

Report of: Head of Housing Management

Report to: Director of Environment and Housing

Date: 08 July 2015

Subject: Housing Management Structure – Additional PFI Resource Requirement

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

1.0 Summary of main issues

- 1.1 In view of the number of PFI newbuild properties being delivered during 2015-17 across Beeston Hill & Holbeck and Little London, it has been identified that additional resources are now required to successfully deliver this continuing programme of work.
- 1.2 In forming this view, consideration has been given to the learning experience of the first phase of newbuild lets within Beeston Hill & Holbeck during 2014/15.
- 1.3 Whilst the overall impact of the PFI Newbuild Developments has been successful, experience has now shown that the impact on general voids and associated works within lettings has proved challenging and has affected performance during 2014/15.
- 1.4 The proposal is therefore to introduce additional resources in advance of key stages of future PFI lets. These posts are critical to ensure that the new council homes are allocated according to the newly developed local lettings policies without incurring rent loss or reputational damage and that the general voids continue to be allocated within targets.

2.0 Recommendations

2.1 Approve the creation of an additional temporary 1 x SO2 Team Leader Lettings for a period of 6 months.(Subject to review)

2.2 Approve the creation of an additional temporary 5 x C3 Housing Officers for a period of 6 months.
(Subject to review)

1.0 Purpose of the Report

1.1 To approve the creation of a temporary PFI Lettings Team to support appropriate allocation of council newbuild properties and general void properties created as a result of tenant transfers to newbuild accommodation from existing council accommodation.

2.0 Background Information

2.1 The Little London, Beeston Hill and Holbeck PFI projects will deliver 388 new council homes for rent by 2017.

2.2 The council recognizes the contribution that a robust Local Lettings Policy will have in creating sustainable communities and supporting Leeds' ambition is to be the best city in the UK – fair, open and welcoming with an economy that is both prosperous and sustainable so all our communities are successful.

2.3 The Local Lettings policies agreed for the allocation of the new build properties recognises tenants who have an excellent tenancy record, kept their rent account up to date, kept their home, garden and neighborhood in good condition and kept to the terms of their tenancy agreement and have been a good neighbour.

2.4 This means that before every allocation a home visit needs to be carried out to ensure that this criteria has been met, photos are taken and a record of the visit made. Visits need to be carried out to a number of applicants on the short list to ensure that should a property be refused the Lettings Team Leader is in a position to re-offer the property to the next candidate on the waiting list ensuring that rent loss and reputational damage is minimised.

3.0 Main Issues

3.1 Home Visits in Little London

3.2 It is likely that most of the home visits for Little London will be within the ward as there is a high demand from local people. Therefore it is possible that most of the home visits will be carried out by local staff at the Little London Office. It is estimated that this will be between 100 to 120 home visits in the next 6 months.

3.3 Home Visits in Beeston Hill and Holbeck

3.4 There is a possibility that a number of the home visits will be carried out outside of the area as we are trying to attract working people to come and live within the area. It is anticipated that in excess of 130 home visits will be required to be undertaken between May and September 2015 alone.

3.5 Lettings Process

3.6 Verification and short-listing has to be undertaken by Lettings Team Leaders/Housing Officers within Neighbourhood Services and area teams. This work is undertaken to ensure full compliance with the

council's newly developed letting policies.

- 3.7 The process involves checks related to employment and training, overcrowding, people with dependent children in high rise blocks, members or former members of Armed Forces and those with a local connection to the area.
- 3.8 Accurate records need to be kept with details of shortlisting to ensure that the process is transparent and robust to challenges. Any support plans need to be identified and put in place. Arrangements must therefore be made for Home Visits to all potentially successful applicants and must be completed within strict time constraints.
- 3.9 Occupational Therapist inspections also need to be arranged in a timely manner and where possible, early joint viewings undertaken to ensure that where adaptations have been identified as required, these are carried out at the earliest opportunity to reduce the risk of refusals. There will also be an increase in both Ward Member and customer enquiries representing applicants which needs to be managed.
- 3.10 Accompanied viewings with applicants also need to take place prior to the keys being handed over from the PFI contractor, to minimise the risk of refusals. Tenancy sign-ups are then arranged following handover to ensure that tenancies commence immediately and that rent loss is limited. Viewings and sign ups therefore have to be carried out over very short periods of time. Once the tenant has moved into their new home a new tenancy visit is then required.

3.11 General Voids:

- 3.12 Due to the criteria of the LLP we anticipate there will be an increase in voids within both areas due to the local applicants being rehoused.
- 3.13 The first phase of letting in Beeston Hill & Holbeck has highlighted that 71% of those moving into the new build properties were existing council tenants and 58% were council tenants living in the Beeston Hill & Holbeck area. Although it is too early to analyse the number for Little London, there is a strong indication that this trend could be significantly higher.
- 3.14 There are 236 new properties scheduled for handover within the next 9 months across both areas, which potentially could generate an additional 170 general voids for relet.
- 3.15 Should the council fail to manage the process effectively, there is the potential for an increase in rent loss of up to £369,000 (*indicative.*), due to delays in the letting of newbuild stock, voids created as a result of newbuild stock and general voids across both areas. This calculation is based upon possible delays in re-letting of up to six weeks.
- 3.16 In addition, both areas have a PFI Refurbishment programme ongoing which has also created additional workload for local area teams. This work is however essential to ensure that the programme runs smoothly and any tenancy management issues are dealt with in a timely manner.

4.0 Corporate Considerations

- 4.0.1 In light of this there is both significant financial and reputational risk to Leeds City Council if this process is not resourced and managed effectively.

4.2 Consultation and Engagement

- 4.2.1 The proposals have been discussed with Human Resources.

4.3 Equality Diversity Cohesion and Integration

4.3.1 No issues identified.

4.4 Council Policies and City Priorities

4.4.1 The proposals set out in the report represent a temporary change to the existing structure of Housing Management and therefore approval has been sought through the delegated route.

4.5 Resource and Value for Money

4.5.1 The additional cost of £86,295 will be met through the HRA and funding has been identified.

4.6 Legal Implications, Access to Information and Call In

4.6.1 There are no legal implications and the decision is not subject to call in.

4.7 Risk Management

4.7.1 No Issues Identified.

5.0 Conclusion

5.1 The proposals will better enable the Housing Management Service to deliver and support the lettings of the PFI Newbuild within Beeston & Holbeck/ Little London and associated general needs voids.

6.0 Recommendations

6.1 Approve the creation of an additional temporary 1 x SO2 Team Leader Lettings for a period of 6 months.(Subject to review)

6.2 Approve the creation of an additional temporary 5 x C3 Housing Officers for a period of 6 months. (Subject to review)

7.0 Background

7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.