

Thurrock - An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future

Housing Overview and Scrutiny Committee

The meeting will be held at **7.00 pm** on **18 June 2019**

Committee Room 1, Civic Offices, New Road, Grays, Essex, RM17 6SL

Membership:

Councillors Lynn Worrall (Chair), Chris Baker (Vice-Chair), Qaisar Abbas, Colin Churchman, Andrew Jefferies and Joycelyn Redsell

Lynn Mansfield, Housing Tenant Representative

Substitutes:

Councillors Daniel Chukwu, Sara Muldowney, Terry Piccolo and Luke Spillman

Agenda

Open to Public and Press

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To approve as a correct record the minutes of the Housing Overview and Scrutiny Committee meeting held on 5 February 2019.		
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To receive additional items that the Chair is of the opinion should be considered as a matter of urgency, in accordance with Section 100B (4) (b) of the Local Government Act 1972.		
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Queries regarding this Agenda or notification of apologies:

Please contact Kenna Victoria Healey, Senior Democratic Services Officer by sending an email to Direct.Democracy@thurrock.gov.uk

Agenda published on: **7 June 2019**

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DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF

Breaching those parts identified as a pecuniary interest is potentially a criminal offence

Helpful Reminders for Members

- *Is your register of interests up to date?*
- *In particular have you declared to the Monitoring Officer all disclosable pecuniary interests?*
- *Have you checked the register to ensure that they have been recorded correctly?*

When should you declare an interest at a meeting?

- **What matters are being discussed at the meeting?** (including Council, Cabinet, Committees, Subs, Joint Committees and Joint Subs); or
- If you are a Cabinet Member making decisions other than in Cabinet **what matter is before you for single member decision?**



Does the business to be transacted at the meeting

- relate to; or
- likely to affect

any of your registered interests and in particular any of your Disclosable Pecuniary Interests?

Disclosable Pecuniary Interests shall include your interests or those of:

- your spouse or civil partner's
- a person you are living with as husband/ wife
- a person you are living with as if you were civil partners

where you are aware that this other person has the interest.

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Pecuniary

If the interest is not already in the register you must (unless the interest has been agreed by the Monitoring Officer to be sensitive) disclose the existence and nature of the interest to the meeting

If the Interest is not entered in the register and is not the subject of a pending notification you must within 28 days notify the Monitoring Officer of the interest for inclusion in the register

Unless you have received dispensation upon previous application from the Monitoring Officer, you must:

- **Not participate or participate further in any discussion of the matter at a meeting;**
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- **leave the room while the item is being considered/voted upon**

If you are a Cabinet Member you may make arrangements for the matter to be dealt with by a third person but take no further steps

Non- pecuniary

Declare the nature and extent of your interest including enough detail to allow a member of the public to understand its nature



You may participate and vote in the usual way but you should seek advice on Predetermination and Bias from the Monitoring Officer.

Our Vision and Priorities for Thurrock

An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future.

1. **People** – a borough where people of all ages are proud to work and play, live and stay
 - High quality, consistent and accessible public services which are right first time
 - Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing
 - Communities are empowered to make choices and be safer and stronger together
2. **Place** – a heritage-rich borough which is ambitious for its future
 - Roads, houses and public spaces that connect people and places
 - Clean environments that everyone has reason to take pride in
 - Fewer public buildings with better services
3. **Prosperity** – a borough which enables everyone to achieve their aspirations
 - Attractive opportunities for businesses and investors to enhance the local economy
 - Vocational and academic education, skills and job opportunities for all
 - Commercial, entrepreneurial and connected public services

Minutes of the Meeting of the Housing Overview and Scrutiny Committee held on 5 February 2019 at 7.00 pm

Present:	Councillors Joycelyn Redsell (Chair), Steve Liddiard, Jane Potheary Lynn Mansfield, Housing Tenant Representative
Apologies:	Councillors Gerard Rice (Chair), Luke Spillman (Vice-Chair), James Baker, Claire Baldwin, and Andrew Jefferies
In attendance:	Ryan Farmer, Housing Strategy and Quality Manager Roger Harris, Corporate Director Adults, Housing and Health Carol Hinvest, Assistant Director Housing Alistair Wood, Technical Services Delivery Manager Lucy Tricker, Democratic Services Officer

Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

26. Election of Chair for the Meeting

As Councillors Rice and Spillman had sent their apologies, it was agreed that a stand-in chair would be elected for the duration of the meeting. Councillor Redsell was nominated by Councillor Potheary, and Councillor Liddiard seconded this nomination. Therefore, Councillor Redsell was elected Chair for the duration of the meeting.

27. Minutes

As Councillors Rice and Spillman had sent their apologies, the minutes from the meeting held on 18 December 2018 could not be agreed.

28. Urgent Items

There were no items of urgent business.

29. Declaration of Interests

There were no interests declared.

30. Garages Review - Phase 1 progress report

The Corporate Director Adults Housing and Health introduced the report and stated that this was a progress report on a piece of work that had come before

the committee twelve months ago. He outlined the progress that had been made, as detailed at point 2.3 of the report, and used the examples of finding £200,000 in the HRA budget for urgent repairs; undertaking an initial condition survey; liaising with the Community Payback Team; reviewing tenancy agreements; and filing up-to-date records and registers. He stated that due to the poor condition of some garages, some may have to be demolished and pulled down, but that the garages project team was meeting later on in the week to discuss these types of issues. He discussed the fact that a small amount of funding had been found in the HRA budget, and once this had been agreed by Cabinet, urgent remedial works could begin. He summarised by stating his team's commitment to improving the condition of garages in the borough.

Councillor Redsell opened the debate by commenting that many of the borough's garages were reaching the end of their life, and it was important to find out who owned them. The Corporate Director replied that records had not been in a good enough state, and described how Thurrock were going to undertake a full record and audit to be able to identify the owners of garages. The Assistant Director Housing added that she would be leading the garages project team to ensure targets were met and it remained focussed on issues.

Councillor Potheary stated that she was pleased to see that progress had been made, and added that when garages fell into disrepair it often led to an increase in anti-social behaviour, which caused concern for all councillors. She asked if the urgent, remedial work on the garages would always rely on a subsidy from the HRA, or if in future the maintenance of garages could be self-sustaining. The Corporate Director clarified that work on garages was a part of the HRA, which contained a small repair budget. He added that extra money had been found from within the HRA to fund the repair of garages, but this could not come from the capital receipts budget. He also commented that although the council received income from garages, there was a high void level and demand across the borough varied significantly.

The Housing Tenant Representative continued the debate and mentioned the fact that some garages were unsuitable for large cars. She then asked if applications for garages were renewed every year. The Assistant Director Housing responded that it was understood that people rarely used their garages for cars anymore, and used them as extra storage space instead. She commented that the council were going to review tenancy agreements with the legal team, as the change of use could affect issues such as insurance. She clarified that when a resident applied for a garage, they remain on the waiting list.

Councillor Redsell added that she felt the council should focus on finding out the ownership of garages, and upgrading them as many were now too small because they had been built in the 1970s. Councillor Liddiard mentioned that as last the review had been 2009, another review should take place to decide whether to repair or demolish garages. The Corporate Director highlighted the timescales of the project to the committee and stated that the recommendations may not be implemented very soon, as housekeeping work

had to be undertaken before the project could begin, such as structural surveys and record collecting. Councillor Redsell added that she had received feedback from residents which stated the appearance of the garages was in a poor state and asked if the youth offending teams could paint the garage doors. She also asked if the table included in the report could be broken down to differentiate between privately owned garages and housing stock. The Corporate Director replied that another report on this subject would come back to committee at the end of the calendar year, but the project would be actioned before the report comes back to committee. The Assistant Director Housing clarified that the Community Payback Team could not start work on the garages until the summer months, due to the weather.

RESOLVED: That:

1. The Committee commented on the information in this report and the next steps described.

31. Homelessness Prevention Strategy Review

The Housing Strategy & Quality Manager introduced the report and stated this was a review of the approach to homelessness in the borough. He elaborated that this was a statutory duty that the council had to undertake every five years, and the current strategy was coming to the end of its life. He stated that this was compounded by new government legislation which would affect the borough. He discussed how the strategy was divided into two sections, the first being a strategic analysis in the context of Thurrock, and the second being the consultation phase with key partners and stakeholders, such as Youth Cabinet, and Members. He stated that the first stage analysis would begin in February 2019 and run until April 2019, with the second consultation phase running from May 2019 until August 2019.

Councillor Redsell began the debate by stating she felt homelessness was a problem across Essex, such as in Southend, Basildon and Brentwood. She asked which stakeholders would be consulted with at the consultation phase. The Corporate Director replied that although homelessness was a problem, the number of street homeless had been declining in Thurrock, and there were currently only 140-150 people living in temporary accommodation across the borough. He added that people staying in bed and breakfasts were only there for a short time, and compared this to other boroughs, which had significant numbers of people in bed and breakfasts and temporary accommodation. He then commented that people placed out of borough had also been decreasing. He felt that there was more work to be done to tackle the issue, but that the council had a robust policy and could implement it well. He finally stated that the team would be consulting with key stakeholders, and people who work with the homeless on a day to day basis.

Councillor Liddiard felt that there had been a change in the past four to five years in the reasons for homelessness, as it used to be primarily divorce, loss of employment or health issues; but felt now homelessness was often due to

tenants being evicted by landlords and given a Section 21 notice. He mentioned that he had also heard that London borough councils were offering landlords significant reward to take their tenants, and wanted the council to find out from London boroughs why this was happening and how many people from outside Thurrock were being housed. He then gave the personal example in his Tilbury ward of a block of flats which was being used to house Newham residents. The Assistant Director Housing replied that as the cost of renting was increasing and benefits were decreasing, more landlords were giving out Section 21 notices. She stated that the council were working with landlords and tenants to solve problems, and added that there was a dedicated financial inclusion officer in the housing team who specifically helped those residents. She clarified that some London boroughs did offer rewards to landlords to house their tenants, but this was happening in all boroughs which bordered London. She then commented that Newham Council had roughly 5000 people living in temporary accommodation compared to only 140-150 in Thurrock. The Assistant Director Housing summarised and stated that the Leaders of every council in Essex had written to all London boroughs to raise this issue and try to solve the problem.

Councillor Liddiard questioned whether Thurrock Council could negotiate directly with developers to purchase houses and flats. The Assistant Director Housing replied that developers did not want to sell to the council, and the council did not want to buy, as the houses built could be of poor quality due to the fact they were built to rent. She added that if the council brought these properties there would be a high maintenance cost due to their poor construction. She commented that the council could rent them and were talking to developers to be able to do this. Councillor Redsell added that the housing team and planning team should consider more linked-up working to be able to solve this issue. The Corporate Director commented that the council were open to conversations and had been in contact with developers, although most flats and houses were outside of the council's price range. He clarified that Essex Leaders had written to the London Councils and GLA, although there were no statutory powers in place to stop London boroughs placing their tenants in neighbouring boroughs. Councillor Redsell added that placing Newham residents in Thurrock had a knock-on effect for Thurrock residents as it increased rent prices and therefore increased the number of homeless people.

Councillor Potheary thanked the team for their report and felt it was a positive strategy with some good ideas. She asked if the council were going to contact Shelter during the consultation phase, as they were an important frontline service. She also asked if the council could approach developers to ask for the 35% social housing which they were required to build, as then more residents could be housed through the council. She then drew the Committee's attention to point 3.21 and stated she felt private rent was too high, so more houses needed to be built and the council could take control of social housing. The Corporate Director replied that the council were looking for permanent accommodation solutions and were open to conversations with developers regarding increasing stock, although the council did not have large capital resources to be able to buy. He added that the team were also looking

into currently vacant houses to use as temporary accommodation and social housing.

Councillor Liddiard began a discussion around benefits and rent, during which the Assistant Director Housing stated that due to welfare reforms there was a limit to the amount of benefits a person could get to use on housing. It was also clarified that people who were single and under 35 would be on the average house-share rate, even if they had children or family who stayed with them. The Housing Tenant Representative stated that in her personal experience of running a food bank, it was often used more during school holidays, and asked if this was because people on benefits had to look after their children returning from university. The Assistant Director Housing responded that this was mainly due to families not receiving school meals for their children during the holidays.

RESOLVED: That:

1. The Committee noted the contents of the report, and commented on the proposal to develop a new homelessness strategy. In particular, commented on the consultation proposals set out in section 5.

32. Housing Allocations Policy Review 2018 - Financial Qualification

The Corporate Director introduced the report and stated that this had gone to Cabinet following discussion at Housing Overview & Scrutiny Committee, with some amendments based on the committee's comments, such as the introduction of a Sheltered Housing Register. He commented that this was being sent back to the Housing Overview & Scrutiny Committee to consider the financial qualifications. The Housing Strategy & Quality Manager elaborated that the financial qualification used an affordability ratio, which was the national guideline of housing costing 1/3rd of a person's net income. He continued that the council then looked at property size to determine affordability and used the 30th percentile as the affordable benchmark to rent and buy. He commented that the calculation worked out a person's net salary affordability for both renting and buying, and then used the more expensive of the two figures to set the threshold. He drew the Committee's attention to page 27 of the agenda, and the table at 3.7 which set out the five thresholds and rationale behind them. He stated that the majority of thresholds used renting as it was the highest value, other than three and four bedroom properties, where it was more expensive to purchase. He summarised by stating that the council then used local earning salaries which were below the thresholds to work out how much money residents bought home, and how much they would need to earn to qualify for council housing.

Councillor Redsell asked if there were people what didn't qualify for council housing as they earnt too much, but were earning too less to afford to rent and buy. The Assistant Director Housing replied that Cabinet had believed this because section 5 of the report had originally used net incomes rather than gross incomes, which made the figures look lower. The Corporate

Director clarified that Cabinet had asked the Committee to consider whether they felt the threshold should be higher, and stated that the more detailed analysis had shown there were very few people who could not afford to rent or buy, but earned too much for social housing.

Councillor Potheary stated that she felt concerned as the threshold had been set using the 30th percentile, and asked whether the 50th percentile would have been more representative. The Housing Strategy & Quality Manager confirmed that the threshold used the more expensive figure of either buying or renting depending on property size, which ensured the figure was representative. Councillor Liddiard then drew the Committee's attention to the problem of residents over 55 who could afford mortgages, but the banks would not allow them. Councillor Potheary asked when the threshold would be reviewed as it was a good idea to do this every year, and the Corporate Director replied it would be every year, although the review may not be as detailed as the report in the agenda. Councillor Redsell summarised by stating this was a comprehensive report and felt it would be good to see the review next year.

RESOLVED: That:

1. The Committee noted the contents of the report and advise Cabinet of the findings.

33. Fire Safety update including a Review of Fire Suppressant (Sprinkler) System

The Technical Services Delivery Manager introduced the report and stated it focussed on the whole portfolio, rather than just tower blocks. He gave some context to the report and stated it had come before committee due to the tragedy of Grenfell Tower and the government review on fire safety, which the MHCLG were currently working on, and although recommendations had not yet been published, the council were being proactive. He commented that in March 2019 a fire risk assessment from the chartered institute would be carried out, although the council were already upgrading fire doors. He stated that to install a suppression system in all tower blocks across the borough would cost £3.3million, and although Essex Fire and Rescue would give the council £10,000 per block, it would not be enough money to install them. He summarised and discussed how during a fire in a block of flats in Chadwell St Mary, the compartmentalisation system had worked, so no one was injured and only a small number of properties were damaged.

Councillor Redsell opened the debate and stated that the Chadwell St Mary tower block fire had shown that the systems in place were working as the fire had remained in one flat. She asked if the Essex Fire and Rescue policy of staying inside your homes if there was a fire was also followed by Thurrock Council. The Technical Services Delivery Manager replied that the 'stay put' policy was supported by Thurrock Council and was in place in all tower blocks. He stated this was the most effective way of keeping a fire from

spreading as residents did not impede firefighter's in stairwells and kept the fire from spreading as doors remained closed.

Councillor Liddiard questioned if the council was replacing front doors on flats, or communal doors, and it was confirmed that front doors on flats were being replaced, although it was felt some communal doors might also require upgrading. Councillor Potheary then stated she felt there were problems in tower blocks of communal fire doors being left open, and asked if the council could communicate with residents the importance of keeping them shut for their safety. The Technical Services Delivery Manager replied he would look into this, and stated that as communal doors were used most, they were the doors which needed replacing more often. He stated that officers undertook monthly walk-throughs in flats to identify issues, and CCTV was in place to identify residents who were abusing fire doors, and tackle the source of the problem. The Assistant Director Housing added that she chaired the monthly fire safety meeting, during which officers shared pictures of problems in communal flat blocks so issues could be solved.

Councillor Potheary expressed her concern with residents smoking in lifts, as this was anti-social behaviour as well as being a safety concern. She stated she felt glad there was CCTV and asked if this could be checked regularly, to which the Technical Services Delivery Manager replied affirmatively.

Councillor Redsell agreed with Councillor Potheary's point regarding keeping communal fire doors open, as it allowed non-residents to access areas they were not allowed in, which could cause a safety concern.

Councillor Potheary then questioned whether the extra money which was needed to fund the sprinkler system could come from the HRA or the general fund. The Assistant Director Housing replied that both budgets were ring-fenced, so no money could be taken from the general fund, and there was no money in the HRA. Councillor Redsell asked if the council knew who lived in its high-rise flats, as one of the problems in Grenfell had been firefighters being unable to identify residents. The Assistant Director Housing replied that on any given night, it would be difficult to know exactly who was in the block of flats, as people might have friends over or may have gone on holiday. She stated that many properties had been sold under the right to buy scheme and then been rented out, so the council were unaware of who was living in those properties. She added that the council knew the tenants of the flats, and the members of their household. She also clarified that plans of the building and a list of all vulnerable residents was kept in a secure box at the base of the block of flats, so if residents did need to be evacuated, the fire service knew which houses had vulnerable people living in them.

Councillor Liddiard then asked on policies regarding low-rise blocks, as some of these had wooden rather than concrete floors, and asked if they should follow the 'stay put' policy. The Assistant Director Housing replied that she would look into this.

RESOLVED: That the Committee:

1. **Commented on the contents of the report and ongoing fire safety work undertaken by the housing service to ensure all council owned property is safe.**

34. Work Programme

Members stated that this was the last meeting of the municipal year, so there was nothing to add to the Work Programme.

The meeting finished at 8.25 pm

Approved as a true and correct record

CHAIR

DATE

**Any queries regarding these Minutes, please contact
Democratic Services at Direct.Democracy@thurrock.gov.uk**

18 June 2019		ITEM: 5
Housing Overview and Scrutiny Committee		
Homeless Hostels, Housing First and Crisis Intervention		
Wards and communities affected: All		Key Decision: Key
Report of: Lorrita Johnson, Housing Solutions Manager		
Accountable Assistant Director: Carol Hinvest, Assistant Director of Housing		
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health		
This report is Public		

Executive Summary

Thurrock Council's Housing department needs to procure housing management and support services to prevent homelessness for Council residents and to support homeless households and young people in supported accommodation.

The Council currently commissions the following three individual contracts aimed at supporting homeless households, identifying rough sleepers and providing initial advice to prevent homelessness in the borough, all of which are due to expire on 31st March 2020:

1. Homeless Hostels and Crisis Intervention Service, comprising:
 - The provision of housing management and support functions for two homeless hostels within Thurrock and;
 - floating support services to council tenants at risk of facing eviction
2. Housing First Project, provides intensive support to people who are long term or recurrently homeless and have high ongoing support needs
3. Rough Sleepers Outreach Service, which identifies and provides interventions for rough sleepers bedded down in the borough.

This report requests permission to go out to tender for all of the services under one procurement process, with a view to a new contract start date of 1 April 2020.

Currently the service is provided by one provider. All of the contracts aim for similar outcomes and would attract providers in the same marketplace, therefore it is proposed that the contracts are brought together and procured as part of one single procurement process.

The combined cost of the contract(s) over a period of four years is approximately £2, 112.940.00 and therefore requires Cabinet approval to authorise the procurement process.

The appointed provider(s) will be expected to lease the three buildings (Charles Street, Clarence Road and Brooke House) from the Council under full repairing and insuring leases. The provider would charge the appropriate rent and service charge to the residents which will attract housing benefit subsidy.

1. Recommendation(s)

1.1 That the Overview and Scrutiny Committee note and comment on the proposed service model for homeless support and crisis intervention prior to the report being submitted to Cabinet.

2. Introduction and Background

The three current contracts offer support to people in crisis, with varying support needs.

2.1. Thurrock Homeless Accommodation

2.1.1 The Council is required to meet its statutory duty to provide temporary accommodation to homeless individuals and households where a priority need is identified. At any time there are around 180 households in need of temporary accommodation within the borough, although this can fluctuate up or down.

2.1.2 In order to help meet this need the Council currently has use of two buildings in Grays, which provide a total of 47 rooms of varying size. There is one contract for the management of both buildings. The below table is a breakdown of the allocation of rooms used by Children services and Housing to accommodate homeless persons.

Charles Street	29 rooms – including 5 units for homeless 16 & 17 year olds
Clarence Road	18 rooms – including 4 units of move on accommodation for care leavers aged 17 to 25 years (provides a transitional period of supported accommodation whilst the young people move into independent living)
Total	47 rooms

2.1.3 The current management and support service is managed from both sites for households referred by the authority to the provider.

2.1.4 Both buildings provide accommodation to enable the council to meet its statutory duties to accommodate people who are homeless and in priority need pending ongoing work to relieve their homelessness and to support young people who are homeless or leaving care.

- 2.1.5 Following the completion of enquiries, clients owed a long term statutory duty remains whilst awaiting settled accommodation.
- 2.1.6 The majority of residents at this accommodation often require intensive housing management and support to enable them to maintain their affairs. The hostel support staff are trained workers, they hold regular key work sessions for each household and provide the necessary support to assist the clients to build the skills for independent living.
- 2.1.7 There has been an increase in homeless applicants requiring temporary accommodation and to address this three additional family size units have been procured at Clarence Road.
- 2.1.8 In addition, a building comprising of 10 rooms at Brooke House, Grays has been purchased using general fund capital and one to one receipts. In order to reinstate the building, a fund of £162,500.00 has been allocated with a split of 113,750.00 from general fund capital receipts and £48,750.00 from one to one receipts.
- 2.1.9 It is anticipated that 1 of the rooms would be designated for children's services to house leaving carers aged 18+.

2.2. Homeless 16 & 17 year olds

- 2.2.1 Young people under 18 and those who are leaving care are most often in need of extra support during the transitional period into adulthood.
- 2.2.2 Currently, 5 of the rooms in Charles Street are used specifically for 16 and 17 year old homeless young people (Southwark Judgement) and this will continue under the new contract.
- 2.2.3 Subject to availability, 16 and 17 year old in transition to becoming care leavers may also use this facility.
- 2.2.4 The Council has a statutory duty to accommodate these young people and due to their age and vulnerability, extra support is required to enable them to manage their accommodation and move into adulthood with appropriate training, education and employment.

2.3. Move on for care leavers

- 2.3.1 Currently 9 of the rooms in Clarence Road are used as move on accommodation for young people in care who are moving into independent living. It is envisaged that this arrangement will continue for leaving care residents.
- 2.3.2 Keeping care leavers within Thurrock improves their chances of good outcomes:
- by keeping them closer to their family and support networks;

- by giving them access to the local schools and colleges;
- by providing a natural progression from supported housing into independent living within the same borough;

2.3.3 The provision of move on rooms in Clarence Road also provides a financial benefit since the accommodation is much cheaper than other supported alternatives.

2.3.4 Savings of between £413 and £2,773 per young person per week can be achieved when compared with the cost of foster, supported or residential care - as outlined in chart below

Accommodation Type	Weekly Cost	Annual Cost	Annual Saving (per person compared with Charles Street / Clarence Road)	Potential Saving for 9 People
Clarence Road	£427	£22,204		
Foster Care	£840	£43,680	£21,476	£193,284
Supported Accommodation	£950	£49,400	£27,196	£244,764
Residential Care	£3200	£166,400	£144,196	£1,297,764

2.3.5 This could potentially save between £193k and £1.29m per year for the 9 young care leavers accommodated.

2.4. Crisis Intervention

2.4.1 The floating support service for money and debt advice to Council tenants was implemented in July 2013 in response to a need for specific support services for Thurrock Council tenants at risk of homelessness, often due to high levels of support needs including issues such as rent arrears, debt, anti-social behaviour, drug and alcohol issues, mental health and other vulnerabilities.

2.4.2 The scheme accepts referrals from Thurrock Council Rents and Welfare Team. The aim of the service is to prevent homelessness occurring by dealing with the most urgent issues that are contributing to the threat of eviction. The service supports the introductory tenancy processes of closely monitoring new tenancies in the first year, when tenancy failures are at their most likely.

2.4.3 The service provides a minimum of 4,000 support hours per year (average 77 hours per week) and to support around 450 tenants per year.

2.4.4 The service will provide intense support to assist customer to reduce their debts and increase their income where possible.

2.4.5 In the last year 2018-19 there has been 314 cases of support for Council residents where if long terms support needed.

2.4.6 The service has generated an additional income of £7,765.53 with 42 payment plans arranged and 11 tenants struggling with new Universal Credit claims were assisted.

2.4.7 However in the longer term, it is expected that ongoing support will be provided to families to ensure that they are supported to:

- Provide training in debt management;
- Provide employment help via training and other support;
- Provide social interaction via groups and social activities
- Continue to sustain independent living in the local community

2.4.8 Referrals can be made through other agencies, Council staff or by residents themselves.

2.5. Housing First Project

2.5.1 Housing first is an approach to preventing persistent homelessness amongst people who are long term or recurrently homeless, with high ongoing support needs. It provides open ended support which is not conditional upon compliance with any treatment or behaviour modification.

2.5.2 The project differs from the traditional model of providing secure housing once a support programme has been followed. It is focused on providing 'housing first' whilst providing intensive support.

2.5.3 It provides support for residents with severe and/or enduring mental health problems, poor physical health, learning difficulties and educational needs; who are likely to be socially marginalised and often have a history of substance abuse and offending.

2.5.4 The project assists service users with a history of having unstable accommodation, failing to sustain tenancies or adhere to any pathways into housing.

2.5.5 It relies on the support of a range of partners to collectively support individuals. The Housing First coordinator plays a focal role working with each client to engage with partners and services, adopting a flexible approach to offering ongoing support by the coordinator and partners.

2.5.6 The outcomes are measured in terms of tenancy sustainment, improvements in mental and physical health, management of drug and alcohol issues, budget management and wellbeing. The level of engagement with partner services already mentioned together with services such as A & E, GP, hospital admission and Police and Probation services.

2.5.7 A study commissioned by Crisis which looked at the financial costs of a single homeless person in the UK indicated that allowing homelessness to persist for 12 months costs around £20,128 per year. Housing First is working on the basis that it costs c £10,000 per annum per service user.

- 2.5.8 We are aware of approximately £20,000 savings although it is difficult to quantify all savings, and we are working with Public Health to develop how we monitor and record potential savings.
- 2.5.9 The project has so far successfully supported 7 individuals who were homeless or in one case about to be made homeless. They had faced persistent barriers to accessing housing, some of which were caused by a variety of health conditions and addictions resulting in complex needs.
- 2.5.10 There are currently 5 clients being supported under the scheme, 4 of which have Council properties. The remaining client has an introductory a Housing Association.

3. Issues, Options and Analysis of Options

Thurrock Supported Accommodation

3.1. Family and adult accommodation

- 3.1.1 The Council has a statutory duty to provide temporary accommodation to certain homeless people. Without the current accommodation the Council would increase its use of bed and breakfast (B & B) accommodation to meet this duty; this represents an increased financial cost to the General Fund which is not subsidised through Housing Benefit.
- 3.1.2 B & B is universally recognised as inadequate accommodation and is strongly discouraged from being used, having been heavily criticised by the Courts and the Local Government Ombudsman. It provides no cooking or laundry facilities and there is no control over how the accommodation is managed or who is living there.
- 3.1.3 The Council has signed up to not using B & B for 16 & 17 year olds, or for households with children except in an emergency for a very short period of time.
- 3.1.4 Thurrock supported accommodation provides superior accommodation to B & B but due to the nature and vulnerability of customers living there, an intensive housing management and support service is required, since many of the customers are vulnerable and have a history of not sustaining tenancies, jobs or training, and relationships with family members/friends who have evicted them.
- 3.1.5 Thurrock supported accommodation is in Grays; close to public transport links and support agencies such as Grays Hall and other health care professionals which enable clients to remain linked in with support agencies and networks.
- 3.1.6 It provides cooking and laundry facilities along with communal areas for training and support programmes. The current providers offer residents programmes such as IT skills, child care, cooking and budgeting skills.

3.2. Homeless 16 and 17 year olds – 5 rooms

- 3.2.1 The Council has a duty to accommodate homeless 16 and 17 year olds, who become looked after children. By providing specific supported accommodation within Charles Street, costly foster care, supported or residential care is avoided.
- 3.2.2 Specific support targeted at this age group is provided and young people are encouraged into training, education or employment

3.3. Young People leaving care – 9 rooms

- 3.3.1 Looked after children, reaching 17, may be ready to move into independent living. However some may require a further period of transitional support and the move on accommodation at Clarence Road enables young people to move out of care into supported living for a period of time until they are ready for fully independent living.

3.4. Crisis Intervention

- 3.4.1 The service aims to work with households in crisis to initially prevent homelessness from occurring and also to provide ongoing support to enable them to reduce debts, increase income and address the issues that have led to their current situation, thereby preventing the risk of homelessness from reoccurring.
- 3.4.2 Examples of the type of work carried out by the service:
- Assisting tenants in applying for discretionary housing payments;
 - Assisting tenants in applying for unclaimed benefits which the tenant is entitled to;
 - Contacting debtors to arrange manageable payment plans;
 - Referring tenants to supporting agencies such as drug and alcohol support services.
- 3.4.3 Preventing tenants from being evicted and helping them to sustain their tenancies provides both economic and social benefits

3.5. Procurement Process

- 3.5.1 It is proposed that the three current contracts are brought together and procured as one contract with a single provider. Currently one provider delivers all three contracts which has enabled the Council to maintain a seamless service, build cohesive partnership and strengthen expertise to meet the needs of residents who are often very vulnerable with complex needs.

4. Reasons for Recommendation

- 4.1 The Council has a statutory duty to provide temporary accommodation to certain groups of homeless people;
- 4.2 The Council has committed to not placing homeless 16 & 17 year olds or families with children into bed & breakfast accommodation;
- 4.3 The Council has committed to ensuring that where possible temporary accommodation is provided within the borough;
- 4.4 The Council has an ongoing duty to assist young care leavers under 25 years old;
- 4.5 The Council has emphasised the need for homeless prevention, which provides financial savings and better outcomes for residents.
- 4.6 A single contract with one provider would deliver economies of scale and allow a streamlined approach to contract management, which will likely have a positive effect on service delivery.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 Not applicable

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 The service will contribute to the delivery of the Council's vision and priorities for **People**.
- 6.2 In addition, the service will support the goals of the Health and Wellbeing Strategy, in particular:
 - A4. Fewer children and adults in poverty
 - C1. Give parents the support they need
 - C2. Improve Children's emotional health and well being
 - D2. When services are required, they are organised around the individual

7. Implications

7.1 Financial

Implications verified by: **Jonathan Wilson**
Finance Consultant

The provision of hostel accommodation will result in savings on the cost of nightly one off room hire and bed and breakfast accommodation that the homeless service currently utilised. The purchase of Brook House and leasing of additional rooms at Clarence road is projected to generate annual savings of £108,739.

The associated management costs of the additional accommodation are factored into the housing general fund budget for 2019/20 totalling £643K

7.2 Legal

Implications verified by: **Martin Hall**
Principal Housing Solicitor

Courage Emovon
Principal Contracts Solicitor

The provision of temporary accommodation is a legal requirement and is detailed within the Housing Act 1996 as amended. The authority is required to have such accommodation which is suitable to accommodate households where a duty is triggered.

The Procurement of the proposed contract will require compliance with the Council's Contract Procedure rules and the Public Contract Regulations 2015.

The provision of temporary accommodation is a legal requirement and is detailed within the Housing Act 1996 as amended. The authority is required to have such accommodation which is suitable to accommodation households where a duty is triggered.

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
Strategic Lead Communities, Development & Equalities

As outlined within this report the provision of this form of temporary accommodation is required to meet the needs of residents in order to meet the legal requirements. The procurement of the management and support contract will enable the authority to fulfil its duties to a range of people including those with protected characteristics. The allocation of this type of provision would be subject to detailed assessments informed through a community equality impact assessment to identify and address any issues affecting those within the protected characteristics.

7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

- None

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None

9. **Appendices to the report**

- None

Report Author:

Lorrita Johnson

Housing Solutions Manager

18 June 2019		ITEM: 6
Housing Overview and Scrutiny Committee		
Housing Performance 2018/2019		
Wards and communities affected: All		Key Decision: Key
Report of: Carol Hinvest, Assistant Director of Housing		
Accountable Assistant Director: Carol Hinvest, Assistant Director of Housing		
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health		
This report is Public		

Executive Summary

This report outlines the performance framework for Housing and gives the context of the full range of indicators now included in the Housing Performance Scorecard.

A summary of performance for the 2018/19 financial year is also provided.

1. Recommendation(s)

1.1 That the Committee notes and comments on the report.

2. Introduction and Background

- 2.1 The Housing performance scorecard comprises of three distinct individual sections. The scorecard is colour coded in order to provide an at a glance indication of performance for each indicator.
- 2.2 The corporate performance indicator section (CPI) contains Housing's individual contribution to the Council's corporate targets. This includes measures such as budget variance, invoice payment within 30 days, complaints received, complaints upheld and sickness absence. The targets for these indicators mirror the corporate targets.
- 2.3 The key performance indicator (KPI) section contains a suite of service critical performance indicators which measure the key outputs, compliance and tenant satisfaction with primary functions of the service.
- 2.4 The local performance indicator section (LPI) is comprised of a larger suite of performance indicators which measure the outputs of individual

teams within the service as well as tenant satisfaction with specific services such as repairs, caretaking and grounds maintenance.

- 2.5 The Housing performance scorecard is updated on a monthly basis and performance is reviewed at Housing management team meetings as well as directorate performance management meetings. The suite of key performance indicators as well as the corporate performance indicators to which Housing contributes is reported at Performance Board and also forms part of the quarterly performance report which is taken to Corporate Overview and Scrutiny Committee.
- 2.6 Tenant satisfaction surveys are completed by an independent research contractor who specialise in satisfaction surveys for the Housing sector. Satisfaction levels are measured using a 5 point scale (excellent, good, fair, poor and very poor) and only excellent and good ratings are included in the satisfaction rate.

3. Housing Performance – Corporate Performance Indicators

Corporate Performance Indicators				
CPI	Performance Indicators	2017-18	Target 2018-19	YTD/EOY
CPI01	HRA Budget Variance	0.0%	0.0%	0.0%
CPI02	GF Budget Variance	0.0%	0.0%	28.0%
CPI03	% of invoices, handled by Housing, paid within 30 days	97%	97%	92.1%
CPI04	Number of Complaints Received	656	<=800	570
CPI05	% of Complaints Upheld	36%	40.0%	34.7%
CPI06	Average Days Sickness Absence Per FTE	-	<=0.75	0.73
CPI07	% of Staff Turnover Within Year (Rolling Year Average)	-	<=12%	11.0%
CPI08	% Sickness Within Service Which Is Long Term	-	<=50%	79.2%
CPI09	% absence within service which is stress related	-	<=50%	37.4%

- 3.1 The Housing Revenue Account broke even for the 2018/19 financial year.
- 3.2 Overall 92.1% of Housing invoices were paid within the payment term of 30 days, a reduction of 5.1% on the 97.2% outturn reported in 2017/18. The reduction in performance for this indicator can be attributed to staffing issues and process changes which affected performance at the beginning of the year. However performance improved in the second half of the year and was on target in March.

- 3.3 There has been a reduction of 13% in the number of Housing related complaints received during 2018/19 in comparison with the 2017/18 financial year which equates to 7 less complaints per month on average. Additionally there has been a 1.3% reduction in the percentage of complaints upheld in 2018/19 compared with 2017/18. There has also been an increase in the number of compliments received relating to the Housing Service – particularly for Transforming Homes.
- 3.4 Rolling staff turnover has improved during the second half of the year and closed at 11% in March.
- 3.5 Overall sickness levels have improved during this year with a reduction of 0.06 days on average per full time employee. Robust sickness monitoring continues to take place to support staff back to work. The Council's sickness procedure is followed closely where that is not possible.

4. Housing Performance – Key Performance Indicators

Key Performance Indicators				
KPI	Performance Indicators	2017-18	Target 2018-19	YTD
KPI01	% General Satisfaction of Tenants With Neighbourhoods / Services Provided by Housing	70%	75.00%	68.0%
KPI02	% Satisfaction of Tenants With Transforming Homes (Contractor & Programme)	NEW	85.00%	87.5%
KPI03	% of Repairs Completed Within Target	97.5%	95.00%	97.7%
KPI04	% Rent Collected	98.5%	98.0%	98.8%
KPI05	Average Time to Turnaround / Re-let Voids (in days)	30.6	28.0	26.64
KPI06	% of Gas Service Checks Carried out Within Statutory Timescale	100%	100%	100.0%
KPI07	Number of "Family Connection" Homeless Households in Bed & Breakfast For Six Weeks or More	NEW	0.0	
KPI08	Number of Category 1 & 2 Hazards Removed as a Direct Result of Private Sector Housing Team Intervention	NEW	800	896

- 4.1 Satisfaction with Housing services has generally been below target during the first three quarters of the year. Analysis of the responses provided by tenants has consistently shown that one of the key drivers for this is a

perceived lack of communication and engagement between the Housing service and tenants. As a result a number of measures have been introduced in order to address dissatisfaction surrounding this particular issue including a formal communication plan, enhancements to the Tenants Excellence Panel's involvement in service delivery and a mailshot to all tenants which was posted at the end of January.

- 4.2 The mailshot contained information relating to the Tenants Excellence Panel, an invitation to the annual tenants conference which took place in March and an infographic fact sheet containing some key statistics. In February following the mailshot satisfaction with Housing services increased by a margin of 8.27% in comparison with January along with an increase in satisfaction with keeping tenants informed of 11.9%. Although satisfaction decreased slightly in March to 72.5% it was still notably higher than average in 2018/19. Further plans to build on this increase include a regular e-newsletter for tenants and leaseholders as well as a wider ranging tenant satisfaction survey later in the year which will help the service build a better understanding of tenants' needs.
- 4.3 Satisfaction with Transforming Homes remains high and was 87.5% for 2018/19. The methodology for measuring Transforming Homes satisfaction was changed for the 2018/19 financial year to amalgamate satisfaction with the Transforming Homes programme as well as satisfaction with the overall service received from the contractor into one measure. Using this methodology satisfaction with Transforming Homes has increased by 2.26% in comparison with the 2017/18 financial year.
- 4.4 The percentage of repairs completed on target has been consistently above the contractual target of 95% throughout the 2018/19 financial year with a particularly strong second half of the year which culminated in an outturn of 97.7%. This equates to a 0.2% improvement on the 2017/18 outturn and is 2.2% above the target.
- 4.5 Rent collection remains strong and has been consistently above the profiled target throughout the 2018/19 financial year. The year-end outturn was 98.8% which was an improvement of 0.3% in comparison with 2017/18. This improvement is particularly pertinent when considering the challenges the Rents Team face in relation to the rollout of Universal Credit as well as a reduction in tenants paying via Housing Benefit from 44% in 2017/18 to 38% in 2018/19 which equates to an extra £3.7m to collect in cash terms. Despite this the number of evictions in 2018/19 reduced by 11 in comparison to 2017/18 and the Financial Inclusion Officers worked with 585 tenants generating additional income of £126,436.

- 4.6 The average time to re-let voids has improved significantly. During 2018/19 it took an average of 26.64 calendar days to re-let a void property which is an improvement of 4 days in comparison with 2017/18. There has also been a year on year improvement for this measure since the 2015/16 financial year when it took an average of 36 days to re-let a void property. This means that the Housing service are able to generate more income as the improvement in void re-let time between 2015/16 and 2018/19, which equates to 9.36 calendar days, would yield an extra weeks rent for each property which becomes void.
- 4.7 The continued improvement in relation to void re-let time demonstrates the collaboration between the teams within Housing responsible for the performance of this indicator, partnership working with repairs contractors and improved internal processes.
- 4.8 The Housing service remains 100% compliant with gas service checks carried out within the statutory timescale. The gas servicing contract was re-procured during 2018/19 and was awarded to a new contractor. The Asset Delivery Team have worked to ensure compliance remained at 100% during the contract handover between contractors.
- 4.9 There has been a marked reduction in the number of family connection households in bed and breakfast accommodation for six weeks or more. In 2018/19 only 1 household surpassed the six week timescale whereas in 2017/18 there were 41 households in bed and breakfast accommodation for six weeks or more. This equates to a reduction of 98% in comparison with 2017/18.
- 4.10 A total of 896 category 1 and 2 Housing Health and Safety Rating System (HHSRS) hazards were removed from private sector properties by the Private Sector Housing Team compared to 843 in 2017/18. This equates to an increase of 6.3%. Examples of hazards include excess cold, electrical hazards and fire hazards.

5. Performance – Local Performance Indicators

- 5.1 Tenant satisfaction with individual Housing services remains consistent with satisfaction levels reported in 2017/18. Satisfaction with the Anti-social Behaviour Service and satisfaction with the grounds maintenance service were both within a percentage point of last year's outturn.
- 5.2 Satisfaction with the Repairs Service continues to improve and is extremely strong. The overall satisfaction level in 2018/19 was 91.9% in 2018/19 improving from 90.2% in 2017/18. In addition to this a satisfaction score of

95.2% was reported in January 2019 which is the highest monthly satisfaction rate recorded so far.

- 5.3 A number of local performance indicators were added to the scorecard for 2018/19 to measure tenant satisfaction with a number of Housing services which were not previously reported on. 71.5% of tenants overall were satisfied with the quality of their home, 74.2% were satisfied with the Caretaking Service and 71.7% were satisfied with their Estates Officer.
- 5.4 30 properties were recovered as a result of joint action with the Corporate Fraud Team in 2018/19 increasing from 23 last year. This increase in properties recovered was as a result of an increased programme of visits alongside a more targeted approach to detecting fraud with the use of data to identify indicators of Housing fraud.
- 5.5 The Technical Services Team have performed well with an overall average time of 4.83 working days to complete a survey from the date of request which is an improvement of almost half a day on last year's outturn of 5.3 days. Compliance with this target helps to ensure repairs where technical input is required are progressed in a timely manner. In addition to this the team have achieved overall cost savings of 56.4% across all repairs where quoted works have been scrutinised. This amounts to a total saving of £106,760.
- 5.6 In terms of homelessness preventions, the target of 350 for 2018/19 was set against the last year's benchmark which included relief and prevention outcomes. The target has not been achieved in 2018/19 as the two elements (relief and prevention) are recorded separately and if relief cases were added the target would be exceeded with a year-end total of 385. In addition, a large number of cases have been completed as advice only which is essentially a prevention of homelessness but these have been omitted due to the methodology used this year. This year we have adopted the government's methodology introduced as a result of the Homelessness Reduction Act which records relief and prevention separately.
- 5.7 The percentage of cases where homelessness was relieved was narrowly under the 30% target for the year at 29%. The initial issues with casework have been addressed and staff are focusing on completing cases in a timely fashion.
- 5.8 The % of homeless applications where a decision is made in 15 working days has been under target throughout the year. The new legislation requirements in transitioning from main duty decision making to relief and prevention of homelessness, staff shortages and increased administration of

casework resulted in a backlog in making main duty decisions. These have been addressed with recruitment of new staff, the updating and streamlining of systems and processes giving staff more time to dedicate to casework. In addition the NPSS have been commissioned by the Council to undertake a review of the service as part of our Service Improvement Plan – this will be reported back to Scrutiny later in the year.

5.9 Another area of improved performance is the time taken to for the Allocations Team to provide a shortlist for a void property which took an average of 2.7 days overall in 2018/19, down from 3 days last year. This particular indicator is crucial to the overall time taken to re-let a void property which ensures prospective tenants can move into their new home as quickly as possible.

5.10 The Sheltered Housing Team have exceeded their target for organising activities for the tenants who reside at the Councils sheltered housing complexes. In total 7,491 activities were delivered by Sheltered Housing Officers across all complexes.

6. Impact on corporate policies, priorities, performance and community impact

6.1 The Housing performance dashboard reflects the service's commitment to the Council's corporate priorities.

7. Implications

7.1 Financial

Implications verified by: **Julie Curtis**
HRA and Development Accountant

There are no direct financial implications arising from this report although performance overall does have an impact on the viability of the service.

7.2 Legal

Implications verified by: **Martin Hall**
Principal Solicitor

No direct legal implications arising from this report.

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
Strategic Lead Communities, Development & Equalities

Whilst there are no direct diversity and equality implications arising from this report, performance reporting helps to ensure that vulnerable people are adequately supported by the service.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

- Not Applicable

8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None

9. Appendices to the report

- None

Report Author:

Carol Hinvest
Assistant Director of Housing

18 June 2019		ITEM: 7
Housing Overview and Scrutiny Committee		
Exploration of Selective Licensing of Private Rented Accommodation		
Wards and communities affected: All	Key Decision: Key	
Report of: Dulal Ahmed, Housing Enforcement Manager		
Accountable Assistant Director: Carol Hinvest, Assistant Director of Housing		
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health		
This report is Public		

Executive Summary

Selective Licensing was introduced in the Housing Act 2004, to tackle a variety of problems local authorities experience in their local housing market, such as, significant and persistent problems of anti-social behavior, poor property conditions, low housing demand, high levels of crime, to name a few.

It's a discretionary scheme that local authorities have to adopt, to license all private landlords in a designated area with the intention of ensuring that a minimum standard of management is met. The scheme requires, all landlords obtaining a license from the local authority with the exception of registered providers of social housing and landlords awarded a House of Multiple Occupation [HMO] license under Mandatory or Additional Licensing.

The council's Housing Strategy 2015-2020 recommended the exploration of a Selective Licensing scheme to address the impact of poor quality private landlords and anti-social tenants in the private rented accommodation sector in Thurrock.

Local Authorities have the power to introduce Selective Licensing with Secretary of State approval for any scheme covering more than 20% of their geographical area or affecting more than 20% of private rented homes in the local authority area.

The business case for Selective Licensing is required to be evidence led and all applications are considered on a case by case basis.

This report sets out the approval steps for Selective Licensing all or parts of the borough that have high levels of private rented accommodation and that experience poor housing conditions, high levels of deprivation and persistent problems with crime and anti-social behavior.

The committee will review the views and representations of the public exercise consultation programme before any recommendations to Cabinet to implement a Selective Licencing scheme.

1. Recommendation(s) that the Housing Overview and Scrutiny Committee:

- 1.1 Note and comment on the exploration of a Selective Licensing scheme covering all or certain parts of the borough;**
- 1.2 Note that a business case will be produced to support selective licensing areas of high levels of private rented accommodation;**
- 1.3 Note the approval steps for a Selective Licensing designation as set out in paragraph 5 and;**
- 1.4 Note and comment on the public consultation exercise to gather views and representation about the proposed scheme**

2. Introduction and Background

- 2.1 The council values the private rented sector as a source of housing for local people and wants to see a strong, healthy and vibrant market contributing to the social and economic wellbeing of the area.
- 2.2 Licensing of private landlords regulates the private accommodation sector to enforce management and property standards. It helps the council engage with less responsible owners and letting agents who do not proactively manage their properties, nor address the unacceptable behaviour of their tenants with enforcement led action.
- 2.3 The council already regulates large and small HMOs let to 5 or more unrelated persons under Mandatory Licensing and will start an Additional Licensing regime from 1 June of dwellings let to 3 to 4 unrelated persons. This covers around 1000 dwellings.
- 2.4 The proposed selective licensing scheme covers the rest of the private rented sector.
- 2.5 In Thurrock's 2011 census, Office for National Statistics estimated there were 11,000 properties in the private rented sector. Presently, the private housing service estimates around 14,000. This assumption is partly based on growth of the buy to let market from 2011 to 2016 before changes to taxation and stamp duty came into force, slowing down buy to let property purchases.
- 2.6 The Housing Strategy 2015-20 recommended the development of a licensing scheme to improve the private rented sector due to the following market conditions and health wellbeing concerns:
 - Rapid growth in its size over recent years without regulatory inspection,

- Local residents at risk of living in poor quality homes classed as '*not decent*' from rogue landlords
 - Management difficulties to resolve persistent and significant Anti-Social Behaviour with their tenants
- 2.7 The council will produce a business case and evidence base to support a selective licensing scheme of areas of high level of private rented accommodation.

3. Private Rented sector in Thurrock

- 3.1 Nationally there has been increase in the private rented sector in recent years, reflected in Thurrock as a 16% increase in private rented sector tenancies compared to 2011. This means that there are now a similar if not more number of residents living in the private rental sector as there are living in social housing.
- 3.2 The private rented accommodation sector makes up 20.5% of all housing stock in the borough. The extra homes provides greater opportunities for Thurrock residents to privately rent but has also provided opportunities for migration into the borough from elsewhere.
- 3.3 The private rented sector is an important source of housing supply in the borough with a range of benefits including
- Helping address housing need
 - Supporting direct and indirect employment, including local trades and businesses
 - Catering for a mobile population
 - Meeting the demand of population growth
- 3.4 However, the private rented sector does have some problems for which regulation particularly licensing can help deliver significant benefits, such as encouraging landlords to do required works on their properties and deal with problems of anti-social behavior tenants under their tenancy policy.

4. The benefits of Selective Licensing

- 4.1 Licensing allows local authorities to proactively identify and engage with landlords before tenant and landlord relationships breakdown, particularly with the less responsible private landlords. This framework assists the council in carrying out its statutory duties and prevents homelessness as a result of:
- A lack of security of tenure for tenants
 - Illegal evictions and homelessness cases
 - Unacceptable states of disrepair
 - Overcrowding
 - Fire safety breaches
 - ASB
 - Health inequalities

4.2 A selective licensing scheme of private rented properties over the five year period will be looking at achieving the following outcomes in Thurrock:

- Improved housing conditions;
- A reduction in significant problems caused by ASB and environment crime such as fly tipping;
- Safer and better neighbourhoods
- Reduced levels of property related crime
- An increase in good landlord and tenant behaviours

5. Approval steps to Selective Licensing designation

5.1 Section 80 of the Housing Act 2004 allows local authorities to apply for Selective Licensing in respect of private rented homes provided certain conditions are met. In order to implement the scheme for 5 years, local authorities are required to obtain approval from the Secretary of State for any selective licensing scheme which would cover more than 20% of their geographical area or would affect more than 20% of privately rented homes in the local authority area. This legislative order came into force in April 2015.

5.2 In order for selective licensing to be considered one or more of the following 6 statutory grounds have to be met.

1. low housing demand or is likely to become such as area [this covers value of residential premises in comparison to value of similar premises in other areas, turnover of occupiers in rented and owner occupied properties, the number of residential premises available to buy or rent and the length of time for which they are unoccupied, general appearance of the locality]
2. significant and persistent problems caused by ASB not being adequately addressed by landlords of private rented accommodation this covers intimidation, harassment, noise, nuisance, animal related problems, vehicle related problems, anti-social drinking or prostitution, illegal drug taking or dealing, litter and waste within the curtilage of the property
3. poor property conditions
4. influx of migration[includes the movement of people from one area to another and overseas migrants]
5. high levels of deprivation
6. high levels of crime

5.3 Criteria 3 and 6 can only be applied where the area contains a high proportion of private sector dwellings. The national average is currently 19% as a reference guide. The evidence gathering process will identify areas of high rented private sector dwellings by ward.

5.4 There is also a requirement on the local authority under Sections 56(6) and 80(9) of the Act 2004 to

- Ensure that the exercise of the power is consistent with its Housing Strategy
- Adopt a coordinated approach in connection with dealing with homelessness, empty properties and ASB affecting the private rented sector as regards combining licensing with another action taken by them or others
- Consider whether there are any other courses available to them [of whatever nature] that might provide an effective method of achieving the objectives that the designation would be intended to achieve
- Consider that making the designation will significantly assist them to achieve the objectives [whether or not they take any other courses of action as well]
- Take reasonable steps to consult persons who are likely to be affected by the designations and consider any representation made.

5.5 The above steps need to be compiled with before a designation can be brought into force.

6. License Fee

6.1 Private landlords would have to pay a license fee to the council with their license application if selective licensing is approved. The fee would cover all the costs incurred by the council in carrying out its licensing function. Fees are typically in the region of £500 to £600 for a single property.

6.2 Failure to apply for a license may result in landlords and managing agents being prosecuted and subject to an unlimited fine on conviction or served with a civil penalty notice as alternative to prosecution of up to £30k.

6.3 Licensing designation lasts for five years to help improve the standards within the area. Sections 60 and 84 of the Act 2004, requires the council to keep the scheme operation under review and if following a review they consider it appropriate to do so re-apply to the Secretary of State for another five years designation if required or revoke the designation.

7. Reasons for Recommendation

7.1 Licensing is consistent with the council Housing Strategy 2015-2020 for the management of private rented homes to ensure homes are fit and safe.

- 7.2 Part 3 of the Housing Act 2004 gives local authorities the power to apply for Selective Licensing where problems in the private rented sector have been evidenced.
- 7.3 Consideration has been given to other options:
- [a] Do nothing and carry on without developing a licensing scheme;
- [b] Continue to respond to complaints and carry out inspections and enforcement action. However, this is not an effective use of our resources with complaints prioritised on the basis of a risk assessment;
- [c] Continue to promote landlord accreditation and guidance through landlord forums. The number of accredited landlords operating in Thurrock is significantly low compared to the number of dwellings within the private rented sector.

8. Consultation (including Overview and Scrutiny, if applicable)

- 8.1 The council will carry out a consultation programme over 11 weeks to obtain the views of key stakeholders including landlords, letting /managing agents, tenants, residents, businesses, stakeholder representatives organisations, as well as neighbouring boroughs on the proposed licensing scheme. A minimum consultation period of 10 weeks is required under the General Consent by the Secretary of State in March 2010.
- 8.2 The results of the consultation will be shared on the council's website.
- 8.3 The committee will consider all the relevant issues before Cabinet makes a decision to introduce a Selective Licensing scheme in the borough.

9. Impact on corporate policies, priorities, performance and community impact

- 9.1 Licensing will improve the health and wellbeing of private tenants through the reduction of poor and unsafe housing conditions and will enable the authority to bring about general improvements in the neighbourhoods where licencing takes place.

10. Implications

10.1 Financial

Implications verified by: **Julie Curtis**
HRA and Development Accountant

There are no financial implications for the council that arise from this report at this time. However should the council decide to introduce selective licensing then this would have some key financial implications for the council. The implications shall be considered fully as part of the business case.

Staffing costs will have to be considered to administer the Selective Licensing scheme.

Section 63[3] of the Housing Act 2004 provides that license applications may be accompanied by a fee to be determined by the local housing authority [LHA]. In setting its fee LHA may take into account all costs it's incurred in carrying out its licensing function which we have done for licence applications for up to a 5 year period. The costs and fees are subject to review annually.

All income generated through the licencing scheme is ring-fenced to administer the scheme and improve private rented housing management and living conditions in the Borough.

10.2 Legal

Implications verified by: **Simon Scrowther**
Senior Litigation Barrister

Part 3 of the Housing Act 2004 enables Local Authorities to introduce Selective Licensing in certain circumstances. The maximum period for which Selective Licensing can run is 5 years.

Should the council on consideration of a business case decide to pursue a Selective Licensing scheme then there are various steps that it would need to take including a full and comprehensive consultation and satisfy the requirements specified in Sections 81 and 82 of the 2004 Act, and in particular that the exercise of the power is consistent with its overall housing strategy before issuing of a public notice of designation.

In areas subject to licensing, all private landlords must obtain a licence and if they fail to do so, or fail to achieve acceptable management standards, the authority can take enforcement action for this offence under section 95 of the Act 2004 not to licence a property which is licensable.

The definition of 'private' sector landlord does not include a non-profit registered provider of social housing or a landlord falling with the exceptions set out in Regulation's.

10.3 Diversity and Equality

Implications verified by: **Roxanne Scanlon Community Engagement**
and Project Monitoring Officer

No implications at this time. However a Community and Equalities Impact Assessment will be carried out during the approval steps of Selective Licensing designation.

10.4 Staffing implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

The council has forecast around 14,000 properties in the borough could require a licence therefore staffing implications have been considered to manage this scheme.

The income generated from licensing will finance the staff to administer the scheme as all licensing income is ring fenced as per the regulatory guidance in the Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006.

11. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- I. Thurrock Council Housing Strategy 2015-20, Thurrock Council
- II. Approval steps for additional and selective licensing designations in England, Revised edition February 2010, Department for Communities and Local Government

12. Appendices to the report

- None

Report Author:

Dulal Ahmed

Housing Enforcement Manager

18 June 2019		ITEM: 8
Housing Overview & Scrutiny Committee		
New Council HRA Home Building Programme		
Wards and communities affected: All		Key Decision: Non-key
Report of: Detlev Munster, Assistant Director of Property and Development		
Accountable Assistant Director: Detlev Munster, Assistant Director of Property and Development		
Accountable Director: Andy Millard, Director of Place (Interim)		
This report is public		

Executive Summary

On the 13th March 2019, Cabinet approved the preparation for the delivery of up to 500 new Council homes for Thurrock residents over the next 5 to 10 years through the Housing Revenue Account (HRA). Cabinet also agreed to refer this decision to the Housing Overview and Scrutiny Committee for its consideration and advice on ensuring the successful delivery of the new Homes Delivery Programme.

This report outlines the aims of the Programme, the governance and project management arrangements for the new Council HRA Home Building Programme.

1. Recommendation(s)

That Housing Overview and Scrutiny Committee:

- 1.1 Endorse the delivery of a New Homes Delivery Programme.**
- 1.2 Endorse the delivery arrangements in place to ensure the successful delivery of a new Council Homes Programme through the HRA.**
- 1.3 Update the work programme to receive regular updates on the new Council Homes Programme to assist in its successful delivery.**

2. Introduction and Background

- 2.1** The South Essex Strategic Housing Market Assessment (May, 2017), identifies the objectively assessed need (OAN) for housing in Thurrock between 2014 and 2037 between 1,074 – 1,381 dwellings per annum of which the net annual affordable housing need is circa 472 dwellings per annum. This

study also identifies that there will be demand for housing of all sizes, with the greatest additional demand generated by households who would typically occupy housing with three bedrooms.

- 2.2 The Council's housing list, as of 22 February 2019, is summarised in Table 1 below.

Table 1: Current Housing Waiting list

	Band 1	Band 2	Band 3	Band 4	Total
Housing Waiting List	3	142	527	4423	<u>5095</u>
Transfer List	0	0	0	0	<u>0</u>
Transfer List Other Social Provider	0	0	0	0	<u>0</u>
Total List	<u>3</u>	<u>142</u>	<u>527</u>	<u>4423</u>	<u>5095</u>

- 2.3 The Council is committed to providing low cost housing, allocated through the Council's housing allocations scheme, for Thurrock's residents. The Council accepts the local need to provide between 6,000-10,000 affordable homes over the Local Plan period of 20 years and will work with social landlords and Thurrock Regeneration Limited to build further low-cost housing. The Council will also ensure that any eligible private developments include affordable housing.
- 2.4 The removal of the HRA debt cap in October 2018 has provided local authorities in England and Wales with greater financial flexibility to build new Council homes. However, the ability to fund these new homes still needs to be within the context of a viable and sustainable HRA business plan. The Council therefore wishes to use this opportunity to increase the supply and delivery of affordable housing in the borough within a sustainable HRA business plan.
- 2.5 In response to the Government's announcement in October 2018 to abolish the HRA borrowing cap, the Council set an aspiration to develop 500 new Council homes over the next five to ten years within the Housing Revenue Account (HRA).
- 2.6 Consequently work has been undertaken to review the Council's ability to deliver new Council homes within this context. The financial model prepared demonstrates that, subject to various assumptions, developments could be delivered and managed in a financially sustainable way within the context of the HRA business plan.
- 2.7 On 13 March 2019 Cabinet approved the establishment of a new Council Home Building Programme and agreed to refer its decision to Housing Overview and Scrutiny for its consideration and advice on ensuring the successful delivery of a New Council Homes Programme through the HRA.

3. Issues, Options and Analysis of Options

Aims and Objectives

- 3.1 The principal outcome of the New Council Homes Programme is the delivery of new affordable housing for Thurrock residents. In this regard a target was set of 500 homes to be completed in the period 2019 – 2029 by Cabinet.
- 3.2 The Council envisages this target will primarily be achieved through new supply rather than change of tenure of existing housing stock. However, the Council is not ruling out the purchase of existing privately owned stock and subsequent conversion to Council rented properties.
- 3.3 It is also envisaged the new homes to be delivered will be well designed internally and externally to an appropriate housing hallmark standard to ensure the delivery of the best possible housing for its residents. This is because the Council wishes to use its assets and projects to set a high standard of design to influence the quality of private house builder's development in Thurrock.
- 3.4 However, the Council recognises there is a fine balance to be struck between quality and cost and as such, the delivery of new homes must be affordable to build, deliver value for money and recognise the impact of design decisions on ongoing maintenance budgets.
- 3.5 The Council also aspires to optimise and rationalise the use of its current estate to ensure new homes are truly affordable by reducing development costs and eliminating land costs from the development equation. The Council has undertaken a significant review of its estate, through the 3Rs (Retain, Release, Reuse) Programme, and has identified various parcels of land that could be used for housing development, subject to obtaining any necessary statutory permissions/consents. Utilising the existing property portfolio has the added benefit for the Council in reducing holding costs and ensuring the remaining property portfolio is fit-for-purpose, appropriately located and of a higher quality.

A Range of Housing Delivery Mechanisms

- 3.6 Direct delivery is likely to form the bulk of the Programme and has clear benefits, viz.:
 - Control over the design, construction and location of these proposed new homes subject to obtaining any necessary statutory permissions/consents;
 - Setting design and quality standards not only for a particular development, but in relation to all these proposed new homes, and acting as an exemplar to other housing developers across the Borough;
 - Linking new house building to the wider Council regeneration agenda;
 - Visibly acting in the community as a house builder for its residents and dictating the pace of delivery of these proposed new homes.

- 3.7 However, the programme has the scope to accommodate a range of other delivery methods in addition to direct delivery, subject to appropriate governance arrangements and approvals, including:
- Purchasing affordable housing units developed as a requirement under S106 planning obligations on Thurrock Regeneration Limited developments;
 - Purchasing S106 dwellings on private sector developments;
 - Joint Venture arrangements with private sector developers or Housing Associations;
 - Purchase of newly completed private developments, in whole or part;
 - Purchase and repair of existing private sector stock to let as affordable housing.
- 3.8 There will be different reasons for each approach, some opportunity led, some as a consequence of prevailing market conditions, whilst others will naturally fall into the approach the Council has adopted to date where it can make best use of existing land holdings. For some projects the driver behind development may be greater than housing need alone and may include, for example, the need to regenerate a location or remove a hot spot of anti-social behaviour. Each approach and certainly each project will require different governance and approval arrangements whilst following similar project management disciplines.

The Council's Housing Development Pipeline

- 3.9 Work is currently underway to develop a pipeline of sites in order to meet the Council's aim to deliver up to 500 new homes over the next 5 to 10 years.
- 3.10 A first phase of 200 homes is proposed and sites will need to be quickly identified and assessed so that the programme can commence.
- 3.11 Following the completion of the Council's assets review in 2018, further investigation is being carried out to identify sites suitable for housing development. This work will include production of capacity studies, cost plans and financial appraisals.

HRA High Level Financial Modelling

- 3.12 A financial modelling exercise was undertaken to establish the level of new Council homes that could be delivered within the context of a financially sustainable HRA business plan. Additionally, a key requirement of the modelling exercise was to ensure that the delivery programme could be self-financing, given current Government rules and regulations.
- 3.13 The following high-level assumptions were made to support the development of the model:
- Subject to procurement, an average development cost per dwelling of £251k was calculated. This was based on a comprehensive analysis of

build costs in Thurrock undertaken by independent cost and property consultants. This development cost is inclusive of all costs of works, professional fees, contingencies, other developer costs, and a risk factor.

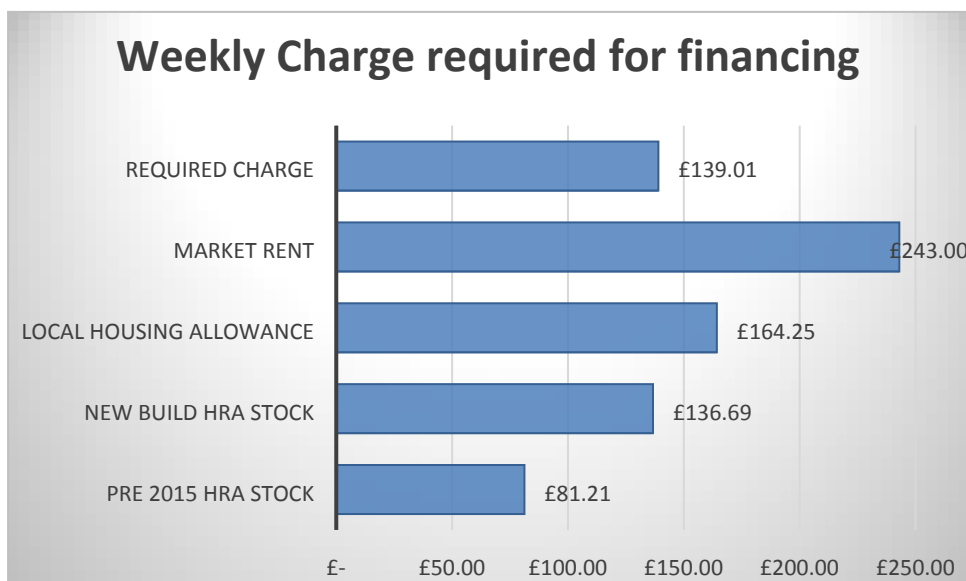
- The 500 units would consist of 30% one bedroom, 40% two bedroom, and 30% three bedroom dwellings which is based on current demand.
- The costs for the scheme assumes the dwellings are developed on existing HRA land (or where appropriate General Fund land) and hence there is no land cost assumption.
- Right to Buy (RTB) receipts as set out are currently available and based on current projections for RTB sales and subject to change.
- Interest costs at 2.78% are based on latest rates available from the Public Works Loan Board as advised by Treasury.
- The management and maintenance costs are averaged and agree with current HRA costs.
- There are three different rent levels that have been considered within the modelling:
 - 1) The pre-2015 HRA stock rent level is applicable to the properties that were part of the HRA historically. This level of rent is also referred to as the social rent and is arrived at by using the HRA rent setting formula. This takes into account property values, the number of bedrooms and geographical indexation weightings. (Note post-2015 HRA stock rent levels are further considered below which were originally set at 70% of market rent at the time).
 - 2) The local housing allowance is the maximum amount of rent that can be claimed through housing benefit, or the housing costs element of Universal Credit.
 - 3) The market rent is the average rent level which would be charged for a property if it was privately let. This can alter at a local geographical level, but as an average, it is a useful comparator for affordable rent considerations.
- The model assumes the use of RTB receipts. The financial advantage is that this reduces the overall borrowing requirement and subsequent interest charges by 30%. This has a significantly favourable financial impact and creates greater flexibility over the level of rent that would need to be applied to cover the ongoing revenue cost of borrowing. It is assumed there is an average retained RTB receipt of £75,300 per property and for 5 years RTB sales total 100 per annum.

3.14 Based on the key financial assumptions noted above, the results of the financial modelling are summarised in Table 2 below.

Table 2: Financial Model Summary

	£	£			
Total Construction cost	125,500,000				
Less application of RTB receipts on Capital cost	(37,650,000)				
Revised borrowing	87,850,000				
Total annual interest - After application of RTB receipts		2,442,230			
Overhead costs per dwelling, per annum	2,000				
Overhead Cost - Total		1,000,000			
Total annual revenue expenditure		3,442,230			
Income	Average Weekly Rent	Gross income (after 5% Void and Bad debt reduction)	Expenditure (Interest + Overheads)	Expenditure Shortfall / (Surplus)	Expenditure cover percentage
	£	£	£	£	%
Pre 2015 HRA Stock (approx 35% of market rent)	81.21	(2,005,788)	3,442,230	1,436,442	58.30%
Affordable Rent (approx 58% of market rent)	136.69	(3,376,218)	3,442,230	66,012	98.10%
Local Housing Allowance (approx 70% of market rent)	164.25	(4,056,876)	3,442,230	(614,646)	117.90%

- 3.15 Three different rental income scenarios were considered as noted above: pre-2015 HRA rents, affordable rents, and rental income derived using the Local Housing Allowance rates.
- 3.16 Table 2 highlights that in order to make the Home Building Programme breakeven under current assumptions, the required average weekly rent charge would need to be circa £139. This equates to 57% of the current average market rent level. Table 2 also highlights that if pre-2015 social rents were to be charged, a subsidy from the HRA would be required to meet the borrowing cost. This would not be sustainable for the HRA and would undermine the current business plan.
- 3.17 To illustrate the level of required rent in order to meet the envisaged costs of financing and the ongoing revenue implications, the comparison is shown in the graph below.



- 3.18 The financial model notes that careful consideration needs to be given with regards to the additional costs from the ongoing management and maintenance associated with each additional dwelling added to the HRA. Whilst prudent estimates have been made, the on-going financial sustainability of the HRA relies on rent levels set at sufficient levels to at least meet the ongoing costs associated with any additional property.

Governance

- 3.19 Cross service oversight of the development programme is provided through a Board comprising senior officers from Housing Management, Finance, Legal Services, Property Services and Communications with scope to escalate to Directors Board as appropriate.
- 3.20 The day-to-day management of the Programme's delivery as well as the project management of each scheme will be undertaken by the Housing Development Team.
- 3.21 To assist the housing Development Team, a Housing Delivery Reference Group (Clearing House) has been established. The purpose of this multi-disciplinary group is to assist the Housing Development Team with the assessment of sites and projects and provide advice on highways, planning, environmental planning, housing management, property, legal and design matters.
- 3.22 Summary monthly progress reports will be submitted to the Lead Member for Housing.

Project Management

- 3.23 The Housing Development Team uses appropriate project management methodologies and tools to assist with project delivery.

- 3.24 A Gateway Process has been established requiring a project to undergo appropriate assessments and approvals before funds are fully committed and a project is allowed to proceed.
- 3.25 The overarching budget for HRA development is subject to agreement by Cabinet, both annually through the HRA Business Plan with additional budget approvals as required as new projects come forward in year. Financial monitoring of projects is reviewed on at least a monthly basis.

Key Risks and Issues

- 3.26 The Housing Development Team will need to be enlarged to bring in more housing development and project management expertise. Additional housing development project managers and project officers are currently being sought. Resources will also need to be augmented as appropriate to provide additional capacity in the Legal, Finance, Property, Community Development and Procurement teams.
- 3.27 The use of the Council's existing property portfolio presents numerous challenges such as planning and community engagement. Many sites may not fully align with current planning policies and local communities may not wish to have developments nearby. While the advantages and disadvantages for each site will need to be assessed and considered as part of the planning process, it is important to note that the *Your Place Your Voice* series of community consultation exercises revealed that most communities welcomed housing for local residents. However, local communities will be consulted as schemes are progressed to ensure their views assist in identifying issues and in shaping the proposed developments.
- 3.28 Given Thurrock's complex land and construction economy, i.e. high development costs and low housing and rent values, achieving financial viability is challenging. Financial viability or appropriateness will therefore need to be assessed on a scheme by scheme basis. However, it is also imperative that the Council: ensures accountability and delegation is unambiguous; acts decisively; invests in developing good relationships; fosters a culture of benefits led decision making; uses "control gates"; and invests in contingency plans for significant risks.

4. Reasons for Recommendation

- 4.1 The Council has a housing need and the potential to develop the existing asset base. The Council is able to directly intervene in the delivery of new homes for Thurrock residents by utilising its asset base and its borrowing capacity.
- 4.2 A high-level financial assessment suggests that the Council can undertake new development within the context of a sustainable HRA business plan and any new development can be self-financing. The report demonstrates that 500 new homes can be delivered subject to the assumptions made.

- 4.3 To embark on a new Council housing programme, the Council needs to establish a base set of principles that can be scrutinised to ensure the delivery of housing while safeguarding public expenditure.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 The identification of sites will be informed by the engagement already carried out through the 3Rs Programme and the Your Place Your Voice exercise in support of the *Local Plan Issues and Options Two*.
- 5.2 Each site identified as suitable for development will be the subject of a further internal consultation exercise with relevant Council departments as outlined in the Governance section above.
- 5.3 Local communities and interested and affected parties will be consulted as appropriate development sites are identified and viable schemes are progressed. This will be through a range of media including public exhibition of proposals as part of the development process and separately, in a form required by the planning application process.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 The proposed New Council Homes Programme closely aligns with the Council's Vision and Priorities adopted in 2018. In particular it resonates with the "Place" theme which focuses on houses, places and environments that residents can take pride in.
- 6.2 The ability to provide New Council homes at an affordable rent will significantly assist in ensuring more affordable housing is available to Thurrock residents. In particular it will assist in reducing the Housing Waiting List.

7. Implications

7.1 Financial

Implications verified by: **Mike Jones**
Strategic Resources Accountant

The model suggests that the delivery of 500 new homes through the HRA can be financed through a combination of prudential borrowing and the application of retained RTB receipts. However, the model is based on a breakeven scenario where rents are charged at circa 57% of market rents on average.

It is imperative to note these are high level assumptions and detailed modelling would be required to clarify the financial implications of each scheme.

The wider financial implications of any agreed development will be incorporated into the overall HRA business plan. This will ensure that the long term financial sustainability is monitored accordingly.

Additional resources will be required in Property, Housing, Legal, Finance and the Procurement teams to support the delivery of these 500 homes. Resourcing plans are currently being prepared, the costs of which are to be capitalised and are included in the proposed financial model.

7.2 Legal

Implications verified by: **Tim Hallam**
Deputy Head of Law - Regeneration

'The removal of the HRA borrowing cap by the Secretary of State on 25 October 2018 was made by The Limits on Indebtedness (Revocation) Determination 2018. This Determination, which revoked previous determinations specifying local authority limits on indebtedness, was made under Secretary of State's powers in the Local Government and Housing Act 1989 and the Localism Act 2011.

However, local authorities are still required to 'have regard' to the CIPFA Prudential Code when developing their capital investment plans including the degree of indebtedness they incur. The Finance Procedure Rules, under Chapter 9, Part 3 of the Thurrock Council Constitution, regulate the Council's financial administration and control processes. These Rules set out the main relevant statutory duties on the Council, including those under the Local Government Act 1972 and the Local Government Finance Act 1988.

Individual proposals to deliver new Council homes would need to obtain planning permission under the Town and Country Planning Act 1990 and any other necessary consents.

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
Strategic Lead, Community Development and Equalities

The proposal to deliver 500 new Council homes is expected to have a positive effect on borough residents. In particular it is recognised that affordable housing tends to be disproportionately accessed by persons sharing certain protected characteristics. Providing additional affordable homes would be likely to have a beneficial effect on these persons as compared to persons who do not share those characteristics. Conversely, not approving the recommendations in this report would potentially have a negative impact on those persons because no additional affordable homes would be provided.

The location of these new homes should be carefully planned to not only ensure they integrate within existing communities, but also that the designs promote community cohesion.

EqlAs will be undertaken as part of the development process to ensure housing schemes are appropriately designed and that the allocation of new homes is fair and equitable and is compliant with the Council's Housing Allocation Policy.

8. Background Papers

- Turley Economics (May, 2017): Addendum to the South Essex Strategic Housing Market Assessment.
- Thurrock Council (Feb, 2019): HRA New Homes Programme High Level Financial Model.

9. Appendices

- None

Report Author

Detlev Munster

Assistant Director of Property and Development

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Work Programme

Committee: Housing Overview and Scrutiny

Year: 2019/2020

Dates of Meetings: 18 June 2019, 1 October 2019, 10 December 2019 and 11 February 2020

Topic	Lead Officer	Requested by Officer/Member
18 June 2019		
Homeless Hostels, Housing First and Support	Lorrita Johnson	Officers
New Council HRA Home Building Programme	Detlev Munster	Officers
Housing Performance 2018/2019	Chris Seman	Officers
Exploration of Selective Licensing of Private Rented Accommodation	Dulal Ahmed	Officers
Work Programme	Democratic Services	Standard Item
1 October 2019		
Housing Strategy Timetable	Ryan Farmer	Officers
Garage Project Update	Carol Hinvest	Officers
Selective Licensing Proposals Consultation Update	Dulal Ahmed	Officers
Housing Solution Improvement Plan	Carol Hinvest	Officers
Work Programme	Democratic Services	Standard Item

10 December 2019		
Fees & Charges 2020/21	Roger Harris	Officers
Housing Performance Update	Chris Seman	Officers
Homelessness Prevention Strategy – Final	Ryan Farmer	Officers
HRA Business Plan and Rent Setting	Roger Harris / Julie Curtis	Officers
Work Programme	Democratic Services	Standard Item
11 February 2020		
Selective Licensing Final Report	Dulal Ahmed	Officers
Work Programme	Democratic Services	Standard Item

Possible further reports:

- Older People's Housing Strategy
- Review of Sheltered Housing
- Affordability Study
- Independent Living
- TRL
- New Builds

Clerk: Kenna-Victoria Healey

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