



## HOUSING ADVISORY BOARD

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Meeting to be held in Civic Hall, Leeds, LS1 1UR on  
Tuesday, 26th April, 2016 at 5.00 pm

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### MEMBERSHIP

Councillor D Coupar (Chair)

Councillor J Bentley

Councillor B Anderson

Councillor A Gabriel

Councillor S Hamilton

Councillor K Ritchie

#### Tenant/ Leaseholder

Ted Wilson

Vacancy

Vacancy

#### Independent Representative

Timothy Woods

Matthew Walker

Andrew Feldhaus

#### Co-opted Member

David Glew

Jo Hourigan

# A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p><b>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</b></p> <p>To consider any appeals in accordance with Procedure Rule 15.2 of the Access to Information Rules (in the event of an Appeal the press and public will be excluded)</p> <p>(*In accordance with Procedure Rule 15.2, written notice of an appeal must be received by the Head of Governance Services at least 24 hours before the meeting)</p>	
2			<p><b>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</b></p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p><b>RESOLVED</b> – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:-</p>	

3

### **LATE ITEMS**

To identify any items which have been admitted to the agenda by the Chair for consideration.

(The special circumstances shall be specified in the minutes)

4

### **DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS**

To disclose or draw attention to any disclosable pecuniary interests for the purposes of Section 31 of the Localism Act 2011 and paragraphs 13 -16 of the Members' Code of Conduct

5

### **APOLOGIES FOR ABSENCE**

To receive any apologies for absence

6

### **MINUTES OF THE PREVIOUS MEETING**

1 - 12

To approve as a correct record the minutes of the Housing Advisory Board held on 2<sup>nd</sup> February 2016.

(Copy attached)

7

### **MATTERS ARISING FROM THE MINUTES**

13 -  
16

To consider any matters arising/outstanding issues and actions from the previous minutes.

(Report attached)

8

### **UPDATE FROM TENANT REPRESENTATIVES**

To receive an update / feedback from tenants representatives on issues affecting Council House Tenants.

(An interview with VITAL and profiled on 'On the Aire' – Made in Leeds will be screened at the meeting together with a verbal update)

9

**HRA CAPITAL FINANCIAL POSITION PERIOD  
11 2015/16**

17 -  
24

To consider a report by the Director of Environment and Housing which provides a financial position statement on the HRA Housing Leeds Capital programme at period 11 for the financial year 2015/16.

The report also includes details of:

- Housing Leeds & BITMO refurbishment programme
- Housing Leeds Newbuild Programme & Other
- Brief outline of Sub Categories

(Report attached)

10

**HOUSING LEEDS (HRA) FINANCIAL POSITION  
AS AT PERIOD 11 (2015/16) & FINANCIAL  
STRATEGY - RENTS & SERVICE CHARGES  
FROM 2016/17**

25 -  
30

To consider a report by the Director of Environment and Housing which provides an update on the revenue financial position for the Housing Leeds (HRA) service as at the end of February 2016. The report also sets out the financial strategy in respect of rents and service charges from 2016/17.

(Report attached)

11

**PERFORMANCE REPORT**

31 -  
48

To consider a report by the Director of Environment and Housing which provides a summary of the latest available performance against measures relating to the new six Housing Leeds priorities agreed by the Housing Advisory Board. It also highlights the ongoing development of the relevant performance measures and dashboards that will be used to report comprehensively against these priorities.

(Report attached)

**UPDATE ON WELFARE REFORMS**

To consider a report by the Assistant Chief Executive (Citizens and Communities) which provides information on the Government's continuing programme of welfare reforms and how the Council is preparing for these.

The report also provides an update on the housing-related reforms that have been introduced since 2011.

(Report attached)

Adel and  
Wharfedale;  
Alwoodley;  
Ardsley and  
Robin Hood;  
Armley;  
Beeston and  
Holbeck;  
Bramley and  
Stanningley;  
Burmantofts  
and Richmond  
Hill; Calverley  
and Farsley;  
Chapel  
Allerton; City  
and Hunslet;  
Cross Gates  
and  
Whinmoor;  
Farnley and  
Wortley;  
Garforth and  
Swillington;  
Gipton and  
Harehills;  
Guiseley and  
Rawdon;  
Harewood;  
Horsforth;  
Kippax and  
Methley;  
Kirkstall;  
Middleton  
Park;  
Moortown;  
Morley North;  
Morley South;  
Otley and  
Yeadon;  
Pudsey;  
Rothwell;  
Temple  
Newsam;  
Weetwood

## **UPDATE ON THE ENVIRONMENTAL IMPROVEMENT PROGRAMME**

To consider a report by the Director of Environment and Housing, which provides a summary of the Environmental Improvement Programme (EIP), which is split into 4 thematic parts constituting 82 separate schemes of work across many parts of the cities Council Housing portfolio.

(Report attached)

14

**HOUSING AND PLANNING BILL 2015**

69 -  
76

To consider a report by the Director of Environment and Housing which sets out the key proposals within the Housing and Planning Bill 2015, as they affect starter homes, social housing, affordable housing and the PRS and discuss the potential implications of the Bill.

(Report attached)

15

**HOUSING ADVISORY BOARD FORWARD PLAN 2016**

77 -  
80

To note /amend the contents of the Housing Advisory Board Forward Plan for 2016.

(Report attached)

16

**DATE AND TIME OF NEXT MEETING**

To note that future meetings of the Board will be arranged as follows:

- Tuesday 7<sup>th</sup> June 2016
- Tuesday 13<sup>th</sup> September 2016
- Tuesday 29<sup>th</sup> November 2016
- Tuesday 28<sup>th</sup> February 2017

All meetings to commence at 5.00pm in the Civic Hall, Leeds.

### **Third Party Recording**

Recording of this meeting is allowed to enable those not present to see or hear the proceedings either as they take place (or later) and to enable the reporting of those proceedings. A copy of the recording protocol is available from the contacts named on the front of this agenda.

Use of Recordings by Third Parties– code of practice

- a) Any published recording should be accompanied by a statement of when and where the recording was made, the context of the discussion that took place, and a clear identification of the main speakers and their role or title.
- b) Those making recordings must not edit the recording in a way that could lead to misinterpretation or misrepresentation of the proceedings or comments made by attendees. In particular there should be no internal editing of published extracts; recordings may start at any point and end at any point but the material between those points must be complete



## HOUSING ADVISORY BOARD

TUESDAY, 2ND FEBRUARY, 2016

**PRESENT:** Councillor D Coupar in the Chair  
Councillors B Anderson and K Ritchie

### **Independent Representative**

Matthew Walker

### **Co-opted Member**

David Glew  
Jo Hourigan

#### **49 Appeals Against Refusal of Inspection of Documents**

There were no appeals against the refusal of inspection of documents.

#### **50 Exempt Information - Possible Exclusion of the Press and Public**

There were no items identified where it was considered necessary to exclude the press or public due to the confidential nature of the business to be considered.

#### **51 Late Items**

There were no late items of business.

#### **52 Declaration of Disclosable Pecuniary Interests**

There were no declarations of disclosable pecuniary interests.

#### **53 Apologies for Absence**

Apologies for absence were received from: Councillor A Gabriel, Councillor S Hamilton, Councillor J Bentley, Ted Wilson, Andy Liptrot, Timothy Woods and Andrew Feldhaus.

#### **54 Minutes of the Previous Meeting**

**RESOLVED** – That the minutes of the previous meeting held on 10<sup>th</sup> November 2015 were accepted as a true and correct record.

#### **55 Matters Arising from the Minutes**

Draft minutes to be approved at the meeting  
to be held on Tuesday, 26th April, 2016

The following matters arising/ actions from the minutes were highlighted:

Minutes No. 72 - Housing Leeds Capital Financial Position Period 2 2015/16

That a breakdown of housing works in each ward would be circulated to Members as it became available

It was reported that a Members portal was been developed to provide updates to Ward Members for Capital Works being carried out in their individual wards – Status Open, in progress

Minutes No. 26 - Key Welfare Changes and Preparations for Universal Credit

Provision of information following visit to Oldham to be brought to a future meeting and Chief Officer Welfare and Benefits to submit a report to a future meeting, including details of exceptions – A comprehensive report to be reported to HAB in April 2016 – Status Open, in progress

Minute No. 28 - Housing Leeds Customer Access Strategy

An update on this issue would be provided to the Board, together with details on how the differing age ranges of tenants could be addressed in terms of the best way in which to engage with the different groups – Information to be reported to HAB in February 2016 as part of the Customer Service Plan Update report – Status, closed

Minute No. 31 - Agenda Distribution

The Chair requested the situation be monitored and if delays continued to consider an alternative method of delivery. It was reported that no further issues had occurred. – Status, closed

Minute No. 39 – Matters Arising from the Minutes

Councillor Ritchie requested if he could be supplied with a Briefing Note as to how the Private Finance Initiative (PFI) scheme operated in Leeds.

The Head of Finance reported that the requested information had been supplied – Status, closed

Minute No. 40 - Voice of Involved Tenants across Leeds

Councillor Hamilton requested if she could be supplied with information about the funding of expenses to VITAL Members and the extent and cost of officer involvement

The Chief Officer Housing Management reported that the requested information had been supplied – Status, closed

Minute No. 42 – Housing Leeds (HRA) Revenue Financial Position – Period 6 – 2015/16

To provide to Members a breakdown of collection rates by the three different collection streams.

It was reported that changes were required to the IT systems to enable this data to be reported. – Status, in progress

Minutes No. 43 – Performance Report

To provide to Members additional performance information in order to give a more accurate assessment of performance across voids and repairs, and to better understand rent collection rates

Information to be reported to HAB in February 2016 as part of the Performance report – Status, closed

To provide to Members an evaluation of City – Wide Environmental Schemes.

The Chief Officer Housing Management reported that a methodology was being developed for evaluating the effectiveness of the environmental improvement programme and individual schemes. Further information to be brought back to the HAB at a later date – Status, Open in progress

Minute No. 46 – High Rise Project Update

That arrangements be made for the Board to visit the Clyde's and Wortley's high rise blocks.

The Chief Officer Housing Management reported that arrangements were be made to visit the area in April 2016 to see the benefit of the security / virtual concierge system and the intensive housing support model which will be more established by this time – Status, Open in progress

Draft minutes to be approved at the meeting  
to be held on Tuesday, 26th April, 2016

## Minute No. 47 – HAB Forward Plan

To receive an update from Mears at the next meeting.

Mears to provide an update to HAB in February 2016 – Status, closed

### **56 Presentation from Mears**

The Chair welcomed to the meeting Andy Wilson, Partnering Director (Mears Leeds) and Tom Finch, Head of Housing Contracts, Leeds City Council.

Mr Wilson thanked the Board for the opportunity for Mears to attend today's meeting and provide an update on the work undertaking by the company.

Mr Wilson explained Mears were responsible for Council house repairs and for the returning of void properties. He reported that each week 3,000 repairs were undertaken and 50 void properties were returned. Referring to repair performance he said first time repairs were currently above target at 98.9%. Under the previous contractor void performance was an average of 55 days for a returned property, currently Mears were achieving a turn round time of 30 days.

Referring to Customer satisfaction in repairs Mr Wilson said satisfaction rates were high 92% in Leeds South and 91% in Leeds West. Data on recycling, re-use & landfill showed that 98.9% of waste removed from properties was diverted from landfill.

In terms of the Mears workforce Mr Wilson said that since taking on the Leeds contract Mears had increased employment by 18%, currently 110 apprentices were employed with a 90% retention rate. It was also reported that a closer working relationship had been established with the Trade Unions.

Commenting on the Mears contract, Mr Finch reported that the contract had been extended by 4 years providing greater added value to Housing Leeds.

Referring to the letting standard, David Glew asked if he could be provided with a copy of the letting standards being used.

Mr Finch confirmed the requested information would be supplied.

In offering comment, Councillor Ritchie welcomed the information around apprenticeships.

The Chair thanked Mr Wilson and Mr Finch for their attendance and presentation commenting that the information supplied had been interesting and informative.

## 57 Customer Services Plan Update

The Director of Environment and Housing submitted a report which provided an update on the following:

- Progress with the delivery of Community Hubs through the Citizens@leeds agenda
- The progress made in the review of the Local Housing Offer to tenants.
- An update on the progress with regard to improving the quality of customer service and access to Housing Leeds tenants

Amanda Britton, Service Manager, Environment and Housing, and Lee Hemsworth, Chief Officer (Customer Access), Citizens' & Communities presented the report and responded to Members comments and queries.

The Chief Officer (Customer Access) provided an update on the Hub provision throughout the city. Details of the facilities available together with new closer working practices with Housing Leeds was highlighted

Detailed discussion ensued on the contents of the report which included:

- How to integrate Housing into the Community Hubs
- Tenants to have multiple issues addressed
- Rationalisation of housing assets

Councillor Anderson said he was aware that Scrutiny was looking into the Community Hub model.

In offering comment Councillor Ritchie welcome the development of the Community Hubs and the services on offer.

**RESOLVED** – To welcome and support the overall approach to developing Community Hubs

## 58 Update from VITAL (Voice of Involved Tenants Across Leeds)

The Chair introduced and welcomed Mick Dodds - Chair of VOLT (Voice of Older Tenants group) and Tracey McGarry - Lead on YAgI (Young Adults getting involved).

In providing feedback on issues affecting Council House Tenants, Ms McGarry said she had been a Council House tenant for 13 years and was a member of YAgI. She explained that Yagi was the first forum where young tenants could come along and participate, and provide feedback on all aspects of the Council House service.

Referring to recent gatherings of YAgI Ms McGarry said the group had discussed welfare reform and universal credit and what impact this would

Draft minutes to be approved at the meeting  
to be held on Tuesday, 26th April, 2016

have were issues which were important to young tenants. Ms McGarry said it was important for the views of young tenants to be heard. She said it was important that Housing Advisory Panels, YAgI, VOLT and VITAL all shared their views for the benefit of the council house community.

Referring to YAgI's involvement in assisting new tenants, she said the Tenants Handbook was important and very useful. Facebook and Twitter had also been used in providing a swift response to tenants on the simpler questions. In the near future YAgI would like to test out an application where tenants would be able to bid for properties.

Ms McGarry said the presence of YAgI at Community Hubs / One Stop Centres would be really useful, it would be an opportunity to reach out to Council house tenants to understand what was important to them and find out what's going on in the Community.

Finally, Yagi would like to work with Mears to discuss future opportunities for apprentices as part of a jobs and skills partnership.

In offering comment to Ms McGarry, Councillor Ritchie said thank you for coming. Your presentation was informative and your enthusiasm was inspiring. He suggested that Community Committees should be encouraged to play a greater role in getting information out to Council House tenants.

The Chair added to these comments by offering to write to the Chairs of Community Committees, and also to attend a Question and Answer session with young tenants.

Matthew Walker also referred to the presentation as inspiring. Commenting on Universal Credit, he suggested that more work needs to be done to communicate the information more effectively with all social housing providers. He also said that recommendations need to come forward which will assist tenants with Universal Credit.

The Chair thanked both Ms McGarry and Mr Dodds for their attendance and presentation commenting that it had been enthusiastic and informative and it had certainly been well received by Board Members.

## **59 Housing Leeds (HRA) Revenue Financial Position - Period 9 - 2015/16**

The Director of Environment and Housing submitted a report which provided an update on the revenue financial position for the Housing Leeds (HRA) service as at the end of December 2015.

Richard Ellis, Head of Finance, Environment and Housing, presented the report and responded to Members comments and queries.

Detailed discussion ensued on the contents of the report which included:

- Key variances to Income – Income projected to be £803K
- Expenditure, particularly around disrepair provision projected to be £1,581K, £81K above the original estimate
- Repairs budget projected to overspend by £696K
- Net savings of £660K are projected in relation to employees: vacant posts, savings on training and occupational health
- Savings of £284K projected in relation to premises costs
- Right to buy sales (RTB) sales – 308 completed sales to end of December, total sales being projected at 410 to year end. Anticipated total sales could generate £18.8m
- Collection Rates – 96.86% for dwelling rents, compared to the target of 98%
- Arrears – Currently £6.7m compared to £5.8m at the end of 2014/15

In offering comment Matthew Walker asked if there were any plans for a rent increase.

In responding the Director of Environment and Housing said at this stage there were no proposals to increase rents. Any shortfall would be made up by the use of reserves and the introduction of some service charges within sheltered housing schemes. He suggested there also may be a need to undertake a review of the long term Investment Strategy taking into account any impact arising from the Housing Planning bill

Jo Hourigan said that minimising any potential increase to tenants was important and suggested looking to housing partners with a view to gain additional income.

#### **RESOLVED –**

- (i) That the contents of the report be noted
- (ii) That a report reviewing the long term Investment Strategy taking into account any impact arising from the Housing Planning bill, be incorporated within the Board's Forward Plan

#### **60 HRA Capital Financial Position Period 9 2015/16**

The Director of Environment and Housing submitted a report which provided a financial position statement on the HRA Housing Leeds Capital programme at period 9 for the financial year 2015/16.

Richard Ellis, Head of Finance, Environments and Housing presented the report and responded to Members comments and queries.

Detailed discussion ensued on the contents of the report which included:

- Housing Leeds Services and BITMO refurbishment programme
- Housing Leeds New build Programme & Other

Referring to the table on page 22 of the submitted report, Housing Leeds Capital Programme, David Glew suggested the table was really informative but could some of the categories be broken down into sub categories

In responding the Head of Finance, Environments and Housing said that works were currently ongoing to develop a system which would provide updates for Capital Works being carried out in a particular area which may include the information requested.

Referring to the Community Safety Programme, Councillor Anderson said the spend on the budget appeared to be down.

The Director of Environment and Housing said that slippage in CCTV works in the west of the city accounted for the low spend, it was not a case of loss of budget.

**RESOLVED** – To note the Housing Leeds and BITMO refurbishment programme and the Housing Leeds Council House Growth programme position at period 9, 2015/16.

## **61 Progress Update on the Council House Growth Programme**

The Director of Environment and Housing submitted a report which provided an update on progress in respect of the Council House Growth Programme, including: Acquisitions, new build and long term empty homes.

Lorraine Wright, Service Manager, Relationship Management, Environment and Housing, presented the report and responded to Members comments and queries.

Detailed discussion ensued on the contents of the report which included:

- The ambition of the City Council to deliver 1,000 new Council homes
- An update on acquisitions, new build and long term empty homes
- Budget position

In offering comment David Glew asked if there was any reason why the City Council could not buy from the private sector and bring those properties back into use

In responding the Director of Environment and Housing said it would not be in the Council's best interests to buy isolated properties. There was also an issue around income streams.

Jo Hourigan said there were a lot of family properties available in the East End Park area, the area had become unpopular, many residents wishing to relocate, as a consequence house prices were low.



The Director of Environment and Housing said it may be an appropriate time to review our long term investment strategy.

Referring to new build properties, Councillor Ritchie asked if these properties were being built to the Leeds Standard.

Officers confirmed all new build properties were built in accordance with the Leeds Standard.

**RESOLVED** – To note the progress to date on the Council House Growth Programme

## **62 Performance Report**

The Director of Environment and Housing submitted a report which provided a summary of the most recent performance data against the six Housing Leeds priorities and informed the Board of progress with the development performance measures and dashboards for each priority. It was reported that the purpose of the dashboards and extended range of performance measures was to give greater insight on matters that affected tenants and to help to put service performance into context.

Appended to the report were copies of the following documents for the information/ comment of the meeting:

- Priority 1 Dashboard – Environmental Improvement(Appendix 1 referred)
- Priority 2 Dashboard – Rents and Benefits, quarter 3 (Appendix 2 referred)
- Priority 4 Dashboard – Repairs (Appendix 3 referred)

Debra Scott, Head of Resources and Strategy, Environment and Housing, presented the report and responded to Members comments and queries.

Detailed discussion ensued on the contents of the report which included:

- Progress on Environmental Improvement schemes
- Improvements in rent collection and arrears performance in quarter 3
- Homeless preventions (1608 homeless preventions Oct – Dec 2015 78%)
- Temporary Accommodations (75 households)
- Re-Let Days
- Number of Void Lettable Properties
- Adaptation
- Repairs
- Capital Programme Effectiveness
- Annual Home visits
- Disrepair (Continued reduction in disrepair caseload)
- Further work being done to improve performance reporting

**RESOLVED –**

- (i) To note the most recent performance information relating to the Six Housing Leeds Priorities
- (ii) To note the progress being made to develop dashboards for each of the Six Housing Leeds priorities providing a range of both performance and contextual data to give a rounded view of performance

**63 Development of Sheltered Housing Support models with a particular focus on Extra Care Sheltered Housing**

The Director of Environment and Housing submitted a report which provided an outline of the progress being made with regard to the development of more flexible support models for older tenants.

The report also outlined proposals for the management of a new Extra Care sheltered housing scheme in Yeadon.

Juliet Duke, Service Manager, Environment and Housing, presented the report and responded to Members comments and queries.

Detailed discussion ensued on the contents of the report which included:

- Review of support models
- Development of extra care housing

**RESOLVED –**

- (i) To support and welcome the proposals for the development of the flexible support model and Extra Care Sheltered housing
- (ii) That a further update on proposed support models for older tenants be brought back to a future meeting of this board

**64 Tenant Mobility update**

The Director of Environment and Housing submitted a report which provided an update on the Tenant Mobility Incentive Scheme in terms of progress, timetable for implementation, monitoring and risk management arrangements

Amanda Britton, Service Manager, Environment and Housing, presented the report and responded to Members comments and queries.

Detailed discussion ensued on the contents of the report which included:

- The allocation of £195K to a new tenant mobility incentive scheme.

- Promotion of the scheme via a proactive marketing campaign and incentive payments
- A payment of £500 will be available to assist with removal costs and act as an incentive to relocate.
- Home Swap event has been arranged for 26<sup>th</sup> February 2016.
- Online registration available
- Eligible criteria included within the promotional material
- Implementation of the scheme

Commenting on the marketing and promotional materials David Glew suggested greater use of technology and the use of an application which would match tenants to properties.

Officers reported that such applications were already provided by external suppliers.

Mick Dodds suggested that the scheme may appeal to single elderly residents who may wish to transfer to a smaller property.

The Chair thanked Members for their comments

**RESOLVED** – To note progress and welcome implementation of the scheme

## **65 Housing Advisory Board Forward Plan 2016**

The Board considered the contents of the Housing Advisory Board Forward Plan for 2016

Having received contributions/ suggestions from Board Members at today's meeting, the following items be added the Boards' Forward Plan:

- Lettings Policy
- Long term Investment Strategy/ impact of Housing Planning bill
- Housing Standards (Lettings Standards and Leeds Standard)
- High Rise Housing

**RESOLVED** – That, with the inclusion of the above items, the contents of the Housing Advisory Board Forward Plan for 2016 be noted

## **66 Date and Time of Next Meeting**

**RESOLVED** - To note that future meetings of the Board will be arranged as follows:

- Tuesday 26<sup>th</sup> April 2016
- Tuesday 7<sup>th</sup> June 2016
- Tuesday 13<sup>th</sup> September 2016
- Tuesday 29<sup>th</sup> November 2016

Draft minutes to be approved at the meeting  
to be held on Tuesday, 26th April, 2016

- Tuesday 28<sup>th</sup> February 2017

All meetings to commence at 5.00pm in the Civic Hall, Leeds

Meeting Date	Minute ref no.	Action	Responsible for Output	Others involved	(last updated 31 March 2016)	Status
09/07/15	72	<p><u>Housing Leeds Capital Financial Position Period 2 2015/16</u></p> <p>That a breakdown of housing works in each ward would be circulated to members as it became available</p>	Simon Costigan	Intelligence team	The format for reporting this information has now been developed and information on the 2016/17 programme is currently being inputted. The information should be available by end April.	Open (in progress)
07/09/15	26	<p><u>Key Welfare Changes and Preparations for Universal Credit</u></p> <p>Provision of information following visit to Oldham to be brought to a future meeting</p> <p>Chief Officer Welfare and Benefits to submit a report to a future meeting, including details of exceptions</p>	<p>Jill Wildman</p> <p>Steve Carey</p>		These items have been brought together into one comprehensive report which is on the April agenda	Close
10/11/15	42	<p><u>Housing Leeds (HRA) Revenue Financial Position - Period 6 - 2015/16</u></p> <p>That a breakdown is given of collection rates by the three different collection streams</p>	Richard Ellis	Intelligence Team	Changes to IT systems are now scheduled for April 2016 to enable this to be reported	Open (in progress)

<b>10/11/15</b>	<b>43</b>	<u>Performance Report</u> That an evaluation is undertaken of city-wide environmental schemes	Mark Grandfield	Housing Officers and Intelligence team	A report on the April HAB agenda provides information on the evaluation of environment schemes	Close
	<b>46</b>	<u>High Rise Project update</u> That arrangement be made for the Board to visit the Clyde's and Wortley's high rise blocks, date to be determined at a later date	Jill Wildman		Arrangements are being made for a visit to co-incide with the June HAB meeting	Open
<b>0202/16</b>	<b>56</b>	<u>Presentation from Mears</u> David Glew requested information on the lettings standard	Tom Finch		Information supplied	Close
<b>02/02/16</b>	<b>59</b>	<u>Housing Leeds (HRA) Revenue Financial Position Period 9 2015/16</u> That a report reviewing the long term investment strategy taking into account any impact arising from the Housing Planning Bill be incorporated within the Board's Forward Plan	Richard Ellis/Jill Wildman/Simon Costigan		Issues connected with the impact of the Housing Planning Bill are being covered within papers on the April Agenda.	Close

02/02/16	60	<p><u>HRA Capital Financial Position Period 9 2015/16</u></p> <p>David Glew suggested that the categories used within the report be broken down into sub-categories</p>	Richard Ellis/Simon Costigan		Description of sub-categories included in the report on the April agenda	Close
02/02/16	63	<p><u>Sheltered Housing Support Models with focus on Extra Care Sheltered Housing</u></p> <p>A further update on proposed support models for older tenants be brought back to a future meeting of the Board</p>	Jill Wildman		An update will be brought to the November Board meeting	Open
02/02/16	65	<p><u>Housing Advisory Board Forward Plan 2016</u></p> <p>To add the following items:</p> <ul style="list-style-type: none"> <li>• Lettings Policy</li> <li>• Long term investment Strategy/Impact of Housing Planning Bill</li> <li>• Housing Standards</li> <li>• High Rise Housing</li> </ul>	<p>Jill Wildman</p> <p>Richard Ellis/Jill Wildman/Simon Costigan</p> <p>Simon Costigan</p> <p>Jill Wildman</p>		<p>Scheduled for the June 2016 Board</p> <p>On April Agenda</p> <p>Scheduled for June 2016 Board</p> <p>Scheduled for September 2016 Board</p>	<p>Open</p> <p>Close</p> <p>Open</p> <p>Open</p>

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Report author: Stephen J Boyle  
Tel: 07983 387769

## Report of Head of Finance Environments and Housing

### Report to Housing Advisory Board

**Date: 26th April 2016**

**Subject: HRA Capital Financial Position Period 11 2015/16**

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

### Summary of main issues

1. At the request of Housing Advisory Board, the purpose of this report is to provide a financial position statement on the HRA Housing Leeds Capital programme at period 11 for the financial year 2015/16.
2. The attached information has been provided for the Board's consideration in relation to:-
  - Housing Leeds & BITMO refurbishment programme (section 3)
  - Housing Leeds Newbuild Programme & Other (section 4)
  - Brief outline of Sub Categories ( Appendix A )

### 3.0 HRA CAPITAL PROGRAMME

#### 3.1 Housing Leeds Services & BITMO

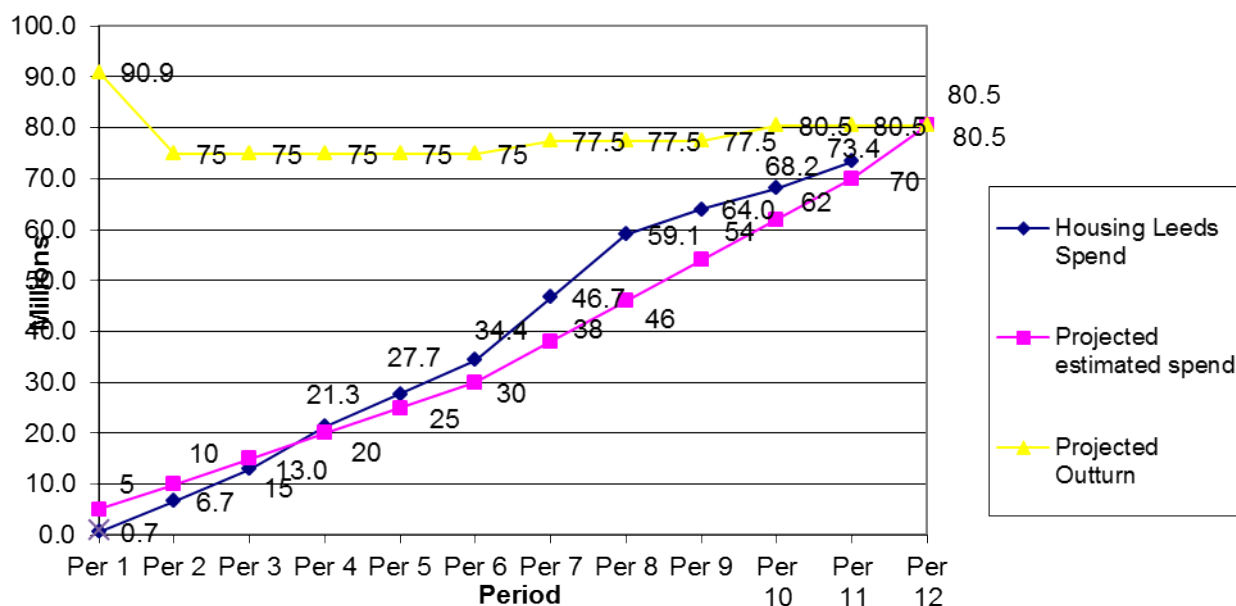
3.2 Housing Leeds actual spend and commitments at period 11 is £73.4m equating to 91.2% of the revised available resources at period 11. The 2015/16 programme has been adjusted down from the initial revised capital programme in June to £90.9m to a more deliverable level on what can realistically be achieved within the year, £80.5m however if the rate of spend and delivery continues to accelerate in the final month the projection will be amended upwards and we will bring back slipped resources to match.

3.3 Housing Leeds 3 year latest estimated responsive and planned works programme at period 11 are detailed in the table below with a graphical rep of

the actual and estimated outturn position for 2015/16. Also included at Appendix A is an explanation of sub categories :-

Housing Leeds Capital Programme	Original 15/16 Budget	Revised Budget at Per 11	Total Actual and Committed 2015/16 Per 11	% spent to revised budget	Estimtaed 16/17 Budget	Estimated 17/18 Budget
<b>Responsive Programme</b>						
Voids	6,500.0	6,500.0	6,609.2	101.7%	6,500.0	6,000.0
Capital Repairs & Maintenance	2,400.0	2,458.9	3,310.4	134.6%	4,891.1	4,650.0
Equipments & Modifications for Disabled	5,225.8	5,225.8	4,783.5	91.5%	3,465.0	3,465.0
<b>Total Responsive</b>	<b>14,125.8</b>	<b>14,184.7</b>	<b>14,703.1</b>	<b>103.7%</b>	<b>14,856.1</b>	<b>14,115.0</b>
<b>Planned</b>						
Window & Door Replacement	1,842.8	1,837.8	1,590.7	86.6%	2,000.0	3,400.0
Heating & Energy Efficiency	14,681.6	16,716.0	16,423.3	98.2%	10,750.0	15,809.0
Community Safety	726.0	283.0	262.7	92.8%	481.0	160.0
Electrical	3,671.3	1,273.9	1,087.6	85.4%	3,170.6	1,770.0
Re-Roofing	4,459.3	5,435.1	3,719.8	68.4%	8,913.4	9,145.4
Kitchens & Bathrooms	12,379.6	10,905.6	8,634.2	79.2%	14,933.4	19,491.6
Environmentals	920.9	840.1	701.4	83.5%	0.0	0.0
Miscellaneous	50.0	113.6	104.6	92.1%	50.0	50.0
Structural Remedials & Insulation	8,511.3	2,659.2	2,505.3	94.2%	7,229.2	3,200.0
Communal Replacements	4,054.5	4,584.3	2,524.2	55.1%	2,455.5	250.0
Conversion/Regeneration Works	4,645.9	4,180.3	3,905.5	93.4%	2,889.0	2,000.0
Planned Capital Repairs	1,372.0	0.0	0.0	0.0%	0.0	0.0
Disabled Access Works	154.9	177.9	176.3	99.1%	0.0	0.0
Fire Safety Works	3,976.7	4,256.2	3,961.4	93.1%	1,694.0	2,817.5
Estate Shops & Leased Residential Prop	230.0	310.0	308.1	99.4%	150.0	230.0
Service Delivery Associated Costs	13,918.1	11,781.7	12,223.7	103.8%	12,427.8	9,561.5
<b>Total Planned</b>	<b>75,594.9</b>	<b>65,354.7</b>	<b>58,128.7</b>	<b>88.9%</b>	<b>67,143.9</b>	<b>67,885.0</b>
<b>Environmental Improvement Programme</b>						
EIP - Parent Pot	0.0	0.0	0.0		2,200.0	345.9
EIP - Salaries	0.0	0.0	22.9		0.0	0.0
EIP - Parking	0.0	163.5	230.9	141.2%	0.0	0.0
EIP - Play	0.0	69.0	69.9	101.2%	0.0	0.0
EIP - Landscaping	0.0	39.0	31.4	80.5%	0.0	0.0
EIP - Community Safety	0.0	513.0	125.2	24.4%	0.0	0.0
EIP - Waste	0.0	153.3	111.2	72.5%	591.4	0.0
<b>* Environmental Improvement Programme</b>	<b>0.0</b>	<b>937.8</b>	<b>591.5</b>	<b>63.1%</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Housing Leeds 2015/16 Programme</b>	<b>89,720.7</b>	<b>80,477.2</b>	<b>73,423.3</b>	<b>91.2%</b>	<b>82,000.0</b>	<b>82,000.0</b>
<b>Total Belle Isle TMO programme</b>	<b>2,157.9</b>	<b>2,493.9</b>	<b>1,999.7</b>	<b>80.2%</b>	<b>1,720.0</b>	<b>1,720.0</b>

### Housing Leeds 2015/16 Total Spend v Estimated spend per period & Outturn projections per period

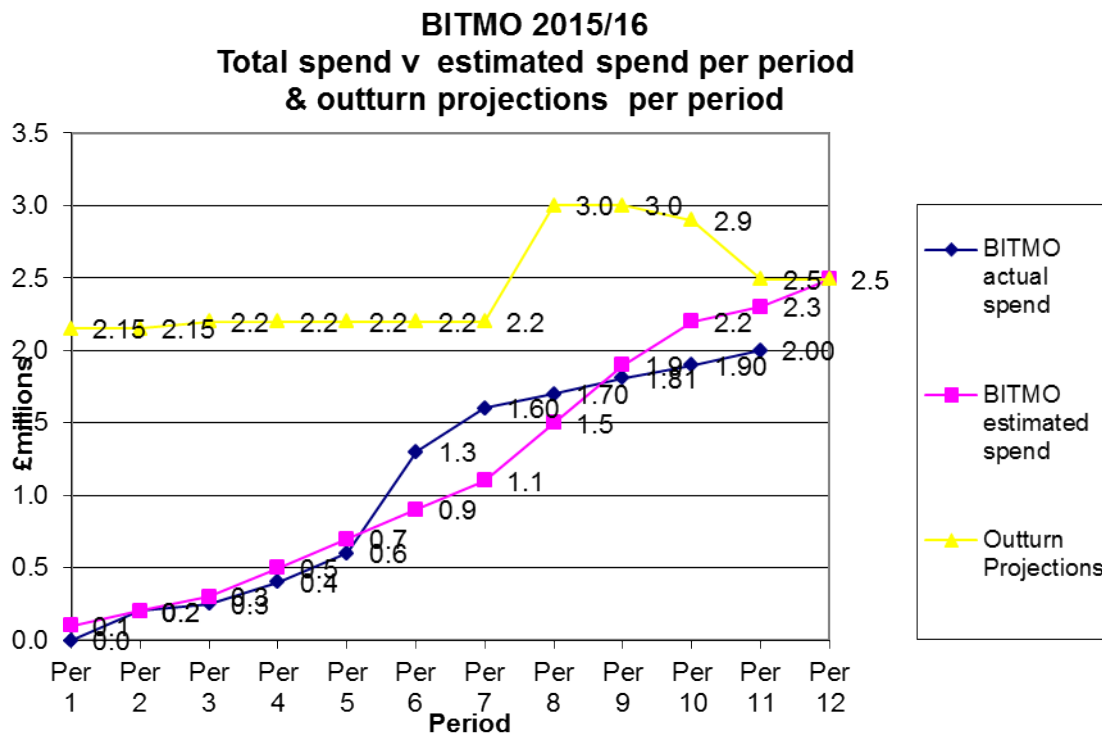


- 3.4 The planned works are now estimated at £65.4m with spend and commitments to period 11 of £58.1m representing 89% of the revised available resources. As at period 11 the HL planned programme is reporting delivery of the revised available resources in 2015/16. At outturn we may need to bring forward some of the slipped funding we actioned in previous months if spend and delivery continues at this rate.
- 3.5 The responsive works are now over the estimated outturn projection of £14.2m, with spend and commitments to date of £14.7m. This overspend needs addressed and Capital finance will meet with HL mgt team to adjust the responsive budget for the final month of 2015/16. We do have the resources to bring back some of the already slipped funding by cashflowing the overall HL programme in year and this needs actioned at closedown.
- 3.6 While the overall spend and commitments of £73.4m are currently ahead of the projected cashflow in 2015/16 at period 11, HL are awaiting the period 12 figures before amending the outturn target.
- 3.7 As previously agreed at Exec Board, and in line with the revised Business Plan, the future Housing Leeds capital programme has been smoothed over several years to give an annual programme of £82m across 2016/17, 2017/18 and 2018/19. This was based on an anticipated outturn at period 10 of £77.5m in 2015/16. Once the actual outturn position is known, the 2016/17 and future years programmes will be adjusted to take account of this.
- 3.8 Housing Leeds continue to develop a Members Portal to provide updates to Ward Members for Capital Work being carried out in their individual ward.
- 3.9 Full Council approved the estimated HL capital Programme in February at £250m over the next 3 years. This includes the injerction of the EIP programme

of £3m. This programme will deliver on investment in our council housing stock and will fulfil a number of LCCs key priorities;

- Delivering statutory investment in order for Housing Leeds to comply with its statutory responsibilities, including investment in fire precautionary measures and adaptations.
- Undertaking essential investment, including works to maintain housing stock to meet the new Leeds homes maintenance standard.
- Additional investment in insulation and heating in order to improve the energy efficiency of housing stock.
- Additional investment in specific property types, such as multi storey flats and sheltered housing, improving facilities for tenants and increasing the long term sustainability of these properties.
- Delivering an Environmental Improvement programme.

3.10 **BITMOs** actual spend and commitments at period 11 are £2m representing 80% of revised available resources of £2.49m. The 2015/16 programme will deliver 25+ schemes across Belle Isle in 2015/16.



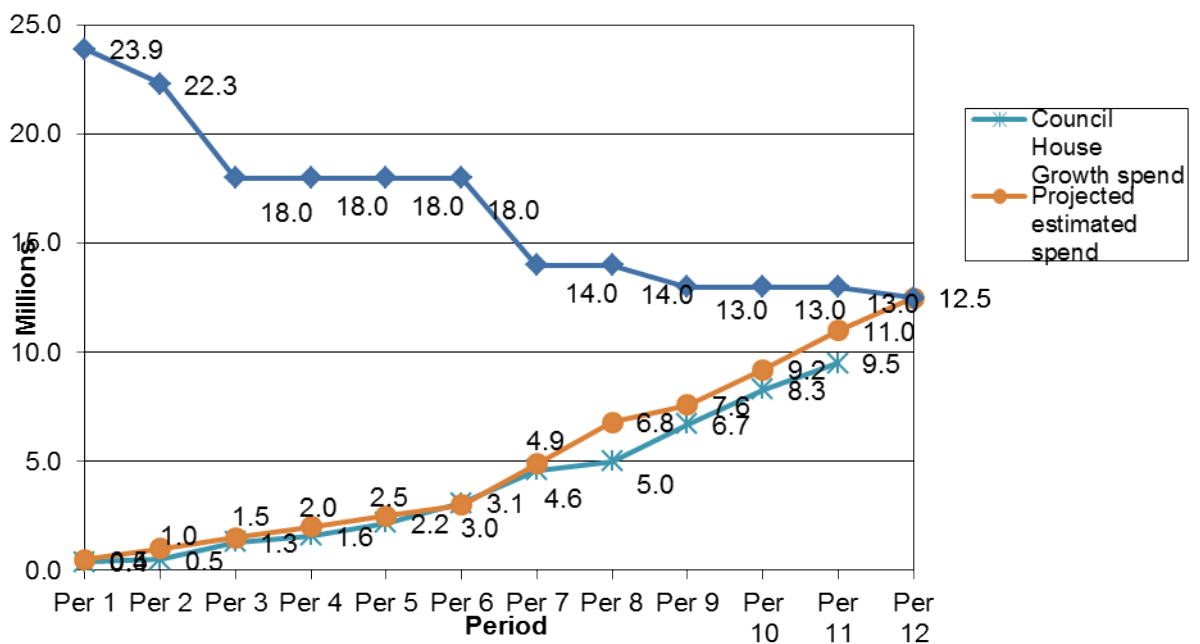
#### 4.0 Council House Growth Programme (CHGP)

4.1 The total funding injected and available for the Council House Growth Programme is £99.37m along with £42m to fund the Beeston Hill & Holbeck PFI regeneration scheme. Overall spend on the CHGP to period 11 2015/16 is £9.5m (£5.32m in previous years) a total of £14.82m for the programme to date.

4.2 The Council House Growth Programme seeks to deliver c1,000 new homes over the coming years. To date the programme has delivered:

- 320 new build homes including those delivered through the Little London, Beeston Hill and Holbeck regeneration scheme, Thorn Walk 23 and 55 homes via the purchase of long terms empty homes
- In addition, there are c240 units currently on site and due to be completed 2016/17, 180 units are in procurement and a further 200 in the programme up to 2018/19.
- The registered provider right to buy grant element of the programme has current commitments of £1.4m delivering 52 units – this is supporting both new build and refurbishment schemes. Alongside the agreed registered provider grant programme, there is currently an indicative programme to deliver 37 units, on named sites, with a potential utilisation of a further £1.1m RtB funding.  
A number of longer terms schemes are also in the pipeline which would deliver 128 units that could utilise £4.6m RtB

**Council House Growth Programme 2015/16  
Total spend v Estimated spend per period  
& outturn projections per period**



**5.0 Recommendation**

**5.1** Housing Advisory Board are asked to note the Housing Leeds and BITMO refurbishment programme and Housing Leeds Council House Growth programme position at period 11, 2015/16.

**6.0 Background documents<sup>1</sup>** No documents referred to.

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## **Housing Advisory Board 26<sup>th</sup> April 2016**

### **Subject: HRA Capital Period 11 - Appendix A**

#### **Sub Categories of Housing Leeds Capital Programme Spend**

**Voids** - Capitalised element of works to properties carried out between 1 tenant leaving and the property being relet, e.g. where major works are required such as kitchen replacements prior to reletting

**Capital Repairs and Maintenance** - Larger repairs carried out on a responsive basis that are simply capitalised

**Equipment and Modifications** - Major adaptations to the Council stock to promote independent living.

**Window and door Replacement** - Exactly that, replacement of windows or doors

**Heating and Energy Efficiency** - Predominantly works to replace central heating systems, this could be boilers, electric heating or even communal heating systems, also the Solar PV scheme.

**Community Safety** - Investment that is linked to improving the designs of the stock in relation to safety, such as new alarms, security lighting, security fencing, CCTV etc..

**Electrical** - The variety of electrical upgrades required of the stock, mainly domestic and communal rewiring (\*see kitchens and bathrooms also) but also items such as CCTV and controlled entry systems in blocks of flats

**Re-Roofing** - All types of new roofs, individual homes and blocks of flats

**Kitchens and Bathrooms** - All homes receiving planned kitchens and/or bathrooms, many will also receive a rewire as part of the works so that cost is billed here.

**Environmental** - External works to the estates which are generally not individual property specific, plots of land, garages, paths and communal space etc....

**Structural Remedials & Insulation** - Structural remedial refers to schemes that improve the structural integrity of the stock, predominantly extending the lifespan of the multi storey blocks. Insulation, cavity and loft insulation is in place within the stock so the insulation schemes we now run are to treat properties without cavities, mainly with externally fitted wall insulation. Quite often schemes do both, repairs to concrete structure buildings and insulate the walls at the same time.

**Communal Replacements** - Replacement of facilities that are in the communal areas of blocks of flats, such as lifts, communal alarms, louvre screens etc...

**Conversion/Regeneration Works** - Substantial conversions/regeneration projects that are either bringing older properties back into use, converting/de-converting flats to houses and vice versa to improve the stock profile (although this is a very low volume), demolition when required and the remodelling of our sheltered housing schemes to convert bedsits and shared bathing into new modern and private facilities. Also the HRA contribution to the Cross Green Group Repair Project.

**Planned Capital Repairs** - Works are often referred from the repairs team as not financially viable to repair, they are then planned and delivered as improvements to achieve better value for money. These are generally individual elements of work such as a single roof that has deteriorated quicker than the rest of the street.

**Disabled Access Works** - To improve access arrangements to our multi use stock (blocks of flats and community centres)

**Fire Safety Works** - A Fire Safety Concordat has been agreed with West Yorkshire Fire and Rescue Service on the type and volume of fire safety works to carry out to the stock, current focus is on the high rise stock and sheltered housing, examples include fire doors, fire compartmentation, sprinklers, signage, alarms etc..

**Estate Shops & Leased Residential Properties** - There are a number of HRA shops and leased properties, this funds the investment required to ensure income is secured from them

**Service Delivery Associated Costs** - A collection of varied costs that are not charged to specific schemes such as :-

Capitalised salaries - council officers salaries who deliver the programmes of work

Works to Housing offices and facilities

Purchases and provisions such as IT equipment

Heatlease termination fees – the authority embarked on a loan agreement for central heating stock called 'Heatlease', at the expiration of such loan periods there are contractual fees to pay.

Asbestos costs - not attributed directly to schemes

Contractor Overheads – the contractual format of many of the schemes delivered means the total cost paid is split into direct costs and overheads – direct costs are charged on completion of works whilst overheads are agreed as a standard monthly payment. These overheads span multiple projects and therefore are paid centrally and charged to this budget line where direct costs are charged to the schemes. Splitting this cost and charging to the schemes would be a significant administrative burden to both Council and contractor and be against the contract terms.



**Report of Head of Finance, Environment & Neighbourhoods**

**Report to Housing Advisory Board**

**Date: 26<sup>th</sup> April 2016**

**Subject: Housing Leeds (HRA) Financial Position as at Period 11 (2015/16) & Financial Strategy – Rents & Service Charges from 2016/17**

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

**Summary of main issues**

The purpose of this report is to update Housing Advisory Board on the revenue financial position for the Housing Leeds (HRA) service as at the end of February 2016. It also sets out the financial strategy in respect of rents and service charges from 2016/17.

**Recommendations**

Housing Advisory Board is requested to note the contents of this report.

## **1. Summary Position**

- 1.1 At the end of February 2016 (Period 11) the HRA is projecting a surplus of £(1,017k) against the 2015/16 Budget.

## **2. Key Variances – Income**

- 2.1 Income is projected to be £(694)k more than budget. Key variations include additional rental income of £(443)k primarily as a result of voids being less than budgeted, unbudgeted contributions to capital works from leaseholders £(184)k and additional income from service charges and other minor variations (£67k).

## **3. Key Variances - Expenditure**

- 3.1 The charge to the disrepair provision is projected to be £243k above the original estimate.

There has been a continuing reduction in disrepair caseload from a peak of 910 cases at the start of the financial year, with the service currently on target to reduce this to 392 cases by the end of March 2016 – a reduction of 57%.

This reduction is due to clearing the backlog of cases and changes in strategy and processes which have streamlined the case management process and reduced the number of new claims being submitted.

The projected overspend against budget in 2015/16 is primarily due to clearing the backlog of outstanding cases. This, together with changes in processes and preventative work being undertaken should lead to both a reduction in cases and resources required in future years.

- 3.2 The repairs budget is currently projected to overspend by £696k which is due to a combination of the requirement to address outstanding repairs resulting from resolving disrepair cases and through taking a more pro-active approach to avoid expensive disrepair claims in the future.
- 3.3 Net savings of £(874)k are projected in relation to employees. Of this £(734)k is due to vacant posts during the year as new structures were recruited to, a savings on training £(236)k and occupational health £(45)k. These savings are offset by additional severance costs of £141k.
- 3.4 Savings of £(369)k are projected in relation to premises costs of which £(328)k relates to utility costs. The balance is due to minor variations in rents, cleaning and NNDR.
- 3.5 Other key variations include a reduction in leasing charges in relation to Heat Lease schemes £(775)k, the need to make additional contribution for large insurance claims (£364k) and savings in relation to the tenant mobility scheme £(170)k.
- 3.6 Additional PPPU charges of (£281k) for category management and energy portfolio work, a more appropriate charge for the support provided by HR (£116k) and increased charges of £108k for support provided by Regeneration

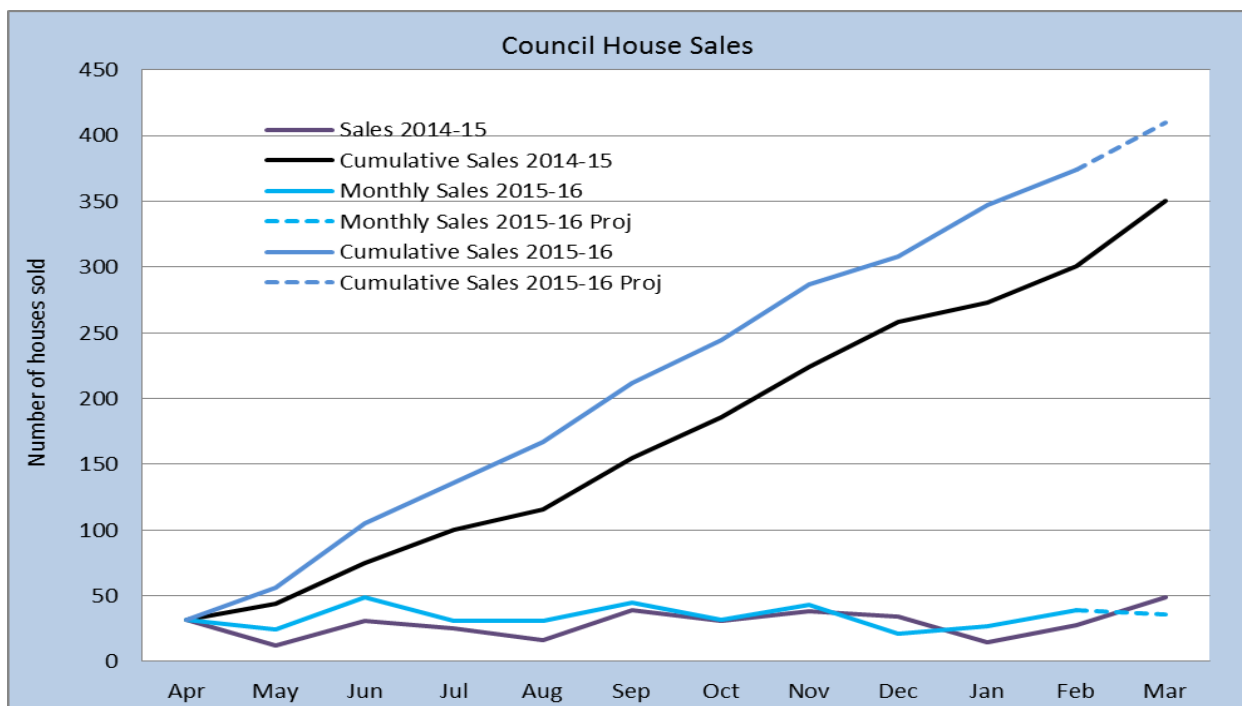
staff in the delivery of the New Council House Growth programme are offset by reductions in charges for CDC £(197k), housing services and LASBT £(178)k, parks and countryside £(148)k and legal fees £(119)k. There are additional internal charges for Supporting Troubled Families (£300k) and Welfare Advice and Support (£300k).

- 3.7 A change in forecast HRA balances has resulted in a reduction of interest payable to HRA of £338k.

#### 4. Right to Buy (RTB) Sales

- 4.1 To the end of February there were 374 completed sales with total sales of 410 projected to year end. The Government formula in respect of 2015/16, indicates that the Council will be able to retain total receipts of £12.3m. Of this £4.3m could be used by the Council for acquisition/build of properties representing 30% of the costs, or to passport to Registered Social Landlords (RSLs) as a grant to fund 30% of the cost of building new housing stock. The balance of £8.0m could be used to repay debt, or to fund other capital expenditure.

#### Council House Sales to end of February 2016 & Projected Sales to Year End



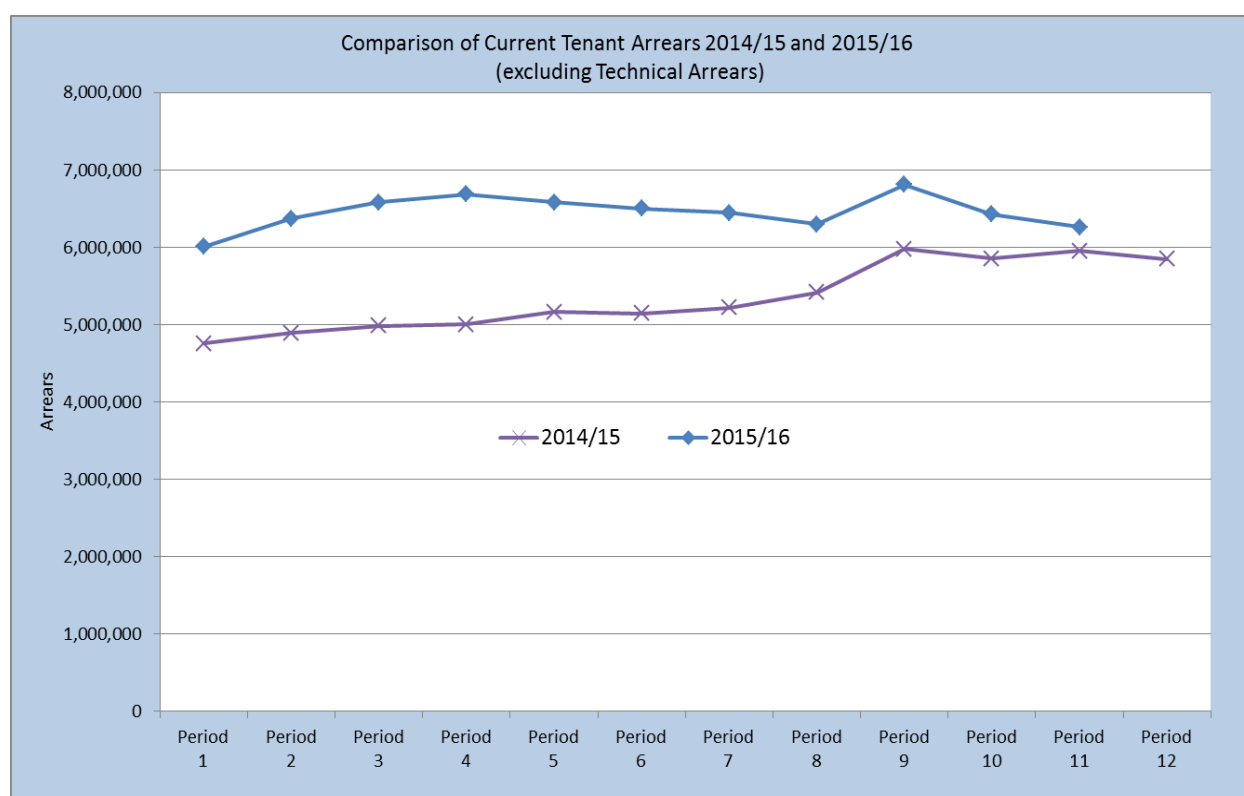
## 5. Collection Rates

- 5.1 Collection rates to the end of February were 97.17% for dwelling rents, compared to the target of 98.06%.

## 6. Arrears

- 6.1 Excluding technical arrears, arrears for current tenants are currently £6.24m compared to £5.8m at the end of 2014/15, an increase of £0.44m. There are currently 5,129 tenants classified as under-occupied. At the end of January 2016 approximately 52% of under-occupiers were in arrears which is 1% less than as at the end of 2014/15. The value of dwelling rent arrears for under-occupiers is £814k which is a reduction of £41k from the end of 2014/15.

### Comparison of Current Tenant Arrears 2014/15 and 2015/16



## 7. Financial Strategy - Rents & service charges

In July 2015 the Chancellor announced that for the 4 years 2016/17 to 2019/20 housing rents would need to reduce by 1% each year.

The Council's current HRA Financial Plan is based on the assumption that dwelling rents would increase in line with CPI +1% each year for 10 years which is in line with previous Government policy introduced in April 2015. Based on the Government's CPI target of 2% the Council anticipated rent increases of 3% each year for the next 10 years.

The change in Government Policy announced in July 2015 is effectively a 4% pa reduction from that assumed within the Council's HRA Financial Plan for each of the next 4 years. In cash terms this is a reduction of £20.5m in rental income over the four year period, of which £5.9m falls within the next two years (£1.9m in 2016/17, £4m in 2017/18). When compared to the level of resources assumed in the Financial Plan (and assuming that from 2020/21 rent increases will revert back to the previous policy of CPI+1%) this equates to a loss of £283m of rental income over the 10 year period (2016/17 to 2024/25).

The reduction in rental income will need to be managed in addition to other pay, price and service pressures. A combination of staffing efficiencies, improved targeting of resources which are used to improve environmental aspects of estates along with the use of reserves will all contribute towards offsetting these pressures.

In addition, consideration will be given each year to increasing service charges to reflect more closely the costs associated with providing services. This will generate additional income which will contribute towards offsetting the reduction in rental income receivable as a result of the change in Government's rent policy.

Tenants in multi storey flats (MSFs) and in low/medium rise flats receive additional services such as cleaning of communal areas, staircase lighting and lifts and only pay a notional charge towards the cost of these services meaning other tenants are in effect subsidising the additional services received. To reduce this subsidisation and make charging arrangements more transparent, the intention is that service charges increase by £1 per week in 2016/17.

Currently tenants in sheltered housing schemes receiving housing related support provided by Sheltered Support Officers and are charged £12 per week for this service. This charge is eligible for Housing Benefit. From 2016/17 this charge will be increased to £13 per week to reflect the costs associated with the service. For those tenants who benefit from the service but do not currently pay for it a nominal charge of £2 per week will be introduced from 2016/17.

An analysis of the impact on individual tenants of reducing rents by 1% and implementing the charges as above has been undertaken. This analysis shows that 71.1% of tenants will pay 79p per week less in overall terms in 2016/17 than in 2015/16. Of those paying more, 22% will pay up to 34p more per week, 5% will pay £1.30 more with 2% paying an additional £2.30 per week. These increases will be funded through Housing Benefit for eligible tenants.

It should be noted that had rents been increased by 3% in line with previous Government Policy and in line with assumptions in the Council's HRA Financial Plan - based on the average rent for 2015/16 tenants would have received an average rent increase of £2.23 per week in 2016/17.

The rollout of Universal Credit in Leeds commences in 2016 and once fully implemented it will require the Council to collect rent directly from around 24,000 tenants who are in receipt of full or partial Housing Benefit. This will have implications for the level of rental income receivable.

A reduction in the qualifying period after which tenants are able to submit an application to purchase a council house through the Government's Right to Buy legislation continues to sustain an increase in the number of sales and the subsequent reduction in the amount of rent receivable.

Since all housing priorities are funded through the HRA any variations in the rental income stream will impact upon the level of resources that are available for the delivery of housing priorities.

Resources will be directed towards key priority areas which include fulfilling the plan to improve the homes people live in, expanding and improving older person's housing and improving estates to ensure that they are safe and clean places to live.

The Council remains committed to delivering the investment strategy agreed by Executive Board in March 2015 and to replacing homes lost through Right to Buy by the planned £99.4m investment in new homes and the buying up of empty homes.

**Report of the Director of Environment and Housing**

**Report to Housing Advisory Board**

**Date: 26 April 2016**

**Subject: Performance Report**

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

**Summary of main issues**

1. This report provides a summary of latest available performance against measures relating to the new six Housing Leeds priorities agreed by the Housing Advisory Board. It also highlights the ongoing development of the relevant performance measures and dashboards that will be used to report comprehensively against these priorities.

**Recommendations**

2. The Board is recommended to:
  - Note the most recent performance information relating to the six Housing Leeds priorities.
  - Note the progress being made to develop dashboards for each of the six Housing Leeds priorities which will provide a range of both performance and contextual data to give a rounded view of performance.

## **1 Purpose of this report**

- 1.1 This report presents a summary of the most recent performance data against the new six Housing Leeds priorities and informs the Board of progress with the development of performance measures and dashboards for each priority. The purpose of the dashboards and extended range of performance measures is to give greater insight on matters that affect tenants and to help to put service performance into context.

## **2 Background information**

- 2.1 The six Housing Leeds priorities were agreed by the Board at their meeting on 20<sup>th</sup> May 2015. They cover a number of key performance areas and, when viewed together, they provide a broad view of the performance of the service. The intention is to provide quarterly performance information in the form of dashboards, giving a range of performance and other contextual information, together with supporting commentary. These dashboards are at various stages of development.
- 2.2 Draft dashboards in respect of priorities 1, 2 and 4 are appended to this report with the most recent available data (February 2016, unless stated otherwise). Commentary is given under each priority heading in section 3 below, which also advises on the work being done to further develop these dashboards.
- 2.3 The most recent data available (February 2016) for the other three priorities is provided within the body of this report in section 3 below. The dashboards for these priorities are still at a developmental stage and so it has not been possible to provide drafts to the Board. Commentary is given as to the work being done to develop dashboards in relation to these priorities.

## **3 The Six Priorities**

### **3.1 Priority 1 – Environmental Improvement**

- 3.1.1 Please see attached draft dashboard.

The dashboard reflects that, as of February 2016, 327 applications totalling over £1.4m in funding have been approved by the Housing Advisory Panels. This represents a commitment of 97% of their budget allocation. Please refer to the dashboard for a breakdown by type and area.

HAPs continue to fund projects to help meet their local priorities and evidence partnership working; not all HAP funded projects will be related to environmental improvement. Examples of projects that do relate to environmental improvement are:

- ONE HAP funding of £12, 532 for four new bin and recycling compounds to blocks of flats in Fir Tree Rise, Alwoodley. Waste Services and tenants both benefitting as modern bins are now positioned in a place which is more accessible to tenants and safer and quicker for LCC staff to empty.
- IW HAP funding of £2,360 for Burnsall Court Tenants and Residents Association to install new raised planters, bringing elderly tenants together at this sheltered housing high rise block, helping socialise, get involved in an activity, and improve environmental appearance.



3.1.2 Under the Environmental Improvement Programme, since the last report there has been consultation with residents and Ward Members on 2 fencing schemes, 4 landscaping schemes, 3 parking schemes and 2 waste schemes; feedback has been positive.

3.1.3 More detail is shown in the Environmental Improvements Update report elsewhere on the agenda.

## 3.2 Priority 2 – Rent and Benefits

3.2.1 Please see attached draft dashboard.

3.2.2 Rent and Arrears collection stands at 97.17% as at February 2016. Performance has not been as strong as it was last year (Feb 2015 – 97.43%) but the gap between performance this year and last year is reducing.

The collection rate for February represents a shortfall of £1.68m against the targeted 98% rental income. This is an improved position when compared to the previous two months.

The majority of tenants (61%) do not have arrears and of those who do, the majority are within the £1-50 and £101-£500 bandings.

Rent Collection and Arrears performance has improved significantly during January and February to 97.17% (+ 0.31%). Whilst performance remains lower than the same point last year, the gap between current performance and the same point last year has reduced from 1% at the end of Q2 to 0.26% at the end of February. However, the gap to year-end target is 0.83% and it is unlikely that the 98% target will be achieved.

Performance is being actively managed to maximise collection as follows:

- Robust performance management of individual staff and team performance - individual performance information is available on a weekly basis and managers are using this to support / challenge officers to improve performance through 121s and team meetings.
- Income Recovery Action Plans have been implemented for all areas - these focus on training, support and robust management. This is being supported by Chief Officer and Heads of Service.
- An arrears refresher training pack has been developed to support Housing Managers and Team Leaders in training new staff.
- A programme of arrears management training has been delivered to all Housing Officers and Team Leaders by an external trainer, focusing on quality conversations, negotiation and recording quality data in a debt collection / performance environment.
- A Quarter 4 Year End arrears campaign is well underway, with a service focus on increasing rent collection. Including targeting resources at a local level, and also city wide texting/email campaigns to encourage clear accounts for year end.
- Following recent recruitment, a further 42 housing officers commenced work late 2015 / early 2016. This includes officers who will work as part of the Enhanced Income

Team to support tenants in minimising the impact of welfare reform. All officers have now started in post and will support performance improvements towards the year end.

- Universal Credit (“UC”) preparations are well underway and Leeds went live on 1 February 2016 for single recently unemployed tenants. We know of 40 tenants on UC, and have applied for managed payments (direct to Landlord) for 11 of these cases due to existing rent arrears.
- Paperless Direct Debits have been launched 29th February 2016, enabling tenants to set up Direct Debits over the telephone.

A report to calculate rent collection by housing benefit proportion (i.e. full, partial and none) is being pursued, as suggested by the Board, and work is due to commence in April to make the necessary system changes.

3.2.3 A count of all under occupation cases stands at 5,129 at January 2016 (latest available) with 52% of cases in arrears. These cases owe a total of £813,740. The number of cases and value of arrears has increased slightly from the position reported to the Board in February (5,054 cases owing £803,266 – November 2015 data).

3.2.4 Universal Credit (“UC”) preparations are well underway and Leeds went live on 1 February 2016 for single recently unemployed tenants. The number of tenants on UC is changing on a daily basis; in respect of a number of these, we have applied for managed payments (direct to Landlord) due to existing rent arrears.

When the Benefit Cap changes are introduced in April 2016, an estimated 650 tenancies will be affected (this is based on research carried out by Welfare and Benefits team).

Further information is provided to the Board in the separate report by the Assistant Chief Executive (Citizens and Communities) on Welfare Reform.

### 3.3 Priority 3 – Housing People

3.3.1 This dashboard is still in development – please see below for latest performance data and commentary.

3.3.2 Homeless Preventions:

A homeless prevention is defined as being when the Council helps a person, who is likely to lose their accommodation, to stay in their existing home or to make a planned move to alternative suitable housing.

Homelessness is prevented by:

- Utilising the private rented sector and working closely with colleagues in the Housing Regulation Team and Leeds Benefit Service in order to improve the private rented scheme to private landlords and also to improve the offer to customers.
- Offer support to new tenants in order to help tenancy sustainment.
- Mediation Service, specialist service for young people but also works with private landlords and mediate and negotiate on behalf of customers when necessary.
- Have effective partnerships in place with other services e.g. children’s services and build on close working arrangements to enable the council to identify suitable housing solutions for young people leaving care and other young people with chaotic lifestyles.

- Work closely with St Georges Crypt and Street outreach to identify rough sleepers and ensure that no one is living on the streets when suitable accommodation can be found.
- Help people who have difficulty paying their mortgage or rent or who are being illegally evicted by offering affordability assessments and advice.

There have been 1,463 homeless preventions between January and March 2016 which represent a 78% prevention rate, out of the 1,868 cases closed by Leeds Housing Options. This compares to 1,608 preventions in the previous quarter, out of 2,060 cases closed by LHO (78% prevention rate).

Of the 405 non-prevention cases in January through to March, outcomes were as follows:

- 86 statutory homeless cases (full housing duty accepted and Band A award);
- 303 homeless but not priority need (no statutory housing duty and Band B award);
- 12 intentionally homeless cases (no full statutory duty and Band B award unless non-qualifying for council housing on grounds of behaviour); and
- 4 not eligible cases (no housing duty and non-qualifying for council housing as no recourse to public funds).

### 3.3.3 Temporary Accommodation:

As of 31<sup>st</sup> March 2016, 55 households were placed in temporary accommodation. The services used are those that the local authority would describe as emergency accommodation used to fulfil a housing duty to a homeless household. The exception to this is the Stonham Women's Refuge (23 out of the total) which takes referrals from a variety of sources including those outside of the city.

The number of people in temporary accommodation continues to decrease: there were 147 placements at the end of Jul 2015 as opposed to the current number of 55 – this represents a 63% reduction. The most significant change is the phasing out of 50 LEAP (Leeds Emergency Accommodation Provision) units without an accompanying increase in placements in other services. The key to reducing temporary accommodation placements is a focus on homeless prevention and timely move-on from temporary into more settled accommodation. The growing number of void units within the reconnect project have been used for Afghan and Syrian Refugees as long term tenancies (19 units currently tenanted or earmarked for future use) and offered for use to Children's Services for unaccompanied 16/17 year old asylum seekers (currently 2 young people accommodated).

Of the 55 households in Temporary Accommodation, 42 of these were owed a housing duty to accommodate. The comparison with the other Core Cities is as follows if we equalise the respective populations to Leeds:

<b>Authority Area</b>	<b>Households currently in TA</b>	<b>Number if population adjusted to size of Leeds</b>
Leeds	42	42
Birmingham	1,064	819
Bristol	438	762
Manchester	562	865
Sheffield	90	126

Nottingham	104	266
Newcastle	38	104
Liverpool	56	88

### 3.3.4 Gross average re-let days:

	Dec	Jan	Feb
2014/15	30.59	31.17	31.79
2015/16	30.47	30.69	30.70

The above figures show a cumulative year-to-date picture. The monthly figures for February show an increase in the average relet time in East area. Actions have been put in place and we are currently carrying out a full review of the East process to highlight what is causing the delays etc. and we are carrying out a number of actions to alleviate the delays and reduce the average relet time. Overall for the month of February the average relet time across East, South and West was at 29.87 days.

### 3.3.5 Number of void lettable properties:

	Dec	Jan	Feb
2014/15	587	593	587
2015/16	360 voids + 110 PFI / New Build	343 + 71 PFI / New Build	325 + 125 PFI / New Build

Overall the number of lettable voids continue to remain low. Overall as at February 2016 we have 450 voids which included new build / PFI and buy back properties which will be discounted once relet.

### 3.3.6 Adaptations (February 2016): Overall position of all adaptations undertaken across the City.

<b>Overall</b>				
<b>Priority Category</b>	<b>Performance Measure</b>	<b>Percent Achieved (Feb)</b>	<b>Total number of Cases (Feb)</b>	<b>Number of Cases Target Met (Feb)</b>
Urgent	70 days	46%	31	15
Non-Urgent	182 days	71%	100	71
All		66%	131	86

Overall performance has dropped since December which following further analysis has been due to a lack of resources undertaking assessments. This has now been addressed and resources re-distributed to improve and maintain the assessment element of the process which has had a positive impact on the overall performance. Performance continues to improve and is being monitored on a weekly basis.

Further analysis of the performance measures have identified that these are being determined by the OT at the time of the initial assessment and are based on an assessment of risk and don't take into account the complexity, or content of work that is required.

It has been identified that a full review for the delivery of the adaptations service is required which will provide a consistent service that is tenure blind and provided a consistent service for all residents of the city.

The review will bring together the delivery of adaptations across both the public and private sector and will combine the existing resources so that the activity is delivered in one area of the business to avoid duplication.

Consideration will also be given to the relationship between the client and contractor in order that work can be delivered internally to drive better performance and greater value for money.

There is ongoing dialogue between colleagues in Housing and Adult Social Care to consider a re-alignment of the professional OT service to ensure that it is best placed to deliver services that are responsive to customer's needs and avoids duplication.

Initial proposals for the service review will be available at the end of July and will be implemented within this financial year.

### 3.4 Priority 4 – Repairs

3.4.1 Please see attached draft dashboard.

3.4.2 At the end of February 2016, repairs completed right first time is reported at 92.70% against a target of 90% (Construction Services – 95.41% and Mears – 91.81%). Both Mears and Leeds Building Services (formerly Construction Services) are exceeding the 90% target for this indicator. However, in order to show truly comparable figures as requested by the Board, it has been necessary to take out bricklaying and plastering jobs from the Mears figures, which generates a citywide figure of 93.15% (Construction Services – 95.41% and Mears – 92.34%). This is slightly below the December figure of 93.77% previously reported to the Board.

3.4.3 Citywide performance for repairs completed within target stands at 90.72% for February 2016 which is below target for this indicator but is a slight increase on the figure previously reported to the Board (89.18% in December 2015). Mears performance stands just below target at 97.97%. Construction Services are not achieving target with an end February result of 82.05% against a target of 99%. Analysis has identified bricklaying repairs as a main area effecting performance. An Action Plan has been created to address and improve the situation. Actions include: recruitment of 3 additional directly employed bricklayers and procuring additional sub-contracting resource to deal with peaks in demand.

3.4.4 Currently Mears and Construction Services responsive repair KPI specifications for 'Right First Time' and 'Repairs Completed within Target' differ which means reporting between the two contractors is inconsistent. Property and Contracts have produced a new consolidated range of KPI specifications which will be applied to all contractors to ensure city-wide consistency. The aim is for Mears to move to the new KPI specifications from 1st April 2016 and before Construction Services which will adopt the new KPIs from August 2016 to coincide with the introduction of a new IT system.

It had been hoped that Mears and Construction Services would be operating consistently in relation to plaster and brickwork by 1<sup>st</sup> April 2016. This was subject, in part, to Construction Services altering their IT system and processes to allow plaster and

brickwork to be appointed. However, Construction Services are now moving to a new IT system (Total Mobile) in August. Therefore, paying development costs for the existing system was not cost effective as it will soon be replaced.

- 3.4.5 Citywide repairs right first time satisfaction stands at 76.80% at January 2016 which is an improvement on the December 2015 figure previously reported to the Board (73.18%).

When reporting customer satisfaction we must achieve a confidence interval of +/-8 from our telephone surveys to ensure the sample is statistically sound. Unfortunately this month (February 2016) we have not achieved the targeted sample size and therefore are unable to report a figure. Changes are now being made to ensure the required amount of data is imported into the customer satisfaction system (Arena Tracker) and we achieve the sample size required moving forward.

- 3.4.6 Overall citywide satisfaction with repairs stands at 82.37% which is a decrease from the December figure of 88.13%. As noted above, a February figure cannot be reported as the new system is still being bedded in, and performance is fluctuating considerably month on month across all areas. As with the Right First Time satisfaction data, the reasons for satisfaction / dissatisfaction are being presented to the Repairs Focus Groups in order to develop and monitor improvement action plans in addition to the monitoring in place with officers and service providers.

### 3.5 Priority 5 – Capital Programme Effectiveness

- 3.5.1 This dashboard is still in development – please see below for available data and commentary.

- 3.5.2 Housing Leeds actual spend and commitments at period 11 is £73.4m representing 91.3% of the revised available resources. The projection to outturn at period 11 has remained at £80.4m.

For further information, please refer to the separate report of the Head of Finance, Environments and Housing – HRA Capital Financial Position, Period 11 2015/16.

- 3.5.3 In terms of reporting more detailed information on work delivered and the benefits of this investment for tenants, the intention is for the dashboard to show capital work that has been delivered to Council homes across the city in relation to the need identified in the Capital Programme Business Plan. This plan divides up the work into several themes, including for example Statutory and Essential investment, and the dashboard will seek to match work delivered to identified need and give updates as to how effective the Programme is in meeting that need.

### 3.6 Priority 6 – Knowing Our Tenants

- 3.6.1 This dashboard is still in development – please see below for latest performance data and commentary.

- 3.6.2 % of Annual Home Visits completed:

As of February 2016, 94.31% visits have been completed. This compares to a February 2016 position of 75.95%. Housing Leeds is on target to carry out most Annual Home Visits

by the end of March 2016. The AHV process is being amended for 2016/17, to prioritise outstanding visits at the start of the year, and linking in with gas safety checks and other appointments in order to gain access.

### 3.6.3 AHV Outcomes:

AHVs have proven to be a very effective tenancy management tool, and have helped officers to identify issues they were not aware of, including hoarding cases, vulnerable tenants who need additional support in their tenancies and domestic violence cases. We continue to record the key outcomes of the AHVs and use this information to pick up tenancy management issues or make referrals for additional support. The main points that are coming out of the visits completed to date are as follows:

- 13% of our tenants don't have a bank account that allows direct debits. This may be an issue for those tenants as Universal Credit is implemented.
- 3,374 tenants have told us that they need additional support with budgeting and 38% have said that they are not confident that they could make a benefit claim on line. 8,989 would struggle receiving their benefits on a monthly basis. This information indicates the scale of additional support our tenants will need during the transition to Universal Credit, but will help us to deliver more targeted support to tenants during the transition period.
- 38% of tenants don't have access to the internet at home, which will also be an issue when Universal Credit goes live. The information will allow us to do more targeted work with tenants to ensure that they know where they are able to access the internet.
- 4,525 tenants have indicated that there are 'outstanding repairs' at the point of the AHV. However, this does not necessarily mean repairs that should have been completed have not been attended to, as there is some evidence that tenants are identifying new repairs that have not been reported or repairs that are still 'in-time' to be completed. Nevertheless, for each of the cases Housing Management is liaising with Responsive Repairs teams and contractors to ensure that the repairs are completed as soon as possible, in order to minimise the risk of future disrepair claims. A change will be made to the form for 2016/17 to ensure that the question is more specific, to ensure that we can capture more meaningful data.
- For 1,197 tenants, a referral has been made to West Yorkshire Fire Service to visit the property to consider additional fire precautionary measures at the property.
- There have been 16 visits where there is suspected tenancy fraud, and these have been referred for further investigation.

The service will finalise this analysis at the end of quarter 4 in order to identify correlating issues and trends, which then can be used to inform individual customer contact and future service priorities. A review of the AHV form and process is currently underway, to further enhance the information collected for 2016/17 and strengthen the process around no accesses and the recording of data.

### 3.6.4 Disrepair:

There has been a continuing reduction in disrepair caseload from a peak of 910 cases at the start of the financial year, with the service currently on target to reduce this to 392 cases by the end of March 2016 – a reduction of 57%.

For further information, please refer to the separate report of the Head of Finance, Environments and Housing – HRA Revenue Financial Position, Period 11 2015/16.

- 3.6.5 Further measures are being considered for inclusion in this dashboard to create a clearer picture of levels of tenant satisfaction, support needs and tenancy conditions.

#### **4.1 Consultation and Engagement**

- 4.1.1 This is an information report and as such does not need to be consulted on with the public. However all performance information is published on the council's website and is available to the public.

#### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 This is an information report and not a decision so it is not necessary to conduct an equality impact assessment. However, some of the data provided will link to wider issues of equality and diversity and cohesion and integration, and there may be occasions when the Board will want to look more closely at these issues, and may request further information.

#### **4.3 Council policies and the Best Council Plan**

- 4.3.1 This report provides an update on progress in delivering the council's Housing priorities in line with the council's performance management framework.

#### **4.4 Resources and value for money**

- 4.4.1 There are no specific resource implications from this report, although some performance indicators relate to financial and other value for money aspects.

#### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 All performance information is publicly available and is published on the council website. This report is an information update providing the Board with a summary of performance for the strategic priorities within its remit and as such is not subject to call in.

#### **4.6 Risk Management**

- 4.6.1 There is a comprehensive risk management process in the Council to monitor and manage key risks. This links closely with performance management, and any performance issues that are considered to be a significant risk can be escalated through the risk management process to ensure that mitigating actions are taken.

### **5. Conclusions**

- 5.1 This report provides a summary of the latest available performance against the six Housing Leeds priorities, and the continued work being done to develop dashboards for each priority to provide a more comprehensive picture of performance and useful contextual data to consider alongside service performance information.

### **6. Recommendations**



6.1 The Board is recommended to:

- Note the most recent performance information relating to the six Housing Leeds priorities.
- Note the progress being made to develop dashboards for each of the six Housing Leeds priorities which will be reported to future Board meetings.

## **7. Appendices**

7.1 Priority 1 Dashboard – Environmental Improvement

Priority 2 Dashboard – Rents and Benefits

Priority 4 Dashboard – Repairs

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## Funding from Housing Advisory Panels

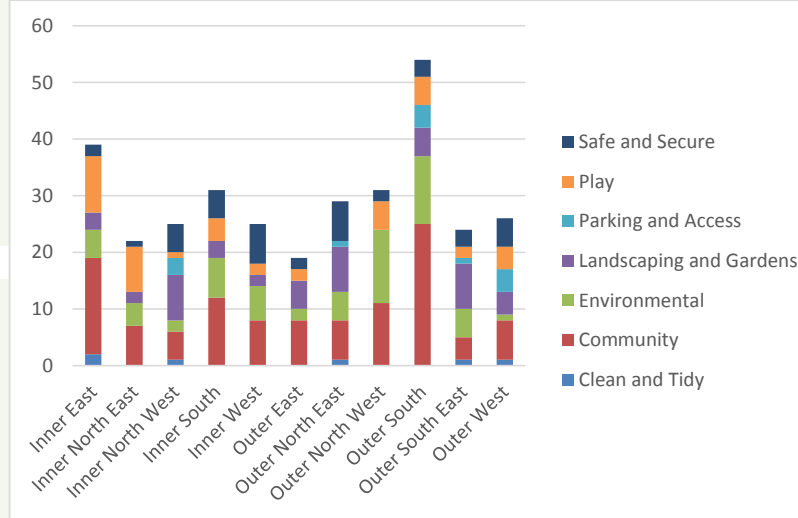
Approved applications: 327

Approved funding: £1.4 million

City

City	Nbr of approved schemes	Amount agreed by HAP
Clean and Tidy	6	53K
Community	111	297K
Environmental	64	325K
Landscaping and Gardens	48	182K
Parking and Access	13	93K
Play	43	173K
Safe and Secure	42	253K
<b>Grand Total</b>	<b>327</b>	<b>1,377K</b>

Page 4a



Area	Approved Funding
Inner East	148K
Inner North East	105K
Inner North West	165K
Inner South	118K
Inner West	131K
Outer East	119K
Outer North East	103K
Outer North West	94K
Outer South	120K
Outer South East	159K
Outer West	115K
<b>Grand Total</b>	<b>1,377K</b>

## Funding from Environmental Improvement Programme

Delivered schemes 13

Approved funding £3 Million

All Schemes proposed and with EIP funding.

Area	Community Safety	Landscapes	Parking	Play	Waste	Total
Inner East		3			1	4
Inner North East		2	2	1	2	7
Inner North West			1		3	4
Inner South		3		2	2	7
Inner West			3		1	4
Outer East			1			1
Outer North East			4			4
Outer North West		2	2	1	1	6
Outer South	2		4	1		7
Outer South East	1	2	1			4
Outer West			4		10	14
<b>Grand Total</b>	<b>3</b>	<b>12</b>	<b>22</b>	<b>5</b>	<b>20</b>	<b>62</b>

Top 3	EIP Funding
Parking	£942 k
Waste	£737 k
Landscapes	£391 k

### Outcomes delivered from the funding

#### Housing Advisory Panels

By the beginning of March, HAPs have committed 97% of their budget allocation on 328 environmental and community related projects. Two significant citywide projects have been delivered. The partnership with West Yorkshire Community Rehabilitation (known as 'Community Payback') has since 1 August completed 101 referrals from across the city and 800 Winter Wellbeing packs have been distributed to vulnerable tenants by local Housing Teams and the network of Winter Friends.

HAPs continue to fund projects to help meet their local priorities and evidence partnership working:

- ONE HAP funding of £12, 532 for four new bin and recycling compounds to blocks of flats in Fir Tree Rise, Alwoodley. Waste Services and tenants both benefitting as modern bins are now positioned in a place which is more accessible to tenants and safer and quicker for LCC staff to empty.
- IS HAP funding of £2,187 on three new community notice boards on the Cottingley estate, helping Cottingley In Bloom, the local Community Centre and Council services get across key messages for residents.
- IW HAP funding of £2,360 for Burnsall Court Tenants and Residents Association to install new raised planters, bringing elderly tenants together at this sheltered housing high rise block, helping socialise, get involved in an activity, and improve environmental appearance.
- ONW HAP funding £10,000 towards a disabled access toilet at the new OPAL (Older People's Action in the Locality) Community Centre, based at the former Bedford Arms Public House. Supporting this active voluntary organisation achieve its goals of complete refurbishment of the premises to provide a range of support services for hundreds of LS16 tenants and residents.

#### Environmental Improvement Project

Since last the report there has been consultation with residents and Ward Members on 2 fencing schemes, 4 landscaping schemes, 3 parking schemes and 2 waste schemes; feedback has been positive. A number of residents of the Beckhill Estate have volunteered to help prioritise the 214k improvements to the area. Across the city, progress has been made in the following areas:

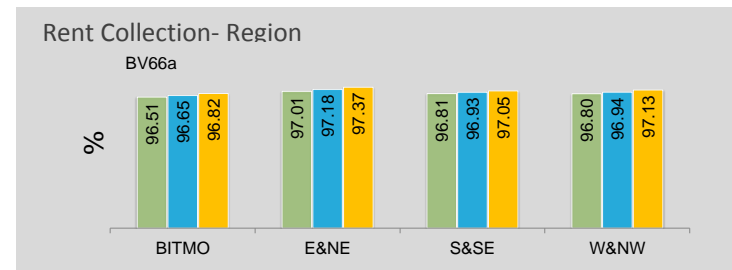
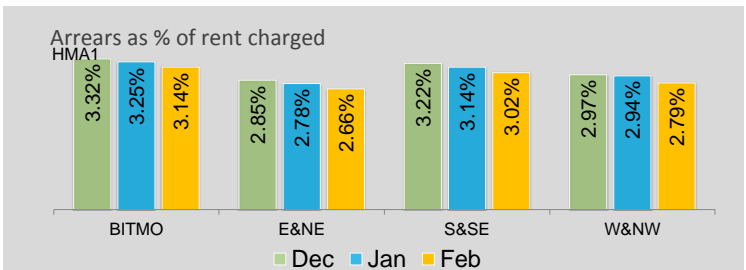
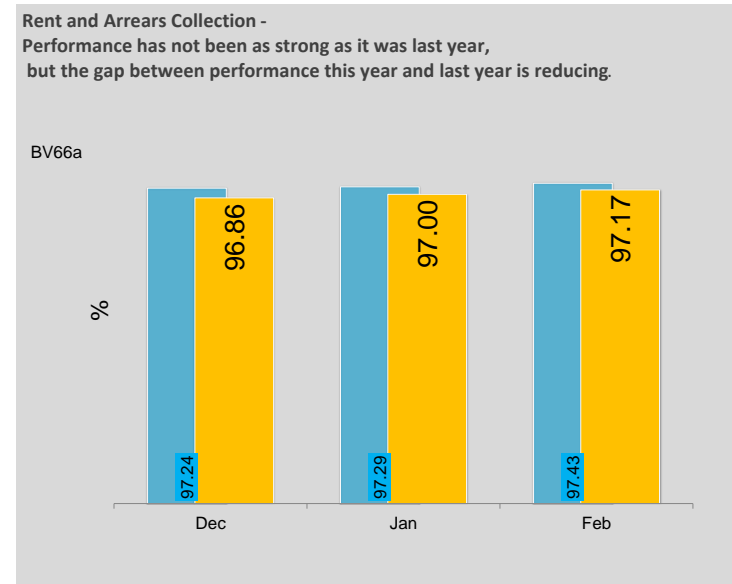
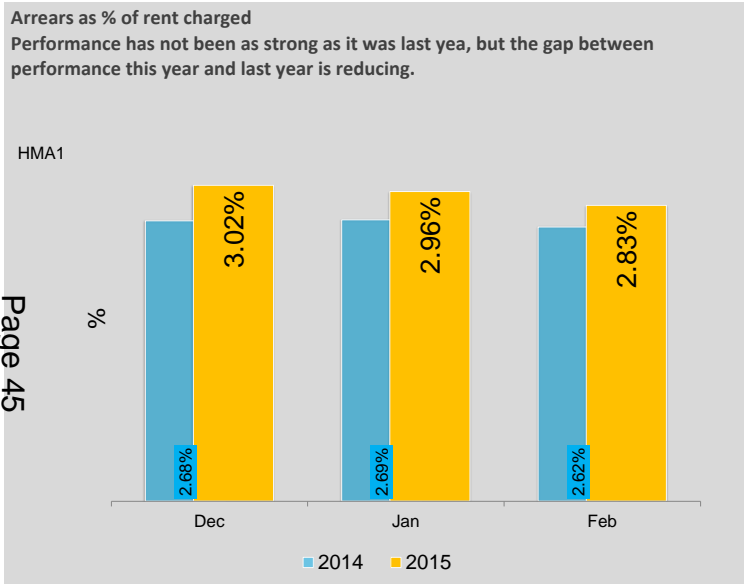
- **Waste** – Due to the inclement weather a number of waste schemes have slipped and the Tinshill bins stores will now be delivered in the new financial year, though 4 bin stores in a INW and OW areas are expected to be delivered this quarter.
- **Parking** - In the new financial year work is due to start on 3 new parking schemes. Highways have been carrying out site investigations, planning permission and tree surveys have been obtained where required.
- **Landscaping** - Work has started with Area Offices and Landscape Architects to prepare schemes on the Milshaw Estate and Gipton South for resident consultation. The desired outcome is to improve the curb appeal by improving boundary treatments, car parking, greenspace and other aspects. The impact will be gauged by measuring the social value of these improvements.

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# Priority 2, Rents and Benefits, Feb 2015/16

## Performance: How well are we collecting rent

**Arrears as % if rent charged 2.83%**      **rent and arrears collection 97.17%**

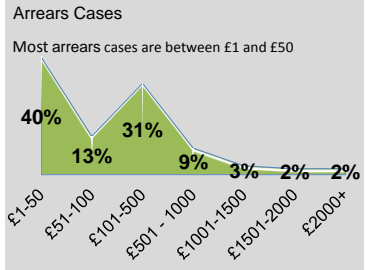
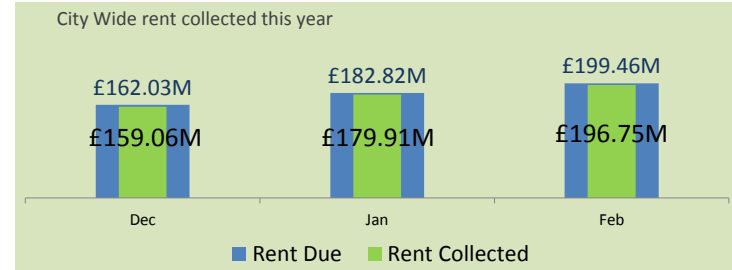
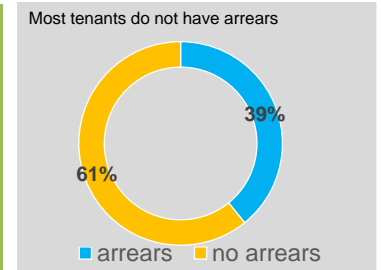


**City Wide rent arrears**  
arrears levels are in improving

**£6,240,702**

Arrears level by region

BITMO	£236,569
E&NE	£1,782,199
S&SE	£1,955,160
W&NW	£2,266,775



**Quick Arrears Profile**  
The profile of amounts owed (left) has changed from Q3, which showed more arrears cases owing £101 - £500, now more people owe less than £50.

**uncollected rent this year**  
**£2,704,380**  
Better than previous two months

Jan	£2,911,042
Dec	£2,964,463

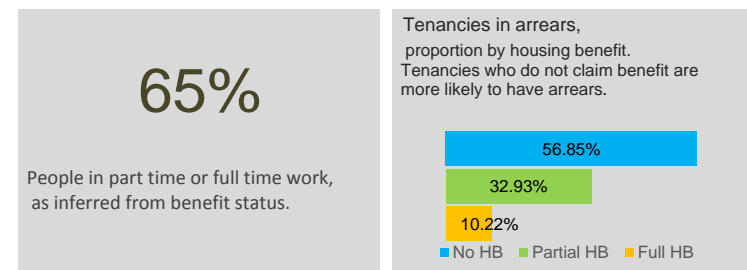
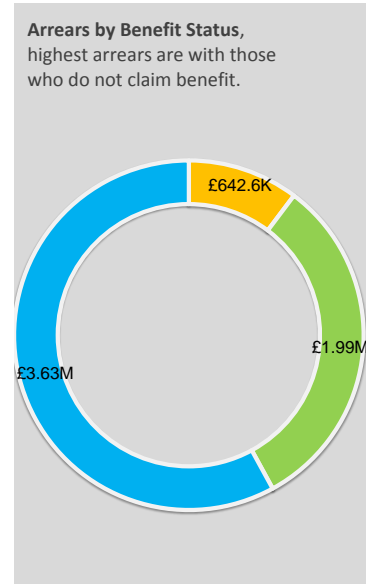
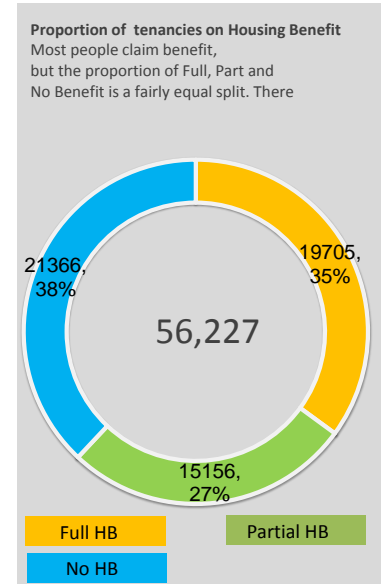
\*included in the £6.2 million shown on the left

**uncollected rent this year**  
East, South, West and BITMO are worsening.

Region	Rent Due	Shortfall	Trend
BITMO	£6.85M	£98.6K	↑
E&NE	£60.56M	£884.7K	↑
S&SE	£58.6M	£631.9K	↑
W&NW	£73.45M	£1.09M	↑

## Insight: What welfare do people receive?

**62% of tenants receive full or part housing benefit**



**Universal Credit**  
First new claimants in

**Feb '16**

At first, only new claimants who receive Jobseeker Allowance will receive the new Benefit, estimated to be **between 50 and 80 each month.**

**Benefit Cap on large families.**  
Estimated tenancies affected

**650\***

Changes to be introduced April '16. Benefit Cap on under 35s due 2018.

\*research carried out by Welfare and Benefits

**Current Under Occupation cases**

Region	arrears	cases	in arrears
CITY	£813740	5129	52%
BITMO	£15605	136	53%
E&NE	£233331	1706	51%
S&SE	£266819	1446	52%
W&NW	£297985	1841	53%

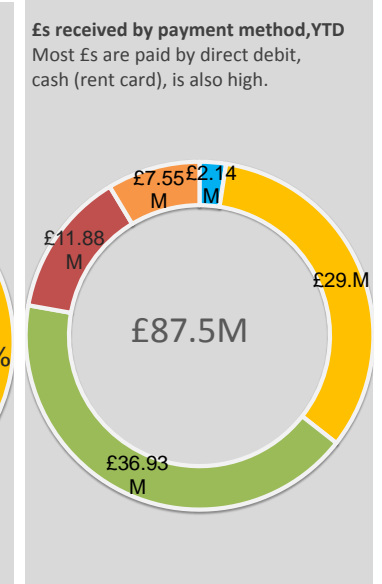
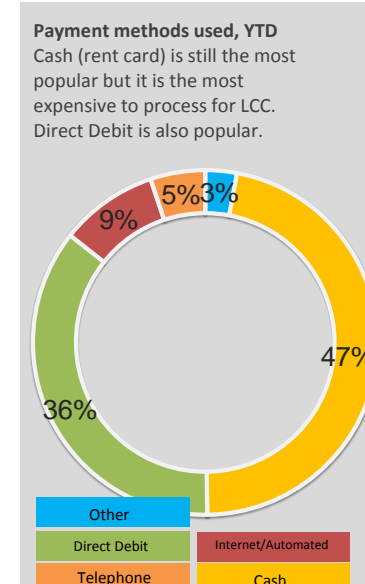
cases with no arrears at policy introduction, who now owe arrears.

**1326**

Arrears - **£264,093**

## Insight: How do people pay?

**Cash is the most used payment method**



**Service Commentary**

Rent Collection and Arrears performance has improved significantly during January and February to 97.17% (+ 0.31%). Whilst performance remains lower than the same point last year, the gap between current performance and the same point last year has reduced from 1% at the end of Q2 to 0.26% at the end of February. However, the gap to year end target is 0.83% and it is unlikely that the 98% target will be achieved.

Performance is being actively managed to maximise collection as follows:

- Robust performance management of individual staff and team performance - individual performance information is available on a weekly basis and managers are using this to support / challenge officers to improve performance through 121s and team meetings.
- Income Recovery Action Plans have been implemented for all areas - these focus on training, support and robust management.
- This is being supported by Chief Officer and Heads of Service
- Housing Manager Arrears Procedure workshops were held in June / July 2015, to overview procedure, protocols and performance management.
- An arrears refresher training pack has been developed to support Housing Managers and Team Leaders in training new staff.
- A programme of arrears management training has been delivered to all Housing Officers and Team Leaders by an external trainer, focusing on quality conversations, negotiation and recording quality data in a debt collection / performance environment.
- A Quarter 4 Year End arrears campaign is well underway, with a service focus on increasing rent collection. Including targeting resources at a local level, and also city wide texting/email campaigns to encourage clear accounts for year end.
- Following recent recruitment, a further 42 housing officers commenced work late 2015/early 2016. This includes officers who will work as part of the Enhanced Income Team to support tenants in minimising the impact of welfare reform. All officers have now started in post and will support performance improvements towards the year end.
- Universal Credit preparations are well underway and Leeds went live on 1 February 2016 for single recently unemployed tenants. The number of tenants on UC is changing on a daily basis; in respect of a number of these, we have applied for managed payments (direct to Landlord) due to existing rent arrears.
- Paperless Direct Debits have been launched 29<sup>th</sup> February 2016, enabling tenants to set up Direct Debits over the telephone.



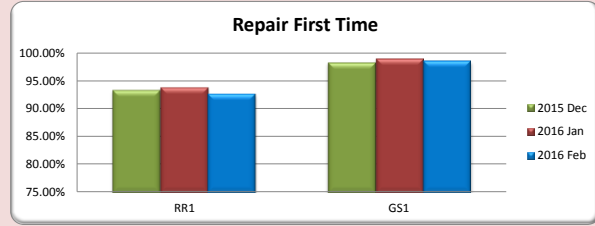
# Priority 4 - Repairs **DRAFT**

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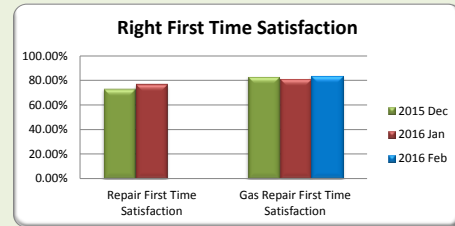
Area

Contractor

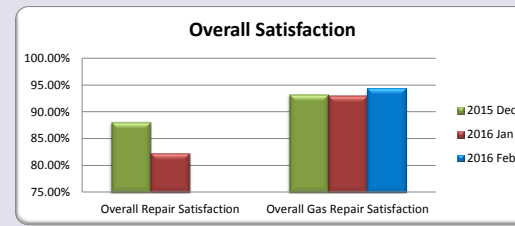
## Repair First Time



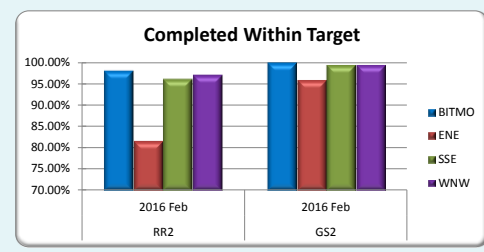
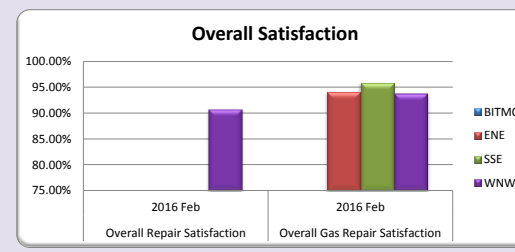
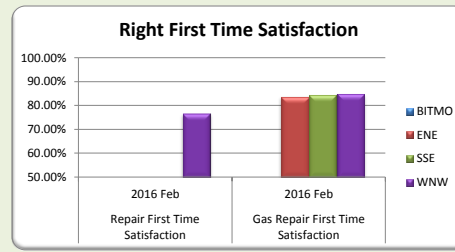
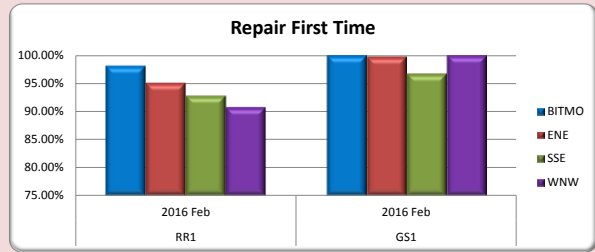
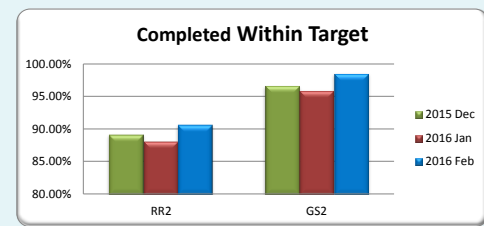
## Repair First Time Satisfaction



## Overall Satisfaction with Repairs



## Completed within Target

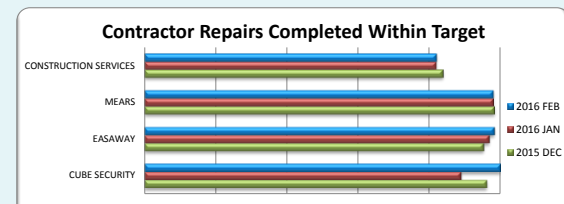
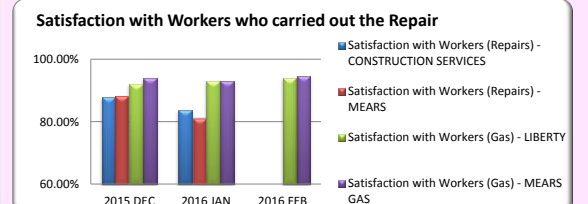
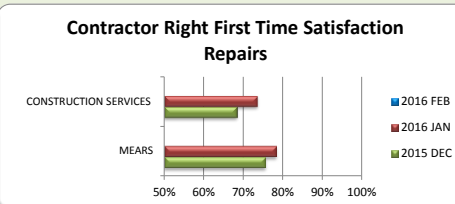
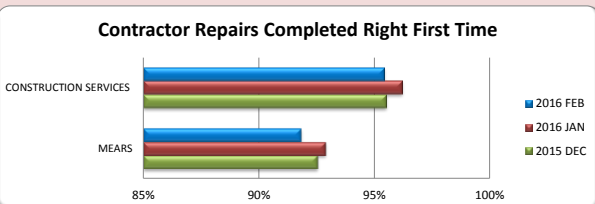


RR1 - Repairs Right First Time					
Area	Target	Dec-15	Jan-16	Feb-16	
CITY (inc BITMO)	90.00%	93.31%	93.82%	92.70%	
BITMO	90.00%	96.35%	95.86%	98.16%	
ENE	90.00%	95.35%	96.01%	95.21%	
SSE	90.00%	93.23%	93.73%	92.89%	
WNV	90.00%	91.96%	92.46%	90.77%	
GS1 - Gas Repairs Right First Time					
Area	Target	Dec-15	Jan-16	Feb-16	
CITY (inc BITMO)	87.00%	98.24%	98.92%	98.59%	
BITMO	87.00%	100.00%	94.34%	100.00%	
ENE	87.00%	100.00%	100.00%	99.87%	
SSE	87.00%	95.74%	97.76%	96.82%	
WNV	87.00%	100.00%	100.00%	100.00%	

Repairs Right First Time Satisfaction				
Area	Target	Jan-16	Feb-16	
CITY (excl BITMO)	TBC	76.80%	84.21%	
*BITMO	TBC			
ENE	TBC	73.57%		
SSE	TBC	78.26%		
WNV	TBC	78.43%	76.64%	
Gas Repairs Right First Time Satisfaction				
Area	Target	Jan-16	Feb-16	
CITY (excl BITMO)	TBC	80.98%	84.21%	
*BITMO	TBC			
ENE	TBC	84.51%	83.67%	
SSE	TBC	76.10%	84.35%	
WNV	TBC	81.11%	84.76%	

Overall Repairs Satisfaction				
Area	Target	Jan-16	Feb-16	
CITY (excl BITMO)	TBC	83.33%		
*BITMO	TBC			
ENE	TBC	83.69%		
SSE	TBC			
WNV	TBC	81.17%	90.70%	
Overall Gas Repairs Satisfaction				
Area	Target	Jan-16	Feb-16	
CITY (excl BITMO)	TBC	93.04%	94.41%	
*BITMO	TBC			
ENE	TBC	93.06%	94.12%	
SSE	TBC	93.25%	95.86%	
WNV	TBC	92.82%	93.75%	

RR2 - Repairs Completed Within Target				
Area	Target	Jan-16	Feb-16	
CITY (inc BITMO)	99.00%	88.15%	90.72%	
BITMO	99.00%	99.08%	98.11%	
ENE	99.00%	77.83%	81.68%	
SSE	99.00%	95.23%	96.23%	
WNV	99.00%	97.11%	97.15%	
GS2 - Repairs Completed Within Target				
Area	Target	Jan-16	Feb-16	
CITY (inc BITMO)	98.00%	95.85%	98.50%	
BITMO	98.00%	94.51%	100.00%	
ENE	98.00%	88.89%	95.83%	
SSE	98.00%	98.43%	99.52%	
WNV	98.00%	99.59%	99.51%	



Contractor	February 16	Target	No of Jobs	No of jobs	%
CONSTRUCTION SERVICES		90.00%	3592	3427	95.41%
MEARS		90.00%	11006	10105	91.81%

Contractor	February 16	Target	No of Jobs	Satisfied
CONSTRUCTION SERVICES		TBC		
MEARS		TBC		

Satisfaction with Workers - Repairs			Satisfaction with Workers - Gas		
Contractor	Target	Feb-16	Contractor	Target	Feb-16
Const Services	TBC		Liberty	TBC	94.12%
Mears	TBC		Mears Gas	TBC	94.62%

Contractor	Target	Feb-16	No of Jobs	No Met
CUBE SECURITY	99.00%	100.00%	21	21
CONSTRUCTION SERVICES	99.00%	82.05%	7116	5839
EASAWAY	99.00%	98.28%	581	571
MEARS	99.00%	97.97%	11464	11231

### COMMENTS

\*BITMO do not use the Contact Centre to report satisfaction therefore, results have been left blank as not comparable.

**Repairs Completed within Target (RR2)** - Construction Services are not achieving target on RR2 with an end February result of 82.05% against a target of 99%. Analysis has identified bricklaying repairs as a main area effecting performance. An Action Plan has been created to address and improve the situation. Actions include: recruitment of 3x additional directly employed bricklayers and procuring additional sub-contracting resource to deal with peaks in demand.

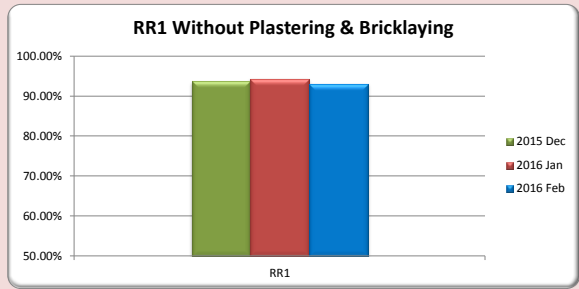
**Customer Satisfaction** - when reporting customer satisfaction we must achieve a confidence interval of +/-8 from our telephone surveys to ensure the sample is statistically sound. Unfortunately this month we have not achieved the targeted sample size and therefore are unable to report a figure. Changes are now being made to ensure the required amount of data is imported into the customer satisfaction system (Arena Tracker) and we achieve the sample size required moving forward.

**Consistency of reporting:** currently Mears and Construction Services responsive repair KPI specifications for 'Right First Time' and 'Repairs Completed within Target' differ which means reporting between the two contractors is inconsistent. Property and Contracts have produced a new consolidated range of KPI specifications which will be applied to all contractors to ensure city-wide consistency. The aim is for Mears to move to the new KPI specifications from 1st April 2016 before Construction Services from August 2016 in-line with their new IT system being introduced.

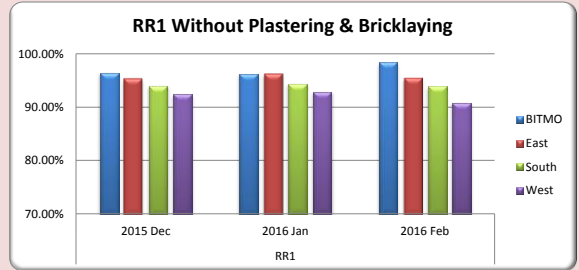
It had been hoped that Mears and Construction Services would be operating consistently in relation to plaster and brickwork by 1st April 2016. This was reliant, in part, to Construction Services altering their IT system and processes to allow plaster and brickwork to be appointed. However, Construction Services are now moving to a new IT system (Total Mobile) in August. Therefore, paying development costs for the existing system was not cost effective as it will soon be replaced.

City

**RR1 Without Plastering & Bricklaying**

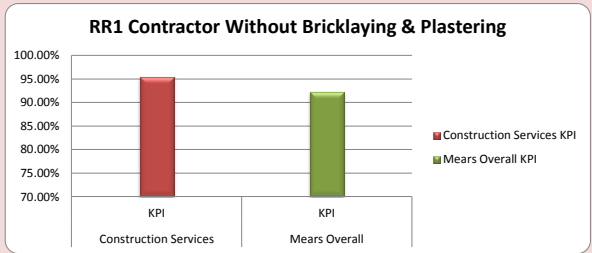


Area



RR1 - Without Bricklaying & Plastering				
Area	Target	Feb-16	No of Jobs	No Met
<b>CITY (inc BITMO)</b>	90.00%	93.15%	13597	12666
BITMO	90.00%	98.42%	507	499
ENE	90.00%	95.41%	3592	3427
SSE	90.00%	93.92%	3684	3460
WNW	90.00%	90.82%	5814	5280

Contractor



Contractor February 16				
	Target	Feb-16	No of Jobs	No Met
CONSTRUCTION SERVICES	90.00%	95.41%	3592	3427
MEARS	90.00%	92.34%	10005	9239



**Report of Assistant Chief Executive (Citizens and Communities)**

**Report to Housing Advisory Board**

**Date: 26<sup>th</sup> April 2016**

**Subject: Update on welfare reforms**

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 checked="" type="checkbox"/> Yes	<input 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

**Summary of the main issues**

1. The Government's welfare reform programme has created long-term issues for housing providers and tenants that will continue to challenge the way tenants are supported to access and maintain tenancies.
2. Under-occupancy and the Benefit Cap were implemented 3 years ago and much work has been done to reduce the numbers affected by these changes. Nevertheless there are significant numbers of tenants where a move to a smaller property is not realistic. Some of these tenants are supported through the Discretionary Housing Payment scheme; others are not and may struggle to meet rent liabilities.
3. Further changes to the Benefit Cap and the roll out of Universal Credit create further challenges for housing providers and will continue to need a co-ordinated response across the council as well as with external agencies in order to effectively support tenants to manage the changes.

**Recommendations**

1. That Housing Advisory Board notes the contents of the report.

## 1 Purpose of this report

1.1 The report provides information on the Government's continuing programme of welfare reforms and how the Council is preparing for these. The report also provides an update on the housing-related reforms that have been introduced since 2011.

## 2 Background information

2.1 Following the election of the coalition Government in 2010, a number of significant changes were made to reduce spend on Housing Benefit. Initially, the changes were restricted to the private rented sector and included:

- Extension of the Shared Accommodation Room Rate in the private rented sector to cover single people until they reach the age of 35. Previously the Shared Accommodation Rate applied to single people up to the age of 25;
- Removal of the '£15 excess' that private sector tenants were able to keep where they had secured tenancies at less than the Local Housing Allowance;
- Reductions in the value of Local Housing Allowances (LHAs) with LHAs being limited to the bottom 30% of the market where previously LHAs had been set at the bottom 50% of the market. Increases in LHA levels were also restricted to 1% at this time.

2.2 There were also large increases in non-dependant deductions starting in 2011. These had a bigger impact in the social rented sector simply because there were more families with non-dependents in this sector.

2.3 Further reforms were introduced from April 2013 which had a particular impact on the social rented sector.

- Social sector size criteria rules were introduced which reduce Housing Benefit by 14% where tenants are deemed to have 1-bedroom too many and by 25% where there are 2-bedrooms or more too many;
- A Benefit cap was also announced from April 2013 which reduces the amount of Housing Benefit paid where overall benefit entitlement is greater than £500 for a couple (or £350 for a single person). The DWP decided to introduce the Benefit Cap into large councils later in the year; this meant that the Benefit Cap was only implemented in September 2013

2.4 Other significant reforms included:

- Replacement of Council Tax Benefit with local Council Tax Support schemes with Government funding reduced by 10% nationally;
- The abolition of large elements of Crisis Loans and Community Care Grants with local councils encouraged to provide Local Welfare Support schemes. Government provided funding for 2 years for local schemes but then withdrew much of this funding after that;
- The gradual replacement of Disability Living Allowance with Personal Independence Payments;

- The launch of Universal Credit in the North West of England for single jobseekers.

### 3 Main Issues

3.1 This section of the report provides information on how the Council has responded to the challenges created by the welfare reforms.

#### *Under-occupancy*

3.2 Table 1 below shows a snapshot, taken at 3-monthly intervals, of the number of tenants affected by under-occupancy (sometimes called the Bedroom Tax or the Spare Room Subsidy).

Table 1: Number of tenants affected by under-occupancy

	Apr13	Jul13	Oct13	Jan14	Apr14	Jul14	Oct14	Jan15	Apr15	Jul15	Oct15	Jan16
Council tenants	7037	6296	5935	5571	5640	5566	5441	5345	5235	5128	5053	5137
HA tenants	1743	1538	1466	1388	1413	1415	1378	1339	1309	1274	1279	1284
Total	8780	7834	7401	6959	7053	6981	6822	6684	6544	6402	6332	6421
Monthly Change	--	-946	-433	-442	94	-72	-159	-138	-140	-142	-70	89

3.3 The general trend is one of a reducing number of tenants affected although this is slowing down now. The larger reductions in the first year reflect specific actions that were taken which had a positive impact on the number of tenants affected by the under-occupancy changes. The two main activities were:

- A review of households to ensure that the Benefits Service were aware of any changes to the household size. This identified households where additional children had not been reported – a number of families were taken out of under-occupancy through this;
- Home visits to all affected tenant by Housing Leeds staff to ensure tenants were aware of the changes and to discuss options to deal with the changes;
- There was also a review of the classification of certain types and design of property. A number of these were reclassified as having fewer bedrooms and this also meant that some tenants were taken out of under-occupancy.

3.4 The fluctuations in the following years largely reflect the fact that tenants circumstances change: household sizes change, tenants move, tenants move into and out of work etc. Every effort is made to ensure that new tenancies and tenancy moves take account of the under-occupancy rules.

3.5 However, there is a significant core of tenants affected by under-occupancy where a move to smaller accommodation is not realistic. This includes 3,440 Council tenants (67% of those affected) who need 1-bed accommodation in order to be taken out of under-occupancy and 695 HA tenants (54% of those affected) who also need 1-bed accommodation. Other factors include tenants living in adapted accommodation, estranged parents who need an extra room to maintain contact with their children, pregnant women who will need an extra bedroom once the child is born, foster-carers and tenants who are

close to pension-age where the under-occupancy rules will not apply. These situations are reflected in the Council's policy on Discretionary Housing Payments (see para. 3.22)

3.6 There is little doubt that the under-occupancy changes are causing difficulty for tenants. Indicative measures of rent arrears, for instance, suggest that 27% of affected tenant were in rent arrears at the start of the changes; the indicative figure now is 52%. Rent arrears levels of Housing Leeds tenants affected by the under-occupancy changes have fluctuated throughout the year, but generally have reduced from £833k in April 2015 to £813.5k in January 2016.

### *Benefit Cap*

3.7 The Benefit Cap at £26k per annum currently affects 242 families who, between them, have 1145 children. 41% are social sector tenants and 59% are tenants renting in the private-sector. The average weekly reduction is £44 for Council tenants, £48 for HA tenants and £67 for private-sector tenants. These averages, however, mask significant variations in how tenants are affected.

- 39% have a reduction of less than £25 a week;
- 9% have a reduction of more than £150 a week.

3.8 The numbers affected by the Benefit Cap has reduced from a high of 312 families down to 242. It is likely that some families may have found cheaper accommodation or moved into work – families in work are exempt from the Benefit Cap. This is evidenced by the fact that, even though the overall numbers affected by the Cap has reduced, there are now more families in the category losing up to £25 a week than there were when Benefit Cap was affecting 312 families.

3.9 The number of Housing Leeds tenants affected by the Benefit Cap continues to reduce, reducing from 88 cases in April 2015 to 70 cases in March 2016. Rent arrears have also reduced, from £38k in April 2015 (average of £441 per tenant) to £29k in March 2016 (average of £416 per tenant).

3.10 In its Summer Budget the Government announced that it was reducing the Benefit Cap further to £20k outside London. DWP's rough estimates suggest that between 1000 and 2000 additional families in Leeds will fall within the new Cap level. Internal analysis suggests that the figure is likely to be between 1600 families and over 2000 families.

3.11 The reduction to £20k is likely to mean that many families with 2 children living in the private sector and some families with 3 children in the social rented sector will be affected by the cap in Leeds.

Table 2 – analysis of potential Benefit Cap cases

	Income type	2 children families	3+ children families	Total
Housing Leeds	ESA	-	304	304
	IS	-	265	265
	JSA	-	234	234
				<b>803</b>
Housing Assoc	ESA	6	55	61
	IS	17	65	82
	JSA	7	46	53
				<b>196</b>
Private rented	ESA	84	221	305

	IS	50	640	690
	JSA	83	228	311
				<b>1306</b>
Total		247	2058	<b>2305</b>

3.12 It is expected that the new lower Benefit Cap levels will come into effect from around October 2016. It will have the following implications:

- The lower Cap will see families already capped faced with a further reduction in income of up to £115 a week or the loss of their full HB whichever is the lower;
- Families who have already lost all their Housing Benefit (21 families in Leeds) will see no further reduction as there is more HB to take. However, these families will face a further reduction of £115 a week when they move onto Universal Credit; and as has already been seen;
- Bring 2-children families and 3-children families into the Cap.

3.13 The Council will receive information from DWP about who is likely to be affected and this information is allowed to be shared with social sector housing providers so that support and information can be provided to potentially affected tenants.

#### *Universal Credit*

3.14 Universal Credit is the Government's flagship welfare reform which merges 6 benefits into one (Jobseekers Allowance, Income Support, ESA, HB, Working Tax Credit and Child Tax Credit) and is delivered by a single agency. Universal Credit went live in Leeds on 1<sup>st</sup> February 2016 and is focused only on single jobseekers at this time. This group is considered by DWP to be the simplest cohort for Universal Credit purposes and enables the Government to continue to test the delivery of Universal Credit while expanding its reach nationally. It is estimated that around 10,000 Universal Credit claims will be made in Leeds over the first 14 months and that, in line with experience elsewhere, only around 20% of these will be from tenants.

3.15 There are many differences between Universal Credit and the legacy benefits it is replacing. These include:

- Claims must be made online
- Payment is normally paid monthly to a single person in a household
- The rent element is paid directly to the tenant
- There is normally no entitlement to Universal Credit (including the housing costs element) for the first 7-days following a claim
- First time claimants must wait for 5-6 weeks before an initial payment is made

3.16 DWP and the Council have agreed a Delivery Partnership which sees the Council take responsibility for providing support to people to make and maintain an online claim. For the initial roll out it is envisaged that the majority of claimants will be newly unemployed people who are already used to the online claiming regime. This support service will, in the main, be delivered through Community Hubs and One Stop Centres. The Delivery Partnership will also see the Council providing Personal Budgeting Support to people who need help with managing the monthly payment that UC brings. The emphasis is on helping people to deal with a monthly payment of UC made directly to themselves monthly in arrears and ensuring they are able to meet the demands of having Housing Costs in with this payment instead of being paid to the landlord. This support includes managing a basic household

budget, managing a bank account, and making payments. Experience elsewhere indicates a very low take up of Personal Budgeting Support.

3.17 There are clear challenges arising from Universal Credit, particularly around rent payment and collection. DWP has agreed to notify social sector landlords when their tenants make a claim for Universal Credit although this aspect is not entirely reliable just yet. In response to these challenges, the following steps have been taken:

- Universal Credit briefings have been provided to all relevant frontline staff;
- Leaflets have been made available for the public and staff on Universal Credit;
- Information will be collected monthly on how Universal Credit is progressing in Leeds;

3.18 As of 13/04/16 169 Housing Leeds tenants are known to be in receipt of or in the process of applying for Universal Credit. The further roll out of Universal Credit to families and more vulnerable claimants is not expected to happen in Leeds until late 2017 or early 2018. This further roll out is expected to create more challenges for the Council and for landlords. This further roll out has been the subject of a Scrutiny Board review and from this a series of recommendations have been made which will help to ensure that appropriate preparations are made.

*Further changes to come*

3.19 The 2015 Summer Budget also announced other significant welfare reforms. This included an intention to cap Housing Benefit payments in the social rented sector at Local Housing Allowance rates used in the private rented sector. For the majority of general needs housing tenants this is unlikely to be an issue but there are two groups who will be affected by this change:

- The first are single tenants under 35 who pay a rent that is higher than the Shared Room Rate used for u35s in the private rented sector. The Shared Room Rate is £64 a week in Leeds. Analysis shows that there are around 1600 single tenants in Housing Leeds properties getting HB with a rent higher than the Shared Room Rent and a further 1,000 single tenants in Housing Association property with a rent higher than the Shared Room Rent. The cap will apply from April 2018 and will only apply to new tenancies created from April 2016. In reality the majority of tenants likely to be affected by the LHA cap are also likely to be affected by the under-occupancy rules where the reduction is likely to be greater or similar to the reduction required to meet the LHA cap.
- The second group that may be affected by the change are tenants living in specified accommodation, this includes supported housing and hostels. Rents in this type of accommodation routinely exceed LHA levels and often by considerable margins. DWP is set to carry out a consultation exercise on supported accommodation but this will not be started until later in the year. DWP's response to the consultation outcomes will determine their approach to this sector and whether there will be any exemptions from the LHA cap rule. In recognition of this timetable, DWP has announced that the LHA caps will be put back a year to 2019 for supported accommodation.

3.20 The Government also announced that it would be removing automatic entitlement to housing costs support for 18-21 year olds. This is intended to happen from April 2017 and would be delivered through the Universal Credit system rather than the Housing Benefit system. Recent discussions with DWP have indicated that there will be exemptions for vulnerable young people who are deemed unable to return to their parents' home. Until

there is more information about the exemptions and how they will be identified and applied, it is difficult to make appropriate preparations for this change.

3.21 One thing that has become clear is that young people who are not entitled to housing costs support because of this change, will also not be entitled to Discretionary Housing Payments.

#### *Discretionary Housing Payments*

3.22 A key element in supporting tenants affected by the welfare changes, has been the use of Discretionary Housing Payments.

3.23 Discretionary Housing Payment funding from Government has seen Leeds receive varying amounts over the 4 years from 13/14 through to 16/17.

- In 13/14 the council received an initial £2.25m in Government funding and spent £2.3m on supporting tenants;
- In 14/15 funding Government funding reduced to £2m but an additional £250k contribution from the HRA meant that around £2.3m in DHP support was provided to tenants;
- In 15/16 funding from Government reduced further to £1.5m. Again there was a contribution from HRA of £500k and this enabled a spend of £2m to support tenants affected by the reforms;
- The funding for 16/17 has been announced at £1.9m. While this represents an increase on the 15/16 contribution, it is less than the contribution in 14/15 and it is intended to also help with the additional 1000 to 2000 tenants affected by the revised Benefit Cap.

3.24 Discretionary Housing Payments enable us to provide longer-term support for those who are simply unable to move to smaller accommodation. This includes tenants living in homes that have been specially adapted for their needs, tenants who need an extra room to help maintain contact with children when parents separate and tenants who are foster carers. It is also intended to provide shorter-term support for those tenants who need extra help but who do not fit into the priority groups. Often these tenants have debt issues or are going through some other difficulty. The expectation is that these tenants will be able to adjust after a period of time or make changes to their outgoings that will help them meet the extra rent they have to pay. Additional support is provided around debt advice and money management but the reality for many of these tenants is that it is proving very difficult to withdraw the DHP support. There is little doubt that the Council's contribution through the HRA is proving critical in enabling us to support tenants.

3.25 There remains a concern that the full roll out of the Benefit Cap from October 2016 will really challenge our ability to continue to support tenants to the same degree.

#### *Update on Housing Leeds' Response to Welfare Changes*

3.26 Housing Leeds has given significant priority to making robust preparations for the implementation of the Welfare Reforms, commencing with the introduction of the Under-occupation Charge in 2013. The service has worked closely with the Welfare and Benefits Service to develop co-ordinated plans to support the implementation of benefit changes, with a focus on working closely to minimise the impact on the service, and Housing Leeds tenants.

- 3.27 Prior to the introduction of the Under-occupation charge , the former ALMOs visited all tenants who were to be affected, and discussed rehousing options and income maximisation. Housing Leeds has continued to provide ongoing support to these tenants as part of ongoing tenancy management.
- 3.28 Between 2014 and 2015 Housing Leeds ran the Multi Storey Flat Project which offered Discretionary Housing Payment and additional support to tenants affected by the Under-occupation charge living in high rise flats. This support included areas such as budgeting, income maximisation, energy saving, IT skills, confidence / life skills, accessing training and employment and voluntary work. The project was very successful – it supported over 500 tenants over 1 year, with 100 tenants moving into work during the life of the project.
- 3.29 Housing Leeds has used the learning from the Multi Storey Flat Project to establish a team of 16 specialist Housing Officers in December 2015 to co-ordinate support to tenants affected by Welfare reform. The team is offering additional support to affected tenants to review rehousing options, income maximisation, budget management, including management of debt, application for Discretionary Housing Payment, utility accounts, and accessing training and employment. Priority is being given to tenants affected by Universal Credit, the Benefit Cap and Under-occupation.
- 3.30 The service developed a Universal Credit Action Plan during 2015 to co-ordinate preparations for the implementation of Universal Credit which is reviewed on a regular basis. A number of preparations have been made including the following:
- Training / briefings have been provided to all front line staff on Universal Credit.
  - A tenant communication plan is in place with general promotions of benefit changes in the Tenants Newsletter, on the website, Facebook and Twitter, leaflets etc.
  - Regular updates to key Tenant Groups on changes, including Voice of Involved Tenants At Leeds (VITAL), Leeds Tenants Federation and Housing Advisory Panels.
  - A review of the Annual Home Visit proforma to collect information linked to budgeting and internet access during 2015/16. This information is now being used to help us to target support accordingly.
  - Improvements to the direct debit system, to allow tenants to set up direct debits over the phone.
- 3.31 The Citizens and Communities Scrutiny Board has recently undertaken an enquiry into the preparations for the implementation of Universal Credit in Leeds. Housing Leeds has been actively involved in this enquiry, and is working closely with the Welfare and Benefits Service to implement key recommendations from the enquiry. The key recommendations which Housing Leeds are supporting are as follows:
- To work with Department of Work and Pensions to explore opportunities for improving the verification process linked to proofs of social housing tenancies and associated rent changes through alignment of automated systems.
  - To write to all tenants in receipt of Universal Credit to reiterate their responsibility for using Universal Credit payments to pay their rent to the Council.
  - That the financial implications of Universal Credit are factored into the Council's future financial models.
- 3.32 Housing Leeds is working closely with other local authorities to learn good practice from others where Universal Credit has already gone live. The service has been members of a Northern Rent Benchmarking Group for a number of years, where discussions around Welfare Reform preparations regularly take place. More recently, connections have been developed with the Northern Housing Consortium (NHC) on Welfare Reform, to connect more effectively into the NHC's relationship with Whitehall and Department of Work and



Pensions on the particular impacts on northern landlords. Leeds also visited Wigan and Oldham local authorities where Universal Credit has already been implemented.

3.33 These visits and networking opportunities have helped to identify key priorities for Housing Leeds in preparing for the introduction of Welfare Reform changes. There are 2 key themes to the approaches being undertaken by other landlords:

- *Tenant Responsibilities* - Greater emphasis on tenant responsibilities to pay their rent, where possible in advance, mandatory direct debits, streamlined arrears procedures.
- *Additional Support* - Greater support offered to tenants who need additional support, including pre-tenancy training, training and additional support to vulnerable tenants.

3.34 Housing Leeds is currently reviewing its processes to strengthen a 'social contract' culture with tenants based on Restorative Practice principles. This includes the following:

- *Tenant Responsibilities* – new Tenants Handbook and strengthened New Tenancy Visit process which reinforces tenant responsibilities, strongly encouraging rent payments in advance and direct debit as the preferred payment method at sign up.
- *Additional Support* – development of an 'Enhanced Support Offer' to tenants, with an increased focus on providing support at an earlier stage, particularly prior to rehousing, to ensure that tenants are supported to move effectively into suitable accommodation. Also the development of pre-tenancy training is underway.

## **4. Corporate Considerations**

### **4.1 Consultation and engagement**

4.1.1 Housing Leeds is actively involved in the development of the Council wide response to Welfare Reform, via the Council's Welfare Reform Strategy Board, which is a multi-agency board led by Citizens and Communities. This group is responsible for co-ordinating a joint Leeds response to Welfare Reforms.

4.1.2 Housing Leeds is also engaged with a number of regional local authorities and landlords to learn good practice from others in relation to Welfare Reforms, and has used this learning to support preparations for change. The service has developed close working relationships with local Department of Work and Pensions offices in relation to the management of individual cases.

4.1.3 The service is working closely with tenant groups to ensure that tenants are aware of and as prepared as possible for Welfare Reforms. This has included consultation on VITAL on the development of its Tenant Communication Plan, and ongoing consultation with other tenant groups, e.g. Housing Advisory Panels.

### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 Housing Leeds has an important role in minimising the negative impact of Welfare Reforms on tenants, and in doing so promoting community cohesion and integration. Through the Enhanced Income Team, additional support will be provided to tenants when required in managing changes to welfare benefits, and to minimise the impact of the changes on particular tenant groups who might be disadvantaged by the changes, e.g. young people.

4.2.2 The service will closely monitor the impacts of Welfare Reform on tenants in order to identify whether there are particular tenant groups that are disadvantaged by specific changes. Housing Leeds will review and amend the support provided by the Enhanced

Income Team as required to ensure appropriate support is then provided to those tenants.

### **4.3 Council Policies and City Priorities**

4.3.1 The work that Housing Leeds is undertaking contributes towards the Best Council Objectives of supporting communities and tackling poverty and becoming a more efficient and enterprising Council.

4.3.2 It also supports the delivery of the Housing Strategic Priority of maximising tenants' incomes and rent collection.

### **4.4 Resources and Value for Money**

4.4.1 The Enhanced Income Team will be a resource of 16 specialist Housing Officers that will be able to work flexibly across the service and change focus in response to changing needs, as different Welfare Reforms are implemented. The business case was developed on the basis of spend to save, with the intention that the team will result in increased income to tenants, but also a lower number of arrears cases, court applications and evictions linked to rent arrears. Any evictions that the team can prevent will result in estimated savings of £6.5k per eviction prevented.

### **4.5 Legal Implications, Access to Information and Call In**

4.5.1 The report does not contain any exempt or confidential information.

### **4.6 Risk Management**

4.6.1 Welfare Reform has an adverse impact on the Council's financial position and creates financial hardship. As such it has been deemed a High Risk to the council and this risk is regularly monitored and reviewed in the Corporate Risk Register.

4.6.2 The content of this report will help to minimise the risk by supporting tenants to move to a better financial position and therefore more able to pay their rental charge.

## **6. Recommendations**

1. That Housing Advisory Board notes the contents of the report.

### **Background documents<sup>1</sup>**

*Background documents*

7 None.

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<sup>1</sup> 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.

**Report of the Director of Environment and Housing**

**Report to Housing Advisory Board**

**Date: 26 April 2016**

**Subject: Update on the Environmental Improvement Programme**

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If relevant, name(s) of Ward(s): Adel & Wharfedale, Alwoodley, Ardsley & Robin Hood, Armley, Beeston & Holbeck, Bramley & Stanningley, Burmantofts & Richmond Hill, Chapel Allerton, City & Hunslet, Crossgates & Whinmoor, Farnley & Wortley, Farsley & Calverley, Garforth and Swillington, Gipton & Harehills, Guiseley and Rawdon, Harewood, Horsforth, Kippax & Methley, Kirkstall Middleton Park, Moortown, Morley North, Morley South, Pudsey, Otley & Yeadon, Rothwell, Temple Newsham, Weetwood	
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number: Appendix number:	

**Summary of main issues**

This report provides an update on the Environmental Improvement Programme.

**Recommendations**

The Board is recommended to note the contents of the report and progress of the overall programme and individual schemes.

**1.0 Purpose of this report**

This report presents a summary of the Environmental Improvement Programme (EIP). The EIP itself is split into 4 thematic parts which constitute some 82 separate schemes of work across many parts of the cities Council Housing portfolio.

**2.0 Background information**

2.1 In June 2014 Executive Board agreed to allocate £3m of Housing Revenue Account funds to deliver the EIP in order to improve the quality of the Council's housing estates and provide significant additionality to the Housing Capital Programme.

2.2 Bids were invited from ward members and officers and collated for each area in late 2014, this was developed into the final 82 schemes included in the programme in February 2015.

2.3 The criteria for decision-making schemes were:

- Deliver a fair spread of schemes across the City
- Deliver as many schemes as possible with the available funding, therefore schemes over £100K would be evaluated and potentially phased / reduced to avoid a disproportionate level of resources going into a single scheme
- Deliver schemes which contribute to the City's priorities improved recycling and play facilities which support the City's commitment to Child Friendly Leeds.
- Support and prioritisation from local ward members
- Availability of match funding for the schemes

2.4 Some schemes did attract match funding from the Housing Capital Programme, Housing Advisory Panel budgets or external sources. Total match funding currently accounts for £1.83m, £145,000 of this figure is yet to be finally secured.

2.5 In turn schemes were collated under the following 4 main themes of

- Community Safety and Security
- Waste
- Landscaping, access, amenity and play
- Parking Improvements

To ensure programme delivery some £250K was allocated to resources within Property & Contracts; staff were appointed on a temporary basis until 2017 and a delivery plan was put into place covering the financial years from June 2015 to June 2017.

### 3.0 **Progress**

#### 3.1 Theme 1 – Community Safety and Security

- All 7 CCTV schemes are due for completion in April 2016.
- Of the 9 fencing projects, 5 are complete; the remaining 4 projects are in the process of resident consultation.
- Of the lighting improvements 2 projects are complete and the 3<sup>rd</sup> we are looking into the feasibility of the project in terms of costs due to technical issues.
- Of the 5 communal door and window projects 1 is on site and the remaining 4 projects are due to be delivered through the capital programme in the new financial year.

#### 3.2 Theme 2 – Waste

Of the 20 projects, 5 are complete and 1 is currently on site whilst 1 scheme forms part of a wider regeneration programme (the Beckhills).

#### 3.3 Theme 3 – Landscaping, Access, Amenity and Play

Of the 16 projects 6 projects are now complete

#### 3.4 Theme 4 – Parking Improvements

Of the 22 parking projects 3 are now complete, 2 have orders raised with contractors for

delivery in May/June 2016. These schemes have a much longer lead in period for design, consultation and engagement with 3<sup>rd</sup> parties such as utility providers hence the majority of the works are yet to commence on site.

#### **4.0 Overall Progress**

- 4.1 The early months of the project predominantly involved taking the ideas and producing detailed specifications along with consultation at a local level, now the focus turns to construction. From the original 82 projects there are currently 21 complete and a number on site. The attached appendix programme shows the vast majority of construction runs from March 2016 until Feb 2017.
- 4.2 This project is seeing very much a departmental approach to service provision with Housing Leeds teaming up with colleagues in both Waste and Parks to ensure schemes are fully specified and delivered to achieve an improvement for residents but also fit in with council services to ensure efficiency of issues such as waste collection of ongoing maintenance.
- 4.3 The Project Team have now started to collect customer satisfaction results on the projects that have completed and satisfaction levels are high. The Project Team worked with our Intelligence Team to come up with five questions around satisfaction of the project carried out. The surveys are carried out face to face, over the telephone and postal surveys. We have so far collected feedback from 4 fencing projects, 2 parking projects 1 bin store project and 1 landscaping project.

Comments from the projects completed so far include:

*Gipton Fire Station access road – ‘It’s been a long time coming! There are elderly and disabled persons who use the road and has been very dangerous with large potholes and rubble to feet. Well done, extremely pleased with the result.’*

*Oak Place Fencing – ‘nothing could be done better, perfectly happy with the work.’*

*Dufton Approach fencing – ‘Just glad to see it’s been done. It helps a lot.’*

*Cottingley Roof Garden – ‘the new roof tiles look great!’*

*CCTV – Leedswatch, within 1 hour of the Lincoln Green CCTV scheme coming online we were able to capture and assist a police operation proving the systems effectiveness.*

There will also be an exploration of the social value of some of the larger schemes, such as Gipton South environmental improvements, the Millshaw masterplan and the Beckhills environmental works.

#### **5.0 Consultation and Engagement**

The schemes being delivered have resulted from local discussions and ward member input. During scheme design and delivery consultation continues. This is an information report and as such does not need to be consulted on with the public.

#### **6.0 Equality and Diversity / Cohesion and Integration**

An Equality, Diversity, Cohesion and Integration Impact Assessment is completed for each scheme.

## **7.0 Council policies and the Best Council Plan**

The schemes will deliver against the Best Council Plan 2014-17 outcomes of:

- Improving the quality of life for our residents
- Supporting Child Friendly Leeds through provision of effective play facilities
- Achieving the savings and efficiencies required to continue to deliver frontline services by supporting the objective of dealing effectively with the city's waste.

## **8.0 Resources and value for money**

8.1 Resources are available in the HRA and the Housing Capital Programme to fund the programme. Housing Leeds assess the suitability of the design and prices on a scheme by scheme basis to ensure the maximum value is derived from the programme.

8.2 The programme supports Alternate Weekly Collections which helps to achieve efficiencies through increasing recycling and diverting refuse from landfill.

8.3 To enable consistent and effective delivery the majority of the schemes are being delivered within Property and Contracts alongside other Planned Works schemes and delivery arrangements.

8.4 From a procurement aspect the majority of the works are being delivered by the Council's own Internal Services Providers, namely Leeds Building Services, Parks and Countryside and Highways.

## **9.0 Legal Implications, Access to Information and Call In**

There are no legal implications and this report is not subject to call in. The decision to spend the HRA fund on environmental projects was taken by Executive Board in June 2014. The Director of Environments has since delegated responsibility for allocation.

## **10.0 Risk Management**

10.1 There are risks in delivering these all these schemes although steps are being taken to minimise them. Main risks are tenant and resident satisfaction, minimised by involvement and direct communications.

10.2 Capacity of contractors to deliver the schemes within timescales at to be minimised by effective project management as well as the additional resources allocated to Property & Contracts to deliver appropriate and effective project and programme management.

10.3 A number of the schemes require further development to determine the exact scheme brief; therefore further consultation and in some cases planning permission is required which will impact on the overall timescales for delivery.

10.4 A contingency fund of £250K will be allocated from the resources to ensure total costs do not exceed the available budget.

## **11.0 Conclusions**

The programme is on target to deliver against its outcomes, three quarters of the planning stage is nearing completion and approximately a quarter of schemes now complete on site. Early results on customer satisfaction are high showing the investment is proving valuable to the communities served.

## **12.0 Recommendations**

The Board is recommended to note the contents of the report and progress of the overall programme and individual schemes.

## **13.0 Appendices**

Appendix 1 - EIP Programme

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Row Labels	Count of Project	Sum of EIP Contribution	Sum of HRA Contribution
1	8	84,050	51,000
2	15	247,856	69,000
3	5	142,000	-
4	28	433,871	766,520
5	4	50,000	-
6	13	610,014	20,000
7	4	126,000	-
(blank)	4	126,634	156,000
<b>Grand Total</b>	<b>81</b>	<b>1,820,425</b>	<b>1,062,520</b>

Sum of HAP Contribution	Sum of Other	Sum of Total Project Cost
5,000	120,000	260,050
-	80,000	396,856
-	-	142,000
116,600	154,000	1,470,991
-	130,000	180,000
55,000	73,000	758,014
-	-	126,000
-	-	282,634
<b>176,600</b>	<b>557,000</b>	<b>3,616,545</b>

**Update on the Environmental Improvement Programme  
Appendix 1: Current Programme of Activities**

Key:

- Consultation & Design
- Construction/Build
- Site investigation
- Require Prop&C site visit
- scheme issues to resolve
- completed scheme
- 1 Delivery rating = Straightforward
- 2 Delivery rating = More difficult

1                      2                      3                      4                      5                      6                      7                      8

Su                      A                      W                      Sp                      Su                      A                      W                      Sp

Ref.	Hsg Area	Delivery Rating	Project	Contractor	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Completion Date	
CS01	IE	1	Fewston CCTV	M&E																											
CS02	IE	1	Lincoln Green Road CCTV	M&E																											Apr-15
CS03	OSE	1	Stanks Parade CCTV	M&E																											Apr-15
CS04	INE	1	Sholebroke Mount / Street CCTV	M&E																											Apr-15
CS05	IS	1	Middleton CCTV	M&E																											Apr-15
CS06	OSE	1	Osmondthorpe / Nevilles CCTV	M&E																											
CS07	ONW	1	St James's Close Doors	M&E																											
CS08	ONW	1	Regents Doors	M&E																											
CS09	INW	1	Moor Grange Doors	M&E																											
CS10	IS	1	Marlborough Grange Doors	M&E																											
CS11	IS	1	Hemmingway Glazing	CEL																											
CS12	OSE	1	Oak Place Sheltered Security Fence	Parks																											Jul-15
CS13	OSE	1	Birch Grove Sheltered Security Fence	Parks																											Jul-15
CS14	IE	1	Cromwell Mount Fencing	Parks																											Jul-15
CS15	OS	2	John O'Gaunts Fencing	Parks																											
CS16	INE	TBA	Beckhills Fencing																												
CS17	OS	2	Harrops & Askeys Fencing / Gates	Parks																											
CS18	OE	2	Dufton Approach Fencing	Parks																											
CS19	IW	2	Fairfields Fencing	Parks																											
CS20	OS	1	Dean Hall Close / Wynyard Drive Fence	Parks																											Sep-15
CS21	OSE	1	Naburn Fold Security Lighting	Street Lights																											Sep-15
CS22	OS	1	John O Gaunts Security Lighting	Street Lights																											
CS23	OS	1	Jarvis Square Dusk til Dawn Lighting	CEL																											Aug-15
L01	IE	1	BSG Fencing Painting	Mitie																											Oct-15
L02	IE	2	South Gipton Environmental																												
L03	OSE	2	Whinmoor Garage Improvements	Mears																											
L04	OSE	1	Glencoe Estate, Great Preston, Play access	Parks																											
L05	IE	1	Gipton Fire Station Access Road	Parks																											Dec-15
L06	ONW	2	St James Estate Footpaths	Parks																											
L07	ONW	1	Well Court Handrails Project	Parks																											
L08	INE	1	Hillside Block External Works	Parks																											
L09	INE	2	Leopold Grove Environmentals	Parks																											
L10	IS	2	Millshaw Road Masterplan Landscaping	Parks																											
L11	IS	1	Middleton Cinderpath	Parks																											
L12	IS	1	Cottingley Roof Garden	Mears																											Jul-15
P01	INE	2	King Alfreds Drive	Parks																											
P02	INE	2	Potternewton Heights	Parks																											
P03	INW	2	Silk Mill Avenue	Parks																											
P04	IW	2	Wortley Heights	Parks																											Feb-16
P05	IW	Biomass	Clydes Parking	Wilmott Dixon																											Feb-16
P06	IW	2	Fairfield Hill																												
P06a	IW	2	Fernbank Drive	Parks																											
P07	OE	2	York Road / Inglewood Estate	Parks																											
P08	ONE	2	Tynwald Green and Gardens	Parks																											
P09	ONE	2	Tynwald Drive	Parks																											
P10	ONE	2	Alderton Heights	Parks																											
P11	ONE	2	Keswick Lane	Parks																											
P12	ONW	2	Queensway	Parks																											
P13	OS	2	Jarvis Square	Parks																											
P14	OS	1	The Crescent, Tingley	Parks																											
P15	OS	2	Fairfax Avenue	Parks																											
P16	OS	2	Glen Road N	Parks																											
P17	OSE	2	Stanks Drive / Hebden Place / Naburn Fold	Parks																											Feb-16
P18	OW	2	Tong Way	Parks																											
P19	OW	2	Bawn Approach	Parks																											
P20	OW	1	Rycroft Court	Parks																											Sep-15
P21	OW	1	Meadowhurst Gardens	Parks																											
P22	ONW	1	Holt dales	Parks																											
PL1	OSE	2	Kippax Wheeled Sports facility	Parks																											
PL2	OS	1	Wood Lane Play scheme	Parks																											Oct-15
PL3	IS	1	Middleton Skate Park	Parks																											Jul-15
PL4	IS	2	Middleton Crescent	Parks																											
PL5	ONW	2	Hall Park Skatepark	Parks																											
W01	IS	2	Cottingley Phase 2	Parks																											
W02	IW	1	Ganners Way	Parks																											Feb-16
W03	INE	TBA	Beckhills																												



**Report of Director of Environment and Housing**

**Report to: Housing Advisory Board**

**Date: 26<sup>th</sup> April 2016**

**Subject: Housing and Planning Bill 2015**

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

**Summary of main issues**

The Government published the Housing and Planning Bill on 13<sup>th</sup> October 2015. The Bill sets out the Government’s proposals to increase home ownership and boost levels of house building. The Bill is still in its legislative stage and is, therefore, subject to change as it completes its passage through both the House of Commons and the House of Lords. Indeed since its publication the Government has published 65 pages of new amendments.

The Bill proposes fundamental changes to the nature and provision of social and affordable housing by legislating to make council tenants “pay to stay”, ending tenancies for life in council housing, forcing the sale of “high value” council houses, extending Right to Buy (RTB) to the Housing Association sector and in certain circumstances replacing s.106 units delivered through planning policy with starter homes for sale.

The Bill also introduces changes to the regulation of the Private Rented Sector (PRS), which follow on from the Government’s wish to tackle “rogue landlords” and whilst welcome in principle raise considerable questions about implementation in practice.

There are also a range of proposals that relate to Planning in England.

In considering the Bill, it should be seen within the context of the July 2015 budget and the autumn statement 2015. These national statements introduced changes to Housing Benefit for young people under 21, reductions in social housing rents and a doubling of the housing budget nationally with an emphasis on delivering home ownership

**Recommendations**

The Housing Advisory Board is asked to note the contents of this report.

## **1. Purpose of this report**

- 1.1 This report sets out the key proposals within the Housing and Planning Bill 2015, as they affect starter homes, social housing, affordable housing and the PRS and discuss the potential implications of the Bill.

## **2. Background information**

- 2.1 The Housing and Planning Bill was issued following a press release from the Prime Minister which re-emphasised the Government's ambition to one million new homes built by 2020.
- 2.2 The Bill has been presented as a historic step to change "generation rent" into "generation buy" and is clearly one of the most significant pieces of housing legislation of the last decade.
- 2.3 The Bill has 8 parts. Part 1 deals with starter homes, self-build and custom house building. Part 2 deals with "rogue landlords and letting agents" in England. Part 3 deals with recovering abandoned properties in England. Part 4 deals with social housing in England. Part 5 deals with housing, estate agents and rent charges. Part 6 deals with planning in England. Part 7 deals with compulsory purchase and Part 8 gives some general provisions.
- 2.4 The Bill firmly promotes the tenure of choice as home ownership. This philosophy was laid out in both the July 2015 budget and the subsequent autumn statement.
- 2.5 As the Bill progresses through it will change as both the Government and opposition parties propose amendments and deletions in both Houses.

## **3. Main issues**

### **3.1 Starter Homes**

- 3.1.1 The Government has previously announced that it intends to build 200,000 starter homes exclusively for first time buyers. The Bill defines the first time buyer as being under 40, offers a 20% discount from the market price subject to a cap of £250,000 outside of London. The Bill requires English planning authorities to carry out their relevant planning functions with a view to promoting the supply of starter homes. The Secretary of State may, by regulations yet to be published, require a planning authority to only grant a planning permission for a residential development "of a specified development" if starter homes are provided.
- 3.1.2 The current proposals do not link starter homes to any mortgage help e.g. Help to Buy. In addition, the average deposit required is still 20%. These may be critical for those on low to middle incomes who may wish to purchase their first home under the starter home initiative. In April 2015 the average house price in Leeds was £181,812 with the starter homes 20% discount this reduces to £145,450. It is estimated that the household income needed to support this price would be £50,155. This is £11,000 more than is needed to afford the average entry level price in Leeds. In view of this it is unclear at this point how the initiative will provide greater access to the market for first time buyers in areas such as Leeds.
- 3.1.3 The Bill also proposes a threat to the current s.106 planning policy arrangements. By giving the Secretary of State the power to require starter homes to be part of

certain developments as a prerequisite of planning permission, it may replace affordable housing on those developments. It is being suggested that this power will be exercised on developments linked to major infrastructure projects. In Leeds such a proposal would impact on affordable housing delivered in the South Bank, as HS2 is part of the proposal, and in the East Leeds Orbital housing developments.

- 3.1.4 If the Bill is to deliver the shift into home ownership then it needs to recognise regional variations. At present the provisions for starter homes are only for inside and outside of London. This does not represent the different markets outside of London nor the differences in incomes across the country. It may also be sensible to link the starter homes initiative to mortgage support initiatives to increase the affordability of the product.
- 3.1.5 Whilst an increase in home ownership may be desirable and attractive for many, there are others who cannot realistically access it. The Council would wish for a housing strategy which addressed the full range of need including the demand for affordable housing. Compelling Local Authorities into a “one size fits all” solution will not necessarily meet the housing need within any given region.

### **3.2 Sale of High Value Vacant Local Authority Homes**

- 3.2.1 The Bill enables the Secretary of State to require local housing authorities to make a payment to the Government calculated by reference to the market value of the “high value” vacant housing owned by the authority. The Bill places a duty on a local housing authority to consider selling such “high value” housing and to enable the Government to enter into an agreement to reduce the amount of payment, so long as the money raised from sales is spent on housing or the facilitation of new housing.
- 3.2.2 The Bill will allow the Government to set out a definition of “high value” homes and allow the Government to estimate the amount of money it would expect each individual authority to receive, in each financial year, from sales of “high value” homes. Local Authorities will then be required to pay this amount each year to the Treasury.
- 3.2.3 The intention is that this will encourage more efficient use by local authorities of their housing stock through the sale of their “high value” housing so that value locked up in their “high value” properties can be released to support an increase in home ownership and new supply by subsidising the Housing Associations under the new RTB proposals.
- 3.2.4 How far this impacts on Leeds depends on the definition of the market value for “high value” determined by the Secretary of State for each property type.

### **3.3 High Income Social Tenants: Mandatory Rents**

- 3.3.1 The Bill gives the Secretary of State the power to set the levels of rent that a registered provider of social housing must charge high income social tenants. In determining the level of rent to charge the Bill states that it may be
- Equal to the market rent
  - A proportion of the market rent or
  - Determined by other factors

- 3.3.2 The Bill sets an income threshold for high income social tenants at £30,000 outside of London and £40,000 in London but gives the Secretary of State the power to vary thresholds in the future.
- 3.3.3 The intent is to take household income into account and the definition of household will be set by regulations. Local housing authorities will be given the power to require tenants to declare their household income. The Bill will then enable that income to be verified with HMRC.
- 3.3.4 Local housing authorities will then be required to collect the additional rent and pay it back to the Treasury. The costs associated with the payment will be offset but as yet not the costs associated with collection.
- 3.3.5 The Minister for Housing has indicated that the figure of £30,000 is likely to be the point at which additional contributions to rent are required, with a taper increasing the contribution as income rises. There are no details of how the market rent will be assessed. Leeds has a wide range of rental markets, which no single figure can adequately reflect. The indication is that the £30,000 limit applies to the main tenant and partner or joint tenants. Research undertaken in Leeds found that if the £30,000 limit is applied to all adult earners in the household (i.e. main tenant and partner, but not non-dependent children), then it could mean that all households with two full time earners on the Minimum/Living Wage could earn over the £30,000 limit and be subject to the requirement on households with two earners earning over £30,000 to pay a market rent. This could potentially affect both their ability to pay their rent and meet other essential items of expenditure without incurring debt.
- 3.3.6 Affected tenants who currently pay the average social rent are not currently entitled to Housing Benefit. However, should their rent be increased to a market rent then it is very likely that they will all become entitled to an amount of Housing Benefit, thereby increasing the welfare bill to the taxpayer.
- 3.3.7 The proposal will add considerable administrative costs and potentially increase rent arrears. The local housing authority will be required to collect household income something that is not routinely done at present and then verify this data with HMRC. The local housing authority will also have the responsibility for collecting the higher rent. There is the potential for the Treasury to ask for the full amount due regardless whether it has been collected which will have an impact on the levels of rent arrears held in the HRA.

### **3.4 Lifetime Tenancies**

- 3.4.1 The Government has introduced an amendment to the published Bill which will end lifetime tenancies in council, housing for new tenants. The amendment to the Bill means the new secure tenancy, granted after the Bill comes into force, will be for a period of between two and five years. Whilst the new law does not affect existing tenants should next of kin succeed to the property, then the new rules will apply to them. Under the Localism Act, local housing authorities have the power to make their own decisions about the length of tenancies. Interestingly, this amendment will not apply to Housing Association tenancies.
- 3.4.2 At the end of the new fixed term tenancy, local housing authorities will have to review the tenant's circumstances and decide whether to grant a new tenancy or to move the tenant to more appropriate social housing or terminate the tenancy. If the



tenancy is terminated the local housing authority is expected to provide housing advice to identify suitable alternative accommodation.

- 3.4.3 The Government argues that these provisions will make best use of social housing stock by targeting at those most in need. One implication is that tenants are less likely to invest their own money in improvements to décor or fixtures within the property if they feel their tenancy will be terminated in three years' time. This could mean more cost to the Council's repairs and maintenance budgets.

### **3.5 PRS Proposals**

- 3.5.1 The Bill contains a number of proposals to increase the regulatory responsibility of Local Authorities.
- 3.5.2 It is proposed to introduce Banning Orders to prevent a person from letting housing in England, engaging in letting agency work and engaging in property management. The Secretary of State will issue regulations setting out the offences that will lead to a Banning Order. The Order will be for a minimum of six months and no upper limit is set in the Bill.
- 3.5.3 The Government proposes to establish a national database of rogue landlords and letting agents. Local authorities will be responsible for its maintenance and editing. All landlords or letting agents subject to a Banning Order will be placed on the database and local authorities can add other landlords and letting agents to the database.
- 3.5.4 The Bill will extend Rent Repayment Orders to a Local Housing Authority so that where a landlord commits certain offences rent paid by the tenant or Housing Benefit or Universal Credit paid to the tenant can be claimed back by the Local Housing Authority.
- 3.5.5 The fit and proper person test for people who apply for HMO and other rented property licenses has been amended to ensure that the applicant has the right to remain in the United Kingdom and is not a bankrupt.
- 3.5.6 Finally local authorities are being given greater flexibility to issue fines as an alternative to prosecution for certain offences under the Housing Act 2004.
- 3.5.7 Broadly speaking these changes are to be welcomed and are in line with Executive Board views for the future regulation of the sector. However, there is still much detail missing. For example who will manage the properties of anyone receiving a Banning Order. It will be difficult to maintain a national register of rogue landlords as landlords portfolios often cross local authority boundaries. It is anticipated that the production of regulations to support the Bill will add the necessary clarity.

## **4. Consultation and Engagement**

- 4.1 The Government has consulted on some of the proposals within the Bill. For example consultation papers were issued on Starter Homes and the PRS proposals. The Council did respond on the specific questions. It is difficult to tell whether or not the final Bill will reflect any comments made by the Council and it is the regulations that will offer the clarity.

4.2 Further work has been commissioned on the high income social tenants or the so called “Pay to Stay” proposals to estimate the impact on the Council’s existing tenants.

4.3 Once the Bill and the regulations are finalised, there will need to be considerable consultation and communications with affected tenants.

## **5. Equality and Diversity / Cohesion and Integration**

5.1 Certain of the proposals in the Bill could affect cohesion and integration. Selling off more council houses under the sale of high value property proposals will further reduce the levels of council housing and add pressure to the waiting list.

5.2 Proposals to end lifetime tenancies will lead to a higher turnover and make the formation of communities and cohesion within communities more complex.

## **6. Council policies and City Priorities**

6.1 The Best Council Plan sets out what the Council will do to help improve the lives of local people. The Housing and Planning Bill will provide challenges to some of the Council’s priorities such as supporting communities and tackling poverty and promoting sustainable and inclusive economic growth.

## **7. Resources and value for money**

7.1 The Bill will add to resource issues. The proposals for the sale of high income properties and high income social tenants will reduce income to the Council’s Housing Revenue Account (HRA). They will, along with the ending of lifetime tenancies also add to an extra administration burden.

7.2 The impact of the changes to high income social tenants will also add to the cost of collecting rent and potentially increase the arrears within the HRA.

7.3 Taken together with the decrease in rents set out in the budget the cumulative impact will be to further reduce both the revenue and capital available to invest in the existing service.

## **8. Legal Implications, Access to Information and Call In**

8.1 There are no legal implications in this report and the report is eligible to call in.

## **9. Risk Management**

9.1 A risk management plan will need to be developed as part of the implementation plan once the Bill becomes law.

## **10. Conclusions**

10.1 The Housing and Planning Bill is part of the Government promotion of a home owning society. There is a concern that this focus will make affordable housing more and more difficult to provide. The existing stock will reduce further by the introduction of the extension of RTB to Housing Association tenants and the sale of high value council houses.

- 10.2 The agreement between the Government and the National Housing Federation, (the trade body representing Housing Associations), about the extension of RTB has protected housing associations at the expense of local authorities. One consequence of the agreement is the introduction into the Bill of the provisions for the sale of high value council houses to offset the grant cost incurred by the Government.
- 10.3 A number of local and national housing associations are actively considering moving away from affordable housing as core business towards shared ownership. The introduction of the rental policy will also prevent the Council from further new build council housing after the current programme completes.
- 10.4 The Bill's removal of lifetime tenancies for new tenants is also highly significant. This could see the sector transform, over a period of time, to one that shifts from managing settled communities to providing temporary housing.
- 10.5 Many of the provisions will add additional costs to local authorities, which will have to be absorbed at a time when budgets are under continued pressure.
- 10.6 Key provisions such as those relating to starter homes may well not work without recognition of the variations in housing markets and regional earnings.
- 10.7 Although the principle of some of the PRS proposals within the Bill are welcomed and are in line with Council's current approach the practical implementation may well be very complex and incur additional costs.

## **11 Recommendations**

- 11.1 Housing Advisory Board members are asked to note the contents of this report.

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# Housing Advisory Board

## Forward Plan

Tuesday 26<sup>th</sup> April 2016



Tuesday 26 <sup>th</sup> April 2016			
Deadline for first drafts	Deadline for final drafts after Chair's brief	Item	CO/Author
<p>Deadline for reports to Neil Thursday 31<sup>st</sup> March 2016 12 noon</p> <p>Neil to review papers on Thursday 31<sup>st</sup> March 2016 at 4pm as he is on leave Mon 4<sup>th</sup> – Fri 8<sup>th</sup> April.</p> <p>Chairs Brief (Monday 11<sup>th</sup> April 1.30 pm)</p>	<p>Thursday 14<sup>th</sup> April 12 noon 2016</p>	<ul style="list-style-type: none"> <li>• Action Plan/Outstanding Actions</li> <li>• Update from Tenants Representatives</li> <li>• HRA Capital Financial Position 2015/16 (provide information on sub categories)</li> <li>• Housing Leeds (HRA) Revenue Financial Position - 2015/16 (bring paper on rent reductions)</li> <li>• Performance Update</li> <li>• Welfare Changes / Universal Credits</li> <li>• Evaluation of Environmental Schemes</li> <li>• Impact of Housing and Planning Bill - Challenge of Protecting Assets</li> </ul>	<p>Chief Officers coordinated by Debra Scott Jill Wildman/Mandy Sawyer Stephen Boyle</p> <p>Helen Semianczuk</p> <p>Debra Scott Steve Carey/Mandy Sawyer Mark Grandfield Jill Wildman/Richard Ellis</p>

Tuesday 7 <sup>th</sup> June 2016			
<b>Deadline for first drafts</b>	<b>Deadline for final drafts after Chair's brief</b>	<b>Item</b>	<b>CO/Author</b>
Deadline for reports to Neil Thursday 12 <sup>th</sup> May 2016 12 noon  Chairs Brief (Thursday 19 <sup>th</sup> May 2016 11 am)	Wednesday 25 <sup>th</sup> May 12 noon	<ul style="list-style-type: none"> <li>• Action Plan/Outstanding Actions</li> <li>• Update from Tenants Representatives</li> <li>• HRA Capital Financial Position 2015/16</li> <li>• Housing Leeds (HRA) Revenue Financial Position - 2015/16</li> <li>• Performance Update</li> <li>• Housing Strategy Updates</li> <li>• Council House Growth Programme</li> <li>• High Rise Visit and update - Clydes and Wortleys (Community Centre venue)</li> <li>• Tenant Scrutiny Board item on Environment of Estates</li>   <li>• Lettings policy</li> <li>• Housing Standards (Lettings Standards and Leeds Standard)</li> </ul>	<p>Chief Officer coordinated by Debra Scott Jill Wildman/Mandy Sawyer Stephen Boyle Helen Semianczuk</p> <p>Debra Scott Rob McCartney Lorraine Wright Gurmeet Virdee/Jill Wildman to arrange</p> <p>Mandy Sawyer / John Gittos</p> <p>Jill Wildman Simon Costigan</p>

Tuesday 13 <sup>th</sup> September 2016			
<b>Deadline for reports to Neil Wednesday 17<sup>th</sup> August 2016 12 noon</b>	<b>Deadline for final drafts after Chair's brief Weds 31<sup>st</sup> August 2016 12noon</b>	<ul style="list-style-type: none"> <li>• Action Plan/Outstanding Actions</li> <li>• Update from Tenants Representatives</li> <li>• HRA Capital Financial Position 2015/16</li> <li>• Housing Leeds (HRA) Revenue Financial Position - 2015/16</li> <li>• Performance Update</li> <li>• Housing Strategy Updates</li> <li>• Council House Growth Programme</li> <li>• High Rise Update</li> </ul>	<p>Chief Officer coordinated by Debra Scott Jill Wildman/Mandy Sawyer Stephen Boyle Helen Semianczuk</p> <p>Debra Scott Rob McCartney Lorraine Wright Jill Wildman</p>
<b>Chairs Brief (Tuesday 23rd August 2016 4pm)</b>			

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Tuesday 29 <sup>th</sup> November 2016			
<b>Deadline for first drafts</b>	<b>Deadline for final drafts after Chair's brief</b>	<b>Item</b>	<b>CO/Author</b>
Tuesday 8 <sup>th</sup> November 2016 12 noon  Chairs Brief Monday 14 <sup>th</sup> November 2016 2pm	Thursday 17 <sup>th</sup> November 12 noon	<ul style="list-style-type: none"> <li>• Action Plan/Outstanding Actions</li> <li>• Update from Tenants Representatives</li> <li>• HRA Capital Financial Position 2015/16</li> <li>• Housing Leeds (HRA) Revenue Financial Position - 2015/16</li> <li>• Performance Update</li> <li>• Housing Strategy Updates</li> <li>• Council House Growth Programme</li> <li>• Sheltered Housing Support Models with focus on Extra Care Sheltered Housing</li> </ul>	<p>Chief Officer coordinated by Debra Scott Jill Wildman/Mandy Sawyer Stephen Boyle Helen Semianczuk</p> <p>Debra Scott Rob McCartney Lorraine Wright Jill Wildman/Mandy Sawyer</p>

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