



Leicester
City Council

Minutes of the Meeting of the
HOUSING SCRUTINY COMMISSION

Held: MONDAY, 10 OCTOBER 2016 at 6:15 pm

P R E S E N T:

Councillor Newcombe (Chair)
Councillor Alfonso (Vice Chair)

Councillor Aqbany

Councillor Cank

Councillor Joshi

In Attendance

Councillor Connelly – Assistant Mayor for Housing

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30. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Byrne and Councillor Dawood.

31. DECLARATIONS OF INTEREST

Members were asked to declare any interests they might have in the business to be discussed.

Councillor Aqbany declared an Other Disclosable Interest in the general business of the meeting in that family members were council tenants.

Councillor Cank declared an Other Disclosable Interest in the general business of the meeting in that family members were council tenants.

Councillor Joshi declared an Other Disclosable Interest in the general business of the meeting in that family members were council tenants.

Councillor Newcombe declared an Other Disclosable Interest in the general business of the meeting as family members were council tenants.

In accordance with the Council's Code of Conduct, the interests were not considered so significant that they were likely to prejudice the Councillors'

judgement of the public interest. Councillors were not therefore required to withdraw from the meeting during consideration and discussion of the agenda items.

Councillor Newcombe declared a prejudicial Other Disclosable Interest in the report at Appendix E of the agenda 'Review of the Housing Register / Housing Allocations Policy' as he was listed on the Council's Housing Register. He stated he would withdraw from the meeting when the agenda item was discussed.

32. MINUTES OF THE PREVIOUS MEETING

AGREED:

that the minutes of the Housing Scrutiny Commission held on 22 August 2016 be confirmed as a correct record.

33. PETITIONS

In accordance with the Council procedures, it was reported that no petitions had been received by the Monitoring Officer.

34. QUESTIONS, REPRESENTATIONS OR STATEMENTS OF CASE

In accordance with the Council procedures, it was reported that no questions, representations or statements of case had been received by the Monitoring Officer.

35. INTRODUCTION OF HOUSING DIVISION STRUCTURES

The Director of Housing submitted a report to the Housing Scrutiny Commission for noting which provided an overview of the changes which would take place within the Housing Division as part of the Housing Transformation Programme, both to the organisational structure and to service delivery to tenants. Charlotte McGraw, Head of Service, summarised the report under the main headings, and the next steps which would see the new organisational structure go live from 31st October 2016.

The Chair noted in the report a forecast for an improvement in service delivery of the repairs service. He asked if the restructure would have an impact on progress of the Repairs Improvement Programme. The Director of Housing responded that outstanding repairs had been significantly reduced. He added that a more detailed list of repairs information would be brought to the Commission in due course once the new structure had gone live.

The Chair asked what the staff complement of the new structure was. The Commission was told 421 members of staff were in the review, and 386.5 posts would be created by the review. 20 post titles had been deleted and 14 new posts created. There had been 40 voluntary redundancies, and there were potential compulsory redundancies, but staff might be deployed elsewhere. It was noted more detailed information would be circulated to the Commission,

and would include Tenancy Management Services staff levels as requested by the Chair.

Members were asked to note the development of a new voids and property lettings process to reduce re-let times and meet housing need as early as possible. They were informed that kitchen refurbishments in voids was carried out in house by operatives where possible, resulting in a saving in labour costs, and ensuring capital programme funding went further on kitchen improvements.

The Chair noted the reference in the report to specific focus on vulnerable tenants, communal cleaning and fire inspections, and asked how the functions were being improved, in particular communal cleaning, and how proposed changes linked into the recommendations of the Commission. The Head of Service said that based on the Commission's recommendations with regards to communal cleaning, a revised procedure and checklist for officers visiting a property was being developed. She added that for all areas staff were managed through performance management, and specific performance issues could be elevated to line managers.

In response to further questions from Members it was noted that:

- Organisational reviews put pressure on staff and had an impact on staff morale. Managers and Team Leaders would support staff through training development and learning opportunities, both ongoing and in the future. Support sessions and information on AMICA the counselling service were also offered. Part of the reason for the review was that staff reported they had too much workload, and changes in the structure had alleviated pressure on staff.
- The review had brought back district heating to a centralised team (under Gas), and concern was raised that past difficulties in its management would resurface. The Director of Housing stated he would stay focussed on the district heating service, and believed it gave flexibility for support across gas, and district heating functions.
- Under Transforming Neighbourhood Services, consultation on what services were accessible in the city would be undertaken, in which the Housing Division were proactively involved. The question on whether housing offices would be closed would be defined as each area was fully consulted. At the suggestion of a Member, the concept of centralising all of the housing offices had not been previously considered but could be a suggestion to put forward during consultation.
- A report on the Responsive Repairs Project at a previous Commission meeting had reported outstanding repairs had fallen, and it was noted that waiting times for each category of repair had improved. An update would be brought to a future meeting, to include waiting times.
- Periodically repeat visits were scrutinised, with addresses cross-checked against individual craft operatives. Information was then used by direct line managers as part of the performance management process.
- The new structure would achieve savings of £1.5million, but would also achieve service improvement. The review did not represent a cut in service to tenants, but a focus on resources. Through performance management,

targets would be set for staff in all areas. The Division would also consult with the Tenants Forum on a regular basis.

The Chair requested that a full report which looked at the way the re-structure had been implemented be brought to a future meeting, but would discuss with other Members of the Commission what should be included, and the timing of the report.

Councillor Connelly, Assistant Mayor for Housing, was invited to comment on the report. He thanked the Head of Service for the report and the hard work put into the review. He said the Housing Transformation Programme had initially been agreed to generate savings in house to build new council houses, but the Government's 1% year on year reductions in rents had resulted in saving being used to bridge the budget deficit, and that it was disappointing the savings could not be reinvested in housing.

The Assistant Mayor added he was aware that the review had affected staff morale, but the Housing Division was in a position where change was needed. He agreed the role of the housing offices had changed and believed there was an argument for a centralised office, although the Transforming Neighbourhood Services programme in the North West of the city had seen the housing office move into Beaumont Leys Library, which had supported the library and helped to keep the building open. He added there was no intention to reduce services, but to identify and concentrate in delivering services better to tenants.

The Chair thanked officers for the report.

AGREED:

that;

1. The report be noted;
2. Detailed information on the staff complement of the new structure (including Tenancy Management Services staff levels), and voluntary and compulsory redundancies be circulated to Members of the Scrutiny Commission;
3. Following improvement in the numbers of outstanding repairs, an update report to be brought to a future meeting of the Scrutiny Commission, including the waiting times for each category of repair.
4. A full report which looked at the way the re-structure had been implemented be brought to a future meeting of the Commission. The Chair but would discuss with other Members of the Commission what should be included, and the timing of the report.

36. HOUSING SOLUTION REPLACEMENT - NORTHGATE NEXT PHASE PROJECT

The Director of Housing submitted a report to the Housing Scrutiny Commission for noting, which provided an overview and update of the next phase of the Housing Solution Replacement (HSR) Programme, the Housing

Division's IT replacement scheme, replacing Open Housing. Paul Hussain, Programme Manager (Housing Systems) presented the report, and informed the meeting he had responsibility for delivering the next phase of the Northgate programme.

The Scrutiny Commission was informed that Northgate was the successful bidder in the tender procurement process to replace the IT system, and was put in place to collect rents, manage repairs and manage tenant accounts. It was reported that ongoing support costs were more attractive than previously. Phase 1 went live in January 2016, and was reported as being at year four of a seven year contract. Phase 2 would see the delivery of self-service modules to enable online transactions for rents and repairs.

It was noted that Phase 1 had been more complex than originally anticipated, with key staff leaving at a critical time, but challenges had been overcome, and post go-live issues had been resolved. The system had only failed once, and was more stable in comparison to Open Housing. The new system had also removed the need for duplication of inputting information for back office staff, and had increased productivity gains and efficiencies.

Phase 3 would deploy the Repairs Self-Serve and Mobile solution, and would take 12 months to deliver the full Repairs Self-Serve portal. For the Council's Channel Shift agenda, the more services that could be provided online would see cost savings through reducing calls through the call centre. It was calculated that the cost of a face to face enquiry was £6.79. Northgate had calculated that contact through the system cost 15p per transaction. Additional services at Phase 3 would include the delivery of job information to operatives tablet device and list the materials needed to complete a repair for the operative, increase first fix repairs, and reduce return visits to the site.

It was acknowledged self-service was not a 'one size fits all', but would alleviate some of the work in back offices. The Division had talked to other authorities to find out how they had encouraged people to get online, and was a good insight as to what officers needed to do moving forward. It was also noted that not all people had access to online facilities, so there remained a need to deliver the current service for some tenants, particularly the vulnerable. As part of Channel Shift, the Customer Services would be asked how they were encouraging people to use the system.

The next phase of Northgate implementation would require further significant capital investment. The budget for 2016/17 was £1.446million with further funding required for 2017/18. It was anticipated the project would be fully implemented by the end of 2017.

The Chair asked that, as more was asked of Northgate, how confident officers were that the system would meet the department's requirements, and as it neared the end of the contract whether more financial support be required as the system got older. The Chair also asked if other alternatives to Northgate had been considered during the procurement tender process. He asked that a demonstration of the system to Commission Members be arranged to enable

Members to understand the system more.

In response, Members were informed that the system was being developed to offer a self-serve option. A mobile working module would also be developed for use on mobile devices. It was noted that Northgate had an active user group which the Council was part of. Any changes to the system were integrated into different update releases of the system. A full procurement exercise was undertaken through which any providers could submit a proposal and be considered. The process involved assessment of those proposals, demonstrations to staff and also visits to reference sites in order to select the best product for Leicester. The contract with Northgate was seven years with a +1, +1, +1 year extension option.

In response to further comments from Members it was noted that:

- The budget for the comping phases had been considered and along with the existing budget was not anticipated to require a significant further investment in excess of £90k required for 2017/18.
- When the system first went live there was an initial increase in calls to the internal IT helpdesk (from staff). Refresher training had been held with staff, and the team were now Northgate 'experts' in their own particular area, and the product had settled well.
- People would be signposted to assistance if they had problems around self-service.
- There was an underlying issue on the system with Housing Options and the bidding process, and the ability of customers to view their position on the Housing Register. The delivery of a solution was expected by October end.
- There were currently around 2,200 calls a week regarding housing repairs. Once the Repairs Self-Service modules were implemented, information on how the new service impacted on the number of calls would be provided.
- There were around 80 full-time posts servicing the Customer Service Centre.
- A report on Customer Service data was scheduled for the Housing Scrutiny Commission meeting on 30 January 2017.

The Chair thanked the officer for the report, and looked forward to an update at a future meeting on how the system was progressing.

AGREED:

That:

1. The report be noted;
2. An update report on system progression be brought to a future meeting of the Scrutiny Commission;
3. Members to be invited to a demonstration of the Northgate system.

37. RENT ARREARS PROGRESS REPORT - APRIL 2016 TO JUNE 2016

The Director of Housing submitted a quarterly rent arrears report to the Housing Scrutiny Commission as requested for noting. The report covered the

period April 2016 to June 2016. Vijay Desor (Head of Service) and Mike Watson (Income Collection Manager) presented the report for the period 4th April 2016 to 27th June 2016.

It was reported that there was an increase of £222k compared with the same period in 2015, an increase of 14%. It arose from the cumulative impact of welfare reforms and a difficult financial environment, though it was believed a target of £1.5million arrears was achievable. More serious arrears had increased by 0.26%, though they were significantly lower than two years ago. The number of cases affected by the bedroom tax had fallen to 8.2% of tenants, though arrears for those affected had increased by 5.4% (£9,872) in the first quarter.

Members noted that the number of evictions had increased, with 25 evictions carried out during the report period of which nine were family cases and 16 single people, and possibly external factors had put pressure on the finances of families. Evictions were a last resort and the Council ensured all avenues were explored to avoid that option.

Members were informed there were 137 cases owing more than £1k and 70% of those cases also had Council Tax arrears of more than £500. Some 70% of cases with arrears received partial or full benefit. Families not dependent on benefit appeared to be managing better than those on the lowest form of income and benefit dependent, who were also more likely to have multiple debts than those not on benefits.

The Rent Income Excellence Network (RIEN) performance data at the end of the financial year April 2015 to March 2016 showed that the Council was in a better position than average for rent collection at 97.88% for the last quarter.

The Chair noted that officers had done a remarkable job in what was a very difficult financial climate, with people having budget pressures.

In response to further comments made by Members it was noted that:

- It was difficult to generalise that people in receipt of benefit couldn't manager or didn't have enough income. At the start of a tenancy, Income Management had a robust policy to undertake a financial benefit statement with tenant. Accounts were continually monitored, and contact was made with the tenant at first indication of a problem with payment. Support was given with the focus that rent should be paid.
- The £2million void loss included the refurbishment of the St Peters tower blocks. The figures contained in the glossary at Appendix 1 to the report were indicative for the graph, and were not accurate.
- The Income Management Team was not scoped into the current Housing review.
- Universal Credit (UC) continued to be rolled out, with the programme extended to 2022. In January 2016 UC was introduced to new single claimants, and 120 cases in Leicester had been affected so far. Also, people moving to Leicester who were on UC would remain so.

- Discretionary Housing Payment was awarded for 13 weeks, following which the Revenue and Benefits Team would review. Information on repeat DHP payments would be provided to Members in future reports.

The Chair thanked the officers for the report.

AGREED:

that;

1. The report be noted;
2. Information on repeat Discretionary Housing Payments be included in future reports.

38. REVIEW OF THE HOUSING REGISTER / HOUSING ALLOCATIONS POLICY

The Director of Housing and the Assistant Mayor for Housing submitted a joint report which sought the comments of the Housing Scrutiny Commission on the proposals to carry out a review of the Housing Register and the Allocations Policy.

The Chair, Councillor Newcombe, withdrew from the meeting at this point following his declaration of interest. The Vice-Chair, Councillor Alfonso, took the Chair.

Caroline Carpendale, Head of Service, presented the report and highlighted the following points:

- There were 11,000 on the Housing Register but only around 1,500 had a realistic chance of receiving an offer of accommodation;
- A significant further loss of properties was anticipated under the 'Right to Buy' scheme;
- The register required review to ensure it was fit for purpose, and to manage customer expectations;
- There were 2,500 applicants on the two lower bands, with 43% of those having little or no chance of receiving accommodation, and 50% of who had shown little or no activity online for 6 months.
- Under the Council's Housing Allocations Policy households were assessed and placed in one of four bands depending on housing circumstances and need. The proposal was to remove existing households on bands 4 and 5 with little or no need;
- Overcrowding and under-occupation rules would also be looked at;
- Benchmarking had also been undertaken with Derby, Nottingham and Northampton relating to how their register looked and how housing allocation was managed, and if they had already taken steps to remove some households from their register.

In response to Members' questions, the following information was given:

- Information was produced every six months on average waiting times in each band for different sizes of property. The information changed over

time, and would be provided to the Housing Scrutiny Commission at a future meeting;

- A major change to the register would go to full consultation for a minimum of six weeks. Information on how many tenants would be left on Bands 1, 2 and 3, and waiting times were not available. Members were asked to note that 43% of applicants were in bands 4 and 5, so would reduce the number of those on the register by approximately half. The three remaining bands would also be configured. It was not intended to give those removed from the register the opportunity to challenge the decision;
- The Housing Allocations Policy was complex, and it was intended to make it more transparent and straightforward. Vulnerable persons under the Inclusion Strategy would still be helped with the bidding process. Extra staff at York House had assisted with completion of online forms. Members were concerned that assistance was not provided at St Peters and St Matthews housing offices, and that assistance at libraries was not always good. They were informed forms could be completed over the telephone if people were struggling to fill in forms.

The Director of Housing said that a corporate review of Advice Services was underway and the Housing Division had been asked to feed into that review to ensure it met the needs of customers and tied in the Housing service provision.

In response to a question the Assistant Mayor for Housing stated the authority could not suspend 'Right to Buy' and that the Government had made it clear any attempt to circumvent government policy would not work. He said it was disappointing the Council would continue to lose properties through the scheme. Housing Associations were being forced to accept and would also lose properties through Right to Buy. He added that the 1% reduction in rent could not replace properties lost through the scheme.

The Head of Service informed Members that on Bands 4 and 5 there had been no lettings of family sized accommodation during 2015/16 or in the last 6 months. Also, the 81 lettings of one-bedroom lettings had tended to be sheltered accommodation, and with none in the last 6 months for Band 5. Detailed information on the number of lettings for each band would be circulated to Members.

The Chair thanked the officer for the report and noted the proposals contained in the report, and looked forward to an update report at a future meeting following consultation on the proposals.

AGREED:

that;

1. The report be noted;
2. An update report be brought to a future meeting of the Scrutiny Commission, to include average waiting times in each band for different sizes of property.

Councillor Newcombe was called back to the meeting at this point, and took the Chair.

39. STAR SERVICES - UPDATE

The Director of Housing submitted a report to the Housing Scrutiny Commission for noting, which provided an update and overview of the STAR (Supporting Tenants and Residents) service that was currently provided to tenants within Leicester. Cath Lewis, Service Manager, STAR (Floating Support Team), and Suki Supria, Service Manager, presented the report.

Members heard the STAR service was currently under the umbrella of Tenancy Management and made up of four distinct parts:

1. Five community-based STAR teams based in decentralised housing offices;
2. STAR Family Support service provided from Border House;
3. STAR Amal team set up in response to the Government's Vulnerable Persons Resettlement (VPR) Programme to support refugees displaced from Syria;
4. The Revolving Door team who provided the support needed to repeat homeless.

Members were informed the STAR service had not yet been subject to any service review, however, they were aware of the government requirement to reduce rent by 1% per year for the next four years, and the savings needed had been estimated at £11.72million. STAR would be evaluated to see if there were efficiencies or savings to be made.

It was noted that STAR had received 146 compliments in 2015/16, and was a well-liked service by Members, Tenants Forum and tenants.

Members were invited to comment and ask questions on the report, and points made included the following:

- A budget of approximately £1.7million covered staffing and administration costs. A reduction in staff had not been defined and the current service provided would be looked at by undertaking a service review, during which eligibility criteria, the increase the number of caseloads and staff levels would also be looked at. A business case would be produced but as yet there was no image of the future service. Members of the Commission would receive an update report at a future meeting of any proposed changes to the service.
- It was confirmed that STAR services would retain its branding when it moved into Housing offices, and there had been no significant issues with people using the service.
- The current staffing level for STAR for was 5 team leaders and 32 housing related support workers.
- Data was collected on the number of clients assisted and the income tenants received, for example discretionary housing payment.
- Duplication of services was avoided. If a tenant had the capability to use another service, for example, Citizens' Advice, STAR would refer them on. For vulnerable people an assessment would be made by the service, and

would be referred later, but the initial assessment would form part of the case.

- A breakdown of services and funding over the past 12 months for the four parts of STAR would be circulated to Members.
- New Parks office would be closed for refurbishment. When it re-opened it would have the self-service offer through Channel Shift. STAR and the Housing team would be relocated in the building.

The Chair thanked officers for the report. It was suggested the item be an ongoing agenda item, and requested an update in 6-12 months.

AGREED:

that;

1. The report be noted;
2. That an update report on the STAR service be brought to a future meeting of the Scrutiny Commission in 6-12 months.

40. WORK PROGRAMME

The Chair drew attention to the Housing Scrutiny Commission Work Programme for noting.

AGREED:

that the Housing Scrutiny Commission Work Programme be noted.

41. DATES OF FUTURE MEETINGS

The Chair asked Members to note the date changes to meetings in November and the Special Meeting of the Commission on 19 December 2016.

AGREED:

that the dates of the meetings of the Housing Scrutiny Commission Work Programme be noted.

42. ANY OTHER URGENT BUSINESS

No other items of urgent business had been brought to the attention of the Chair.

43. CLOSE OF MEETING

The meeting closed at 9.10pm.