

## **BOARD RESPONSE TO TEST OF OPINION RESULT AND THE RETURN OF HOUSING MANAGEMENT TO THE COUNCIL**

### **1.0 Summary Response**

- 1.1 In summary this response looks to build on the successes of Homes in Havering over the last 2 to 3 years. The board requests that the council keeps what works well at present. It also however, accepts that there is a need to deliver efficiencies where services are duplicated between HiH and LBH.
- 1.2 The Board of HiH would like to see an integrated, comprehensive housing service led by a dedicated Head of Service at the council. In addition a Lead Member dedicated to housing is proposed although it is accepted that this would be different from how the council currently works. These proposals are aimed at keeping, if not increasing the current high profile of housing within the borough.
- 1.3 The board requests that senior managers of HiH are involved in the transition planning process as well as in the actual transfer of the housing management service itself.
- 1.4 Most importantly the board is recommending a housing service structure that exists of one housing service concentrating on housing that will deliver an accountable, efficient and quality housing service for residents.

### **2.0 Full response**

- 2.1 The board accepts that the majority of resident's that expressed a view wanted the management of the council's stock to be returned to the council. This view was not necessarily based on the performance of HiH but on a number of issues including the additional cost of an ALMO.
- 2.2 The board believes that it and the council should celebrate the successes of HiH over the last 2 to 3 years. In September 2009 HiH received the 2 star rating from the Audit Commission that released the £112m decent homes funding that had been bid for. Although this was subsequently reduced to £62m HiH were instrumental in securing this level of funding.
- 2.3 Since 2010 a number of services that were at best under performing and in some cases failing have been turned around and have become "shining stars." For example:

- The decent homes teams on target to deliver this year's capital programme whilst delivering substantial value for money savings.
- The finance team with help from all budget holders have turned around the finances of the company making year on year savings and returning the £2.5m bail out needed by the company from LBH as well as aiding the council to deliver a self financing HRA business plan.
- The HR team have brought a professional approach to HR and staff training and are now well thought of within the company – a massive turn around from where the service was in late 2010.
- The performance of MFS has improved incrementally over the last 2 to 3 years as a result of the work of the repairs team.
- Satisfaction with ASB case handling has constantly been at 98% for the last year putting us in the top 5% performers in the country.
- In 2009 there was a complaints handling backlog of over 100 complaints overdue and out of target. For the last year the target of 95% of complaints responded to in 10 days has been exceeded. The quality of dealing with complaints has improved.

2.4 In addition services that were already performing well are now performing as class leading services. For example:

- Resident Involvement and community development work undertaken over the last 18 months culminating in a resident's conference with an attendance of around 250.
- Continuous improvement in rent arrears recovery so that only around 2% of the rent debit is rent arrears – one of the best figures in London.

2.5 There are a number of advantages of a council having an ALMO to manage its housing stock. These are listed below:

- Focused housing delivery and legislative expertise
- Tenant engagement and influence as a core part of service delivery
- Focus on excellence in service delivery
- Board/committee structure provides a focus on service delivery/performance that councils have generally found difficult to replicate under modern forms of local authority decision making
- Greater flexibility, speedier decision making – different regulations and circumstances
- Working in one area, embedded in the community
- Locally accountable
- Potential for broader delivery vehicle
- Entrepreneurial, commissioning culture

2.6 The board believes that the council should keep the majority of the management of housing as a whole service within the council. It would also make sense for the current landlord housing functions of the council to be combined with housing management. This would allow the majority of the advantages listed above to be maintained i.e.

- Focused housing delivery and legislative expertise
- Focus on excellence in service delivery
- Greater flexibility, speedier decision making – different regulations and circumstances
- Locally accountable
- Entrepreneurial, commissioning culture

2.7 The profile of housing that has been raised by having HiH should at least be maintained if not increased in the future. This could be achieved through creating a single housing function managed at head of service level within the council with no other council responsibilities. The fact that council housing is funded from a separate account, the HRA, and the imminent implementation of self financing leads itself to a high profile service with separate senior management resources. The council service will need to grasp the new way of working within self financing and ensure that some of the current processes do not hinder or indeed stop these freedoms from being utilised for the benefit of residents. If in addition the lead member for housing was to have solely a housing responsibility then the profile of housing can be raised even further.

2.8 The board recognises however, that there are a number of services currently undertaken by HiH that duplicate those undertaken by another team at the council. Where these services exist then there is a strong argument that the teams should be combined into a single team / service. The HRA's share of the cash efficiencies generated from this can be recycled into improved services elsewhere or into the housing capital programme.

2.9 The table below identifies those services that the board believes should and could be in the housing function and those that could be combined within a single service. It is recognised that where this single service is situated could be anywhere within the council including in the housing service where relevant. The table is not a complete listing of all individual services but an indication of where major services could be.

<b>Service</b>	<b>Housing Service</b>	<b>Duplicated Service</b>	<b>Comments</b>
Tenancy and Neighbourhood Services	√		
External Caretaking / Bulk Refuse		√	Street Care
Internal Block Cleaning / Housekeepers / Office Keepers / Deep Cleaning	√		Externalise to Contractor
Void cleaning / graffiti	√		Include in new repairs contract

removal			
Grounds Maintenance		√	
Communal Energy Management		√	
Community Safety / ASB / CCTV		√	
Community Wardens	√		
Leaseholders	√		
Rent Recovery – Current Arrears	√		
Former Tenant Arrears		√	Corporate debt recovery
Responsive Repairs	√		
Capital programme and Decent Homes	√		
Voids and Lettings / Allocations	√		Combined Team will give management savings and improved services
Contact centre		√	Need for separate repairs reporting team. Possibly to be included in new repairs contract
Finance	√		To support HRA and self financing business plan
Business Systems	√		Combine with strategic housing systems team
Procurement/ Facilities / Insurance		√	Combine in relevant LBH teams
Human Resources		√	Shared services
Business Improvement / Policy & Research	√		
Quality Assurance	√		
Resident Involvement	√		Combine with Sheltered Resource
Strategic Housing	√		
Sheltered Housing	√		Combine with Housing Management
Homelessness	√		
Private Sector Leasing	√		Combine with Housing Management
Private Sector Housing	√		

2.10 The board believes that with the split of services as outlined above, a strong high profile housing service could be maintained/improved whilst at the same time delivering efficiencies to the HRA or direct to residents through reduced service charges.

2.11 To replace the role of the board it is accepted that the residents' steering body proposed by the council has its merits and could be developed to ensure tenant / leaseholder involvement in the major decisions affecting their homes and lives. This would allow the advantage of an ALMO to be met as below:

- Tenant engagement and influence
- Locally accountable

2.12 However, in addition, to this there should also be a strengthened route for residents' to challenge the performance of the housing function. This could be through a separate panel of council tenants and leaseholders or through the panels that already exist but are still of a mainly advisory nature. This would allow the advantage of an ALMO to be met as below:

- Tenant engagement and influence as a core part of service delivery
  - Locally accountable
- 2.13 The board also believes that it would be good for the combined housing function to keep the branding of Homes in Havering. The brand has a good reputation and keeping it would allow the profile of housing to be kept high on the agenda as well as saving the HRA on rebranding costs.
- 2.14 The board requests that HiH senior officers should be involved in the transition planning and actual transfer of the housing management service to the council. This will ensure a seamless transfer for both staff and residents.
- 2.15 One major concern of the board is that once the housing management function is back at the council decisions will take longer to be made, decisions will be made for corporate advantages rather than for the tenants' benefit and that tenants will be forgotten and have minimal input into the services provided. The board believes that with the proposals outlined above these concerns could be reduced.