

## **JOINT OVERVIEW & SCRUTINY TRANSITION BOARD : HOUSING TASK GROUP**

### **Interim Report**

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#### **Purpose of the Report**

1. To provide an interim report with details of the key findings so far identified by this task group, and to seek the Implementation Executive's (IE) approval of a number of recommendations at the earliest opportunity. The Joint Overview & Scrutiny Transition Board (JOSTB) endorsed this report and its recommendations on the 29<sup>th</sup> August 2008.

#### **Background**

2. This task group has been commissioned to:
  - (a) identify current service provision, standards and performance for the services and projects which make up the four local authority housing services in Wiltshire
  - (b) identify desired service provision standards and performance for the new council
  - (c) identify any anticipated issues or problems and risk areas associated with the transition to the new council
  - (d) identify and recommend to the IE preferred service delivery arrangements for the new council.
3. The first three meetings of the task group helped to provide members with some background information regarding the policies, strategies and activities involved, and the process to be followed, in unifying the four district council housing services into one.
4. At the 1<sup>st</sup> August meeting, members received further clarification from the new Corporate Director for the Department of Economic Development, Planning & Housing, the new Housing Service Director, and the current Housing Project Lead Officer. This helped the task group to understand better, that its primary focus of scrutiny should be on the work being progressed to ensure a smooth transition into the new council for housing services. Members have been informed that activities relating to the transformation of housing services will follow after the 1<sup>st</sup> April 2009.

## Key Findings So Far

### 5. *Current Service Provision*

The task group has identified the key services which are provided by (or associated with\*) the four local authority housing services in Wiltshire. These include:

- a) **overall housing strategy**, including links with the Local Agreement for Wiltshire (LAW), the LAA, homelessness strategies, supporting people strategy, local development framework, area renewal, private sector safety and standards, and the provision of new housing through partnership working and planning powers
- b) **housing enabling**, i.e. the delivery of affordable housing, including West Wiltshire's PFI project
- c) **housing management**, i.e. the council house service run by Salisbury District Council
- d) **lifeline 24 hour support for vulnerable people**
- e) **housing options**, i.e. help and advice for the homeless, and the housing allocations service ('points based' and 'choice based lettings')
- f) **supporting people \*** - this is a service provided by Adult Social Care in the county council's Department for Community Services, offering vulnerable people the opportunity to improve their quality of life by providing a stable environment which enables greater independence. This is a government programme which aims to deliver high quality and strategically planned housing-related services which are cost-effective, reliable and complementary to existing care services
- g) **gypsies and travellers \*** - this will be provided by the Sustainable Transport service in the new council's Department of Transport, Environment and Leisure, i.e. to deliver a regulatory / enforcement / advice, and assessment of needs service
- h) **private sector housing**, i.e. a regulatory / enforcement / advice service to keep houses in a good state of repair, secure, energy efficient and adaptable for people with disabilities.

### 6. *Performance Framework*

The statutory national indicators and local indicators against which performance of the above services is measured is detailed at [Appendix 1](#).

7. In assessing data reported at the end of the first quarter of 2008/09, the task group has identified that performance is strong in the number of affordable homes delivered (NI 155). However, it has also identified that more needs to be done to ensure targets are met against indicators measuring:

- (a) the number of households living in temporary accommodation (NI 156)
- (b) the number of people sleeping rough on a single night (Local PI)
- (c) the number of homeless households in bed and breakfast accommodation (non-emergency) (Local PI).

8. With regard to desired service provision standards and performance for the new council, the task group has requested a full report on this for its November meeting, mindful that such detail should be available, following departmental budget review workshops to be carried out in the autumn.

9. *Service Areas of Key Focus for the Task Group in Transition*

Of the service areas listed above in paragraph 5, the task group has identified that its main focus in scrutinising the process of transition between now and December 2008 are:

- (a) *overall housing strategy* – in order to assess whether or not key objectives in the LAW, LAA and performance framework will be achieved, and whether or not the requirements of the audit commission and expectations of the public will be met
- (b) *housing enabling* – in order to assess whether key local and national targets relating to the delivery of affordable housing will be met. This will engage the task group in evaluating whether or not this service is allocated sufficient resources and structured in such a way that it can deliver against the objectives of the LAW and LAA. Also, the task group will be seeking reassurance that projects intended to maximise the potential for new affordable housing in Wiltshire are being pursued and appropriately funded, i.e. through:
  - (ii) section 106 agreements
  - (iii) the disposal of council assets
  - (iv) equitable use of capital programme funds
  - (v) careful synergy of district council housing procurement/capital financing practices with the county council's practices, e.g. to preserve the way in which business is transacted with housing associations
  - (vi) councillor representation and influence at a regional and local level.

10. *Key Issues and Risks in the Transition*

From its discussions with the new Corporate Director and new Service Director on the 1<sup>st</sup> August, the task group has also identified the following key issues and risks associated with the transition of housing services to the new council:

(a) *2009 / 10 Budget*

The most immediate priority for the new Housing Service Director is to draft a proposal for the new service's 2009/10 budget, by the 1<sup>st</sup> September 2008. The task group understands that this priority, aside from the short timescale available to achieve it, is all the more challenging, as services have been asked to build budgets based on a cash freeze at 2008/09 budget levels, and identify 'one council for Wiltshire' and 'Business Management Programme (BMP)' savings.

According to figures included in the draft financial plan for 2009/10, as submitted to the County Council's Cabinet on the 15<sup>th</sup> July 2008, the Housing Service is required to build a budget within a financial plan limit of £4.549m, and identify from this limit, savings of £850,000.

Mindful of this requirement, the task group is concerned that the 2009/10 revenue budget for the Housing Service, without provision to match inflation and other cost pressures, and coupled with the requirement to make savings, will result in service reductions and a consequent drop in performance standards and public satisfaction. Accordingly, the task group has included a recommendation at [paragraph 12a](#), which was endorsed by JOSTB on the 29<sup>th</sup> August, that, at the earliest opportunity, the IE should satisfy itself that the revenue budget level for the Housing Service in 2009/10 is adequate.

In addition, the task group has been made aware of the Corporate Director's concern regarding the risk that a lack of priority may be given to housing capital funding schemes in the new council. Members understand that a new housing capital programme and bidding process has been devised to mitigate this risk. Nonetheless, members have been led to believe that the risk still exists that those capital commitments previously secured through the due process by each of the district councils, may need to be bid for again as part of the new capital programme. Consequently, the task group is keen to highlight its concern at the earliest opportunity regarding housing capital funding issues to the IE, [as in recommendations 12\(b\) and 12\(c\) below](#).

*(b) Housing Service Staff Structure*

The next immediate priority (which significantly impacts on the budget) is to build a staff structure for the new Housing Service by the 16<sup>th</sup> September. The task group has been provided with an initial outline indication of what this structure might comprise ([please refer to Appendix 2](#)).

Members have been informed that, all that currently happens now within the four district council housing services, could continue within the four area hubs of the new council from the 1<sup>st</sup> April, with little need for re-organisation. However, the task group appreciates that such an approach would make it difficult for the Service Director to foster the new unified culture, which was required to make Wiltshire Council the success it needs to be.

Consequently, members understand that, whilst the customer facing teams of 'housing options' and 'private sector renewal' will need to be based in each of the four hubs (with a 'housing management team' also based in Salisbury), the 'housing enabling' and 'housing strategy' teams could be based in the new council's central offices.

The task group will continue to monitor the development of the housing service' structure, particularly as it is keen to obtain reassurance that this new unified service will be locally responsive and accountable through the area board / partnership model of community governance.

**11. *Other Key Issues & Risks to be Monitored***

The task group will continue to monitor the key issues and risks arising from the move to restructure four housing services into one for the new council. In particular (and in addition to the key issues detailed in [paragraphs 9 and 10 above](#)), the task group will be taking an active interest in:

- (a) the current economic climate and the effect of the 'credit crunch' on house building in Wiltshire, and the subsequent impact on the council's ability to safeguard already agreed contracts for affordable housing developments, and secure new contracts
- (b) how to secure members' role in preserving strong partnership relations with the three main Housing Associations in Wiltshire. The task group considers this to be of such significance that it is including a recommendation regarding this matter in its interim report to the IE (see recommendation 13a below)
- (c) the national campaign calling for a review of the government's Housing Revenue Account subsidy – which, in the case of Salisbury's housing stock meant that the district council had to return £6.7m in rent income each year – which otherwise would be used to fund the housing stock's capital investment programme
- (d) the suggestion being explored by Salisbury District Council that a Special Purpose Vehicle – Local Housing Company be established as a new method intended to maximise the potential for more affordable housing in Wiltshire
- (e) how local representation, particularly from tenants, and those with seats on the relevant community area boards, could effectively influence decisions made regarding Salisbury's council housing stock in the future. Related to this and to the 'one council for Wiltshire' change programme for housing overall, the task group has requested the Housing Service Director to attend the next meeting of Salisbury District Council's Community & Housing Scrutiny Panel.

### **Interim Report's Recommendations**

- 12. The task group would like to highlight its concern in regard to the setting of the 2009/10 budget for the new Housing Service, through submission of the following three recommendations to the IE at the earliest opportunity:
  - (a) that, in asking the Housing Service to propose a cash freeze budget for 2009/10 and, at the same time, to identify savings, the IE should satisfy itself that this will not lead to undue service reductions and a consequent drop in performance and public satisfaction
  - (b) that the IE agree in principle to the new council's budget from 2009/10 and in subsequent years, making adequate provision for the capital financing of affordable housing in Wiltshire
  - (c) that the IE ensure that the 2009/10 new council budget makes provision for housing capital funding commitments previously secured through the due process at each of the four district councils.
- 13. In addition, as the task group understands that the IE will be considering a report regarding councillor nominations to outside groups in due course, members would like to submit the following recommendation to the IE at the earliest opportunity:

- (a) in the interests of preserving strong partnership relations with the three main Housing Associations in Wiltshire, the IE should ensure that the level of councillor nominations to the boards of these Housing Associations is at least maintained at current levels from April 2009.

### **Task Group's Future Work Programme**

14. The task group will be requesting reports over the coming months, particularly with regard to the proposed budget, performance and service delivery arrangements for the new housing service. Following consideration of these reports, and consolidation of members' overall findings and analysis, the task group hopes to submit its final report to the JOSTB in January 2009.
15. Below is a draft of the task group's current work programme, which is updated throughout the scrutiny process being followed.

<b>Meeting</b>	<b>Item</b>
<b>8<sup>th</sup> September</b>	<ul style="list-style-type: none"> <li>▪ Presentation from the Improvement &amp; Development Agency regarding the strategic housing support programme for the south west. This is intended to assist the task group in gaining a better appreciation of strategic housing issues, i.e. the links with planning, the needs of vulnerable people, the needs of gypsies and travellers, the design and quality of housing</li> <li>▪ Draft Housing Service Structure &amp; 2009/10 Budget</li> <li>▪ Presentation on the new Homes 4 Wiltshire choice based lettings scheme</li> <li>▪ Key Issues and Risks Update</li> </ul>
<b>9<sup>th</sup> October</b>	<ul style="list-style-type: none"> <li>▪ Presentation from the Audit Commission's Lead Housing Inspector (South West) – intended to assist the task group in identifying what the Housing Service in the new Council will be required to deliver, from the audit commission's perspective</li> <li>▪ Report on 'Housing Enabling' – key issues in the transition, i.e. credit crunch impact on ability to build more affordable houses</li> </ul>
<b>4<sup>th</sup> November</b>	<ul style="list-style-type: none"> <li>▪ Report on the proposed budget, performance and service delivery arrangements for the new housing service</li> <li>▪ Second Quarter (2008/09) Performance Update</li> <li>▪ Report on councillor nominations to Housing Association Boards</li> <li>▪ Report explaining how the new housing service will be locally responsible and accountable through the council's new community governance arrangements</li> </ul>
<b>2<sup>nd</sup> December</b>	<ul style="list-style-type: none"> <li>▪ Task Group's consideration of its final report</li> </ul>

## **Conclusion**

16. Following the JOSTB's endorsement of this report on the 29<sup>th</sup> August, the Housing Task Group requests that this report and its recommendations be considered and approved by the IE at the earliest opportunity.

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**Chairman – Housing Task Group**

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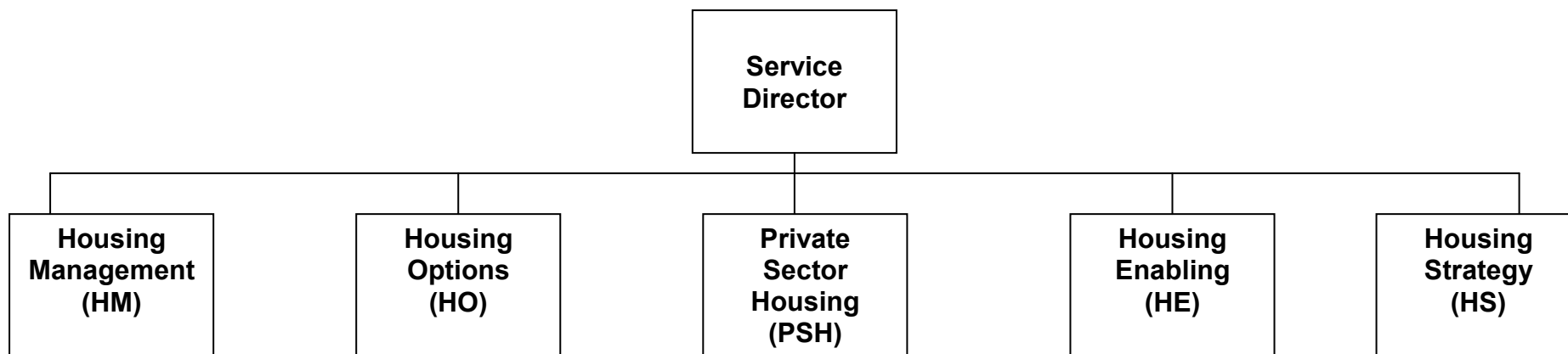
# APPENDIX 1

## HOUSING SERVICES: Statutory National Indicators (NI) and Local Performance Indicators (PI)

NI / PI	Description	08/09 target	09/10 target	10/11 target
NI 155	Number of affordable homes delivered (gross)	479 (LAA)	554 (LAA)	590 (LAA)
NI 156	Number of households living in temporary accommodation	265	242	219
Local PI	Number of people sleeping rough on a single night	21		
Local PI	Number of households who considered themselves as homeless whose case was resolved via action by the local authority per 1,000 households	Aim in LAW is to maximise prevention		
Local PI	Number of homeless households in B & B accommodation (non emergency) (to support the LAW target to end the use of B & B for all homeless households by 2011 (except emergencies)	34	23	11 (0 by March 2011)
NI 158	% decent council homes	TBC		
NI 160	Local authority tenants' satisfaction with landlord services	82%	Survey carried out every 2 years	
NI 141	Number of vulnerable people achieving independent living (for Adult Social Care performance monitoring)	67% (LAA)	68% (LAA)	70% (LAA)
NI 142	Number of vulnerable people who are supported to maintain independent living (doe Adult Social Care performance monitoring)	TBC		
NI 187	Tackling fuel poverty – people receiving income based benefits living in homes with a low energy efficiency rating	TBC		



# HOUSING SERVICE IN THE NEW COUNCIL - INITIAL OUTLINE STRUCTURE



## AREA HUB MODEL

