

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

8 October 2007

**Joint Report of the Director of Health and Housing and Cabinet Member for
Housing**

Part 1- Public

Matters for Recommendation to Cabinet - Council Decision

1 RETURN OF HOMELESSNESS & HOUSING REGISTER SERVICE

Summary

This report updates Members on progress in preparing for the return in-house of the homelessness and housing register services (currently provided under contract by Russet Homes). The report sets out the new areas of direct operation for the Council and identifies appropriate staffing levels and IT requirements to provide an effective service to the public.

1.1 Background

- 1.1.1 Since the Council transferred its housing stock in 1991, the way in which homelessness and housing register services are delivered has moved on considerably. With a changing agenda focussing on homelessness prevention, both Russet Homes and the Council are in agreement that these services should return to the Council. The Council intends to bring these services back in-house no later than 31 March 2008, which is the date on which the contract with Russet Homes ends.
- 1.1.2 The background to the transfer of services, including the reasons for not renewing the contract with Russet Homes, was provided within the Strategic Housing Advisory Board Report of 21 May 2007. In summary, the transfer will allow the Council to take a more strategic role in researching and meeting housing needs. Service delivery to customers will be improved with a focus on homeless prevention and alternative options, and increased clarity about both applying for and the allocation of social housing. In order to ensure a seamless service to the public during and after the return of services, there are a number of strategic and operational issues that must be resolved, including strengthening the staffing structure, and commissioning an IT system to support the service.
- 1.1.3 Savings from the contract payment of Russet Homes will fund the great majority of costs incurred. Future IT costs will need to be considered in the current Capital Plan review process.

1.2 Current arrangements with Russet Homes

1.2.1 These are contained in the 'Homeless and Housing Register Agency Agreement 2003' with Russet Homes and set 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.

1.3 The Council's statutory duties

1.3.1 The delivery of homelessness and housing register services form part of the Council's statutory housing duties which means that although currently outsourced, decision making responsibility remains with the Council.

1.3.2 In accordance with Part VI Housing Act 1996, as amended by the Homelessness Act 2002, the Council has a legal duty to determine housing need in the borough, and to produce an allocations scheme which explains how affordable housing is allocated to those in housing need. The housing register is the means of holding a list of those seeking rehousing and for recording their priority under the allocations scheme.

1.3.3 Part VII Housing Act 1996, as amended by the Homelessness Act 2002, requires the Council to provide an advice and information service about homelessness and the prevention of homelessness to anyone in the borough, free of charge. The Council is also under a legal obligation to make enquiries into the circumstances of people who approach as homeless or threatened with homelessness, and to determine whether a duty to accommodate exists.

1.3.4 Increasing the supply of affordable housing and improving services to the homeless form one of the Council's key priorities for 2007/08.

1.4 Future arrangements for in-house delivery of services

1.4.1 The in-house approach will allow the Council to prevent homelessness more effectively, for example, on the receipt of a housing register application it will be possible to identify cases of potential homelessness such as a private sector tenancy coming to an end. As a result, officers can invest time proactively looking for solutions rather than waiting until the applicant has actually lost their accommodation. Typically, once that accommodation is lost, the displaced occupant then requires bed and breakfast until a permanent housing solution can be found. Early intervention will also help to limit the amount of officer time invested in dealing with protracted and highly technical homelessness

assessments and decision making. Similarly, where a member of the public approaches the Council, rather than automatically taking a homeless application, a Housing Options Officer will go through all the possible solutions to their housing problem, including making better use of the private rented sector via the Council's rent deposit loan scheme.

1.5 Housing advice and options

- 1.5.1 During 2006/07 230 homeless approaches were made to Russet Homes and 178 households were accepted as statutorily homeless and owed the full rehousing duty. Over recent years, central government has encouraged a more proactive rather than reactive approach to homelessness. As a result, the focus of services dealing with homelessness and housing advice has moved towards a more strategic approach to the prevention of homelessness wherever possible rather than the processing of applicants through a complex homeless assessment procedure.
- 1.5.2 In line with the change of focus nationally, the Council's Housing Options team will provide a comprehensive front line homelessness prevention and advice service to customers throughout the borough, including making home visits to landlords and tenants or friends and families where homelessness is threatened, and investigating alternative options for rehousing. Currently there are two Housing Advisers, one of whom is seconded from Russet Homes. Within the proposed restructure, the job title of Housing Adviser is to be changed to Housing Options Officer, and the number of officers increased to three to reflect the changing focus of the service. They will be supported by a senior officer, who will also be responsible for assessing applications where homelessness cannot be prevented or where specialist knowledge is required.
- 1.5.3 The service will need to be responsive to customer needs. Appointments for interviews will be arranged at Council offices in the north and south of the borough; home visits will be an important feature as will the ability to cover emergency cases which may occur during and outside of the normal working week.
- 1.5.4 Homeless applicants may be placed into temporary accommodation whilst the circumstances of their homelessness are investigated. Where possible, the aim would be an assured shorthold tenancy, ideally with a private landlord, but occasionally (especially in an emergency) applicants may be placed in bed and breakfast accommodation until more suitable temporary accommodation becomes available. One of the tests of how successful the new service arrangements prove to be will be a reducing reliance on B&B accommodation.

1.6 Applying for affordable housing in the future

- 1.6.1 The housing register is the means through which applicants in housing need are prioritised for rehousing. There are currently over 2,000 households registered and seeking rehousing in the borough. The register provides an essential tool for

maximising nomination rights to housing associations, monitoring rehousing activity and planning future provision. Once housing associations notify the Council of a vacancy in their stock, officers would nominate an applicant from the register in accordance with the allocations scheme. This means that staff will be able to make informed nomination decisions based on the Council's priorities, for example moving families out of costly and inferior bed and breakfast accommodation and reducing the numbers of families in temporary accommodation.

- 1.6.2 With management of the housing register under Council control it will be easier for officers to work with other local services that tackle homelessness, including those delivered by other statutory and voluntary agencies. This will help to ensure that services do not become fragmented where they are delivered by separate organisations, for example, close links can be maintained with housing and support providers such as the Bridge Trust, and client case liaison would be improved with CABx.
- 1.6.3 The return of the housing register management function to the Council will require a number of procedural changes to improve efficiency, and to ensure that customers are fully informed of their prospects for rehousing and any other options available. A review of the Council's Housing Allocations Scheme alongside planning for the return of the services will also be necessary, to ensure good practice in the prevention of homelessness is incorporated – see separate item on agenda. Greater use of the Council's website is anticipated to encourage self-service, and integration with the CRM system is envisaged.

1.7 Details of the application process

- 1.7.1 Customers wishing to make an application to the housing register will be required to complete an assessment form; complete any supplementary forms (for example medical/welfare assessment form); provide evidence of their identity and current housing and personal circumstances; and answer any further questions as required. Relevant documents may be required to independently verify this information. It is intended that assessment forms will be available from the Council's Offices in Kings Hill and Tonbridge, by request via telephone or e-mail, or downloaded from the Council's website.
- 1.7.2 Assessment forms, written advice and information will be made available in a range of formats and languages, as appropriate. Applicants can also request a home visit in order to access help and advice, should they have problems which make it difficult for them to access the service in person.
- 1.7.3 All applicants will be provided with a copy of the Council's housing allocations scheme summary booklet which explains the points system, together with details of the size and type of property likely to be offered according to their household composition. The points scheme is used to determine each applicant's priority on the housing register according to their level of housing need, and to ensure

fairness and equality in nominating applicants to vacant housing association properties. All this information will be on the website.

- 1.7.4 This information will give applicants an indication as to how their application will be treated and the level of priority they may be awarded, to enable them to make informed choices about their prospects for being rehoused in the borough.
- 1.7.5 All applicants will receive written confirmation as to whether their housing register application has been accepted, and will be given a breakdown of any points awarded. Applicants will only be excluded from the housing register if:
- 1) they are subject to immigration control (unless the Secretary of State has stated that they should be eligible for housing); or
 - 2) they, or a member of their household, are guilty of unacceptable behaviour serious enough to make them unsuitable to be a tenant; or
 - 3) their application is not awarded any points under the allocation scheme.
- 1.7.6 In fulfilling these duties two new posts (Housing Register Officer) would be created. These are key posts dealing with approaches by the public in person, by telephone, post or e-mail, and any ongoing enquiries. These Officers would provide an initial screening of potential applicants, referring to Housing Options Officers or advice agencies as appropriate. The Housing Register Officers would also be responsible for the verification and registration of housing applications, and maintenance of the Housing Register including inputting new applications and reviewing existing records.

1.8 Nominations to housing associations

- 1.8.1 Applicants for available housing association properties are only selected at the point a property becomes vacant. At that point applicants are selected by a series of sorting processes that consider (in order):
- the property, type, size and location required by applicants;
 - the type and number of points awarded to an applicant;
 - the attribute choices indicated by the applicant; and
 - the date of registration.
- 1.8.2 Where the property falls under a local lettings policy or is a rural exception site only applicants who meet the appropriate criteria (usually residence) for that property will be considered. Likewise where the property which is available has disabled adaptations, suitable applicants requiring this type of accommodation will be prioritised depending upon the level of adaptations required. Not all vacant housing association properties will be available to housing register applicants, as housing associations require a proportion of vacant properties for transfer of their

existing tenants and other management purposes. The Council has nomination agreements with all housing associations that build and manage housing stock within the borough.

- 1.8.3 The agreement with our preferred partner housing associations in the borough is that the Council has nomination rights to 100 per cent of all new build vacancies and 75 per cent of all relets. The situation with Russet Homes differs in that historically, the approach has been to offer one third of true voids to homeless applicants; one third to housing register applicants and one third to transfer applicants, with the resultant voids also available to homeless or housing register applicants.
- 1.8.4 In the future, when Russet Homes notify the Council of a void, we will provide three nominations from the housing register, in priority order. There may be occasions where the highest priority applicant is rejected by Russet Homes, and the property is offered to the second or third nominee. The reasons for any rejections will be closely monitored, and Members will be kept apprised of the operation of these arrangements. Nominees put forward to Russet but who are not selected, will not be considered to have received an offer.
- 1.8.5 Once a nomination has been made, or in the case of nominations to Russet Homes a nominee has been selected from those put forward, the applicant will usually be expected to accept or refuse an offer of accommodation within 24 hours of viewing it. Applicants will be made up to 3 offers of accommodation, but the consequences of refusing a third and final offer will depend on whether they have been accepted onto the housing register as a homeless person to whom the Council owes a rehousing duty. The Council is under a legal duty to offer 'suitable' accommodation to statutorily homeless applicants. A 'suitable' offer of housing is one that takes into account the following:
- whether the accommodation is affordable;
 - the size, floor level, space and arrangement of the home where this is applicable to the housing needs of the household;
 - any housing related medical or welfare needs; and
 - any risk of domestic or other violence
- 1.8.6 If offers are rejected, statutorily homeless applicants have a legal right to review the offer on the grounds of suitability. The review will be carried out by the Housing Needs and Strategy Manager. When the decision on review is that the offer was not deemed to be suitable, a further offer of accommodation will be made, with a continuing right of the applicant to seek a review if they feel it is unsuitable. However, where the review decision is that the offer made was suitable, the Council will have discharged its rehousing obligations, and no further offers will be made.

- 1.8.7 For all other housing register applicants, their application will usually be suspended from the housing register following the refusal of a third and final offer, and they will not normally be considered for twelve months, unless there is a change in their circumstances. Although housing register applicants can refuse an offer without giving any reasons, they can request that an offer is withdrawn if they can show that it does not meet their needs. Any request for the withdrawal of an offer will be considered by the Senior Housing Options Officer. If the offer is subsequently withdrawn, it will not count towards their three offer entitlement.
- 1.8.8 A new post of Accommodation Officer would be created with responsibility for both nominations to housing associations and for overseeing the use of temporary accommodation. The Accommodation Officer would also provide a link with the private sector to maximise the availability of alternative housing solutions.

1.9 Service provision issues

- 1.9.1 Russet does not currently have a formal procedure for providing an out of hours service, although Invicta Telecare handle all calls made out of hours and those relevant to housing are passed to Russet staff.
- 1.9.2 There will be occasions when we will need to respond to situations which arise outside of the Council's normal office hours and I therefore propose to extend the scope of the existing out of hours service within EHHS. Telephone calls made to the Council when our offices are closed are transferred to a control centre currently provided by Invicta Telecare. The control centre operator refers emergencies to a duty officer from EHHS who initiates appropriate response action. Homelessness will be classified as an emergency requiring reference to and action by, the standby officer. Our operating instructions for standby officers will contain information that should enable an appropriate response, including the provision of emergency accommodation, to be provided. The duty officer will be able to contact a specialist housing officer in the event of situations falling outside of the "norm". Levels of usage and effectiveness of the service provided will be monitored and the subject of future periodic reports to Members.

1.10 Home visiting to prevent homelessness.

- 1.10.1 Good practice suggests local authorities should carry out home visits to all potentially homeless households being asked to leave friends, relatives, and parents to offer mediation services and provide realistic options to prevent homelessness. Currently around 40 per cent of homeless applications to Tonbridge and Malling are made as a result of relative/friends eviction. It is proposed that following the restructure, the number and scope of home visits will be significantly increased, with the potential to prevent homelessness increased accordingly.

1.11 Location of services

Housing options staff will be located at both Tonbridge and Kings Hill offices during working hours. This provision will be subject to regular review to assess the demand for and effectiveness of the service at both sites. The need to extend appointment services to other outlets will be kept under review as well as the opportunities to enhance the service, particularly bearing in mind weekend opening hours available at Tonbridge Castle.

1.12 Housing register, housing advice and homelessness IT system

1.12.1 In view of the important and high-profile nature of the service activity, the Council's current recording system is no longer appropriate. We are convinced of the need to evaluate and procure our own software solution with the support of the IT Manager.

1.12.2 It is therefore proposed to implement a two phase strategy. Phase one would provide a short term solution to ensure the earliest return of the services in-house and business continuity immediately following the return of services. Phase two would see the procurement of a comprehensive software package to provide a long term integrated housing allocations and homelessness system, capable of linking to corporate IT systems (ie CRM) and any future choice based lettings scheme.

1.12.3 Phase one would involve the operation under licence of the Civica system currently in place at Russet Homes, which essentially manages the housing register and selects applicants for void properties. It is anticipated that this will be a short term (12 – 18 months) solution to ease the transfer of applicant data and provide minimal disruption to the service for customers. Costs associated with this option (subject to final negotiation with Russet Homes) are expected to be in the order of:

- £2K development and implementation; and
- £5K per annum for maintenance and support.

1.12.4 In phase two we are looking to procure a longer term solution. To maximise service efficiency, any new IT software package must include homelessness, housing advice / prevention and housing register modules as a minimum, and preferably include a rent account module for TA, and document imaging to attach copies of relevant documents such as birth certificates to applicant's records. Such comprehensive systems can provide accurate statistical returns for PIE and all BVPIs at the touch of a button, thus freeing up officer time considerably. Also, some standard letters can be system generated such as registration/points letters, annual review reminders, and some homeless decision letters.

1.12.5 The IT software will be specified to reflect the housing allocations scheme, and will accurately award the relevant points as an application is added to the register,

and automatically add time points at the appropriate time. Applicants can select as many areas of the borough as they wish, and the software will give an accurate position on the housing register for each of the areas selected, although this will vary from time to time as applicants are rehoused and others join the register. This will ensure fairness and consistency for customers, and enable them to have a realistic indication of their likelihood of being offered accommodation. Also officers will be able to interrogate the system and deal with enquiries promptly and accurately.

- 1.12.6 This phase would involve either the update of the Civica system to incorporate housing advice and homelessness modules not currently supplied to Russet Homes, or the procurement of a bespoke system from another supplier, subject to budget approval etc. Members should be aware that from initial discussions with IT software providers the potential cost of a bespoke in house system could be in the region of £40K-£80K. This needs to be considered against other bids for capital resources during the next review of the capital plan.

1.13 Proposed Staffing Levels

- 1.13.1 In order to deliver the new services, a number of new posts are required to ensure that all the additional duties are covered. Changes to the housing strategy and enabling role have been endorsed following the previous report to General Purposes Committee of 26 June 2007. These changes have been factored in to the existing structure which reflects growth amounting to £14,468 at top of scale and including on costs. The proposal is to increase the current staffing within the housing needs team by the addition of a further five full time posts to reflect the increased workload in delivering these services. However, it is likely that two of these posts will be filled by officers already working in the team - the housing adviser currently on secondment from Russet Homes (subject to TUPE arrangements), and the housing officer who is employed on a permanent contract but is not included on the permanent staffing establishment, and whose post is effectively deleted in the restructure.
- 1.13.2 In considering the case for establishing a new in-house staffing structure, benchmarking with all 'good' or 'excellent' rated local authorities in the south east was undertaken. See **[Annex 1]**.
- 1.13.3 It can be seen from **[Annex 1]** that the proposed new structure is below the average staffing levels of all south east LSVT councils making up the cohort. However, careful consideration has been given to the suggested posts in light of what is considered to be a minimum level of staffing to improve service delivery and in light of the budgetary pressures facing the Council.
- 1.13.4 An overview of the current and proposed structure is provided at **[Annex 2]**.
- 1.13.5 The net cost of the staffing restructure will generate a modest growth of £1,295. The cost of the existing structure in 2007/08 is supported by a contribution of

£11,000 from the Housing Earmarked Reserve, which is finite. The long term additional cost to the Council will rise by this amount to £12,295.

- 1.13.6 It is intended to fund the additional staffing costs involved from savings in the contract payment to Russet Homes (£168,800 per annum). It is also anticipated that the shortfall in funding will be off set at least in part by future savings in bed and breakfast expenditure as the homelessness prevention service becomes embedded. This of course cannot be guaranteed but will be monitored over time. A contribution of £40K per annum is also currently received from central government to support homeless prevention.
- 1.13.7 The proposed changes to the establishment and the financial implications arising will be presented to a future meeting of the General Purposes Committee. A summary is provided for Members' information at **[Annex 3]**.
- 1.13.8 Informal discussions have been held with those staff affected by the restructuring proposals. Formal consultation will now be carried out to ensure the effective return of the service and to address any staff concerns arising from the proposals.

1.14 Legal Implications

- 1.14.1 The Council has a legal duty to determine housing need in the borough, and to produce an allocations scheme which explains how affordable housing is allocated to those in housing need. The housing register is the means of holding a list of those seeking rehousing and for recording their priority under the allocations scheme.
- 1.14.2 The Council is required to provide an advice and information service about homelessness and the prevention of homelessness to anyone in the borough, free of charge. The Council is also under a legal obligation to make enquiries into the circumstances of people who approach as homeless or threatened with homelessness, and to determine whether a duty to accommodate exists.

1.15 Financial and Value for Money Considerations

- 1.15.1 The resourcing of the return in-house of the service is judged to be appropriate to ensuring that the needs of residents are properly served. The structure compares favourably with those of other similar authorities and we are satisfied that the arrangements constitute value-for-money and a cost effective solution.
- 1.15.2 The contract sum payable to Russet Homes will provide the bulk of the means for paying for the new structure. However, there is a potential shortfall in the long term. In the short-term that shortfall can continue to be offset by a contribution from a housing 'earmarked' reserve intended to fund measures to reduce homelessness. Once that reserve is depleted and including the additional costs of a TUPE transfer, the shortfall is £12,295 per annum when costed at top of the grades of posts **[Annex 3]**.

- 1.15.3 The actual salary costs of the new structure will be less in the short-term than stated in this report because most, if not all, posts will be filled at salaries below the maximum.
- 1.15.4 However, it is our intention to seek to meet any shortfall into the longer-term from future savings in bed and breakfast expenditure. Hence the aim is that this growth will be absorbed by savings within this budget area. This will be monitored and reviewed as the new service develops.
- 1.15.5 The further costs associated with this new service area are IT related. The forthcoming review of the Capital Plan will need to consider a bid for additional capital expenditure to meet the costs of acquiring new software to support operating the housing register, homelessness and housing advice services. In the meantime, the costs of an interim solution through Russet Homes involving £2,000 initial implementation costs and £5,000 per annum for an anticipated maximum of two years need to be factored into draft estimates and be considered by Members alongside other areas of growth in expenditure.

1.16 Risk Assessment

- 1.16.1 Failure to properly assess housing need and homelessness would leave the Council open to legal challenge.

1.17 Recommendations

Cabinet is **RECOMMENDED** to:

- 1.17.1 **ENDORSE** the proposed arrangements for providing housing register, homelessness and housing advice services when the service returns in-house by 31 March 2008;
- 1.17.2 **ENDORSE** the proposed resourcing of the service as explained in this report but subject to the endorsement by General Purposes Committee of the changes to the staffing establishment;
- 1.17.3 **SUPPORT** the proposed means by which it is planned to offset future growth in expenditure created by these staffing proposals;
- 1.17.4 **CONSIDER** the additional short-term expenditure arising from the interim IT solution during the forthcoming budget cycle;
- 1.17.5 **NOTE** the need to review and update the Council's Allocation Scheme; and
- 1.17.6 **SEEK** further reports on the implementation of these service arrangements and in particular, the monitoring and review of nominations and allocations to housing.

Background papers:

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