

<b>30 June 2021</b>	<b>ITEM: 14</b>
<b>Council</b>	
<b>Report of the Cabinet Member for Housing</b>	
<b>Report of:</b> Councillor Luke Spillman, Portfolio Holder for Housing	
<b>This report is public</b>	

## **1. Introduction**

- 1.1. This report presents an overview of the range of Housing services and provides details of the department's performance in 2020/21.
- 1.2. This document also identifies a range of key external factors which have affected and shaped service delivery throughout the 2021/21 financial year. Finally, it sets out the financial position for the Housing Revenue Account and General Fund budgets within Housing.

## **2. Service Overview**

- 2.1. The Housing service provides a range of statutory and landlord functions, utilising rental income through the Housing Revenue Account and smaller General Fund budgets. The Housing service interacts with around 10,000 households in the borough directly through the provision of tenancy and leasehold management services and additional households through the housing advice and options, homelessness and private sector housing functions.
- 2.2. The key functions which the Housing service are responsible for delivering include:
  - Tenancy management activities, including tenancy audits, sign-ups and exit inspections, and other day-to-day interactions with the council's tenants for both general needs and sheltered housing properties.
  - Caretaking and estate services for many of the blocks and communal spaces across the borough.
  - Rent collection, financial inclusion and welfare advice.
  - Ongoing repairs and maintenance of Housing stock and assets.
  - Monitoring and maintaining over 300 CCTV cameras across the borough.
  - Tackling domestic abuse, hate crime and other safeguarding issues.
  - The investigation, management and implementation of enforcement action for anti-social behaviour issues.
  - Capital investment programmes delivering improvements to Housing stock and assets, such as the Transforming Homes programme.
  - Homeownership services, including the administration of Right to Buy applications and leasehold management.

- Tenant and leaseholder engagement through forums, community activities and other events.
  - The administration of the Council's Housing Register and the allocation of properties in line with the Allocations Policy.
  - The prevention and relief of homelessness in line with the Homelessness Reduction Act 2017, as well as the provision of temporary accommodation for households.
  - Management of three council-run Travellers' sites, including rent collection.
  - Mediation, enforcement and licensing activity for private sector landlords and tenants.
- 2.3. The majority of Housing services use the Northgate Housing Management System as the central system for administering, managing and monitoring the range of functions.

### **3. Performance in 2020/21**

- 3.1. The performance dashboard for Housing is designed to ensure that key objectives are identified for reporting across three distinct sections:
- Corporate Performance Indicators (CPI) – Captures the contribution of the Housing service to the corporate suite of performance indicators, including measures such as budget variance, complaints received and upheld, and sickness absence. The targets for these indicators mirror the corporate targets.
  - Key Performance Indicators (KPI) – A suite of service critical performance indicators designed to measure key outputs of the Housing service, including measures such as gas check compliance and tenant satisfaction with primary functions of the service.
  - Local Performance Indicators (LPI) – An extensive suite of service level indicators that measure the outputs of individual teams within the Housing service and tenant satisfaction with specific services such as repairs, caretaking, and grounds maintenance.
- 3.2. The Housing performance scorecard is updated monthly, and performance is reviewed at management team and directorate performance management meetings. In addition, the suite of key performance indicators and corporate performance indicators are reported at Performance Board, forming part of the quarterly performance report taken to the Corporate Overview and Scrutiny Committee.
- 3.3. Tenant satisfaction surveys are completed by an independent research contractor who specialises in satisfaction surveys for the Housing sector.

### 3.4. Performance Indicators

- 3.4.1. The Housing Revenue Account continued to balance through the 2019/20 financial year. The final outturn position of the Housing General Fund was also balanced.

The Housing service recorded a slight increase (6.6%) in the number of Housing-related complaints received during 2020/21 compared with the 2019/20 financial year; however, the overall percentage of upheld complaints reduced from 35.7% to 27.2%, meaning that the number of upheld complaints reduced by an average of three upheld complaints per month in 2020/21 compared to 2019/20.

KPI	Performance Indicators	Target	2019/20	2020/21
KPI01	% General Satisfaction of Tenants With Neighbourhoods / Services Provided by Housing	75%	74.9%	75.5%
KPI02	% Satisfaction of Tenants With Transforming Homes (Contractor & Programme)	85%	86.9%	86.5%
KPI03	% of Repairs Completed Within Target	95%	98.3%	98.3%
KPI04	% Rent Collected	98%	98.5%	98.3%
KPI05	Average Time to Turnaround / Re-let Voids (in days)	28	25.6	47.5
KPI06	% of Gas Service Checks Carried out Within Statutory Timescale	100%	100%	99.2%
KPI07	Number of Applicants with Family Commitments in Bed & Breakfast for Six Weeks or More	0	3	0
KPI08	Number of Category 1 & 2 Hazards Removed as a Direct Result of Private Sector Housing Team Intervention	1000	1000	746

#### 3.4.2. KPI01

The 2020/21 financial year continued the significant improvement seen in recent years in overall tenant satisfaction with Housing services. Through the monthly tenant satisfaction surveys carried out in 2020/21, 75.5% of tenants reported being "very satisfied" or "fairly satisfied" with the neighbourhoods and services offered by Housing, exceeding the target of 75%.

The 2020/21 financial year was also the strongest performing year for overall tenant satisfaction with Housing since the Housing department began measuring tenant satisfaction in 2013/14, surpassing the performance from 2019/20. In addition, tenant satisfaction with individual Housing services and service elements increased against final outturns for 2019/20 and against their 2020/21 targets.

#### 3.4.3. **KPI02**

Satisfaction with Transforming Homes remained high at 86.5%, above its target of 85%. Satisfaction with the responsive repairs service continued the consistently strong performance of recent years, improving by 1.1% against the outturn of 2019/20 to reach 91.6% against a target of 90%.

#### 3.4.4. **KPI03**

The percentage of repairs completed on target has maintained consistent performance levels against the contractual target of 95%, achieving an outturn position of 98.3%, in line with the performance from 2019/20.

#### 3.4.5. **KPI04**

Despite significant challenges faced by the Rents and Welfare team relating to the COVID-19 pandemic, increases in Universal Credit claimants, and reduced rent paid by Housing Benefit against previous financial years, rent collection remained strong. The final outturn position was 98.3% of rent collected, above the target of 98%.

The Financial Inclusion Officers within the team continue to work alongside tenants to maximise their income. As a result, throughout the 2020/21 financial year, 1449 tenants were supported to increase income or reduce rent arrears through financial inclusion – almost double the target for 2020/21 (750), and more than the number of tenants supported in 2018/19 (585) and 2019/20 (936) combined.

The total additional income achieved through the support of Financial Inclusion Officers in 2020/21 was £498,369.05.

#### 3.4.6. **KPI05**

The average time to re-let empty properties was impacted by the suspension of the Choice Based Lettings process between 23 March 2020 and 11 June 2020 due to Government guidelines and restrictions imposed in response to the COVID-19 pandemic. As an average across the whole of 2020/21, it took 47.5 calendar days to re-let an empty property. Although performance towards the end of the financial year improved, the effect of a near-total suspension of lettings due to COVID-19 guidance had a significant impact.

#### 3.4.7. **KPI06**

The COVID-19 pandemic also impacted the percentage of gas safety checks undertaken within target timescales. Attempts to undertake planned gas servicing, water testing and other essential communal repairs were made in line with the council's obligations as required by law to ensure the continued safety of residents. However, in some instances, it was impossible to gain access to carry out annual gas safety tests due to self-isolating or shielding residents. In these cases, the council delivered carbon monoxide detectors through its contractors, along with simple instructions for use until operatives could gain access and complete the servicing.

#### 3.4.8. **KPI07**

The number of homeless applicants with family commitments whom the council placed in bed and breakfast accommodation for six weeks or more was zero for the 2020/21 financial year, reflecting an improvement against the performance in 2019/20

#### 3.4.9. **KPI08**

The Private Sector Housing Team removed 746 category 1 and 2 Housing Health and Safety Rating System (HHSRS) hazards from private sector properties in 2020/21 against a target of 1000. Although restrictions due to COVID-19 limited the ability to inspect properties in person, the team utilised technology to identify new ways to ensure landlords comply with their legal obligations, support tenants in the private rental sector, and keep these properties safe.

### 3.5. **Tenant Satisfaction Indicators**

3.5.1. Concerning specific service provision, tenant satisfaction increased with Grounds Maintenance by 9% on the previous year, achieving a satisfaction rate of 85.3% against a target of 75%. Satisfaction with the Caretaking service increased to 79.8%, an improvement of 3.7% compared to 2019/20 and above the 75% satisfaction target. New tenant satisfaction with the process of moving into their home increased by 18.3%, reaching satisfaction levels of 92% against a target of 75%, and 78.3% of tenants reported that they were satisfied with the quality of their home, also exceeding the target of 75% and reflecting a year-on-year increase of 5.3%.

3.5.2. The Housing service also introduced a range of new satisfaction measures for 2020/21. These were:

Performance Indicators	Target	2020/21
Tenant satisfaction with keeping tenants informed	75%	77.7%
Tenant satisfaction that home is safe and secure	75%	84.4%
Tenant satisfaction that the Housing service is easy to deal with	75%	74.4%
Tenant satisfaction with their neighbourhood	75%	80.4%
Tenant satisfaction that rent provides value for money	75%	89.4%
Tenant satisfaction that service charges provide value for money	75%	79.8%
Tenant satisfaction with the Sheltered Housing service	75%	82.8%

Of these seven new indicators, six exceed the satisfaction targets which had been set.

## **4. Housing Development – New Build**

### **4.1. HRA New Build Programme**

- 4.1.1. The Housing Revenue Account (HRA) new build programme will deliver 119 new Council homes for rent in total. The properties will be a mix of houses, low rise flats, maisonettes and bungalows. The budget for the programme is £32.53m, as agreed within the HRA Capital Programme. HRA rents are being set at 70% of local market rents under the affordable rent regime and subject to a local housing allowance cap.
- 4.1.2. Cabinet agreed on 13 March 2019 that a housing development pipeline would be prepared to seek to deliver up to 500 new Council homes for Thurrock over the next 5 to 10 years, to be funded within the Housing Revenue Account. A process to identify potential sites for Housing Development was agreed upon by Cabinet in January 2020. It is proposed that a review of that process is agreed with the Portfolio Holder for Housing in consultation with the Chair of Housing Overview and Scrutiny Committee, with any proposals brought back to a future meeting of that committee.
- 4.1.3. Individual Housing Revenue Account schemes that are funded and on-site or have been recently completed are listed below.

### **4.2. Alma Court, Argent Street, Grays**

Alma Court, formerly known as the Tops Club scheme, was handed over in July 2020 and provided 29 units of 1, 2, 3-bed flats and maisonettes all at affordable rent levels within the HRA, together with an enhanced playground for residents. The Housing service let all properties successfully.

A 12-month new tenant satisfaction survey will be undertaken to identify areas for improvement, learn for future developments, and identify positive outcomes delivered through this project.

### **4.3. Heathlyn Close, Chadwell St Mary**

This is a 53-unit scheme consisting of a mix of bungalows, houses and low rise flats, all at affordable rent levels within the HRA. All properties have been handed over in February 2021 and have successfully been let. Work to finalise the landscaping and open areas of the site is now underway. An initial new tenant satisfaction survey will be completed during June and July, followed by a final survey 12 months after completion.

### **4.4. Calcutta Road, Tilbury**

This development of 35 flats is to be used as sheltered housing. The scheme accords with the 'HAPPI' principles ('Housing our Ageing Population – Panel for Innovation'), ensuring good design appropriate to the age group. Work continues on-site, with completion currently planned for October 2021.

## 5. Financial Summary

### 5.1. General Fund

5.1.1. The 2021/21 financial position for the Housing General Fund is shown below on 31 May 2021.

Service Area	2021/22 Budget	Forecast Outturn	Forecast variance
	£000's	£000's	£000's
Homelessness	1,404	1,504	1,000 -
Private Sector Housing	326	326	-
Travellers Site Provision	0	0	-
	<b>895</b>	<b>895</b>	-

The housing general fund budget is forecasting a budget pressure of £1m at the end of the financial year, which is a prudent estimate based on the possible medium-term ramifications of the COVID-19 pandemic. There is a considerable backlog of enforcement action to be undertaken nationally, coupled with the effect of the end of the furlough schemes ending and the risk this poses of additional homelessness cases. However, provision was made in the 2021/22 financial position for an additional £1m of funding to be used if required.

At this stage of the financial year, the remainder of the Housing General Fund budget is forecast to be online.

5.1.2. An additional £0.150m of Homelessness Grant funds was received in 2021/22 as part of the Local government finance settlement. As this is a demand-led budget, it will be used to manage, where possible, within the overall budget provision. There are no forecast variances in relation to the budgets for the provision of Travellers sites for the financial year. However, these budgets are dependant on the collection of fees and charges income for rent and operating costs relating to the 64 plots dispersed across the sites.

### 5.2. Housing Revenue Account

5.2.1. The HRA Reserve position as of 31 March 2021 is shown below:

Reserve	Provisional Opening Balance 2021/22
HRA Balances	(3,834.28)
Decant Reserve	(2,000.00)
Housing Zones Funding	(860.08)
RTB Attributable Debt	(3,513.64)
Transforming Homes	(743.69)
RTB 1-4-1 Receipts	(21,447.78)

- 5.2.2. The HRA General Reserve is £3.8m, and it is now at the previously reported aspirational level to ensure that there is funding to support the financial viability of the HRA.
- 5.2.3. During 2020/21 there were 44 Right to Buy sales, and the balance of retained right to buy receipts is £21.447m. These will be deployed and used as a part of the HRA stock acquisition and development plan. Changes made to legislation last year means that the council has an extended period in which to spend these receipts, as well as an increase to 40% of the amount it can invest into an eligible project.
- 5.2.4. In the 2020/21 financial year the council entered into a partnership agreement to purchase and lease properties to be used within the council's housing stock. This project has enabled the council to maximise its Right to Buy receipts, increase levels of housing stock and avoid returning any unspent receipts with compound interest payments to central government. Through this approach, the council is currently aiming to increase its housing stock by approximately 90 properties.
- 5.2.5. Transforming Homes planned works from 2020/21 have been reprogrammed into 2021/22 and will continue to be delivered.

### 5.3. HRA Revenue Position 2021/22

- 5.3.1. The 2021/22 budget for the HRA is shown below.

Service	2021-22 Budget	£'000
Development		235
Financing and Recharges		24,176
Repairs and Maintenance		12,096
Operational Activities		13,765
Rent and Income		(50,272)

- 5.3.2. There are no adverse or positive variances forecast on the year-end outturn position at the time of writing.

The level of rent arrears and bad debts continues to be monitored closely as this poses a potential risk as the financial and economic impacts of the pandemic emerge. However, there are reserves available to help mitigate pressures if they should materialise.

### 5.4. HRA Capital – Existing Stock

- 5.4.1. The allocated budget for Transforming Homes in 2021/22 is £10.540m. Works that were delayed during 2020/21 due to COVID-19 restrictions are being rescheduled for the current financial year.

In addition, investment is planned into new carbon-neutral heating systems within the council-retained tower blocks, representing a forward-thinking programme to address carbon reduction legislation anticipated to come into

force in the future.

Funding for an updated stock condition survey has also been identified in the Capital Programme for 2021/22.

## **5.5. HRA Capital – New Build**

- 5.5.1. The HRA New Build schemes at Alma Court and Heathlyn Close/Claudian Way are now complete and have been let to tenants. The final project of the original development programme, Calcutta Road, is on schedule to complete later in the year.

The council continues to explore and consider options for increasing the stock level within the HRA, including the acquisition of open market and targeted properties and development and regeneration schemes.

## **6. Homelessness and ‘Everyone In’**

- 6.1. Following the Government guidance on 26 March 2020 to 'bring everyone in', the council worked to identify and provide accommodation to all known rough sleepers. As a result, by mid-June 2021, temporary emergency accommodation had been provided to 76 individuals (73 'households' comprised of 70 single people and three couples) who were rough sleeping or at risk of rough sleeping.

- 6.2. Each individual accommodated by the council received an assessment by the team's Senior Mental Health Practitioner and has been offered robust care, housing and support assessments undertaken by the council's support provider to generate a clear understanding of each individual's support needs.

- 6.3. Tailored offers of support were provided, including with Thurrock Mind, and the team have had a high rate of success in the levels of engagement in this process.

Support has also been provided to individuals to make positive transitions into independent living. To date, more than 40 individuals have moved on to alternative accommodation with council support, including the private rental sector. Regular contact continues to be made to all those whom the council is providing ongoing accommodation as part of this work.

- 6.4. The ban on bailiff-enforced evictions came to an end on 31 May 2021. While eviction notice periods have been set at four months from 1 June 2021, the Government has indicated that this will return to the two-month notice period which was in place before the COVID-19 pandemic.

- 6.5. The full impact of COVID-19 and evictions ban ending is challenging to predict. Likely, the extent of the challenge will only become apparent as households at risk of homelessness approach local authorities across the country for assistance.

The homelessness service will remain responsive to the needs of those requiring assistance, providing support and advice in line with its duties and

obligations whilst aiming to identify opportunities to improve the service and provision for homeless households or those at risk of homelessness.

- 6.6. These opportunities include the development of a transformation plan which aims to increase the level of temporary accommodation in the borough which is owned and managed by the council. Through this approach, the council will be able to deliver better support and improve outcomes for those who are homeless and reduce the costs associated with temporary accommodation sourced through the private rental sector.

## **7. Conclusion**

- 7.1. The council continues to provide many key Housing services for tenants and residents across the borough. Performance and tenant satisfaction have improved in several areas, building on recent years' success and good progress.
- 7.2. Whilst the COVID-19 pandemic impacted the delivery of Housing services throughout the 2020-21 financial year and continues to do so in the current year, officers from across Housing have minimised and managed this wherever possible.
- 7.3. As future requirements for delivering Housing services shift due to the COVID-19 pandemic, the department will continue to identify areas for refinement and improvement, aiming to continue to provide value for money, high levels of satisfaction and a positive experience for those using Housing services.

## **8. Appendices to the report**

None