

**TONBRIDGE & MALLING BOROUGH COUNCIL**

**STRATEGIC HOUSING ADVISORY BOARD**

**21 May 2007**

**Report of the Director of Health and Housing**

**Part 1- Public**

**Matters for Recommendation to Cabinet - Council Decision**

**1 FUTURE DELIVERY OF HOMELESSNESS AND HOUSING REGISTER SERVICES AND PROPOSALS FOR STRENGTHENING THE COUNCIL'S STRATEGY AND ENABLING ROLE**

**Summary**

**This report updates Members on discussions with Russet Homes over the delivery of homelessness and housing register services (currently provided under contract) and makes the case for enhancing the Council's housing strategy and enabling function.**

**1.1 Background**

1.1.1 The provision of affordable housing and services to the homeless form one of the Council's key priorities for 2007/08.

1.1.2 The homelessness assessment function was transferred along with the housing stock to Russet Homes in 1991. Since its inception, the holding of the housing register has been undertaken on the Council's behalf by Russet. However, the Council retains statutory responsibility for both service areas.

1.1.3 The precise arrangements for delivering these services are contained in the "Homeless and Housing Register Agency Agreement 2003" with Russet Homes. This sets out:

- the arrangements for the operation of the housing register and homelessness function provided by Russet Homes;
- that Russet Homes will provide a reception, investigation and placement service for clients presenting themselves as homeless; and
- a requirement for Russet Homes to provide advice and assistance to applicants who may be homeless or threatened with homelessness.

- 1.1.4 These contractual arrangements have served the Council and more importantly our residents well over the years. That said, dealing with homelessness and particularly its prevention, and assessing and managing housing need is core business for the Council. The agenda has moved on, driven by Government decree, and by our own desire to develop and improve our services.
- 1.1.5 There are a number of key reasons why the contract with Russet Homes is no longer appropriate and why the Council needs to bring the services back in-house. These reasons centre on the need to maintain a high quality service to the public, allow the Council to take a more strategic role in researching and meeting housing needs, and to ensure the Council continues to remain an 'excellent' authority under the Audit Commission's inspection regime. The key reasons can be summarised as seeking to:
- improve service delivery to the customer;
  - avoid duplication and confusion with external partners and the public;
  - strengthen the prevention of homelessness;
  - ensure there is no conflict over one Registered Social Landlord (RSL) having exclusive control over the allocation of social housing;
  - enable the Council to effectively review its Allocations Scheme;
  - allow the Council to make allocations from the housing register and maximise its nomination rights;
  - ensure the Council can perform its strategic/enabling housing role effectively;
  - allow the Council to effectively monitor its nomination rights; and
  - comply with the Audit Commission's Key Lines of Enquiry for an LSVT housing authority.
- 1.1.6 Over the past 12 months discussions have been held with Russet Homes over the future delivery of the homelessness and housing register services. With a changing agenda also affecting housing associations, both Russet and the Council's housing service are in agreement that the contract should be brought to an end and that the functions should return to the Council.
- 1.1.7 Notwithstanding these discussions, the contract with Russet would, in any event, naturally terminate on 1 April 2008.
- 1.1.8 The general understanding reached with Russet Homes was that officers would plan for the return in house of this service ahead of the contract expiring in March 2008. Our latest understanding was to aim for return by end of July 2007.

However, recent developments have frustrated that aim such that the service will not return until the expiry of the contract on 1 April 2008. The reasons for this are firstly, the recruitment exercise to fill the Housing Needs and Strategy Manager vacancy is advanced but not concluded. Secondly, I was planning to utilise Russet Homes' existing IT system to run the housing register/homelessness database. That has not proven to be a viable option due to uncertainty of service and future system support arrangements and costs. Accordingly, in view of the important and high-profile nature of the service activity, I have decided to evaluate and procure our own software solution with the full support of the IT Manager. That exercise will take some months to complete and cannot be achieved before end of March 2008. Allowing the return in-house to coincide with the end of the contract will also allow for the full financial implications to be assessed as part of the 2008/09 budget. It also allows all of the staffing arrangements to be finalised in a measured way and for a seamless service for our customers.

## **1.2 The Housing Strategy and Enabling Role**

1.2.1 The housing strategic and enabling role is fundamental to ensuring the provision of accommodation to meet housing need thereby reducing levels of homelessness across the borough. This is achieved through comprehensive strategic planning (in many ways not dissimilar to the role of planning policy teams). For example, commissioning surveys to identify the nature of housing needs and preparing the local housing strategies and other initiatives in response to findings. The role also takes responsibility for maintaining a range of partnerships, for instance with housing associations to co-ordinate the delivery of new homes.

1.2.2 In summary, the strategy and enabling role covers the following key areas of service delivery:

- developing housing strategies;
- research and policy development;
- securing new affordable housing provision;
- performance monitoring and review; and
- partnership working and new initiatives.

1.2.3 Further examples of the activities associated with this increasing area of work includes engaging with other statutory agencies and voluntary bodies in service planning and development (e.g. Supporting People); strategy development (e.g. joint homelessness strategy); new initiatives development (e.g. supported lodger scheme for young children, rent deposit scheme, sanctuary project); housing PFI scheme; choice based lettings; commissioning housing needs research; and responding to consultations.

- 1.2.4 Demand for affordable housing is managed at two levels. Firstly, we must ensure we are preventing homelessness as far as is possible. Secondly, housing register and homeless pressures i.e. numbers in temporary accommodation and bed and breakfast, are tempered by the supply of additional new build and relets in existing stock. Hence the more productive our housing strategy and enabling services become, the more homelessness and length of time on the register can be reduced.
- 1.2.5 Central to the enabling role is managing the Council's development programme with housing associations and ensuring close links with planning colleagues to maximise new opportunities for affordable housing. The Council has one of the largest development programmes in the south east which requires considerable officer time in monitoring the performance of our partners and managing day-to-day and longer term issues around delivery. All this involves close working with development control colleagues on scheme specific issues as well as keeping the Housing Corporation abreast of progress and development opportunities (to take advantage of funding opportunities). Negotiating with developers/registered social landlords (RSLs) on scheme particulars coming through the planning system is a growing aspect of our work.
- 1.2.6 The combination of this greater output and the reduced thresholds introduced by PPS3 in April 2007 (down to 15 dwellings or more), along with the proposed new site area thresholds in the Core Strategy, means the housing service is handling an increasing number of residential planning applications. Each must be checked to ensure the opportunity for securing affordable housing is not missed.
- 1.2.7 Members should also be aware that the "strategic and enabling role" is covered by its own Audit Commission "Key Lines of Enquiry" and would be the subject of scrutiny under any future housing service inspection.

### **1.3 Housing Strategy and Enabling Resources**

- 1.3.1 In considering the case for enhancing the Council's strategic and enabling function, benchmarking was undertaken with all 'good and excellent' CPA rated south east stock transfer local authorities. It was found that the average number of staff performing the strategy and enabling role is two FTE employees.
- 1.3.2 This compares with two part time housing strategy and enabling posts (2 x 24hrs per week) within my service both on senior officer (SO) grade but only one of which is on the permanent establishment. The other supernumerary post was one of the temporary posts originally created to support the undertaking of the Housing Services Best Value Review and since then, to implement the large number of service improvements arising from the agreed action plan. Many of the actions related to improving services to families threatened with homelessness, or already in temporary accommodation. Government grant has been secured annually towards the costs of these posts. The award for 2007/08 is £40,000 which is built into the budget. The posts were maintained on temporary contracts renewed

annually, linked to the funding regime. These contracts were subsequently made permanent during 2006/07 consistent with the Council's obligations under employment legislation.

- 1.3.3 I propose strengthening the strategy and enabling resource base within the service to accommodate the growing workload from these activities. At present, the two part-time posts share this work backed-up with support from the Chief Housing Officer. The post on the permanent establishment is occupied, the other is not and is currently vacant due to the recent retirement of the incumbent.
- 1.3.4 This post is funded for 2007/08 but the cost is not projected forward currently in the medium term financial strategy. Subject to the recommendations of the Board, I propose seeking the agreement of the General Purposes Committee to making the vacant post full time (i.e. an increase of 13 hours per week) and permanent on the establishment. The justification for this increase in resource being the operational case outlined in paragraphs 1.2 to 1.2.8 above. The cost of this increase in resources will be an additional £10,484 plus on-costs at 38 per cent, making a total of £14,468 per annum at top of scale. However, the full impact of the post being made permanent on the establishment is £25,468 including on-costs at 38 per cent. There is the potential for part of the increased cost to be met from reduced expenditure on bed and breakfast, but this is difficult to predict and cannot be guaranteed.
- 1.3.5 To better reflect the increased duties and responsibilities of the position, it is also proposed to rename both posts as Housing Strategy and Enabling Officer. This change more accurately reflects the emphasis on partnership working and strategy/initiative development included within the position.
- 1.3.6 The reason for seeking early resolution of the strategy and enabling function, ahead of determining in house arrangements for providing homelessness and the housing register, is as a result of existing workload (as set out in this report), the need to advance the review of the Housing Strategy 2008-2011 and the need to improve the supply of affordable homes to reduce the incidence of homelessness.

## **1.4 Legal Implications**

- 1.4.1 The Council is under a legal duty to determine housing need and to produce an Allocations Scheme. The Housing Register is the means of holding a list of those seeking rehousing and for determining their priority in under the scheme.
- 1.4.2 The Council is under a legal duty to produce a local housing strategy.

## **1.5 Financial and Value for Money Considerations**

- 1.5.1 As set out in this report.

## **1.6 Risk Assessment**

- 1.6.1 Failure to properly assess housing need and homelessness would leave the Council open to legal challenge.
- 1.6.2 Failure to produce a local housing strategy setting out how the Council intends to meet housing needs could result in legal challenge and an escalation in the levels of homelessness in the borough and people having to live in unsatisfactory housing conditions.

## **1.7 Recommendations**

- 1.7.1 **CABINET** is **RECOMMENDED** to
- 1.7.2 **NOTE** and **ENDORSE** the arrangements for securing the effective discharge of the homeless investigation and housing register functions following expiry of the existing contract with Russet Homes; and
- 1.7.3 **ENDORSE** the strengthening of the housing strategy and enabling service for the reasons set out in this report subject to General Purposes Committee's concurrence with the staffing implications arising there from.

Background papers:

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Nil

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