

Item No 6(a)

COUNCIL

9 AUGUST 2011

REPORT UNDER RULE 2(VI) OF THE COUNCIL PROCEDURE RULES

Report by Councillor Richard Coupland, Portfolio Holder for Housing

As the Portfolio Holder for Housing I am pleased to present my report to this Council summarising the key issues and achievements relating to the work covered by my portfolio, which I have held since May 2011. My portfolio covers all aspects of housing from the “strategic” housing role covering the private and public housing sectors as well as the Council’s “landlord” role in the management and maintenance of the council’s housing stock of some 8,000 homes.

At this point I would wish to place on record my thanks to the previous Portfolio Holder for his contribution to the work and achievements within this portfolio, and to all Housing staff for their hard work and commitment.

Local Authority housing is entering a new chapter with the onset of social housing reforms and the reform of council housing finance through the Localism Bill. I am particularly pleased to see the reforms of council housing finance which will see the outdated and unfair subsidy system being ditched and with the new so called “self financing” regime we look forward to new challenges and an opportunity to build some new council homes.

In presenting this report to you I would like to reflect back on some of the achievements and work carried out and then look forward to the new objectives of the controlling group, so far as they affect my portfolio.

The previous Portfolio Holder in his report to Council earlier this year pointed out the new Regulatory Framework which was introduced in April 2010 by the Tenant Services Authority (TSA) setting out the new national housing standards applied across all social landlords to ensure a fairer deal for tenants.

Following the introduction of the new Framework a considerable amount of work has been carried out to seek to encourage more tenants to get involved in influencing the service provision. The format of the Tenant Advisory Panel has been reviewed and amended to enable tenants to take on a greater scrutiny role and a change of name to the Lincoln Tenant Panel (LTP). We look to build on this and look forward to a long and happy working relationship with all tenant groups.

The Council's Strategic Housing Role

Housing Solutions

The difficult economic climate means the Housing Solutions Team has seen a continued rise in the number of households seeking general housing advice and assistance. The Council continues to emphasise the importance of preventative work by working with applicants in the very early stages to help people threatened with homelessness to remain in their accommodation, or to move in a planned way, rather than stepping in once crisis point has been reached.

During 2010/11 the Housing Solutions Team provided housing advice to 657 households and prevented 363 households from becoming homeless, a significant increase on the figures for previous years. The team uses a range of prevention methods including the provision of rent deposits, referrals to supported housing providers, negotiation with landlords and parents, mediation, a court desk service, a Sanctuary scheme to help victims of domestic violence in their current home as well as re-housing through the Housing Register. During the year, the number of homeless applications rose to 97, with 72 of those households being accepted as eligible for re-housing under the homeless legislation.

To raise awareness of youth homelessness and help prevent it a theatre production was commissioned which plays to year eleven pupils in Lincolnshire schools. The production took place in seven schools and youth organisations in the City. Feedback has been very positive and is seen as a key tool in preventing youth homelessness.

A Rough Sleeper Count was carried out in November 2010 and a total of 8 people were identified on the night. This provides a snapshot only and may be an underestimate of the total numbers. The count was conducted by City of Lincoln Council staff and volunteers from partner organisations. Rough sleeping in Lincoln appears to be on the increase and work with the voluntary sector is ongoing to address this. The building of the new Pathways centre will help address the problem.

At the end of March 2011 there were 3005 households on the Housing Register and this number is growing. Of these 873 were in the "reasonable preference" category and therefore classed as a priority for housing.

The Housing Solutions Team has recently undertaken a Lean System Review with an emphasis on improving the service provided to customers. A pilot has been undertaken in the Abbey, Birchwood and Bracebridge wards of the City. The purpose of the pilot is to ensure that appropriate advice and assistance on a range of housing options is given to people on the waiting list who may have no realistic chance of being rehoused. Instead of automatically submitting housing applications customers are given personalised advice on a range of options which may assist them in obtaining suitable accommodation more quickly.

A range of alternative options are discussed with customers during an initial interview. If a housing application is the most appropriate option, a home visit is arranged to verify the circumstances of the applicant. This means that assessments of housing need are more accurate and those in most need are helped more quickly. The number of applications taken in the pilot area has fallen by over 75% during the period and we are now planning to extend this new way of working across the whole of the City.

Home Energy

The Home Energy Lincs Partnership (HELP) scheme was launched in August 2010 across the County as a means of tackling energy efficiency and fuel poverty in private sector dwellings. It is based on a model City of Lincoln Council used in the Save and Secure Scheme which ran for several years and assisted over 1000 households.

The HELP scheme offers free and discounted cavity wall and loft insulation to owner occupiers and private rented tenants across the County, leveraging in utility company funding under their Carbon Emissions Reduction Target (CERT) as well as extra funding from several other sources. This has helped to ensure that the HELP scheme discounted prices continue to be the lowest in the East Midlands since its launch.

The model has been expanded and improved, and now utilises an area based approach. This takes account of information regarding deprivation and fuel poverty at a ward level to seek to ensure that available funds are targeted at the most vulnerable households across the County

Since the scheme started in August 2010, 865 energy efficiency measures have been installed in the private housing stock across the City. Over 6000 households have been assisted at a County level.

Private Housing

Of the 42,000 dwellings in Lincoln, 32,020 (76%) are privately owned. One third of these have been built since 1980, but nearly one third are pre-1919 terraced properties and it is in this older housing stock where most problems of disrepair and poor housing are found. In the private sector there are an estimated 11,400 properties that do not meet the Decent Homes Standard, and 6,900 of those with serious hazards. It is widely recognised that poor housing contributes to poor health and in particular can contribute to chronic heart disease and injury through trips and falls.

The Council, through its Housing Assistance Policy, continues to target help and assistance to those in the worst housing conditions and in most financial need. In the last financial year the Council awarded grants totalling £223,000 to help 38 vulnerable households live in decent homes. A further 133 vulnerable households were helped with central heating improvements using £480,000 of Government money. This may be contrasted with Warm Front

suspending its activity during the year, and the increase in fuel cost which pushed more people into fuel poverty. It is estimated that there are 48 excess winter deaths in Lincoln, and some may be attributable to fuel poverty.

The private rented sector accounts for one fifth of the whole housing stock in Lincoln, compared to a figure of 12% for England as a whole. During 2010/11 the Council responded to 158 complaints about living conditions in the private rented sector which resulted in some 314 inspections or re-visits. Mostly these were resolved informally, although a small number did require formal enforcement action against the landlord.

Within the private rented sector there are an estimated 2,150 houses in multiple occupation i.e. shared houses and bedsits. The larger, 3 storey properties have to be licensed and there are currently 173 licensed houses in multiple occupation in the City. As the sector continues to expand the need to regulate the sector is likely to grow, utilising enforcement officers and schemes that support the better landlords and agencies.

Last year, despite the difficulties of high staff turnover and recruitment, the Private Housing Team brought about a record number of Disabled Facilities Grant (DFG) completions, 67 in total with a record spend of £503,000. This was a significant help for vulnerable households within the community. The current DFG programme is being delivered by a LEAN pilot team, which is expected to continue for a further 18 months before re-evaluation.

The Private Housing Team continues to contribute to reduction in crime. As well as advising Tenancy Services, helping to deliver the Sanctuary Scheme and assisting households with home secure grants, the Alley Gates Scheme continue to prove to be of exceptional value. Since 2002 some 133 gates have been installed at a cost of £68,085 to the benefit of 689 homes. Shared alley ways, so common in the older, terraced housing, give an opportunity to thieves to force entry into homes through rear doors or ground floor windows.

The physical separation between public and private development is no longer so clear, and within what were conventional council housing estates, there are now significant numbers of privately owned property. The Private Housing Team deals with problems arising from former right to buy properties, and works closely with the Neighbourhood Working teams. Such problems can arise in particular through crime, poor rented property and empty properties.

Long term empty properties are not just problematic but represent a loss of appropriate housing, resulting in additional pressure on other housing. The Countywide Empty Homes Project has been successful in putting together a toolkit of options, and bringing together best practice across the County. The Council is now better placed to deal with the very difficult problem of bringing empty homes back into use where owners do not wish to receive help or co-operate. This project is due to close at the end of March 2012; however the value of the project is being assessed with a view to a Business Case being developed for its continuation. The toolkit is in place but emphasis now needs to be placed on increasing the number of empty homes brought back into use.

Affordable Housing

The City of Lincoln has enabled 203 affordable homes to be provided in 2009/10 and a further 152 affordable homes in 2010/11. The 152 units comprise of 73 social rented and 79 shared ownership homes ranging from one bedroom flats to 4 bedroom houses. The largest provision was at Ruston Way. 22 homes were provided at Fulmer Road to Energy Efficiency Code Level 4 standard due to the installation of a ground source heat pump.

It is anticipated that approximately 155 affordable homes will be constructed in 2011/2012. This includes 14 homes in Newport for over 55's and 16 homes at Boultham Park for vulnerable adults which have already been completed. The Council has also enabled the Places for Change Pathways Project in Beaumont Fee due for completion in mid-November. This will provide the City with a state of the art Homelessness Accommodation Facility comprising of 19 self-contained units with an on-site medical room staffed by local NHS staff, training facilities and a life skills kitchen which will enable the residents to be able to move successfully onto independent living in the future.

The City Council is working closely with the Joint Planning Unit and with our neighbouring authorities in West Lindsey and North Kesteven through the Central Lincolnshire Partnership. Staff are currently involved in an update to the Strategic Housing Market Assessment (SHMA), which will consider the need for additional housing across Central and Coastal Lincolnshire. Although the SHMA is not yet finalised, the continuing need for additional numbers of affordable properties across the area is already highlighted. The Council faces a number of obstacles in its quest to provide these properties including a lack of suitable sites throughout the Vity, reduced grant rates now awarded by the Homes and Communities Agency (if such grants are available in an area), and general difficulties faced by Registered Providers in securing funding to support development. In addition, the prolonged downturn in the economy has resulted in far fewer new developments, which means the Council is not able to secure affordable housing through S106 Agreements.

It has been a long standing aspiration of this Council to build Council Housing and the Housing Revenue Account (HRA) reforms may give us the opportunity of delivering a small development programme of new council housing. In addition I can announce that in keeping with the controlling group's new priorities in '**seeking to increase the number of Affordable Housing**' a pilot new build scheme is currently being worked on with the intent of commencing the construction of 5 new council houses this year.

Tenancy Management

Rent Recovery

The collection of rent continues to a major element of the Council's landlord function as it is fundamental to the delivery of services and a sustainable

business plan. Collection levels remain high with 99.62% of rent due being collected for the whole of 2010/11.

We will be firm but fair in recovering unpaid rent arrears and wherever possible will seek to avoid eviction. There were 21 tenants evicted for non-payment of rent during the year compared to 33 the previous year. This is down to early intervention from staff to help in maintaining tenancies through firm but fair recovery actions to help prevent homelessness.

Empty Properties (VOIDS)

Performance in terms of the time taken to re-let vacant property deteriorated during 2010/11 which was in part as a result of the need to introduce the surveying, testing and removal of any asbestos containing materials in all empty properties. This process resulted in 5-9 working days being added to the overall timescale.

The LEAN Systems review commenced at the back end of last year was too late to recover the performance for the year which ended at an average re-let time of 37 days. Performance was also hindered by the severe winter weather and increase in copper and boiler thefts from properties. However the processes that have been introduced through the review have seen performance improve to an average of 34 days by the end of June 2011 against a target of 30 days. Performance for June itself was 28 days and the trend continues downward. More proactive work is being done with the outgoing tenant to help reduce the length of time a property is vacant. Linked to this review is the allocation review (mentioned above) and better interfaces between the two areas has seen the average number offers made on empty properties reduced from 1.7 to 1.2. This means less time is being wasted with applicants refusing a property and going through the selection process again.

Teams working at City Hall and Hamilton House are working together on a daily basis to move empty properties through the complex process. Performance measures and the use of a Throughput Board are combined to make an easy case by case approach successful. Performance trends and actions are agreed and reviewed by the project team on a weekly basis.

Our lean systems work recently came under the spotlight from beyond England's borders, when a former Scottish Minister visited. Jim Mather, who was previously the Scottish Minister for Enterprise, Energy and Tourism, spent a week looking at our housing voids, housing repairs and development departments, learning about the way we work to try and influence similar change north of the border. He commented following his review that *"You've managed to introduce something that is not a 'fad' and is the right way to manage,"* he said. *"You are doing yourselves a disservice to call what you're doing 'lean'. Your approach is the stuff of legacy, a crusade that drives out waste and injects a real sense of purpose in people."*

Tenancy Management

It should not be forgotten that when the Council took the decision to retain ownership and management of the council housing stock following the Stock Option Appraisal in 2005 the tenancy management service suffered a cut in its management budget of £300,000 and several posts were deleted from the establishment. In effect the cuts in tenancy management were needed to increase the revenue contributions to the capital programme to deliver the Decent Homes Standard. At that time the emphasis was placed on sustaining the Business and the priorities were to collect the rent, re-let properties to reduce rent loss and to complete repairs effectively. Whilst a considerable amount of energy has been spent in these areas in the last five years it has often been at the detriment of the softer traditional Housing Management functions. Additionally all capital resources have been committed to delivering the Decent Homes programmes and Health & Safety Improvements.

With the onset of the new self financing regime for the HRA the controlling group aims to look again at how this may help in delivering another of our priorities which is ***'Improving the performance of the Council's Landlord function'***.

In acknowledging the fact that the level of Tenant Satisfaction increased by 8%, to 86% in 2010 compared to previous Tenant Satisfaction survey in 2008 I am looking at some ways of improving the livelihoods of our tenants and the appearance of our estates by introducing the following improvements.

1. As nearly 70% of our tenants are on some form of Housing Benefit which is reflective of the hardship some families experience we are determined to try and ***'Reduce Poverty and Disadvantage'***. To assist this, the Council is contributing to a Lottery Fund Bid with local partners, aimed at helping Social Housing Tenants, under the Improving Financial Confidence programme.

In addition we are already engaged with partners in the Countywide Community Budget scheme 'Families Working Together' that deal with families with complex needs who have been identified as having multiple agency involvement and are in danger of losing their tenancy because of behavioural issues.

2. We are reviewing the way we deal with Tenancy Enforcement / Anti social Behaviour with a view to providing more support to victims. The first stage will be in looking at what we need to do to achieve accreditation through the recently announced Respect ASB Charter for housing. The Lincoln Tenant Panel has recently considered this and is supportive of our approach.
3. We will improve the number of the Estate Inspections carried out each year. We are conscious of the impact this may have on resources but will review our current capacity with a view to seeking to engage more services and agencies in the process to increase the number of

inspections to a minimum of 4 per estate per year. To compliment this we shall also be reintroducing an Annual Tour of Inspection.

A review of the staffing structure will be required, which may deliver savings to accommodate these improvements; otherwise further investment will be required.

Maintenance and Investment

Under the management of the Head of Maintenance & Investment the team have been working hard to achieve targets and deal with the financial pressures of delivering the service in difficult circumstances, rolling out a new way of working for repairs and continuing the work in achieving the decent homes standard.

Decent Homes

I am very pleased to report the progress of the decent homes programme of work in achievement of the City of Lincoln Councils requirement to meet the Decent Homes standard by 2010 and maintain it thereafter. The only exception to this is work to the three Sheltered Schemes, we hope to be able to progress this decision and plan the improvements during the coming year.

The severe snow fall which affected the City over last winter had a dramatic effect on the delivery of services and as result of having to concentrate on emergency work and providing basic services to our tenants a 3 week backlog on decent homes delivery was experienced. Despite these delays the team and partners recovered to deliver the project to the required 95% Decent Homes Standard target.

The Decent Homes programme in the current year has progressed well with a number of tenants who had originally refused to have improvement work carried out now allowing the work to be completed and around 200 tenants have already indicated that they wish to now have the improvement works completed.

With the current arrangement with Kiers ending in March next year, the Investment Team are looking at how to procure the new contracts for Decent Homes works and options will be coming forward in the next few week to progress this.

Roman Pavement Project

This major works project, that involved not only work to deliver the Decent Homes Standard but also major structural works and a full scheme drainage project; has been delivered on time and under budget and this is a credit to the staff, partners and support of the tenants in the area working together to make a success of a project that had a great deal of technical challenges.

The value added piece of work to deliver new cold water supplies to the properties from the savings achieved from the project is now nearing completion. This work started during the project delivery and is still ongoing now. The work is being delivered by the local water authority and some disruption in the area is necessary to complete the work programme. This is still being monitored by the project team to limit as far as is possible any disturbance to our tenants and the general public in the area.

Lean System Review – Repairs

I can report to Members that during this year the repairs pilot has been completed. The roll-out of the new method of repairs delivery commenced in early May and early results are positive with all repair works being delivered through pre-arranged appointments with the tenant and the teams are achieving performance in line with that achieved in the pilot, for example “first time fix” rates have been as high as 90% and average in the high 70’s consistently.

Working with Tenants

In line with my earlier comments I have seen increased involvement first hand with the Maintenance and Investment Teams this year which has seen the continued work of the Home Standard Focus Group which supports the works of tenants informing and influencing the service in line with TSAs framework.

Additionally tenants and I sit in on the partnering meetings with managers from the Maintenance & Investment Team and our major partners, Kiers and Aaron Service to scrutinise the delivery of the Decent Homes Standard and improvement programmes for the Housing Stock.

Heating Installation & Servicing Contract

The current contract with Aaron Services has been extended under the option agreement in the contract for an additional three years. This is as a result of the good performance of the contractor both in respect of service and maintenance of the Councils heating systems but also the work they have done with regard to heating in support of the Decent Homes programme. Indeed the performance of the company is recognised as top quartile when compared against over 100 contractors providing similar service for social housing providers across the country.

Further improvements to this service are planned this year with us looking at ways in which we can further improve tenant satisfaction in this area. Additionally, the work to use Aarons to support our asbestos inspections should be realised this year which will further aid our compliance and management in this area of work at no additional cost.

Service Improvements

Inline with our new priorities of '**reducing the City's carbon footprint**' and '**improving the performance of the Council's landlord function**' officers have been working to develop a series of improvements. I am pleased therefore to announce that the following projects will be commenced, and in some cases, fully delivered in this current financial year:

1. *Carbon Reduction Scheme*

Work will be undertaken to complete a pilot project at the Broomhill Supported Housing Scheme and a further two schemes will be appraised for renewable energy improvements, these include consideration of options such as Solar water, PV panel for electricity generation and Air to Air Heat Pumps.

2. *Communal Door Replacement Scheme*

We have identified a number of sites in the City Centre where improved security and improved communal door entry would directly benefit the tenants living in the schemes.

3. *Handyperson Service*

The Maintenance Manager and his team will look to provide additional support to vulnerable tenants through introduction of a handy person service. This 'one year pilot project', will look to provide additional support to tenants who have no support from family or friends and will offer additional small repairs and improvements that they would otherwise be unable to benefit from. Details of the scheme are currently being drawn up and will be reported to Executive Committee in due course.

Looking Forward

It is an exciting and challenging time for the housing service and we look forward to addressing many of the issues over the coming months and years. As mentioned earlier we are anticipating the 'final offer' under the self financing regime in December this year. At that point we can plan ahead with more certainty in delivering more improvements to the housing stock and the services we provide to our tenants whilst rising to the challenge of building more council houses. However we should not underestimate the amount of officer time over the coming months that this will take. However we firmly believe that the effort will be worth it.

As Members will also know the Localism Bill which is nearing the end of its passage through Parliament is also going to throw more challenges our way and the Bill includes a number of provisions on reforms to social housing including:

- Consideration of using 'flexible tenancies'
- Reviewing the way we administer exchanges
- Reviewing the eligibility rules within the Allocation Policy

- Reviewing the way we discharge our Homeless duty by using properties in the private sector
- Reviewing the way we administer transfers and consider how the welfare reform will affect tenants particularly where there is tenants occupy properties bigger than their needs.

Most of these provisions will be discretionary but the City Council will need to develop its local policy responses to the legislation. I know for example that the Lincoln Tenants Panel is not in favour of the introduction of flexible tenancies. We will have to await the passage of the Localism Bill through Parliament before formally deciding our response to this particular proposal but at this stage I would concur with the Tenants Panel view.

Changes have also been introduced to the way in which Housing Associations are funded by Government to provide new affordable housing for rent through the Homes & Communities Agency (HCA) – including a new “affordable rent” model based on rents of up to 80% of local market rents. Officers have been in discussions with housing associations and the Homes & Communities Agency to discuss what this might mean for the affordable housing programme in the City.

Summary

In this report I have highlighted for Council some of the major developments in the housing service that will be implemented over the months ahead in an attempt to continue to improve the housing services for the benefit of our customers and service users. The improvements mentioned will directly link to the controlling group’s strategic priorities as outlined by the Leader of Council at the last Council meeting.

I look forward to reporting back in the future on further progress on these initiatives.

Councillor Richard Coupland
Portfolio Holder for Housing