

HOUSING AND ANTI-POVERTY SCRUTINY PANEL		DATE: 12.09.2017
TITLE Cabinet Member for Housing & Anti-Poverty: Priorities and Achievements		ITEM NO: 5
CHIEF OFFICER Assistant Director Housing (Housing and Safer Communities)	CABINET MEMBER Housing & Anti-Poverty	

1. Purpose of the Report

- 1.1 For the Cabinet Member to update the Housing and Anti-Poverty Scrutiny Panel on their agreed priorities, achievements and the actions taken in response to the challenges and pressures faced by the Housing Service.
- 1.2 This update covers the Cabinet Member Priorities for: 2014-16, 2016-18 and sets out the key issues that the Housing Service is addressing.

2 Summary

- 2.1 In recognition of the scale of the housing challenges that the borough faces, the Cabinet Member, supported by the Leader and Scrutiny Panel set out the case for the establishment of a Housing Directorate. The Chief Executive has now brought forward a paper, Direction of the Council, setting out the proposals to establish a Housing and Safer Communities Directorate.
- 2.2 The Housing Service has completed a stock condition survey and officers are analysing the data so that, in the autumn, Members can agree a comprehensive 5-year investment plan. In addition, the Housing Service is taking the lead role in developing an Anti-Poverty Strategy and in the preparations for Universal Credit, which is due to be introduced for all new claimants in Greenwich in June 2018. The Royal Borough faces significant risks from the implementation of UC and it will present an immense challenge, both in terms of the threat that it poses to the Housing Service's income and increased homelessness demand.
- 2.3 Overall, the level of housing need and homelessness continues to rise especially in London. The Housing Service faces an additional pressure from the Homelessness Reduction Act, due to be implemented in April 2018, which will impose new duties and attendant costs on the

Council. Notwithstanding these pressures, the Housing Service has an outstanding track record in responding to homelessness, so that it is in a strong position in responding to these challenges, compared to many other authorities.

3 Government Proposals

3.1 **Housing & Planning Act 2016**

3.1.1 The DCLG have still not published the draft regulations and guidance, so it is still unknown as to whether the Government will implement their proposal to 'End Lifetime Tenancies', nor have they clarified their proposal to impose a Higher Value Property Levy on local authorities to fund the extension of Right to Buy for tenants of Registered Providers.

3.2 **Conservative Government Election Manifesto**

3.2.1 These are the key items from their manifesto:

- Commitment to build 1.5 million extra homes by 2022 (160,000 built on government land).
- Supporting housing associations to build more 'specialist' housing.
- Halve rough sleeping by 2020 and eliminate it by 2027 by setting up homelessness reduction taskforce that will focus on prevention and affordable housing, and piloting a Housing First approach.

3.2.2 However, there were no legislative proposals in respect of Housing in the Queen's Speech, so we await any future public spending proposals that the Chancellor may announce.

4 Tenant Service Charges

4.1 The Housing Service introduced service charges for council tenants on 13th February 2017, in order to provide a more transparent framework for the collection of charges, which gives tenants a breakdown of their rent payment, covering management and maintenance costs and the service charge, which pays for estate services.

4.2 Tenants' rents will remain the same this year and they will decrease over the next 3 years. The income from service charges will assist the Housing Service to protect investment in our stock and services, mitigating some of the effects of Government's 1% rent reduction policy.

5 Welfare reform, Anti-Poverty measures and the prevention of homelessness

5.1 **Anti-Poverty Strategy**

5.1.1 The Cabinet Member has established a Corporate Group, made up of elected Members and officers from all departments, to co-ordinate the development of an Anti-Poverty Strategy. This group is supported by an Officers' Group which will develop detailed proposals and delivery plans; these will include specific proposals to manage the impact and minimise the risks from the introduction of Universal Credit.

5.1.2 The Housing Service is leading on the development of the Anti-Poverty Strategy and officers will be organising consultation workshops on the draft strategy with Members and key stakeholders over the next 3 months.

5.1.3 The key elements of the Anti-Poverty strategy that the corporate group are developing include:

- The primacy of employment and housing affordability in tackling poverty
- Local growth and development plans helping to release suitable and skilled jobs
- Creating, facilitating and supporting the development of the digital economy and services across the borough
- Policy shifts and alignment with other relevant, linked and associated strategies and policies including the Fairness Commission's recommendations, which will be incorporated within the Anti-Poverty Strategy
- Meaningful preventative initiatives to ensure sustainment of tenancies
- Robust and effective partnerships to help plug any gaps in service provision
- Developing a strong evidence base and accurate forecasting models to help shape and inform business decisions

5.2 Risks and challenges from Universal Credit

- RBG faces a significant risk to its revenue from the introduction of Universal Credit, which will be paid direct to our customers. The Housing Service has an annual rent roll of £117m and housing benefit receipts of £58m. At present, the live Universal Credit service in Greenwich is limited to single claimants with no support needs. The full service is due to roll-out for all claimants in June 2018. In all areas where the Government has introduced UC there has been a substantial increase in arrears, for example Hounslow indicated in data supplied to the DWP that 77% of their tenants on UC were in rent arrears and Southwark indicated that arrears for tenants on UC rose by 30%, 3-5 months after their claim.
- Private Rented Sector (PRS) remains insecure through affordability pressures and an increased risk of evictions
- Lack of integrated data which hinders our ability to segment, stratify and minimise risk for residents and the Council
- Weak labour market reflected by in-work poverty, under-employment and the proliferation of low skilled, low paid and insecure jobs
- Cumulative impacts of austerity, welfare reforms, overall reduced eligibility to working age benefits and reduced household incomes
- Resourcing pressures and capacity both internally and with local partners
- Housing Association shift towards a more commercial footing and the withdrawal and dilution of support for social tenants and the resultant impact on increased evictions and homelessness
- Identifying, assessing, engaging and managing vulnerable customers including those with mental health issues

5.3 Welfare Reform

- 5.3.1 The Welfare Reform Team (WRT), based within the Housing Options and Support Service (HOSS), continues to provide advice and support to families affected by the Total Benefit Cap (TBC), Under Occupation Charge and other welfare reforms. Those affected by the cap are likely to accrue rent arrears as the reduction in their housing benefit allowance will increase the shortfall they are required to pay towards their rent. The multi-disciplinary team supports residents to look for

and secure employment, which will exempt them from the cap and maximise their income. The team may also assist residents in applying for a Discretionary Housing Payment (DHP) in order to sustain their tenancy and support under-occupying tenants to downsize to smaller, affordable properties.

5.3.2 The TBC was further reduced to £23,000 per annum from November 2016. The WRT has been working to contact the 329 households in Greenwich borough who have been affected by the further changes to the cap level. By 31 March 2017, the WRT had met with and assessed 583 of the 951 households who have been affected by the implementation of TBC since September 2013. From these 583 households, 252 have become exempt from the cap due to securing employment of some kind.

5.3.3 As well as improving the downsizing tenant's financial situation, the under-occupation scheme releases larger properties for families on the housing register, which continue to be extremely limited and in very high demand. Between September 2013 and March 2017, the WRT met with and assessed a further 523 tenants affected by the Under-Occupation charge (social size criteria). From these households, a total of 121 tenants were supported into employment of some kind. During 2016/17, the WRT and Allocations Team assisted 105 council tenants affected by the Under-Occupation charge to downsize into smaller council properties. This is a 26% decrease on the previous year, when the teams achieved 142 moves through the scheme.

5.3.4 There are a number of factors that have affected performance in this area. Discretionary Housing Payment (DHP) is being paid to 415 tenants - 33% (as at end of May 1236 council tenants are affected by the under occupancy charge) who are affected by the under occupancy charge and as a result there is little incentive for these households to downsize. Additionally, the numbers of available voids have been significantly lower than expected, in comparison with previous years, and this has impacted on the lettings to this and other groups in housing need.

6. Homelessness

6.1 **Homelessness Demand & Developments**

6.1.1 There has been a rise in homelessness in Greenwich and across London, leading to the Council receiving more requests for assistance, particularly from residents facing eviction from private rented accommodation. Therefore, the number of households to whom the Royal Borough has to accept a statutory duty and place in temporary accommodation is increasing sharply. In 2016/17, the number of households accepted as homeless rose to 546, an increase of 21% against the figure of 450 in 2015/16. In comparison to other London boroughs, RBG has lower levels of homelessness but over the last 3 years, due to rising housing rents, high rates of eviction in the private sector and the welfare reforms, homelessness pressures are increasing sharply in the borough.

6.1.2 The freeze of Local Housing Allowance levels in itself has contributed to reducing numbers finding and accessing their own accommodation in the private sector; therefore, having to approach the council for assistance. Rents in RBG can be considerable higher than the current LHA levels. The average rent for a 2 bed in the SE18 post code area is £596 or 69% above the LHA rate and the difference is even greater for a 4 bed at £1189 or 88% above LHA¹.

6.2 **Preventing Homelessness in Temporary Accommodation**

6.2.1 In 2016/2017, Housing Options and Support Service (HOSS), in partnership with other agencies, prevented homelessness in 1759 cases, through the provision of casework, advice and support. The service exceeded the annual target of 1500 and achieved a 4.1% increase in preventions, against the 1689 achieved in 2015/16. RBG's success in preventing homelessness means that the number of households accepted as statutorily homeless and those that are placed in temporary accommodation is significantly less than for most other London boroughs.

6.2.2 As of the 31st March 2017, there were 520 households residing in temporary accommodation. Whilst this is a 17.4% increase in comparison to the year-end figure in 2015/16, it is still a lower number than that reported by the majority of London boroughs and all of

¹ Zoopla / The London Borough of Southwark's Housing Market Trends Bulletin for 2016/17 4th Quarter

those in the south-east sub-region. The numbers fluctuate across the year, currently (June 2017), there are 551 households residing in temporary accommodation. The primary reasons for people requiring TA include loss of private rented or other accommodation and evictions by family or friends.

	31/03/2012	31/03/2013	31/03/2014	31/03/2015	31/03/2016	31/03/2017
Acceptances	186	290	232	364	450	546
TA	235	211	293	397	443	520

Table 1 Homelessness Acceptances and Temporary Accommodation 2012-17

6.2.3 The DCLG awarded Flexible Homelessness Support Grant to Local Authorities on 1 April 2017. Flexible Homelessness Support Grant has been formulated and allocated against the levels of homelessness, family size and housing costs reported in the local authority area. It replaces the Department for Work and Pensions' temporary accommodation management fee. The new grant will allow councils greater autonomy and flexibility in using the funding to support the full range of services to prevent homelessness.

6.3 The Acquisition Programme

6.3.1 A key priority for the Housing Service is to improve the quality and affordability of temporary accommodation, reducing the Royal Borough's reliance on high cost, private sector placements, a significant proportion of which are out of the borough, to that end; the Housing Service in partnership with DRES have carried out a property Acquisitions Programme.

6.3.2 A total of 45 properties have been purchased with the majority being handed-over to Asset Management in late February and March. All the properties are in the borough and all of them, except for one, 1 bedroom property, are family sized accommodation. The properties have been added to the Council's housing stock for use as temporary accommodation, with all repairs being undertaken by Asset Management and day-to-day management by the Temporary Accommodation Team. A total of 24 properties have been handed over to the Temporary Accommodation Team at the end of March and the remaining 21 properties will be available before the end of July 2017.

6.4 Development of Housing Projects

6.4.1 The Housing Service has developed a number of housing projects for specific client groups including two schemes for aspirational single people under 35 years and young parents. These schemes became available for alternative use, following the decommissioning of 2 sheltered housing schemes. The Housing Service agreed funding through the Housing Capital Programme for the refurbishment of these schemes. The 2 blocks are managed by the YMCA who provide intensive housing support, funded via the rents. The scheme consists of 20 dedicated units reserved for teenage parents who receive additional support from Family Mosaic. In addition, the YMCA schemes also provide 30 self-contained properties, within the blocks for use as temporary accommodation for young families, who receive support from the Temporary Accommodation Team.

6.5 Rough Sleeping Projects

6.5.1 The planning and developing of a specialist supported housing scheme for rough sleepers, is in the advanced stages and will be opening later in the year. Given the increased prevalence of rough sleeping, RBG successfully applied for and secured additional funding of £345K from the DCLG to develop a new enhanced rough sleepers' supported housing scheme. This project builds upon our existing provision for single vulnerable adults with a history of substance misuse and/or mental health problems.

6.5.2 The service estimates that it will support 78 rough sleepers over the course of the 2-year funding. This scheme will also provide a 24-hour staff presence and safe seats in the form of short-term assessment beds for up to 5 days. In addition, South East London Partnership (SELHP) has also secured funding of £340K from DCLG to develop a South East London 'No First Night Out' (NFNO) Scheme that is projected to work with 324 people over two years, in order to prevent people in SE London from spending even a single night out on the streets.

6.6 The Homelessness Reduction Act

6.6.1 The HOSS are working with IT and other key services to assess the requirements for the implementation phase of the [Homelessness Reduction Act](#). In April 2017, the Homelessness Reduction Act (HRA)

received Royal assent and is due to be implemented in April 2018. The Act introduces [new duties](#) for local authorities:

- Duty to take steps to prevent homelessness: the HOSS will need to assist those who approach due to be homeless within 56 days. This also applies regardless of whether a landlord has issued a bailiff's warrant or not.
- Duty to assess needs and issue Personal Housing Plans to every customer who is homeless or threatened with homelessness.
- Duty to take steps to relieve homelessness: The HOSS will be required to help all those who are homeless to secure suitable accommodation, regardless of whether they are 'intentionally homeless' or in priority need.
- Duty to Public Services to notify the Council if they come in contact with someone who may be homeless or threatened with homelessness.

6.6.2 The Department of Communities and Local Government (DCLG), has announced that it will allocate annual funding of £61M over a 3-year period, for LAs in England to meet the additional costs of implementing and delivering the Act. However, the CLG has not yet announced the funding allocations for individual boroughs.

6.6.3 The DCLG are predicting a 26% increase in the number of people presenting as homeless as a result of the new legislation, however, some London Councils estimate that they will see an increase of 40%. This level of increased demand would lead to a parallel increase in the use of temporary accommodation, which the Housing Service would need to procure from high-cost private sector providers. In this context, the Housing Service would face further budget pressures, if these estimates are accurate, as the proposed allocation of funding by the DCLG is considerably short of what would be required.

6.7 **Decanted Woolwich Regeneration Properties**

6.7.1 The Housing Service will continue to use decanted properties within the Woolwich Regeneration Scheme to provide temporary accommodation and reduced market rent private sector lets managed by PA Housing (Formally Asra Housing Group), as housing options to prevent homelessness.

6.8 The Landlord Accreditation Scheme

- 6.8.1 Local Authorities increasingly have to look to the private sector to help prevent homelessness. In addition, welfare reforms have made it more difficult for households on benefits to secure and sustain private sector rented accommodation. Given the increased level of demand for private sector housing and rising rent levels, the Royal Borough has to look at incentives in order to procure good quality, affordable private sector accommodation for households in housing need.
- 6.8.2 Negotiations have led to 103 units of accommodation being acquired from private sector landlords to assist with housing needs. We have also improved living standards to 26 dwellings / units of accommodation, of these 6 were HMO bedsits. In return the authority has access to these properties for up to a period of three years to house vulnerable people threatened with homelessness. A further 25 properties have been approved and will be made available to house vulnerable people upon completion of works. Additionally, we are currently dealing with a further 14 enquiries from landlords.

7. Deliver the Asset Management Improvement Programme (including Right first time, Damp, Void turnaround, Commission stock condition survey)

- 7.1 The Housing Service has commissioned Savills to carry out a comprehensive stock condition survey; so that we have robust data, on which, we can make decisions on long-term investment in the Council's stock. Following the completion of the survey, the Council will have a 100% sample of all the external areas of its properties and a 20% sample of internal areas.
- 7.2 Officers will review the data from the stock condition survey against the assumptions made in the 30-year business plan. The results will update the business plan and enable RBG to develop investment plans for the use of its resources over the short, medium and long term (1-30 Years).
- 7.3 Typically, the investment need may be greater than available resources, if so, an investment planning exercise will need to be carried out to align priorities to available resources within the business plan.

Timeline for Implementation

Activity	Timeline	Notes
Investment Planning (Development of five-year programme)	April – June 2017	Internal review with Finance Department and development of the first draft of investment plan
Development / Review of the Procurement Strategy to influence delivery vehicles (2018-23)	April – May 2017	Initial discussions with the Council's Procurement, Legal and Finance departments to formalise the procurement route for the Capital Investment Programme.
Scoping surveys in advance of the 2018-23 Programme	April – July 2017	Detailed scoping surveys undertaken to feed into 2018, the first year of 5 year programme, in order to provide clear scope of works for Framework contractors.
Communication Strategy / Planning	May 2017	Development of Consultation Planning tools; area/ scheme specific.
Development of the Asset Management Strategy / Principles of Investment	July 2017	First draft based upon current available information. Review required for Gold Standard AMS 2019
Procurement of framework to deliver 2018-23 Programme	August 2017 – April 2018	OJEU compliant tendering exercise to be undertaken, with internal stakeholder involvement in development of the Strategic Client Brief
Leaders Informal Meeting	September 2017	Meeting with Cllrs to inform them of the 2018-23 Programme
Formal Approval of Five Year Plan (Cabinet Report)	October 2017	Publication of Five Year Investment plan 2018-2023
Keystone Implementation (go live date 2 April 2018)	April 2018	Asset management database implementation to manage the Council's assets, including all statutory compliance risk areas

7.4 The Housing Service is developing a Transformation Plan for the Asset Management & Repairs Service. A Programme Board has been set up to monitor progress of the individual projects identified within the respective service area. Each project will have a dedicated project team who will make recommendations to the Programme Board, which will lead to the required service improvements.

Operations	Customer Service and Access	HR & Workforce Development	Quality Performance, Assurance & Improvement	Finance and Value for Money	Capital Work & Improvements
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Occupied Repairs	Contact Centre	Apprenticeships	KPI Development	Benchmarking AM costs	Investment Planning 2018-2023
Voids	Repairs Reporting and Self Service	Workforce Planning	Dashboard and Balanced Scorecard	Vehicle Procurement	Asset Management Strategy
Gas Servicing	Complaints & Casework	Salary Bandings & Out of Hours Service	Intelligence and Best Practice		Procurement of Delivery Vehicle(s) to deliver future programmes (2018-23)
Planned Cyclical Works	Customer Engagement and Consultation	Asset Management Transformation	Statutory Compliance		Scoping Surveys (de-risking of assumptions made)
Stores and Stocks	Customer Incentive Scheme	Future Skills and Service Needs			Capital Works Consultation Strategy
Damp					Data Integration (Keystone Implementation)

7.5 The overarching transformation plan is still in the early stages of development, however, several priority projects have already commenced, namely, Voids, Complaints & Casework, Salary banding, KPI development, Investment Planning and development of the Capital works consultation strategy. Further reports on progress through the Transformation Plan will be made available and will detail progress against the individual projects as listed.

8 Tenant Engagement

8.1 The Housing and Anti-Poverty Scrutiny Panel has made recommendations for tenant and leaseholder engagement. The Panel's recommendations for modernising and enhancing the existing arrangements will be considered by Cabinet.

- 8.2 The review has mapped the existing arrangements for tenant and leaseholder engagement, in order to assess effectiveness in terms of participation, diversity, benefits and cost effectiveness. In addition, the Review examined any potential links with other Council engagement activities (including Better Together and Safer Neighbourhood meetings), and considered the potential to maximise the use of online methods to engage with tenants and leaseholders.
- 8.3 The initial findings from the Review have shown that there is a need to increase the number and range of participants (e.g. age and diversity), to extend the range of digital options for engagement and to develop methods of engagement which are more outcome focused. The review includes a proposal to set up Housing Service Panels which could carry out in-depth review of key services with tenants and leaseholders (e.g. repairs, caretaking) and a proposal to include a surgery time for tenants to meet with Members and officers prior to Estate Inspections.
- 8.4 The Housing Service carried out consultation in February via an online survey (open to council tenants and leaseholders) and via an engagement event (for existing representatives). A high response rate was received to the online survey (332 responses, including 180 responses from residents who had not previously engaged with Royal Greenwich), indicating that this method of engagement could be used more in future to capture residents' views. The recommendations for a new framework for engagement are based on consultation and benchmarking. The Review Group produced a report with recommendations in April 2017. An update on the Review will be given at Local Housing Panel meetings in June / July 2017.
- 8.5 Following the recent introduction of Service Charges, the Housing Service is reviewing tenant input into the services they fund, initially focusing on Caretaking and Estate Cleaning Services. The intention is that the Housing Service will set clear service standards and develop a Tenants' Charter.

9. To work collaboratively with the Regeneration portfolio holder to deliver new homes in line with RBG growth strategy through the schemes available. Develop a Programme to apply RTB receipts to increase supply of truly affordable housing including role of MHS

9.1 There was no 'new build' work planned in this financial year, however the Local Authority New Build Team have a proposed 'LANB Round 6' scheme and estimate reports with the Leader for consideration. This will use £2.76m RTB receipts over the next 18 months.

Cabinet have given approval for the disposal of 3 sites to Meridian Home Start and the funding for development. This will use £8.2m RTB receipts over next 3 years.

9.2 The target for of delivering 400 affordable new homes in the borough was exceeded; with 473 properties completed in 2016/7. (Gross figure between Registered providers and LANB); with a breakdown as follows:

Table of Affordable Housing delivered in 2016/17

Schemes	One Beds	Two Beds	Three Beds	Four Beds	Total Units
Master Gunners 2 (SO)	5f	5f			10
Master Gunners 2 (AR)	9 f	32f			41
Master Gunners (GN)			13 Houses		13
GP plot MO116 (SR)	18f	24f	18f		60
GP plot MO116 (SO)	5f	14f			19
GP Plot MO 104 (GN)	9f	40f	25f	4f	98
GP Plot MO103 (GN)	18f	33f	20f		71
Norman Rd (BPTW) rent	7f	19f	12f		38
Norman Rd (BPTW) SO	6f	10f	12f		20
Creek Rd Bardsley Lane Rent			1f	1f	2
Creek Rd Bardsley Lane SO	5f				5
50 Abbey Wood Road AR	4f	14f			18
Kidbrooke Phase 5 Block B SO	1f	10f			11
GMV Block 210 Rent	3f	5f	3f		11
GMV Block 210 SO	1f	3f			4
Maybloom AR			4f	3f	7

RTB	1f	5f and 5Houses	33 Houses	1House	45
Master Gunners 2 (SO)	5f	5f			10
Master Gunners 2 (AR)	9 f	32f			41
Master Gunners (GN)			13 Houses		13
GP plot MO116 (SR)	18f	24f	18f		60
GP plot MO116 (SO)	5f	14f			19
GP Plot MO 104 (GN)	29f	40f	25f	4f	98
GP Plot MO103 (GN)	18f	33f	20f		71
Norman Rd (BPTW) rent	7f	19f	12f		38
Total					473

Key: SO – Shared Ownership, AR – Affordable Rent, GN - General Needs, F - Flat, SR – Social Rent

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