

Appendix A – HRA Budget and Rent Setting 2021-22

HRA MTFS Project Initiation Documents (PIDs)

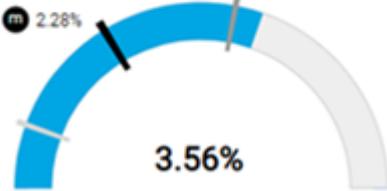
1. General Information	
Service Area	Housing Services
Ref No	HRAI
Department	Housing & Safer Communities
Description	Tenancy Service Efficiencies
Equalities Impact Assessment	This will have no equalities impact as it relates to vacant posts and there will be no change to service provision.
2. Detailed Proposal	
<p>Opportunity to delete vacant posts from budget leading to £180k saving from base budget.</p> <p>These posts have been left vacant in expectations of saving requirements.</p> <p>These posts are from Tenancy Management, across Caretaking, Tenancy Enforcement, Unauthorised Occupation Team and Income.</p> <p>These will be vacant posts so no redundancy costs and due to them being vacant will have no impact on services.</p> <p>Is there a Direct Impact on Residents? No</p> <p>High-Level Timeline</p> <p>Start of 21/22</p> <p>Challenge in Delivery - Low</p> <p>Investment Required? No</p>	
Director’s Comments and Service Impact	
These efficiencies will have no impact on front line services.	
Staffing Impact:	
No impact on staff	
3. Proposed Estimated Cumulative Savings (£’000)	
Financial Year	Additional Annual Saving
2021/22	£180
2022/23	£180
2023/24	£180
2024/25	£180
Effective Implementation Date	

I. General Information																									
Service Area	Repairs and Investment																								
Ref No	HRA 2																								
Department	Housing & Safer Communities																								
Description	Making savings from new contracts and managing them well																								
Equalities Impact Assessment	There are no equalities impact to this savings proposal																								
2. Detailed Proposal																									
<p>The Repairs and Investment service has lead responsibility for managing responsive repairs and works to empty properties (voids) within the Housing Revenue Account.</p> <p>These works are delivered mostly through in-house provision, but some works are issued to contractors retained on measured term contracts where the works are of a more specialist nature, complex or where the in-house team does not have capacity. New contracts are being let from December 2020 which have been tendered using a pricing model widely known to the market, and the new contracts are expected to be more cost effective based on analysis undertaken by our retained Quantity Surveyors.</p> <p>The principal gains to be had are in relation to voids costs and management. In addition to more competitive pricing, further savings are modelled based on improvements in work planning and scheduling, and better contract management, which will also improve resident satisfaction with the process.</p> <p>During 2019/20, £8.4m was spent through contractors on responsive and void works. Half of this was on voids. The figure is substantially reduced in 2020/21 due to cessation of all non-emergency works during Covid lockdown and immediate aftermath. The analysis focusses on voids works. It is projected that whilst average costs of voids works can be reduced, higher numbers of voids in 2021/22 and 2022/23 will impact on the overall savings profile.</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>2020/21</th> <th>2021/22</th> <th>2022/23</th> <th>2023/24</th> <th>2024/25</th> </tr> </thead> <tbody> <tr> <td>Major Works Savings (%)</td> <td>-</td> <td>10%</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Minor Works Savings (%)</td> <td>-</td> <td>10%</td> <td>5%</td> <td>-</td> <td>-</td> </tr> <tr> <td>Reduction from base (£)</td> <td>-</td> <td>£50k</td> <td>£375k</td> <td>£837k</td> <td>£837k</td> </tr> </tbody> </table> <p>Is there a Direct Impact on Residents - Yes</p> <p>Efficient processes and better contract management should enable higher resident satisfaction.</p> <p>High-Level Timeline</p> <p>Mobilise new contracts from Dec 2020 with improved contract management arrangements and work planning, enabling savings from 20/21.</p> <p>Challenge in Delivery - High</p> <p>Performance in this area has been challenging for a number of years, and significant changes are needed to enable the benefits to be realised.</p> <p>Investment Required? No</p>			2020/21	2021/22	2022/23	2023/24	2024/25	Major Works Savings (%)	-	10%	-	-	-	Minor Works Savings (%)	-	10%	5%	-	-	Reduction from base (£)	-	£50k	£375k	£837k	£837k
	2020/21	2021/22	2022/23	2023/24	2024/25																				
Major Works Savings (%)	-	10%	-	-	-																				
Minor Works Savings (%)	-	10%	5%	-	-																				
Reduction from base (£)	-	£50k	£375k	£837k	£837k																				
Director's Comments and Service Impact																									
<p>This saving is a result of a robust and effective procurement exercise. At present subcontractors can deliver voids work at a lower rate than our direct labour teams. As direct labour teams become more productive and efficient, this may change, and in these circumstances will be possible to step up direct empty property works and step down our use of subcontractors.</p>																									
Staffing Impact:																									

No staffing impact

3. Proposed Estimated Cumulative Savings (£'000)

Financial Year	Additional Annual Saving
2021/22	£50
2022/23	£375
2023/24	£837
2024/25	£837
Effective Implementation Date	

I. General Information	
Service Area	Housing Services
Ref No	HRA 3
Department	Housing & Safer Communities
Description	Current and Former Tenant Arrears Reduction
Equalities Impact Assessment	This work will allow a greater analysis of the diversity strands of those in rent arrears. Earlier chasing and greater early work with those at risk of falling into debt should have a positive (ie lessening) impact on evictions.
2. Detailed Proposal	
<p>One off cash injections into budget by new approached to collection of both former and current tenant arrears.</p> <div style="border: 1px solid #ccc; padding: 10px; margin: 10px 0;"> <p style="text-align: center;">Former tenant rent arrears %</p>  </div> <p>Current arrears within RBG Housing Stock stands at 5.39% - £7,015,262. Former tenant arrears stands at £5,341,823. On benchmarking both of these figures we are higher than other authorities and the above visual shows that for Former Tenant Arrears we are 3.56% compared to a HouseMark median of 2.28%</p> <p>Plans for the Housing System investment programme will bring forward new functionality on the Northgate system that is currently used to be able to better target income collection including arrears and FTA and allow a greater level of collection.</p> <p>This however will be a “one-off” increase in income which will reduce arrears and give a “cash injection” to the HRA.</p> <p>This will not lead to a “higher” level of enforcement, rather better reporting allowing greater visibility and early warning of those getting into debt.</p> <p>Is there a Direct Impact on Residents - No</p> <p>High-Level Timeline</p> <p>22/23 and 23/24</p> <p>Challenge in Delivery - Medium</p> <p>Reliant on new Housing system implementation giving greater depth of reporting and ability to chase arrears more efficiently.</p> <p>Investment Required? No</p> <p>Not specifically for this project. Project to improve Housing Management systems are funded separately but will allow for this PIDs impact.</p>	

Director's Comments and Service Impact	
This will have a positive impact on the rents service in terms of performance and resident satisfaction.	
Staffing Impact:	
None	
3. Proposed Estimated Cumulative Savings (£'000)	
Financial Year	Additional Annual Saving
2021/22	£
2022/23	£300
2023/24	£500
2024/25	£
Effective Implementation Date	

1. General Information																			
Service Area	Housing Services																		
Ref No	HRA 4																		
Department	Housing & Safer Communities																		
Description	Tenant Service Charge Review																		
Equalities Impact Assessment	The effect of this review and any changes in service charges will be monitored by diversity characteristic to ensure that there is not a disproportionate impact on arrears of tenants with protected characteristics.																		
2. Detailed Proposal																			
<p>Ensure tenant service charges reflect the full cost of service delivery, and that all charges levied can be covered by Universal Credit/ Housing Benefit to minimise any potential financial hardship on residents where charges are increased.</p> <p>On benchmarking with other London local authorities, RBGs tenant weekly service charges are below average and there is the possibly to legally increase these:</p>																			
<table border="1"> <thead> <tr> <th>Southwark</th> <th>Lewisham</th> <th>Croydon</th> <th>RBG</th> <th>Westminster</th> <th>Havering</th> <th>Enfield</th> <th>Lambeth</th> <th>Barking & Dagenham</th> </tr> </thead> <tbody> <tr> <td>Total £9.25</td> <td>Total £11.37</td> <td>Total £12.34</td> <td>Total £14.15</td> <td>Total £16.27</td> <td>Total £18.78</td> <td>Total £20.59</td> <td>Total £24.78</td> <td>Total £35.53</td> </tr> </tbody> </table>		Southwark	Lewisham	Croydon	RBG	Westminster	Havering	Enfield	Lambeth	Barking & Dagenham	Total £9.25	Total £11.37	Total £12.34	Total £14.15	Total £16.27	Total £18.78	Total £20.59	Total £24.78	Total £35.53
Southwark	Lewisham	Croydon	RBG	Westminster	Havering	Enfield	Lambeth	Barking & Dagenham											
Total £9.25	Total £11.37	Total £12.34	Total £14.15	Total £16.27	Total £18.78	Total £20.59	Total £24.78	Total £35.53											
<p>There are three elements that RBG can implement to legally look to increase this income.</p> <p>Firstly, to ensure that RBG are fully recovering all cost for the current service being provided, in terms of full Caretaking and Cleaning costs. Secondly to ensure that all services being provided are being charged for, such as lift maintenance and Fire Risk Assessments. It is thought that this could increase recovery by up to £600k per annum, with a reasonable mid estimate of £400k.</p> <p>Finally, across the social housing sector, tenant administration fees are typically set at 15% of service costs. The fee is charged for managing and administering activities related to service charges. The Royal Borough of Greenwich are proposing a reduced 5% admin charge which, if applied across all elements of the service charges would represent an increase of £0.72 per week per tenant and an overall additional increase in income for the Royal Borough of Greenwich of £ 1,178m.</p>																			
<p>Is there a Direct Impact on Residents? Yes</p> <p>Increased Tenant Service Charges, however will be covered by benefits for those who already receive them. The combination of these two actions would increase Tenant Service charges individually by less than £1 per week before the annual uplift is added.</p>																			
<p>High-Level Timeline</p> <p>21/22</p>																			
<p>Challenge in Delivery - Medium</p> <p>Need to finalise a reconciliation exercise to ensure that the administration charge is applied appropriately, to the relevant charge headings, and does not represent duplication.</p>																			
<p>Investment Required? - No</p>																			

Director's Comments and Service Impact	
This will not have a service impact.	
Staffing Impact:	
None	
3. Proposed Estimated Cumulative Savings (£'000)	
Financial Year	Additional Annual Saving
2021/22	£1.178m
2022/23	£1.178m
2023/24	£1.178m
2024/25	£1.178m
Effective Implementation Date	

I. General Information

Service Area	Housing Services
Ref No	HRA 5A
Department	Housing & Safer Communities
Description	Garages Income
Equalities Impact Assessment	No equalities impacts are expected from this proposal

2. Detailed Proposal

Royal Greenwich have 3247 garages to rent over 247 sites across the borough, of which there is occupancy rate of about 50% occupied. The garage stock condition like many other Local Authorities across London, have suffered from lack of investment and maintenance. The stock has been managed on an ad hoc approach to garage maintenance and refurbishment and some of the more problematic sites have either been disposed of or demolished.

Royal Greenwich had extremely low rents which benchmark lower than similar authorities:

Southwark	Lewisham	Croydon	Newham	Ealing	Islington	RBG
£16.30 - £35.50	£11.41 - £16.77	£14.00	£13.99 - £16.75	up to £20	£10.84 - £46.84	£1.86 - £8.69

There is currently significant demand across the borough for Garages, either for car parking or storage for residents.

This PID proposes to increase the weekly charge for garages in line with other boroughs.

An annual increase of £4 per week per garage, to bring RBG more in line with rental across London. This will increase income by an estimated £336k per year.

Is there a Direct Impact on Residents – Yes

Increase in garage rental charges.

High-Level Timeline

21/22 to 23/24

Challenge in Delivery – Medium

Increase in rents can be done as part of the February rent setting report.

Investment Required? – No

Capital spending required to bring garages back into use.

Director's Comments and Service Impact

By increasing these rents it will allow a greater level of investment back into the garage stock, bringing more of them back into use. This will both help meet current demand but also improve the look and feel of our neighbourhoods.

Staffing Impact:	
None	
3. Proposed Estimated Cumulative Savings (£'000)	
Financial Year	Additional Annual Saving
2021/22	£250
2022/23	£336
2023/24	£336
2024/25	£336
Effective Implementation Date	

I. General Information	
Service Area	Repairs and Investment
Ref No	HRA 6
Department	Housing & Safer Communities
Description	Increased DLO productivity and doing more
Equalities Impact Assessment	A more productive and customer focused repairs service will have a positive impact for tenants who need repairs, across all the diversity characteristics of our tenants.
2. Detailed Proposal	
<p>The Repairs and Investment service delivers responsive maintenance, asset management and capital works, and landlord compliance for the Council's Housing Revenue Account properties. The Council currently has c20k tenants and c5k leaseholders.</p> <p>A number of changes are being delivered to help improve productivity going forward. These include:</p> <p>Changes to the Pay and Reward Scheme to make the current bonus banding scheme more aligned to productivity</p> <p>System improvements to enable better job scheduling and progression – more jobs and more right first time</p> <p>Re-allocating resources to areas of demand e.g. voids and new work such as planned maintenance which will help better maintain the council's assets and reduce responsive costs going forward. NB, there is typically a significant time lag (c5 years) between planned maintenance programmes being delivered and any noticeable reductions in responsive demand.</p> <p>Within this PID, there is an assumption based on the age and demographic of the operative workforce that there will be some natural reductions in operative numbers going forward. This will help to reduce costs whilst also enabling remaining staff to maximise their bonuses through available work.</p> <p>Is there a Direct Impact on Residents - Yes</p> <p>Improved productivity and better systems and processes will enable more jobs being carried out first time.</p> <p>High-Level Timeline</p> <p>Pay and Reward changes expected to come online from spring 2021 subject to agreement. Systems changes will continue into 2021/22 and 2022/23.</p> <p>Challenge in Delivery - High</p> <p>The current scheme has not previously been applied properly and no downward movements have taken place for 6 years. Moving to the new system may be a challenge for some. Savings from applying the new scheme are modelled based on assumptions. If staffing levels do not fall naturally going forward, the savings profile will be significantly affected.</p> <p>Investment Required? Yes</p> <p>Offset investment to fund Planned Maintenance. Potential need for investment if staffing levels need to be reduced through early retirement / redundancy going forward.</p>	
Director's Comments and Service Impact	
<p>This proposal is at the heart of a more productive and efficient in-house direct labour repairs service. As the service becomes more productive, it is expected that more work can be run through the in-house team, leading to reduced sub-contractor costs and, potentially, the recruitment of new trades operatives and apprentices.</p>	

Staffing Impact:

A more productive service will undertake more work per operative. Through natural retirement therefore, it is possible that there may be smaller teams in some trades. In the longer term however, as productivity increases and more work is undertaken, it is also possible that new operatives and apprentices will need to be recruited.

3. Proposed Estimated Cumulative Savings (£'000)

Financial Year	Additional Annual Saving
2021/22	£250
2022/23	£875
2023/24	£1435
2024/25	£1920
Effective Implementation Date	

1. General Information	
Service Area	Housing & Safer Communities (Housing Strategy & Improvement)
Ref No	HRA 7
Department	Housing & Safer Communities
Description	Digital Repairs
Equalities Impact Assessment	A more responsive and easy-to-use repairs service will have a positive impact for tenants who need repairs, across all the diversity characteristics of our tenants.
2. Detailed Proposal	
<p>Repairs Online Portal: Summary: A channel shift project needing upfront investment in a Digital Offer for booking repairs leading to a reduction in contact centre spend.</p> <p>The 3 key pieces of software that we will invest in are;</p> <ul style="list-style-type: none"> • Housing Online • InterFinder and • Repairs Finder <p><i>Housing Online</i> - An initiative to re-engineer the way residents engage with the council about repairs to their home and communal areas, through providing an accessible and easy-to-use online portal, covering all aspects of our repairs and maintenance service.</p> <p>Residents will be able to request repairs and book appointments online, and to check on the current status of previous repairs requested to their properties and communal areas, and to chase these online, if necessary.</p> <p><i>InterFinder</i> - Residents will be able to report their repair requests using the “InterFinder” repairs diagnostic tool, which uses pictures to make the functionality easy to use. The functionality will be fully integrated with the council’s online portal, with a single sign-on and a seamless user experience.</p> <p><i>RepairFinder</i> - For residents who still choose to contact us by phone, we plan to improve the process of taking the details of their repair requests by implementing the RepairFinder graphical repairs diagnostic tool, similar to the InterFinder tool within the Repairs Online Portal. This is fully integrated within our NPS Housing system and is used by dozens of councils across the country.</p> <p>This will help reduce call handling times and increase the accuracy of works orders, increasing the number of jobs completed “right first time”, and reducing the need for further work by repairs back-office staff.</p> <p>Reduced cost: Online transactions are significantly less expensive than those carried out by phone or face to face:</p> <p>Typical transaction costs are: Online = £0.15; Phone = £2.83; Face-to-face = £8.62 (Source: SOCITM).</p> <p>In 2019/20 the HRA was recharged approximately £1.4M for Customer Service provision. This relates to around 80,000 contacts per year from a variety of sources including; email, phone and face-to-face. Logging repairs makes up the vast majority of this (83%) at an approximate average cost per contact of £34. We expect the channel shift to digital by default to result in a better customer experience and deliver efficiencies in the cost of service provision.</p> <p>Is there a Direct Impact on Residents? – Yes</p> <p>This implementation will allow residents to contact us about their repairs online, at their convenience at any time.</p>	

It will help us to reduce call handling times in our contact centre, and improve the accuracy of works orders, increasing the number of jobs completed “right first time”.

High-Level Timeline

We believe we can implement the functionality within six months of recruiting the proposed project team to implement this and other improvements as part of the Housing Improvement Programme.

Challenge in Delivery - Medium

We have encountered a huge amount of good will from housing staff enthusiastic for change and improvement, after so many years of no investment. This has been demonstrated in the high response rate for the staff survey, the lively turnout at the workshops, and an extraordinary 91% participation rate in the online training when we upgraded NPS Housing this summer.

However, the effects of the pandemic, and the huge impact on the work of key stakeholders are likely to provide serious challenges in maintaining the engagement of managers and staff, whose knowledge of the business will be critical for designing and configuring this and other improvements.

The make-up of the project team, and our ability to attract people with the right skills and knowledge to enable us to implement this and other improvements within tight timescales will be key to the success of this implementation.

As with many large data systems, the quality of our data in certain areas is poor and incomplete. Improving and completing this data will be an essential first step to achieving many of the programme’s objectives

Investment Required? Yes (see PID HRA 10)

The implementation of this project will be one of the key deliverables of the Housing Improvement Program (HRA 10) and the investment required is contained therein. Investment will be in; Project Team, Software and Consultancy costs.

Obj:

Project Team: Leveraging these financial savings and those from the wider Housing Improvement Programme will require an invest-to-save initiative, with a project team with the necessary skills and experience to carry out the proposed improvements within our challenging timescales. We intend to recruit these on permanent and fixed term contracts to reduce costs and retain knowledge and capacity after completion of the programme.

We have created a detailed cost model, including the cost of the project team, and software and consultancy costs.

Director’s Comments and Service Impact

A channel shift project needing upfront investment in a Digital Offer for booking repairs leading to a reduction in contact centre spend, and an increase in customer satisfaction.

Staffing Impact:

This proposal will undoubtedly change contact demand but any effects on contact centre and repairs staff levels are as yet unknown, and will be evaluated within the context of wider work pressures in both these teams.

3. Proposed Estimated Cumulative Savings (£’000)

Financial Year	Additional Annual Saving
2021/22	£0
2022/23	£100
2023/24	£200
2024/25	£200
Effective Implementation Date	

1. General Information																									
Service Area	Repairs and Investment																								
Ref No	HRA 8																								
Department	Housing & Safer Communities																								
Description	Reletting more homes and faster																								
Equalities Impact Assessment	A faster reletting of empty homes will have a positive impact for tenants who moves into these homes, across all the diversity characteristics of our tenants.																								
2. Detailed Proposal																									
<p>The Repairs and Investment service has lead responsibility for managing empty properties within the Housing Revenue Account. Bringing a home back into use is a complex process involving multiple teams.</p> <p>Typically, bringing an empty property back into use will involve:</p> <ul style="list-style-type: none"> - Tenancy and Income at the outset when the previous tenancy is being terminated - Estate Services to carry out any clearance of the property - Repairs and Investment to undertake any inspections, manage and carry out works and carry out accompanied viewings with prospective tenants - Allocations Team to advertise the property to applicants and/or make any Direct Offers <p>Customer Service Team based at the Woolwich Centre to carry out the sign up and hand over keys to a new tenant</p> <p>Improvements in productivity and processes within these areas will enable voids to be refurbished and relet faster, thereby reducing rent loss to the HRA, and improving resident satisfaction with the process.</p> <p>During 2019/20, 935 homes were relet, of which 739 were General Needs, and 109 were sheltered housing. 87 were Temporary or Supported Housing. This amounted to 4.6% of the total housing stock. Voids rent loss in 2019/20 was 1.33% of rent roll amounting to approx £1.2m. The revised target for void rent loss in 2020/21 (Covid related) is 1.44% or £1.3m.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>2020/21</th> <th>2021/22</th> <th>2022/23</th> <th>2023/24</th> <th>2024/25</th> </tr> </thead> <tbody> <tr> <td>Void rent loss(%)</td> <td>1.44%</td> <td>1.25%</td> <td>1.1%</td> <td>1%</td> <td>0.85%</td> </tr> <tr> <td>Void rent loss (£)</td> <td>£1.3m</td> <td>£1.13m</td> <td>£992k</td> <td>£902k</td> <td>£767k</td> </tr> <tr> <td>Reduction from base (£)</td> <td>-</td> <td>£171k</td> <td>£307k</td> <td>£397k</td> <td>£532k</td> </tr> </tbody> </table> <p>Is there a Direct Impact on Residents – Yes</p> <p>Faster relet times and improved communication will make more homes available for letting and improve new tenant satisfaction.</p> <p>High-Level Timeline</p> <p>Arrangements will be set-up in 2021/22 in readiness for a transition year in 2023/24; the council grant would be phased-out with the final grant paid in 24/25.</p> <p>Challenge in Delivery - High</p> <p>Performance in this area has been challenging for a number of years, and significant changes are needed to enable the benefits to be realised.</p> <p>Investment Required? No</p>			2020/21	2021/22	2022/23	2023/24	2024/25	Void rent loss(%)	1.44%	1.25%	1.1%	1%	0.85%	Void rent loss (£)	£1.3m	£1.13m	£992k	£902k	£767k	Reduction from base (£)	-	£171k	£307k	£397k	£532k
	2020/21	2021/22	2022/23	2023/24	2024/25																				
Void rent loss(%)	1.44%	1.25%	1.1%	1%	0.85%																				
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Reduction from base (£)	-	£171k	£307k	£397k	£532k																				
Director's Comments and Service Impact																									
This is a key area of service improvement that will see positive benefits for residents (faster lettings), neighbourhoods (less empty properties) and the service.																									

Staffing Impact:	
None	
3. Proposed Estimated Cumulative Savings (£'000)	
Financial Year	Additional Annual Saving
2021/22	£171
2022/23	£307
2023/24	£397
2024/25	£532
Effective Implementation Date	

1. General Information	
Service Area	Repairs and Investment
Ref No	HRA 9
Department	Housing & Safer Communities
Description	Restructuring the R&I service to meet future needs (Phase 2 restructure)
Equalities Impact Assessment	Any staff reorganisation will be subject to an equalities screening at the point of consultation, in accordance with the RBG managing change policy.
2. Detailed Proposal	
<p>The Repairs and Investment service delivers responsive maintenance, asset management and capital works, and landlord compliance for the Council's Housing Revenue Account properties. The Council currently has c20k tenants and c5k leaseholders.</p> <p>Phase 1 of the restructure focussed on the Heads of Service layer, bringing in the capacity to take forward and drive the necessary changes that they service needs. Phase 2 was due to be undertaken in the first six months of 2020/21 but dealing with the immediate requirements of Covid, the lockdown and aftermath has meant that the restructure had to be postponed. When finalised, the proposed structure and posts will require detailed consultation with staff in accordance with the Council's Organisational Change Policy. This work will now be taken forward and likely to run into 2021/22 for implementation.</p> <p>Phase 2 involves significant changes and will likely require some initial investment to help support some of the necessary changes. It is therefore not projected to deliver any savings until 2022/23.</p> <p>Is there a Direct Impact on Residents – Yes</p> <p>A key challenge will be to sustain service delivery during the restructure.</p> <p>High-Level Timeline</p> <p>Draft change report agreed by Director Dec 2020. Consultation Jan 2021 – February 2021. Implementation from March 2021 to complete by July 2021.</p> <p>Challenge in Delivery - High</p> <p>The average length of service in the team is 19 years, and there will likely be some apprehension towards change.</p> <p>Investment Required? No</p>	
Director's Comments and Service Impact	
In the longer term, this proposal is an essential part of ensuring that staff are equipped with the right skills, and the right teams have the right capacity to deliver the service that residents need and require.	
Staffing Impact:	
<p>These proposals will result in a modest net reduction of staff in the service, although it is likely that there will be an expansion in some previously under-resourced teams. Some new posts will also be identified with different skills and experience that the service now requires.</p> <p>The complexity of this means that staff consultation will be essential. At present, the affected posts not yet been identified, as the review has not been completed.</p> <p>Any organisational change will be subject to consultation in accordance with the RBG managing change policy.</p>	

3. Proposed Estimated Cumulative Savings (£'000)	
Financial Year	Additional Annual Saving
2021/22	£0
2022/23	£216
2023/24	£216
2024/25	£216
Effective Implementation Date	

1. General Information	
Service Area	Housing Strategy & Improvement
Ref No	HRA 10
Department	Housing & Safer Communities
Description	Housing Improvement Programme
Equalities Impact Assessment	A more efficient and customer focused housing service will have a positive impact for all tenants who received services from the Council, across all the diversity characteristics of our tenants.
2. Detailed Proposal	
<p>Summary</p> <p>A programme of capacity building through training and recruitment and comprehensive improvements to our housing systems and processes to leverage substantial financial benefits through</p> <ul style="list-style-type: none"> - Better performance monitoring and decision-making through improved use of data, - Digitisation (moving customers to more online self-serve options as appropriate) - Greater efficiencies through replacing our existing manual-intensive ways of working with smarter, more automated tools. <p>This will be accomplished by Recruitment of a skilled in-house project team, including roles such as Business Analysts, Technical Experts, Training Officers and Business Experts Purchase & implementation of additional NPS housing modules and functionality that support greater efficiencies Comprehensive process reviews and service design Development of in-house digital products as appropriate for improved customer experience (internal and external customers)</p> <p>The Housing Improvement Programme is the precursor to being able to deliver key service changes & cost reduction PIDS/proposals, specifically; HRA 3. Rent and FTA Arrears Reduction HRA 6. Repairs Productivity HRA 7. Digital Repairs Offer HRA 8. Void Rent Loss</p> <p>Years of under-investment in our housing systems have resulted in inefficient and expensive-to-operate manual processes, which we now need to bring up-to-date, automating where possible, and implementing time-saving new functionality.</p> <p>We aim to make all our Housing services available to residents online, increasing customer convenience, reducing costs, and providing more resilient channels to ensure continuity of service provision. We will radically improve our communications with residents, moving away from our reliance on posted letters to using email and SMS by default.</p> <p>We also aim to greatly improve management control through improved reporting and drill-down dashboards, facilitating greater understanding of the underlying causes of poor performance, and providing better tools for remedying these.</p> <p>We have decided that the quickest and most cost-effective way of achieving these is through investing in and improving our existing housing systems, and have agreed new contracts with NPS, Civica and Advanced, and in support of the council's digital strategy, we are also engaged in discovery projects for other possible solutions for specific solutions.</p> <p>Our PID recognises the central importance of improving our processes, as well as the digital tools we use to manage these, and of training our people how to use these effectively, after five years of having had no training presence in H&SC.</p>	

We have defined in detail the Project Team we will need to implement these improvements and have developed a detailed cost model for the whole programme. We have also worked with housing managers to create a savings model to calculate the expected savings arising from the improvements, in terms of increased revenue collection, reduced costs, and efficiency savings to be gained through replacing our existing manual-intensive ways of working with smarter, more automated tools.

Is there a Direct Impact on Residents - Yes

Our Housing Online implementation will allow residents to carry out most of their day-to-day contacts with us online, including to view and chase repairs to their property and communal areas, request repairs, arrange appointments, view their rent or leasehold service charge statements, report anti-social behaviour, make requests relating to their tenancy, and make housing and right-to-buy applications. All of these will feed directly into our housing system, reducing response times.

High-Level Timeline

We expect the project to last 2-3 years in total, starting with recruiting the project team during the first 5 months. We have developed a detailed draft project plan, with the new functionality implemented incrementally in five phases over a period of two years from the recruitment of the project team.

Challenge in Delivery - Medium

We have encountered significant good will from housing staff enthusiastic for change and improvement, after so many years of no investment.

However, the effects of the pandemic, and the huge impact on the work of key stakeholders are likely to provide serious challenges in maintaining the engagement of managers and staff, whose knowledge of the business will be critical for designing better processes, making important decisions, testing the solutions agreed, and completing training exercises provided.

The make-up of the project team, and our ability to attract people with the right skills and knowledge to enable us to implement so many improvements within tight timescales will also be of critical importance to the success of the programme.

As with many large data systems, the quality of our data in certain areas is poor and incomplete. Improving and completing this data will be an essential first step to achieving many of the programme's objectives.

Investment Required? Yes

The investment will be used to employ a project team on fixed term contracts to reduce costs and retain knowledge and capacity after completion of the programme. The remainder will be used purchase software and associated consultancy to support implementation. A high-level breakdown of the expected expenditure is shown below;

	21/22	22/23	23/24
Staff Costs (£000s)	950	950	950
Software (£000s)	287	0	0
Consultancy & Support (£000s)	237	205	56
Total (£000s)	£1,474	£1,155	£1,006

The improvements will be implemented incrementally, making the savings possible as the programme progresses.

We have created a detailed cost model, including the cost of the project team, and software and consultancy costs.

Director's Comments and Service Impact

The Housing Improvement Programme will unlock efficiencies and improved customer satisfaction across a wide range of housing services. It will complement and work hand in glove with the wider RBG Digital Strategy to provide a coherent roadmap for continuous improvement.

Staffing Impact:

This proposal will involve the recruitment of specialists with specific skills on fixed terms contracts.

3. Proposed Estimated Cumulative Savings (£'000)

Financial Year	Additional Annual Saving
2021/22	£0
2022/23	£0
2023/24	£0
2024/25	£0
Effective Implementation Date	