pandemic. The team have continued with socially distanced viewings and sign ups for new tenants during Lockdown Two.

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 reduced to c50 at the end of October. However there were 64 homes empty as at end November, as the number of new voids has not decreased. 36 of the empty homes are new voids empty for <28 days.

The team relet 42 homes in November (increase from 29 homes relet in October and 15 let in September) Nine homes were turned around within the 20 day target, compared four in October. 140 properties have been relet in the period April to end November. This is the same number of homes turned around in the equivalent period in 2019/20.

Letting homes was stopped over the Christmas period, as usual. Moving home is permitted within the Lockdown Three (national restrictions) rules so the service will continue with new covid-19 safe processes.

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 and November the average reduced to 170 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 and National Lockdown 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.

Through out lockdowns the team continue with compliance works including water hygiene and gas servicing. Electrical checks and associated works have were reintroduced in June too. Work commenced on 26 October for Blunden Court legionella/pipe work replacement expecting to be completed late April/early May 2021.

The **gas** safety check performance had greatly improved, with only two homes at the end of October without a gas safety certificate, however there were seven homes without gas safety check certificate at the end of November. At the end of November 99.84% compliance, end October 99.99% and end September 99.77% compared with HouseMark average of 99.1%. Lockdown 2.0 which commenced on 5 November can be attributed to the fall in performance as tenants were more reluctant to have operatives attend inside their home. Appointments have been made for December. (And the local court continues to accept applications for warrants of entry in appropriate cases.

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 (structural works, remodelling, 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 in July 2020 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, continued to work through Lockdown 2.0 and are rising to the challenges of the National Lockdown.

These priority 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 we return to 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 and restrictions periods the Housing team has taken advice from Legal Services to ensure that the activities that have been progressed and 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 and guidance.

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: 6 January 2021
Head of Finance: 12 January 2021
Strategic Director: 7 January 2021
Portfolio Holder: 12 January 2021