

Meeting

Housing and Growth Committee

Date and time

Tuesday 25th October, 2022

At 7.00 PM

Venue

Hendon Town Hall, The Burroughs, London NW4 4BQ

TO: Members of Housing and Growth Committee (Quorum 3)

Chair: Councillor Ross Houston
Vice Chair: Councillor Anne Clarke

Councillors

Zahra Beg	Humayune Khalick	Ella Rose
Richard Cornelius	Kath McGuirk	Daniel Thomas
Paul Edwards	Alex Prager	Sarah Wardle

Substitute Members

Joshua Conway	Val Duschinsky	Paul Lemon
Geof Cooke	Laithe Jajeh	Alison Moore

In line with the Constitution's Public Participation and Engagement Rules, requests to submit public questions must be submitted by 10AM on the third working day before the date of the committee meeting. Therefore, the deadline for this meeting is Thursday 20 October 2022 at 10AM. Requests must be submitted to Allan Siao Ming Witherick

**You are requested to attend the above meeting for which an agenda is attached.
Andrew Charlwood – Head of Governance**

Governance Services contact: Allan Siao Ming Witherick
Media Relations Contact: Tristan Garrick 020 8359 2454 Tristan.Garrick@Barnet.gov.uk

Assurance Group

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Order of business

Item No	Title of Report	Pages
1.	Minutes of the Previous Meeting	5 - 12
2.	Absence of Members	
3.	Declarations of Members Disclosable Pecuniary Interests and Non-Pecuniary Interests	
4.	Report of the Monitoring Officer (if any)	
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Decisions of the Housing and Growth Committee

5 September 2022

Members Present:-

AGENDA ITEM 1

Councillor Ross Houston (Chair)
Councillor Anne Clarke (Vice-Chair)

Councillor Zahra Beg	Councillor Alex Prager
Councillor Richard Cornelius	Councillor Ella Rose
Councillor Paul Edwards	Councillor Daniel Thomas
Councillor Humayune Khalick	Councillor Sarah Wardle
Councillor Kath McGuirk	

1. MINUTES OF THE PREVIOUS MEETING

RESOLVED that the minutes of the meeting of the Housing and Growth Committee held on 13 June 2022 be approved as a correct record.

2. ABSENCE OF MEMBERS

There were none.

3. DECLARATIONS OF MEMBERS DISCLOSABLE PECUNIARY INTERESTS AND NON-PECUNIARY INTERESTS

Councillor Edwards declared an interest in relation to item 10 of the Agenda, item 12 in the Minutes, New Lease for St Kiernan's Gaelic Football Fields at King George Playing Fields, by virtue of active support of a Gaelic Football club.

Councillor A Clarke declared an interest in relation to item 11 of the Agenda, item 13 of the Minutes, Fire Safety update, by virtue of being Chair of the Fire, Resilience and Emergency Planning Committee at the Greater London Authority.

Councillor Edwards declared an interest in relation to item 12 of the Agenda, item 13 in the Minutes, Quarter 1, 2022/23 performance report for Re and The Barnet Group services by virtue of being a representative on the Barnet Group Board.

Councillor Wardle declared an interest in relation to item 12 of the Agenda, item 13 in the Minutes, Quarter 1, 2022/23 performance report for Re and The Barnet Group services by virtue of being a representative on the Barnet Group Board.

4. REPORT OF THE MONITORING OFFICER (IF ANY)

There was none.

5. PUBLIC QUESTIONS AND COMMENTS (IF ANY)

There were none.

6. MEMBERS' ITEMS (IF ANY)

There were none.

7. BRENT CROSS UPDATE

The Chair noted that the train station was reaching the final stages. A post office approved address had already been secured. The forecast was for construction to be completed in December this year. The formal opening was being agreed for next year. The station would generate income, but would be loss making initially. Although an expensive part of the project it was anticipated that it would help to unlock the regeneration potential across the area.

Members of the Housing and Growth Committee noted that this had been a long and complicated process to get to this point and that it had benefitted from support from cross-party support. With the opening the Committee agreed that it would be appropriate to reach out to a number of politicians, both past and present, including former Councillors and MPs to be invited to the opening.

Members queried whether the opening of the new train station would have an impact on Cricklewood Station and whether any guarantees had been secured. They were concerned that in the past different stations, and communities, had been played off against each other. Officers confirmed that they had received absolutely no suggestions that Cricklewood Station would be impacted.

Officers reported that the final consultation on Clitterhouse Playing Fields was being undertaken. Members thanked the Officers for their work at the site and gave their support for the planning applications. However they remained concerned about the level of input afford to residents as this was one of the largest green spaces. There was also a lack of information around some of the works which were still extant. Officers reported that a more detailed proposals were due to come to future meetings of the Committee.

During the discussions the Chair agreed to move in to Part II to allow Officers to provide responses to information in the Exempt report.

The meeting then resumed and it was resolved unanimously to agree the recommendations.

RESOLVED that the Housing and Growth Committee:

- 1. Note the progress across the Brent Cross programme as detailed in the report; notably on the station works programme and the opening of Claremont Park.**
- 2. Note the progress on implementation of the station funding strategy as construction neared completion and recommend for approval by Policy & Resources Committee on 29 September 2022, as set out in paragraph 1.21 of the report.**
- 3. Delegates authority to the Brent Cross Programme Director, in consultation with the Chair of the Committee to finalise and enter into the operational maintenance and lease agreements required to bring the station into use, as set out in Paragraph 1.23 of the report.**

4. **Note the approach to lease the former 'Food for All' building on Brent Terrace North to Brent Cross South Limited Partnership (BXSLP) as a mean time use, and delegate authority to the Brent Cross Programme Director in consultation with the Chair of the Committee to agree and enter into the required lease agreements to implement this approach, as set out in paragraph 1.44 of the report.**
5. **Agrees the approach to implementing an Experimental Traffic Regulation Order (ETRO) in the area in the vicinity of the new Station and Claremont Park to address short term needs, while a permanent Controlled Parking Zone (CPZ) programme is implemented across the wider area, as set out in paragraph 1.59 of the report.**
6. **Delegates authority to the Brent Cross Programme Director to enter into variations to existing (Compulsory Purchase Order) CPO Undertakings and Agreements for CPO 1, 2 and 3 which support the delivery of land for the project agreements to secure arrangements and/or compensation around land required for the scheme, as set out in paragraphs 1.56 to 1.58 of the report.**
7. **Note that a revised Business Plan and a second Phase Proposal are expected to be submitted by BXSLP to the Council later this year as set out in paragraph 1.35 of the report. With an update to the Committee to follow.**

8. MOTION TO EXCLUDE THE PRESS AND PUBLIC

The Committee resolved – that under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act (as amended).

9. EXEMPT: BRENT CROSS UPDATE REPORT

Officers provided an update on the scenarios which could impact the Brent Cross programme covering a range of situations from best to worst. In response to Member questions Officers gave reassurance that work was being undertaken with partners and contractor to ensure that any issues were suitably mitigated against.

RESOLVED that the Housing and Growth Committee noted the exempt information as set out in Appendices 1 and 2 of the reports, updates on leases at the Brent Cross Retail Park, and from commercially sensitive matters on the BX scheme.

THE MEETING THEN RETURNED TO PUBLIC SESSION.

10. ASSET ACQUISITION STRATEGY

The Assistant Director, Estates and Acquisitions presented the report and informed the Committee that the strategy was designed to build on the Council's work to support local communities and invest in town centres. It set out the processes and procedures which would be used. They highlighted that an amendment had been identified in the wording

around implementation to ensure that the Strategic Opportunities Fund could be used in a timely and agile fashion in limited circumstances where it was not possible to get a report to the Committee. This included the addition of the wording “or the appropriate Officers” in a few places. Members queried whether this allowed for sufficient democratic oversight. Officers confirmed that any decisions made under this provision would be reported to the Housing and Growth Committee. The Committee agreed that the change should be made to read “or the appropriate officers in consultation with the Chair of the Housing and Growth Committee”.

Members noted that it would be impossible to codify for every eventuality due to the way the market was always changing, for example post pandemic and the desire to be more sustainable. Members noted that each case would need to be taken on its individual merits at the time and that it was important that any business case set out a clear exit strategy. Officers confirmed that the strategy helped to set the parameters and that a business case would be required to ensure that a full financial case was made to meet CIPFA rules.

**RESOLVED that the Housing and Growth Committee approve the changes to the Asset Acquisition Strategy as set out in the report subject to:
4 Post decision implementation [part of 4.1]**

4.1 The following will occur: Implementation of the amended strategy

This strategy will form part of the Council’s capital strategy documents Internal governance arrangements will be established

All potential acquisitions will be tested against the parameters contained within this strategy and the previously approved strategy document

The review of the existing portfolio will continue and further recommendations arising from this will be brought back to the Housing and Growth Committee or the appropriate officers in consultation with the Chair of the Housing and Growth Committee at the appropriate time

All individual acquisitions and disposals will have their own business case prepared, to be taken to members or the appropriate officers in consultation with the Chair of the Housing and Growth Committee for approval, as appropriate in accordance with the LBB constitution.

11. UPDATE TO THE STRATEGIC OPPORTUNITY FUND TERMS OF REFERENCE

Officers presented the report noting that the fund had been created to allow the Council to move rapidly when required. They highlighted that minor amendments had been tabled as agreed in the previous item.

Members noted that they had already considered the benefits of the fund when discussing the Asset Acquisition Strategy and were supportive.

RESOLVED that the Housing and Growth Committee approved the changes to the Strategic Opportunity Fund principles including the tabled changes as set out below:

Report: Strategic Opportunities Fund: amendment to the principles for use

5.2.1 Finance and value for money [part of 5.2.1]

All potential acquisitions will be assessed against the criteria contained within this document, and the Asset Acquisition and Disinvestment / Disposal Strategy. Value

for money considerations will form part of this assessment. If an acquisition is made under delegated powers, the property purchase will be funded from the Strategic Opportunities Fund and brought back to the relevant chief officer with existing delegation under the constitution for approval or to another officer with delegated authority or if none to committee. If the value of the acquisition is beyond delegated powers, then a committee report (usually tabled at a specially convened Urgency Committee) will be required.

The aim is for all acquisitions to be at least General Fund neutral if not positive. There may be occasions where this is not achievable, but there are wider social, economic or regeneration reasons to undertake the acquisition. There will be ongoing compliance with the Prudential Code, Treasury Management Code and Minimum Revenue Provision (MRP) guidance.

12. NEW LEASE FOR ST KIERNAN'S GAELIC FOOTBALL FIELDS AT KING GEORGE PLAYING FIELDS

The Chair introduced the item and explained that this had gone through the Environment Committee and had come back to the Housing and Growth Committee as it was a lease for sign off.

Members queried whether the lease would be affordable when the amount increased and whether 60 years was an appropriate length. Officers responded that this had been negotiated by St Kiernan's Gaelic Football Club and had been approved at the Environment Committee.

RESOLVED unanimously:

- 1. That the committee approve this lease of the King George V Playing fields lease from the 14/10/2019 to 13/10/2079 for an initial annual rent of a peppercorn per year for the first five years, then £2,000 per year, subject as follows.**
- 2. That the committee delegates to the Deputy Chief Executive authority to consider any comments and objections received in response to the advertising of the proposed lease and to make a further decision whether to complete the proposed lease.**
- 3. That the committee delegates to the Deputy Chief Executive authority to consider and approve the terms for the proposed lease once negotiated with the tenant.**

13. FIRE SAFETY UPDATE

The Group Manager for Regulatory Services summarised the report. In particular they noted that they were actively prioritising their workload to ensure that action and monitoring was undertaken. It had taken time to get the programme in place and a case was going to tribunal. Due to the level of documentation, with sometimes hundreds linked to a single block of flats a new Officer had been brought in to provide support. The Chair noted that there had also been national changes which had had an impact and that a lot of positive work had gone into this. They noted that it was a positive milestone that the focus had now been able to shift to medium and low height blocks.

Members questioned that where inspections had been completed and improvement notices served, what the next steps were and their expiry. The Officer stated that this would vary from block to block and the level of work which was required. None of the

notices had a short period due to the time allowed for procurement and implementation. Two of the blocks already had work in progress with others having started the process and few having already completed the works. Where the works hadn't started early warning systems had been put in place as a form of mitigation.

Members queried whether any further work had been undertaken around communication with residents since it had been raised at the last meeting. They were keen to see providers encouraged to communicate more with residents. Officers confirmed that they had been looking at ways to improve communications. This had been difficult in areas where the council was unable to help directly and they needed to ensure accurate signposting so as not to mislead. They were working with the corporate communications team to improve this.

Members asked if any additional measures had been identified for top floor flats, and if so, what they were. Officers undertook to provide a written response.

RESOLVED unanimously that the Housing and Growth Committee note the fire safety update.

14. QUARTER 1, 2022/23 PERFORMANCE REPORT FOR RE AND THE BARNET GROUP SERVICES

RESOLVE The Performance Manager, Commissioning Group, presented the item. Introducing the report they highlighted that it had previously gone to the Financial Performance and Contracts Committee. However it was now disaggregated down to the individual theme committees and would be a regular item. They noted that there was still a backlog due to the COVID-19 pandemic and that there were difficult market conditions including the cost of inflation and rising interest rates which had impacted performance.

Members queried whether Officers were predicting an increase in homelessness due to the cost of living crises. Officers confirmed that they were very much aware of the situation and would be reporting back to the Committee as things developed.

RESOLVED that the Housing and Growth Committee note the Quarter 1 (Q1) 2022/23 performance for the contracted services delivered by Regional Enterprise (Capita) and Barnet Homes (The Barnet Group) that fall under the remit of the Committee. D that the Housing and Growth Committee noted the Quarter 1 (Q1) 2022/23 performance for the contracted services delivered by Regional Enterprise (Capita) and Barnet Homes (The Barnet Group) that fall under the remit of the Committee.

15. HOUSING AND GROWTH RELATED FEES & CHARGES

The Chair of the Housing and Growth Committee introduced the report as a standard that was brought to the Committee each year. The Head of Finance - Customer & Place and Assurance was present to respond to questions.

Members queried why, the increase was at 10%, matching inflation, where one of the major costs was Officer time and yet Officer pay was not increasing by 10%. They were concerned about the timing and how the fees were being spent. Other Members reported that other oncosts were rising far faster with areas such as heating and utility

bills. This had caused concerns in schools for example where the utility bills were due to increase more than three fold.

Officers noted that this report was on fees and that dwelling rents would be coming separately as this impacted the poorest in the community.

Members queried who would benefit from the increase in fees, whether this was the contractor or the Council. It was noted that the power to vary the fees was held by the Council and that this was one of the services that was being brought back in. As such the change in fees helped to protect the Council's position overall and avoid large jumps. Some Members remained concerned that this would have a disproportional impact on average, middle income residents.

Members of the Housing and Growth Committee voted:

For (Approval): 7

Against (Approval): 4

RESOLVED that the Housing and Growth Committee approve the proposed fees and charges for 2023/24 set out in Appendix A of the report that will be included in the budget proposals submitted to September Policy and Resources Committee for consideration and recommendation to Full Council in November 2022.

16. HOUSING & GROWTH FORECAST FINANCIAL OUTTURN AT MONTH 4 (JULY 2022)

The Head of Finance - Customer & Place and Assurance presented the report and noted the impact of the changes in interest rates on the programme of activity.

Members queried whether the change in the number of refusals allowed to those on the housing waiting list would cause issues and whether any assessment had been undertaken. They noted that the previous change to a single offer had been to speed up the process and improve efficiency. The Chair responded that the change would hopefully reduce the number of appeals which would offset this. Officers undertook to look at the potential implications.

Members asked about the draw down on reserves to prevent homelessness. Officers informed the Committee that funds had been put aside funding during the COVID period as a backlog had been anticipated and this was now being addressed.

RESOLVED that the Housing and Growth Committee notes:

- 1. the forecast financial outturn for 2022/23;**
- 2. the projected use of reserves.**

17. COMMITTEE FORWARD WORK PROGRAMME

The Chair confirmed to the Committee that following a review of the Forward Work Programme an additional meeting of the Housing and Growth Committee had been scheduled for Tuesday 25 October 2022.

The Housing and Growth training session had been rescheduled to be held before the meeting on the Wednesday 16 November 2022 at 5pm-6pm.

RESOLVED that the Committee noted the Work Programme.

18. ANY OTHER ITEMS THAT THE CHAIR DECIDES ARE URGENT

There were none.

19. ANY OTHER EXEMPT ITEMS THAT THE CHAIR DECIDES ARE URGENT

There were none.

20. MOTION TO EXCLUDE THE PRESS AND PUBLIC

The Committee resolved – that under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act (as amended).

21. EXEMPT: HOUSING & GROWTH FORECAST FINANCIAL OUTTURN AT MONTH 4 (JULY 2022)

RESOLVED that the Housing and Growth Committee noted the current Brent Cross West programme forecast.

The meeting finished at 8.26 pm

**London Borough of Barnet
Housing & Growth Committee
Forward Work Programme
2022/2023**

Contact: Allan Siao Ming Witherick (Governance) allan.witherick@barnet.gov.uk

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Author/owner
25th October 2022			Contact
Housing & Growth Priorities Update	To provide a progress update on delivery of Housing & Growth Priorities.	Director of Growth (<i>c/o Jamie Robinson</i>)	Jamie Robinson
Solo Provision (includes Exempt)	Update on purchasing property for Solo Provision.	Director Children's Social Care (Brigitte Jordaan)	Jalpa Patel (Suzi Carter)
Review of the Opendoor Homes (ODH) acquisition programme	To be confirmed.	Group Director of Growth & Development - The Barnet Group (<i>c/o Nick Lowther</i>)	Nick Lowther
Annual Performance Review of Registered Providers	To note the annual performance review of the developing Registered Providers in the borough.	Director of Growth (<i>c/o Susan Curran</i>)	Nicola Bird / Helen Phillips
Housing Strategy and Homelessness and Rough Sleeping Strategy	This report recommends that officers are instructed to prepare a new draft Housing Strategy and a new draft Homelessness and Rough Sleeping Strategy, and sets out emerging themes for both these strategies.	Group Director, Growth & Development - Barnet Homes Deputy Chief Executive (<i>c/o Derek Rust</i>)	Laura Giles

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Author/owner
16 November 2022			
Brent Cross Update – <i>Quarterly</i>	To receive an update on the Brent Cross Programme and take such decisions as are required.	Director of Growth (<i>c/o Luke Ward</i>)	Luke Ward
Annual Theme Committee Business Planning Report	To consider and review savings and pressures proposals	Executive Director of Resources (<i>c/o Nick Stylianou</i>)	Nick Stylianou
Month 6 Housing & Growth Outturn Report	To Note the Month 6 Financial Position for the services within the remit of the Housing & Growth Committee.	Deputy Chief Executive (<i>c/o Cath Shaw</i>) Executive Director of Resources (<i>c/o Anisa Darr</i>)	Nick Stylianou/ Gary Hussein
Fire Safety Update	To receive progress updates on the Fire Safety Programme.	Deputy Chief Executive (<i>c/o Cath Shaw</i>)	Alaine Clarke
Quarter 2, 2022/23 performance report for Re and The Barnet Group services	To review and note the performance of Re and The Barnet Group services that fall under the remit of this committee.	Director of Commercial & Customer Services / Head of Commercial Management Programmes, Performance & Risk (<i>Cath Shaw</i>)	Alaine Clarke
Housing Revenue Account & GLA funded (programme) Scheme A. Coppetts Road FBC (Full Business Case) APPENDIX B. The Grange FBC APPENDIX C. Broadfields FBC APPENDIX	To note and approve the Full Business Case. 1 paper x 3 Decisions (recommendations)	Director of Growth / Group Director, Growth & Development - Barnet Homes (<i>c/o Derek Rust</i>)	Tom Metcalf & Susanna Morales

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Author/owner
Colindale West (Including EXEMPT)	To approve the strategic outline case for Colindale West.	Director of Growth, LBB and Group Director, Growth & Development - Barnet Homes - The Barnet Group (<i>c/o Susan Curran / Derek Rust</i>)	Trisha Boland/ Susanna Morales
Grahame Park North East	To note and approve the Outline Business Case.	Director of Growth, LBB and Group Director, Growth & Development - Barnet Homes - The Barnet Group (<i>c/o Susanna Morales</i>)	Susanna Morales
Hendon Hub Regeneration (CPO)	To authorise a Compulsory Purchase Order (CPO) within the Hendon Hub Regeneration Area.	Assistant Director, Development Delivery (<i>c/o Abid Arai</i>)	Michael McGuinness
Housing Allocations Scheme	To review and approve options paper.	Deputy Chief Executive (<i>c/o Laura Giles/Susan Curran</i>)	Laura Giles
Housing Revenue Account Business plan update	To approve the updated HRA Business plan.	Deputy Chief Executive (<i>c/o Shaun McLean</i>)	Shaun McLean
Care Homes	To be confirmed.	Assistant Director, Estates and Acquisitions & Capital Strategy (<i>c/o Chris Smith</i>)	Uzma Ali / Matt Waters

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Author/owner
17 January 2023			
Housing & Growth Priorities Update	To provide a progress update on delivery of Housing & Growth Priorities. This may include reports 'to note'.	Director of Growth (<i>c/o Susan Curran/Jamie Robinson</i>)	Susan Curran
Appendix: Fire Safety Update	To receive progress updates on the Fire Safety Programme.	Deputy Chief Executive (<i>c/o Elaine Clarke</i>)	
Month 8 Housing and Growth Outturn Report	To note the Month 8 Financial Position for the services within the remit of the Housing and Growth Committee.	Deputy Chief Executive (<i>c/o Cath Shaw</i>) Executive Director of Resources (<i>c/o Anisa Darr</i>)	Nick Stylianou/ Gary Hussein
1000 Homes	To set out how manifesto priority will be delivered	Director of Growth (<i>c/o Susan Curran</i>)	Susan Curran
Annual Review of Council Dwelling Rents and Service Charges and Temporary Accommodation rents for 2023/24	To recommend the proposed charges to Council dwelling rents and services charges including temporary accommodation rents, to take effect from 1 April 2023.	Group Director Resources / Group Director Property and Resources - The Barnet group (<i>c/o Derek Rust</i>)	Laura Giles
Housing Allocations Scheme	To approve draft for public consultation	Deputy Chief Executive (<i>c/o Laura Giles</i>)	Laura Giles
Tenancy Strategy	To approve draft for public consultation	Deputy Chief Executive (<i>c/o Laura Giles</i>)	Laura Giles

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Author/owner
Private Housing Sector	To approve commencement of a new public consultation in relation to proposed revisions to the councils policy on delivering discretionary grant aid to elderly, vulnerable and disabled people resident in the borough	Director of Growth (<i>c/o Susan Curran/Jamie Robinson</i>)	Christopher James
<i>Annex: Private Sector Housing - Disabled Grants Facility</i>	<i>To update on consultation and get approval to proceed action to April-23</i>	Deputy Chief Executive (<i>c/o Christopher James</i>)	Christopher James
<i>Annex: Private Sector Housing Financial Assistance Policy Consultation</i>	<i>To approve commencement of a new public consultation in relation to proposed revisions to the councils policy on delivering discretionary grant aid to elderly, vulnerable and disabled people resident in the borough.</i>	Deputy Chief Executive (<i>c/o Christopher James</i>)	Christopher James
Housing Revenue Account(HRA) Business Plan update	To approve the updated HRA Business plan.	Group Director Resources - The Barnet group (<i>c/o Shaun McLean</i>)	
Whitings Road & Moxon Street Outline Business Case	To note and approve the Outline Business Case.	Group Director, Growth & Development - Barnet Homes (<i>c/o Susanna Morales</i>)	
Broadfields Road Full Business Case	To note and approve the Full Business Case.	Group Director, Growth & Development - Barnet Homes (<i>c/o Tom Metcalf</i>)	

Title of Report	Overview of decision	Report Of (<i>officer</i>)	Author/owner
The Grange Full Business Case	To note and approve the Full Business Case.	Group Director, Growth & Development - Barnet Homes (<i>c/o Tom Metcalf</i>)	
Cricklewood	To approve new town centre pocket park business case.	Director of Growth (<i>c/o Jamie Robinson</i>)	(Ryan Man) Ravinder Dhanjal
Brent Cross Update	To receive an update on the Brent Cross Programme and take such decisions as are required.	Director of Growth (<i>c/o Luke Ward</i>)	
The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 The Energy Efficiency (Private Rented Property) Regulations 2015	To be confirmed.	Director of Growth (<i>c/o Susan Curran</i>)	Susan Curran
23 March 2023			
Private Sector Housing Financial Assistance Policy	To review results of public consultation and approve changes to the grants scheme for discretionary	Deputy Chief Executive (<i>c/o Christopher James</i>)	Christopher James
Brent Cross Update	To receive an update on the Brent Cross Programme and take such decisions as are required.	Director of Growth (<i>c/o Luke Ward</i>)	
Selective Licensing	To receive the post property licensing consultation report	Deputy Chief Executive (<i>c/o Belinda Livesey</i>)	Belinda Livesey

Title of Report	Overview of decision	Report Of (officer)	Author/owner
Housing & Growth Priorities Update	To provide a progress update on delivery of Housing & Growth Priorities. This may include reports 'to note'.	Director of Growth (c/o Susan Curran/Jamie Robinson)	
Appendix: Fire Safety Update	To receive progress updates on the Fire Safety Programme.	Deputy Chief Executive (c/o Alaine Clarke)	
Quarter 3, 2022/23 performance report for Re and The Barnet Group services	To review and note the performance of Re and The Barnet Group services that fall under the remit of this committee	Director of Commercial & Customer Services / Head of Commercial Management Programmes, Performance & Risk	Alaine Clarke
Barnet Homes Annual Delivery Plan 2023/24	To approve the annual Barnet Homes delivery Plan	Group Director of Operations & Property - The Barnet Group (c/o Elliott Sweetman)	
Housing Strategy and Homelessness and Rough Sleeping Strategy	To approve drafts for public consultation.	Deputy Chief Executive (c/o Laura Giles/Susan Curran)	Laura Giles

	<p style="text-align: right;">AGENDA ITEM 8</p> <h2 style="text-align: center;">Housing and Growth Committee</h2> <p style="text-align: center;">25 October 2022</p>
<p style="text-align: right;">Title</p>	<p>Housing and Growth Priorities update</p>
<p style="text-align: right;">Report of</p>	<p>Councillor Ross Houston, Chair of Housing and Growth Committee</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Urgent</p>	<p>No</p>
<p style="text-align: right;">Key</p>	<p>No</p>
<p style="text-align: right;">Enclosures</p>	<p>None</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Matin Miah, Interim Assistant Director, Development and Economy matin.miah@barnet.gov.uk</p>

Summary

This report provides an update on delivery of the priorities of Housing and Growth Committee. This includes:

- Quality Homes
- Town Centres and the Local Economy

The report also includes reference to Climate Change and Biodiversity and, specifically, those elements relating to housing and the council's estate.

Officers Recommendations

That the Committee notes the report.

1. Why this report is needed

Background and context

- 1.1 The council has a number of priorities that Housing and Growth Committee is responsible for, either in whole or in part.
- Quality Homes: Ensuring housing in the borough meets the needs of residents, is sustainable and that new developments are brought forward in partnership with residents. This includes:
 - Delivering more genuinely affordable homes, while respecting the outer-London suburban character of the borough;
 - Working to ensure that new development is net zero carbon by 2030, minimising carbon emissions during construction and offsetting remaining emissions as appropriate;
 - Delivering healthy homes by working to eliminate fuel poverty and improve energy efficiency and water efficiency;
 - Supporting private tenants through licensing and a private tenants' rights charter;
 - Ensuring regeneration benefits existing residents first and foremost.
 - Town Centres and Local Economy: supporting Barnet's town centres and the local economy. This includes:
 - Ensuring town centre regeneration is supported by residents and businesses;
 - Promoting a shop local/buy local culture;
 - Working with local businesses and education providers to develop the skills needed in the green economy and to build a local network of suppliers;
 - Encouraging creative and digital industries;
 - Helping people get back into work;
 - Promoting digital connectivity and inclusion.
 - A better Barnet: Support communities to be even happier, healthier and to make sure everyone is able to get the most out of life.
 - Climate Change and Biodiversity: Future proofing our borough, putting sustainability at the heart of everything the council does. This includes:
 - Achieving net zero carbon in Barnet by 2042, and for the council by 2030 at the latest;
 - Ensuring that the council's long-term transport strategy improves road safety and encourages walking and cycling.
- 1.2 This report provides an update on delivery of key workstreams that are a priority for the Committee.

- 1.3 A new Corporate Plan is in development focusing on the priorities of People, Places and Planet. Future updates to Committee will reflect emerging themes and priorities of the Corporate Plan.

Climate Change and Biodiversity

- 1.4 A broader update on progress with Barnet's Sustainability Strategy, including formation of a Citizens Assembly on Climate Change and Biodiversity, was presented to Environment and Climate Change Committee on 6 September 2022. The report can be accessed at: [Committee Report \(modern.gov.co.uk\)](https://modern.gov.co.uk/committees/environment-and-climate-change-committee)
- 1.5 Barnet Council has recently been successful in attracting funding from the Local Authority Treescapes Fund (LATF) and the Woodland Creation Accelerator Fund (WCAF) to support increased tree planting in the borough. The LATF will afford the council the opportunity to plant 86 trees in Watling Estate this year, thereby providing benefits such as improved air quality, ecological diversity, habitat creation and improvements to the character of the borough, benefitting communities and increasing local pride. WCAF funds will enable the council's Tree Team to expand their activities.

Housing and buildings

- 1.6 Barnet's carbon baseline identifies that the majority of emissions come from stationary energy sources, largely buildings, with almost two-thirds of these relating to residential buildings.
- 1.7 Dealing with this challenge requires retrofitting existing buildings to improve their efficiency, remove or reduce fossil fuel usage and meet future standards. The council has been delivering an initial retrofit programme to its social housing, supported by government grants. The Local Authority Delivery (LAD) Phase 2 Scheme completed over September 2022 and delivered fabric-first installation works to 24 properties. Following the success of this scheme, officers are preparing a bid to Round Two of the Social Housing Decarbonisation Fund.
- 1.8 The council has a further role to help address and target incidences of fuel poverty, with almost one-in-ten households in Barnet living in fuel poverty, largely in the private sector. This is being exacerbated by the cost-of-living crisis. Targeted work is ongoing to engage with the sector to support tenants in fuel poverty as part of this programme, including by supporting residents to secure grants to retrofit private homes. The report presented to Policy and Resources Committee in September 2022 provides further information: [Committee Report \(modern.gov.co.uk\)](https://modern.gov.co.uk/committees/policy-and-resources-committee)
- 1.9 Organisationally, the largest source of emissions comes from council-owned buildings through the use of utilities such as heating, electricity, water and fugitive emissions (leaks or unintended releases of pollutants from a contained source). Much has been done already to ensure that our corporate assets are more energy efficient, particularly through the RE:FIT Programme and Public Sector Decarbonisation Scheme.
- 1.10 Further retrofitting activities across corporate buildings are also being progressed. The council secured funding from Phase 3 of the Public Sector Decarbonisation Scheme (PSDS) and works commenced in August 2022 to install air source heat pumps, photovoltaic panels and LED lights at 18 schools and Family Services buildings.

- 1.11 In addition, officers have defined a 'fabric first' project to retrofit all corporate buildings to achieve net zero by 2030. A £10m initial phase has been authorised and scoped for 11 sites to produce costed options, with the completion of SBEM surveys. Funding has also been secured from the Prevention Fund to support a 'deep' retrofit of a school caretakers home to at least EPC-B, with works due for completion by winter.
- 1.12 More broadly, the council, with nine other local authorities, is piloting a Net Zero Estates Tool, developed through ADEPT. The project will baseline current emissions across all corporately owned buildings and council homes, and model decarbonisation pathways to meet net zero commitments, enabling officers to plan for and make fully informed evidence-led decisions in prioritising retrofitting works. The tool will also enable the council to forecast the cost of retrofit works, thereby enabling the organisation to model funding mechanisms.
- 1.13 Work is continuing with development partners to ensure they are working towards the highest building standards, to ensure both new-build housing and supporting infrastructure meet the council's net zero targets. All on-site Barnet Homes developments have transitioned to delivering sustainable heating systems, including air source and communal heat pumps. All schemes in design stages target Passivhaus principles for sustainable development.

Renewable Energy

- 1.14 There is an immediate requirement for the council to use and generate sustainable energy, mitigate climate change and to deliver the nascent Sustainability Strategy as one of the most effective means to deliver carbon savings.
- 1.15 The council's energy is currently sourced through a framework contract, which supplies the council's estate, as well as several other public sector buildings, with a 'grid mix' of electricity and gas – meaning the fuel sources are currently not 100% Renewable Energy Guarantees of Origin (REGO) renewable. Officers are reviewing options for switching towards a Green Energy supplier to further reduce the council's carbon footprint, while delivering a return on investment.
- 1.16 Alongside this, officers are looking into opportunities to enter into a Purchase Power Agreement (PPA), both as a partner initiative with other London boroughs, and directly through a smaller-scale agreement.
- 1.17 The council is also working sub-regionally with the West London Alliance (WLA) to develop a Local Area Energy Plan which will baseline current energy demand and usage, and help the council plan for future scenarios based upon planned growth. As part of this project, officers are working to co-ordinate current and future constraints on the heat network, while also exploring options to take forward future outputs to inform a detailed boroughwide energy masterplan with Vattenfall following the agreement to install a new district heating network at Brent Cross.

Delivering Quality Homes

- 1.18 The council is developing a programme to deliver 1,000 affordable homes at 50% market rent or less. Viability remains a challenge given restrictions on available grants and rising costs, however a number of delivery models are being explored. A paper will be presented to a future Housing and Growth Committee to provide further detail.

- 1.19 The council's direct development programme aims to achieve:
- Building new and sustainable homes for local people.
 - Creating high-quality shared spaces to encourage a sense of community.
 - Generating and reinvesting overflows into building more new homes and supporting the community.
 - Maintaining a long-term relationship with our residents and delivering a great service through our Build-to-Rent (BtR) Portfolio.
 - Enabling growth and development in the borough and opportunities for residents to improve their life prospects.
- 1.20 The current programme includes 15 modular homes, a development portfolio of mixed tenure new-build homes, of which 50% will be affordable.
- 1.21 In addition, the council is planning to deliver circa 500-700 Build-to-Rent units across three sites to cater for a growing demand of different asset classes in the borough. These purpose-built rental homes will be professionally managed, not only increasing the overall supply and mix of new homes for the council, but also generating longer-term income.
- 1.22 The affordable homes delivered through this programme will be a mix of tenures, to be determined through the submission of Planning Applications. Delivery of these new homes is forecast between 2024-2026.
- 1.23 The development strategy ensures that new homes are designed to create a sense of place that responds to local context and local distinctiveness. Construction techniques will contribute to improving efficiency, productivity and quality. As such, new homes and buildings will incorporate the Home Quality Mark.
- 1.24 Alongside this, the council has an existing 10-year partnership at Millbrook Park (Mill Hill) that has seen the transformation of 45 hectares of former brownfield land with almost 1,400 units built to date alongside community facilities and a school.
- 1.25 The regeneration of Hendon (the Burroughs) continues in partnership with Middlesex University. This will see a mix of new public library, Arts and Creative Industries facilities, a Safer Neighbourhood Team, community and retail floorspace, along with purpose-built student accommodation units (subject to Planning approval).

Regeneration programme

- 1.26 Delivery of the Brent Cross Cricklewood programme is fundamental to achieving Barnet's Growth Strategy. Housing and Growth Committee received an update report on the programme at its meeting in September 2022.
- 1.27 Key updates on other regeneration schemes include:
- *Grahame Park*: Wates is continuing to progress the construction of Plot A (comprising 209 homes, including 60 social rent/London Affordable Rent and 149 shared ownership). Completion remains on target for early 2024. Planning for

decanting of the Concourse blocks is underway with vacant possession forecast in 2024. The Reserved Matters Application for Plots K and H has been submitted and consultation taken place. A Small Projects Improvement Plan is in development addressing, among other issues, vacant shops on the Concourse, improvements to public realm, improved signage and festive lighting.

- *West Hendon:* Officers are working with Metropolitan Thames Valley Housing to agree ongoing management arrangements for West Hendon Community Hub. Through the Additional Unit Scheme, Barratts is exploring a variety of options to increase social housing supply. Delays to negotiations between the developer and works contractor mean that public realm and highways works on West Hendon Broadway are unlikely to commence until 2023. Officers are working with Barratts and local businesses to expedite a programme of improvements in advance of these major works. See paragraph 1.46 below for further detail.
- *Dollis Valley:* Labour shortages in the construction sector have delayed snagging on Block 6 (the first affordable housing completions). Labour and material challenges over the summer have also impacted other blocks currently in development. Countryside Properties is reviewing the impact on the overall programme.

Barnet Homes development programme

- 1.28 The development programmes delivered through Barnet Homes continued to progress with planning consents obtained for schemes at Broadfields, Coppetts Road and The Grange. These will now be subject to tendering with a view to start on site in Quarter 4 2022/23. The schemes will deliver 65 new council homes at London Affordable Rent. A further scheme at Little Strand is expected to commence on site, with demolition prior to Christmas, and will deliver 35 additional council homes at London Affordable Rent. Schemes at Fosters Estate and Stag House continue to progress well on site with 268 new homes being delivered, including 126 extra care homes. All these schemes are supported by GLA grant.
- 1.29 Barnet Homes, working as development agent on behalf of Barnet Council, is also developing a proposal to bring forward the regeneration of the north-eastern part of Grahame Park Estate, with a report due to November Housing and Growth Committee. Current forecasts are that the first phase of the scheme will produce circa 500 new homes (subject to planning), of which 50% will be affordable.

Opendoor Homes development programme

- 1.30 The Opendoor Homes programme of 341 homes for affordable rent continues to progress with 281 units now completed. The remainder are expected to be completed by late Spring 2023. The mixed tenure scheme at Hermitage Lane is due to complete in October 2022, delivering 40% affordable homes including 15 at London Affordable Rent.

Acquisitions programme

- 1.31 Alongside development, Barnet Homes undertakes a significant acquisitions programme to meet housing need within the borough. In November 2021 the council/Barnet Homes secured an additional £3.9m of GLA grant to buy back council homes sold under Right to Buy legislation. This funding will be used to purchase 60 homes by March 2023 with

the purchase of a further 60 homes funded by Right to Buy receipts. By September 2022, six properties were acquired as part of the programme.

- 1.32 The Opendoor Homes programme has seen 186 homes purchased to date (out of a target of 500). The programme is subject to a 200-home review at this committee (see separate agenda item).

Rough Sleepers

- 1.33 The numbers of rough sleepers on the streets of Barnet at the last count/estimate in August was 14. The number of rough sleepers across London has increased and is estimated at 784. Homeless Action in Barnet (HAB) continues to support rough sleepers in a 43-unit block in the borough and there are 40 rough sleepers still currently residing in temporary accommodation.
- 1.34 Funding under the Governments Rough Sleeping Initiative has been confirmed for the next three years at £3,068,144. This will continue to fund the Rough Sleeper Team and Somewhere Safe to Stay Hub. The three-year settlement will provide more stability in terms of employment contracts for staff and for the support and security contractors.

Tenants in Private Rented Accommodation

- 1.35 Barnet is now seeing an increase in demand from private sector tenants, with 28% of application reasons in Quarter 1 2022 relating to the sector. Data on court possession claims issued by private sector landlords in Barnet¹ show that 94 claims were issued in Quarter 2 2022 compared to 100 claims in Quarter 4 2021. These claims are now translating into increased repossessions, with 19 in Quarter 1 and 46 in Quarter 2. Barnet Homes is closely monitoring demand and currently applications are increasing with 1391 from April to September this year, compared to 1361 for the same period in 2021. A total of 60% of applications are from single-person households.
- 1.36 Barnet Homes has developed contingency plans to increase homelessness prevention activities as required and a contingency budget is held by the council for this purpose. The additional resources will support staff to manage the homeless application process, focusing on prevention and relief duties and personalised housing plans. The budget will also provide an increased homeless prevention fund to help resolve arrears and help families remain in their tenancies or support them into new accommodation that avoids temporary accommodation placements.
- 1.37 Barnet Homes continues to provide a tenancy sustainment service across the borough via the BOOST project.

Barnet Households in Temporary Accommodation

- 1.38 Positively, households in temporary accommodation (TA) continue to reduce, bucking the London and national trends, with the number of households in TA at the end of September standing at 2,076 which is a new ten year low. Procurement of TA and private sector properties is becoming more difficult due to an estimated circa 35% reduction of privately rented properties available across London. It is thought that this reduction is due, in part at least, to landlords pulling out of the market due to tax regime

¹ [Mortgage and Landlord Possession Statistics: data visualisation tool \(mojanalytics.xyz\)](https://mojanalytics.xyz)

obligations and the prospect of increased costs to meet expected future landlord compliance requirements.

Refugees

- 1.39 Barnet Homes has had significant challenges in procuring properties for the five Afghan households that the council has pledged to accommodate. So far, three households have been housed and Barnet has now opted in to the Find Your Own Accommodation Pathway which enables households to find their own property and still be able to access financial support from the government.
- 1.40 There are currently 490 sponsors and 928 guests under the Homes for Ukraine scheme in Barnet, with an unknown number that have arrived under the separate “family scheme” route. So far, 39 homeless applications have been taken with 11 currently in temporary accommodation and 17 housed in settled accommodation. The six-month government payment to sponsors has been extended by a further six months and Barnet Council is now contacting sponsors and their guests to understand whether they will continue the current arrangements. Some households have tried to find their own accommodation to rent but are being asked for guarantors by landlords which they cannot provide. It is likely that if these relationships break down they will apply as homeless, with increased placements into temporary accommodation.

Homelessness Prevention Grant consultation

- 1.41 The Department for Levelling Up Housing & Communities (DLUHC) is consulting on a new allocation methodology for Homelessness Prevention Grant (HPG). The new methodology would apply to grant funding for 2023/24 onwards, with allocations calculated and announced in late 2022. The consultation sets out two main options, with indicative allocations showing a significant funding reduction for most London authorities, with outer-London facing particular reductions in grant compared to the present proposals.
- 1.42 The stated aim is to update the grant allocation methodology to better reflect current pressures for local authorities and enhance data collection and assurance of how the grant is used. The rationale for the choice of variables is unclear, with the resultant outcomes being significantly different when compared to previous borough allocations. The North London Housing Partnership has submitted a joint response to the consultation with support from the London School of Economics and has highlighted the impacts on the six boroughs.

Borough	Option 1	Option 2
Barnet	-28%	-20%
Camden	+9%	+5%
Enfield	-12%	-55%
Haringey	-20%	-41%
Islington	-20%	-35%
Westminster	+20%	+6%

- 1.43 Barnet currently receives £5.666m HPG with Option 1 seeing a reduction to £4.115m and Option 2, £4.552m.

Town Centres and Local Economy

Helping residents – especially young people – into work

- 1.44 NOMIS statistics show that as of March 2022 there were 189,300 Barnet residents in employment (69.3%); lower than the UK average of 75.2%. In total, 45,200 (15.6%) Barnet residents are self-employed, more than the UK average of 9.3%. There are 14,200 (7%) residents that are unemployed and claiming Jobseekers Allowance (JSA), compared to the London average of 5%. In the most recent Census, 13,100 unemployed Barnet residents stated that they want to work.
- 1.45 Between April and September 2022, BOOST and BELS supported 252 residents into employment, while Shaw Trust programmes moved another 323 into work. The total number of Barnet residents reported as starting work since April 2022, including progressions into employment with local developers, is 663.
- 1.46 Updates on other employment and skills projects include:
- *BELS (Risk of NEETs)*: In July, BELS confirmed a reduction in NEETs to 133, and more than 10% of those were asylum seekers with ESOL needs. In August, the number reduced again to 120 following work with Barnet & Southgate College to offer short courses for young asylum seekers.
 - *BOOST*: Barnet continues to be the top performing borough in the West London Alliance (WLA)-led ESF funded employment support project, though the project as a whole continues to struggle to meet targets. Since July, BOOST has had in place a specialist adviser to specifically support Ukrainian refugees. The council's summer jobs fair saw 30 employers and over 250 residents attend.
 - *Cherry Tree Railway Programme*: This programme for Grahame Park has now confirmed 11 job outcomes from the cohort of 20 trainees. The programme provides training and placement into jobs within the railway industry across London.
 - *Sector Work Academy Programme (SWAP)*: The Signature Care Homes SWAP saw eight job offers but unfortunately only four starts. Two more SWAP programmes are planned, and officers are working with DWP to improve engagement, pre-screening and in work support to secure better outcomes.
 - *Royal Free*: Two job outcomes are confirmed from the last cycle (Healthcare Assistants). Following a brief pause, the Royal Free has re-engaged with BOOST, seeking to increase the number of vacancies and the range of roles offered.
 - *Entrepreneurial Support*: This summer, the council kicked off the Rebel Business School programme, including a stakeholder event that was attended by a broad range of local organisations keen to link with the programme. The first 'masterclass' training session in September saw 26 participants.
 - *West Hendon Hub*: In addition to regular weekly employment support sessions, the Hub is becoming more active with a broader offer for residents. This includes a Food Bank, Debt free London dial-in kiosk, targeted offers for local ethnic groups and Tutors United returning to provide Maths and English tuition.
 - *Brent Cross Town and Related Argent*: The latest quarterly report has been received and performance is on track. In June, contractor Galldris was shortlisted for an award

at this year's Construction News Awards for their work at Brent Cross. Argent has now adopted a new target of 6% apprenticeships, above the Section 106 target. The scheme remains at more than 20% local labour.

- At *Brent Cross West*, the last package will be realised between September 2022 and early 2023. Officers are working with Mace and VolkerFitzpatrick to maximise work experience rather than push for unsustainable jobs in this final phase of the project. Four out of five Kickstarters have been offered permanent jobs with VolkerFitzpatrick.
- *Film and TV Sector*: Barnet Council co-hosted an event with Middlesex University in July, bringing together stakeholders from the film and TV industry in north and west London to plan strategies to provide routes into the industry for young people. The next step is a roundtable to bring together key figures to consolidate knowledge on entry routes into the industry to inform a live careers event for Careers Advisers. This will follow the BFI's delayed launch of their UK Skills Review.
- The council's *ESOL for Integration programme*, delivered in partnership with Barnet & Southgate College, successfully completed in May with all targets met or beaten and over 450 people completing training. Most have now progressed onto Community Learning courses with some even moving onto college courses that started in September.

Digital Inclusion and Connectivity

1.47 The council has continued to secure and deliver state-of-the-art digital infrastructure investment during 2022, with the following outcomes over the first half of the year:

- Between May and September, the gigabit broadband programme continued with Community Fibre confirming live fibre connections to over 50% of the Barnet Homes stock and, more broadly, 12.5% of homes across the borough.
- Deployments are continuing from 'Open Infra' and 'Hampstead Fibre' to deliver across their target areas, and plans are emerging for further investment across the borough.
- Community Fibre is to launch a training academy to enable people to be employed and trained to become members of their sales force. BOOST will be actively supporting the recruitment of Barnet residents.

1.48 The WLA 'Digital Investment and Inclusion' programme continued with several key projects and programmes getting underway in 2022-23:

- *Fibre West*: BT has commenced planning for the installation of fibre to various sites. A review of the site list took place to ensure best value will be achieved from the 39 lines to buildings, and 127 lines to CCTV locations, including the opportunity to connect further CCTV locations to support delivery of the wider capital project.
- *Small Cells (4G/5G)*: The Expression of Interest process has demonstrated demand for small cells from a range of telecoms operators, and this is informing the delivery of parallel WLA projects to improve standardisation of arrangements with the telecoms sector, and the tools required to ensure more effective coordination.

1.49 Work has continued to ensure delivery of agreed Social Value commitments to support wider digital inclusion outcomes, including:

- Commencement of the digital triage project pilot programme to test tools and systems for capturing and signposting residents towards available support.
- A challenge process around previous social value delivery that has clarified existing successful outcomes, such as the recruitment of Barnet residents into Network Provider and Telecoms related jobs, while improving delivery for several others. This includes a renewed focus on apprenticeships that kicked off in September, plans for a more joined-up set of arrangements for Digital Skills and Support through volunteers, as well as action targeted at installation of free broadband connections to community centres. Plans are emerging for 10 community spaces to be made live with free connections before the end of the financial year, and this will begin with a fibre connection for Hope Corner, in Underhill, in early October.
- During 'Barnet Get Online Week' in August, Microsoft hosted free workshops for residents and small businesses providing access to training in computer skills. BOOST hosted 17 digital skills events, including the launch of the libraries laptop and tablet scheme to enable the re-distribution of refurbished council equipment. The Digital Skills drop-in clinic at Burnt Oak saw 30 attendees and the Digital Champions Network saw 124 courses completed.

Business support

1.50 This year, the council launched a business support programme of approximately £1.5M to help more than 600 high street and micro-businesses across the borough. Funded mostly through the government's Additional Restrictions Grants, these schemes are aimed at companies that have been negatively affected by Covid-19 and will provide business owners and their employees with vital new skills, knowledge and confidence to help them bounce back. They include:

- *Employee Skills programme with Barnet & Southgate College:* Short courses to improve business compliance and standards such as health and safety, food and hygiene, first aid and English language in the workplace. Forty out of target of 75 businesses supported. Finishes in January 2023.
- *Micro-Business Growth programme with Middlesex University:* Business needs research (500 companies surveyed), business masterclasses to help owners scale their company and plan for future growth, such as business growth planning, sales, finance and digital marketing, and graduate internships. Forty-five out of target 100 businesses receiving ongoing support. Finishes in December 2022
- *Construction Supply Chain project with MTW Consultants:* This project for Barnet's construction supply chain SMEs provides training and expert guidance on winning bids, opportunities to meet buyers and developers and, overall, aims to retain more investment inside the borough. To date, 44 out of target 50 businesses supported. Finishes in March 2024.
- *Town Centre Business Support Programme:* Focused specifically on Burnt Oak, West Hendon, Finchley Central and North Finchley town centres, the project includes health checks, one-to-one advice, business skills workshops, town centre websites

and business directories and briefings with key business-facing services such as Business Rates and Licencing. In total, 345 businesses have been engaged out of target of approximately 700. Finishes in June 2023.

- *Federation of Small Business (FSB) memberships*: Support for micro-businesses to join the FSB for one year for free and take advantage of their business services and networking opportunities. Exceeded target of 100 businesses signed up. Project completed July 2022.

1.51 In total, since March 2022, almost 600 businesses have so far been supported by Barnet's business support programme.

1.52 Additionally, the council has started a new internal programme to link different business-facing teams. The aim is to streamline services so that local companies can interact with the council through a simplified entry point. Business-facing teams will benefit from sharing data to generate a single view of Barnet's businesses and their needs.

Town Centres

1.53 Officers from a range of services are working together to support Barnet's town centres and high streets, helping them to recover from the effects of the pandemic. The council is undertaking a review of the approach to town centres and developing a new strategy in line with the Administration's priorities. This has sustainability at its heart, alongside working in partnership with town teams and engaging local businesses, residents and community groups.

1.54 Key updates include:

- *Edgware*: The Partnership Board formed with Ballymore, Transport for London, Middlesex University and local businesses has continued to develop plans for the town centre, including high street activations, new murals and artwork and other creative approaches to place-making. Officers have been working to progress interventions to support a cleaner, and safer, town centre, including new lighting installations in trees, due for installation in October. Feasibility testing is also underway for a Business Improvement District. The council has commenced enforcement action in relation to the Railway Hotel, a Grade II Listed Building. Should the owner fail to respond accordingly, the council may decide to take further action, including pursuing a Compulsory Purchase.
- *Burnt Oak*: Community engagement on the public realm improvements (approved at Housing and Growth Committee, September 2021) has commenced. The consultant team has completed Stage 1 analysis and is working with the local community, initially through the existing Community Steering Group. The creative place-making scheme will deliver several initiatives throughout the autumn, including new murals and festive lighting. Officers are working to ensure that all relevant activities are coordinated and integrated across Burnt Oak, including the public realm works, development of Watling Car Park, improvements to community facilities and interventions in nearby parks.
- *West Hendon Broadway*: Officers continue to work with businesses and Barratt London to enhance the Broadway in advance of the major highways upgrades, being delivered by the developer. As noted above, the highways works have unfortunately

been delayed which will have a knock-on effect on some of the public realm and other improvements. Officers have been working to expedite temporary interventions and those not connected to the highways works. Recent investments include new planters along the Broadway, changes to commercial waste arrangements and plans are in place for the implementation of environmental improvements in the autumn.

- *Cricklewood*: The feasibility study for the site at 164-168 Cricklewood Broadway has completed initial analysis, suggesting that the site is well-suited to new landscaping, planting, seating and small-scale commercial activity. Initial design options have been developed and costed and are now being subject to additional market testing and cost appraisal. The design team will undertake further engagement with the Town Team, Business Association and other local stakeholders to develop the final proposals, which will be presented to Housing and Growth Committee in January 2023.
- *Golders Green*: The council has appointed a multi-disciplinary design team to engage the community and develop designs for public realm improvements in line with the adopted Golders Green Town Centre Strategy. Community engagement sessions are underway to inform the proposals. A key aim will be to establish a new Town Team to ensure that businesses and residents are meaningfully engaged and to help animate future public realm improvements.
- *Finchley Central*: The council has continued to progress the Finchley Square project, incorporating 5,500 sqm of new public realm, accessibility, cycle, pedestrian and traffic improvements, new tree planting and Sustainable Urban Drainage Systems and a new community/civic space. Procurement has commenced and the project will start on site in January 2023. Arts, community and cultural events have continued to be held over the summer, including a market. To date, these events have received positive feedback from residents and businesses and they will continue to take place in the run-up to construction. The council is continuing to support the Town Team and will also be delivering a public art project alongside the public realm construction.
- *North Finchley*: The council is continuing to develop Cultural Placemaking Interventions and a Public Realm Design Framework, both of which are progressing through a series of engagement activities with businesses and community groups. Community workshops have been held to define the vision and design principles to underpin the Public Realm Design Framework. The North Finchley Partnership Board has continued to meet, bringing together members from the community, businesses and other local stakeholders, alongside the council and developer partners. The Board's Terms of Reference were updated to reflect the new Administration. Conversations are ongoing with Regal London regarding the development of a Planning Application for council-owned sites, currently due for submission mid-2023.
- *Chipping Barnet*: Officers have continued to develop feasibility studies for priority projects identified in the Community Plan. Officers have also supported the Chipping Barnet Town Team to deliver a Meanwhile Activation Project, identified in the Community Plan. As such, the Town Team has led development of a project to use a previously vacant high street unit, which now comprises a flexible workspace, micro brewery and pop-up retail.

2. Reasons for recommendations

- 2.1 All measures and interventions set out above directly support council priorities.
- 2.2 Additionally, all measures outlined in this report align with council strategy, for example, as set out in the Growth Strategy 2020-30, the Long-Term Transport Strategy, the Housing Strategy 2019-24 and the Homelessness and Rough Sleeping Strategy 2019-24.

3. Alternative options considered and not recommended

- 3.1 None in the context of this report

4. Post decision implementation

- 4.1 Following Committee, officers will continue to maintain regular communication with relevant stakeholder groups – notably businesses, Members and residents – in accordance with the various programmes of work.

5. Implications of decision

Corporate Priorities and Performance

- 5.1 All measures and interventions set out above directly support the priorities of the council and the new administration.
- 5.2 Additionally, all measures outlined in this report align with council strategy and priorities, for example, as set out in the Growth Strategy 2020-30, the Long-Term Transport Strategy, the Housing Strategy 2019-24 and the Homelessness and Rough Sleeping Strategy 2019-24.

Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.1 Where there are financial implications or decisions associated with projects outlined in the Growth Strategy annual report and Work, Skills and Productivity Action Plan, these will be addressed on a case-by-case basis.
- 5.2 Any procurement activity will be undertaken in accordance with the council's Contract Procedure Rules and the Public Contracts Regulations 2015 as applicable.
- 5.3 Post Brexit, the State Aid rules have been replaced by the Subsidy Control Act 2022, which received Royal Assent on 28 April 2022. However, regulations giving effect to the relevant provisions of the Act are not yet in force and, therefore, transitional provisions apply until the Subsidy Control Act 2022 takes effect.

Legal and Constitutional References

- 5.4 The council's Constitution, Article 7.5 Committees, Forums, Working Groups and Partnerships, sets out the functions of the Housing and Growth Committee and includes:

- Responsibility for housing matters including strategy, homelessness, social housing and housing grants, private sector housing, regeneration strategy and oversee major regeneration schemes, asset management, employment strategy, business support and engagement and town centres.
- To receive reports on relevant performance information and risk on the services, under the remit of the Committee.

Insight

5.5 In recent months, the council has significantly improved the way in which it uses data, insight and analysis to drive decision making and service delivery. A new cross-cutting data insight team has been established which is now working closely with Growth colleagues as well as others across the organisation. This report draws on various analyses undertaken by the Insight Team.

Social Value

5.6 In procuring services, the council must take into account the requirements of the Public Services (Social Value) Act 2012 to consider how what is to be procured might improve the social, economic and environmental well-being of the relevant area and how, in conducting the process of procurement, it might act to secure such improvement. Social value is a core part of the Recovery Framework and will be maximised throughout.

Risk Management

5.7 The council has an established approach to risk management, which is set out in the Risk Management Framework. Managing risk is an essential part of programme management and will be used to inform key decisions relating to economic recovery and the delivery of the Corporate Plan.

Equalities and Diversity

5.8 The Equality Act, 2010 outlines the provisions of the Public Sector Equality Duty which requires Public Bodies to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and other conduct prohibited by the Equality Act, 2010;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

5.9 Relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

5.10 The Barnet Plan, the council's Recovery Framework and the Growth Strategy are intended to benefit all communities and groups who live, work and visit the borough, including those with protected characteristics.

- 5.11 An Equalities Impact Assessment and Health Impact Assessment was undertaken on the Growth Strategy, and the outcomes of these were summarised in the report to Housing and Growth Committee on 27 January 2020 seeking approval of the Strategy.
- 5.12 Where individual decisions are required in relation to the recovery programme or Growth Strategy Delivery Plan, these will be considered on a case-by-case basis to ensure no group is disadvantaged or left behind. As required, officers will undertake Equalities Impact Assessments (EQIA) on a case-by-case basis to fully appraise the impacts associated with any proposed course of action in line with the legislation and to take into account the same so far as lawfully required.

Corporate Parenting

- 5.13 In line with the Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in all relevant decision-making. Promoting independence is priority of the council. Barnet Homes work closely with relevant council departments to ensure that care leavers make a successful transition to independent living

Consultation and Engagement

- 5.14 A strong commitment to community engagement and empowerment is fundamental to the council's approach. Local stakeholder engagement remains a key part of project development and engagement plans will be prepared for all new town centre, housing, regeneration and development projects. Any new schemes brought forward will be subject to consultation where the council considers it appropriate, in addition to where it is legally required.

Environmental Impact


- 5.15 As set out in sections 1.4, 1.5 and 1.6, the report focuses on the implementation of recommendations within the manifesto of the new administration that relate to carbon emissions from buildings.

6. Background papers

- 6.1 Housing and Growth Committee, 27 January 2020, item 16: Growth Strategy
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=9931&Ver=4>
- 6.2 Housing and Growth Committee, 14 September 2020, item 12: COVID-19: Recovery Plan – Thriving,
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=10226&Ver=4>
- 6.3 Housing and Growth Committee, 25 November 2020, item 17: COVID-19: Recovery Plan – Thriving
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=10227&Ver=4>
- 6.4 Housing and Growth Committee, 25 January 2021, item 9: COVID-19 Recovery Plan,
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=10228&Ver=4>
- 6.5 Housing and Growth Committee, 14 June 2021, item 7, COVID-19: Recovery Plan – Thriving, <https://barnet.moderngov.co.uk/documents/s65201/COVID-19%20Recovery%20Plan%20Thriving.pdf>

- 6.6 Housing and Growth Committee, 13 September 2021, Covid-19: Recovery Plan – Thriving, Item 8, <https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=10846&Ver=4>
- 6.7 Housing and Growth Committee, 16 November 2021: Thriving Update, Item 7 <https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=696&MId=10847&Ver=4>
- 6.8 Decision - Approval of sites for connection to Fibre Breadboard using grant funding, 28 January 2022: <https://barnet.moderngov.co.uk/ieDecisionDetails.aspx?ID=8741>
- 6.9 Housing and Growth Committee, 13 February 2022: Thriving Update, Item 11, [Agenda for Housing and Growth Committee on Thursday 17th February, 2022, 7.00 pm | Barnet Council \(moderngov.co.uk\)](#)
- 6.10 Housing and Growth Committee, 13 June 2022: Housing and Growth Priorities update, Item 8, <https://barnet.moderngov.co.uk/documents/s72866/20220613HAG-HG%20Committee%20Priorities%20Update.pdf>

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	<p style="text-align: center;">House purchase for Solo Provision</p> <p style="text-align: center;">Tuesday 25th October 2022</p>
<p style="text-align: center;">Title</p>	<p style="text-align: center;">House purchase for Family Services Solo Provision</p>
<p style="text-align: center;">Report of</p>	<p>Chair of Housing and Growth Committee</p>
<p style="text-align: center;">Wards</p>	<p>All</p>
<p style="text-align: center;">Status</p>	<p>Public</p>
<p style="text-align: center;">Urgent</p>	<p>Yes</p>
<p style="text-align: center;">Key</p>	<p>Yes</p>
<p style="text-align: center;">Enclosures</p>	<p>Appendix A - CMA Children's Social Care Market Study Appendix B - National Children's Bureau Under-utilisation of London Provision Final Report</p>
<p style="text-align: center;">Officer Contact Details</p>	<p>Brigitte Jordaan, Brigitte.jordaan@barnet.gov.uk Jalpa Patel, Jalpa.patel@barnet.gov.uk Andrew Cadge, Andrew.cadge@barnet.gov.uk</p>

Summary

This report seeks approval from the Housing and Growth Committee to complete the purchase of a property to use as a solo provision for the Borough's looked-after children and young people (CYP) in crisis placements. This is part of the solution to address the nationwide placement crisis for CYP. The approval includes purchase of the property and the attached costs/fees to purchase and renovate the property to ensure it is fit for purpose and safe for our CYP.

Officers Recommendations

1. That committee approve the total cost to purchase and renovate a residential property to be used as Solo Provision for looked after children in the borough.
2. Subject to successful completion of all due diligence activity, approving completion of the purchase of the property should be delegated to the Deputy Chief Executive or the Executive Director of Resources.
3. If the Council does not for any reason proceed with the purchase of the property, authority is delegated to the Deputy Chief Executive or the Executive Director of

Resources to authorise the purchase (inclusive of all costs/fees) of an alternative property in the borough which is suitable for the intended purpose.

1. Why this report is needed

- 1.1 This report seeks urgent approval from the Housing and Growth Committee to complete the purchase and renovation of a property to use as a Solo Provision for the borough's looked after CYP in crisis placement. This is part of the solution to address the nationwide placement crisis for CYP.
- 1.2 The CMA children's social care market study 2022 has highlighted the extent of the placement crisis, whereby local authorities are often unable to access appropriate placements to meet the needs of children in their care. Prices paid by local authorities were high and this, combined with growing numbers of looked-after children, was placing significant strain on local authority budgets, limiting their scope to fund other important activities in children's services and beyond. The amount of provision has been increasing in England, primarily driven by private providers, however, this has not been effective in reducing difficulties local authorities face in finding appropriate placements, in the right locations, for children as they need them. That means, in tangible terms, children being placed far from their established communities, siblings being separated or placements failing to meet the needs of children, to a greater extent than should be the case.
- 1.3 The procurement of a new solo provision within Barnet not only addresses the issues raised within the CMA's report around placement shortages, but also aligns with current policy changes that are underway nationally across England, Wales and Scotland which aim to fundamentally reform the operation of the placements market, amongst several other elements of children's social care; a new solo provision within the borough prevents Barnet from falling behind with these reforms.
- 1.4 The outcomes sought through the establishment of this provision are as summarised below:
 - To meet our statutory duty to safeguard and promote children welfare
 - To prevent and reduce the occurrence of out of borough placements
 - To ensure the continuous availability of services that work to support all levels of need
 - To make savings in the long and medium term, through reducing the needs for and subsequent cost of high-cost crisis placements

2. Reasons for recommendations

- 2.1 Currently, Barnet has no such in-house provision, nor do any London Boroughs, meaning that those CYP deemed in need of such provision are moved out of borough, often at the expense of their existing established support networks, and at huge cost to the local authority. 67% of all CYP in residential placements by London boroughs were placed outside of London. The underutilisation report states that this relocation far from young people's home borough (specifically in London), compromises positive long-term outcomes, as well as having detrimental impacts due to the comparative lack of diversity outside of London.

- 2.2 As a borough, we are unable to support these children and young people's complex needs with our resources, therefore by developing an in-house provision, we are increasing our capability and capacity for support enormously.
- 2.3 The property has been selected as it meets the detailed requirements set out by Family Services and is within the approved budget.
- 2.4 Property Due Diligence – Sohal Associates Chartered Surveyors were instructed to carry out an RICS Valuation and Level 2 Survey Report. The property was valued at the purchase price and no significant issues in the building were reported on which would affect the purchase of the property.
- 2.5 Legal Due Diligence – HBPL were instructed to produce a Report on Title as well as acting on behalf of the Council on the transaction. At this stage, this Report has not been finalised, but a first draft has been produced.
- 2.6 All due diligence will be completed as a pre-requisite to the final approval for the transaction being granted by the Deputy Chief Executive.

3. Alternative options considered and not recommended

- 3.1 Our alternative option is to continue as is and use external providers to house and support our CYP in crisis. However, this means our CYP will continue to be placed further away from their home, family and friends, local network, and support. As evidence has shown, this has detrimental effects on the long-term emotional, mental, and social wellbeing of our CYP.
- 3.2 The costs attached to placing a child or young person out of borough in external provisions is significantly high, compared the cost attached to supporting them in-house. This renders the proposed solo provision one that is of financial benefit to London Borough of Barnet (LBB) through the savings it will make in its reduction of crisis placements.

4. Post decision implementation

- 4.1 Following approval by the Housing and Growth Committee, HBPL will be instructed to carry out the necessary actions to complete the purchase, provided planning consent for the proposed use of the property exists or can be obtained.
- 4.2 The works identified by Family Services to prepare the home for use will be instructed along with the retrofit works recommended, should the Public Sector Decarbonisation scheme bid detailed below within section 5.10 of this report be accepted.
- 4.3 The property will be insured from completion (simultaneous exchange and completion) and then registered and maintained as part of the LBB General Fund estate.

5. Implications of decision

5.1 Corporate Priorities and Performance

- 5.1.1 This solo provision aligns with the current social care reforms taking place nationally, it also aligns closely with the outcomes sought within the Barnet Plan. It most closely aligns with the 'care for people' value and particularly the Family Friendly and Healthy & Independent theme, which looks to ensure that CYP are safe and protected from harm. This solo provision will provide CYP with complex needs a safe space in which they can be thoroughly assessed, with next steps determined that safeguard them against further placement breakdown. This provision will ensure that our CYP are receiving the right level of support to meet their needs. The proposed support offered within this provision as well as the assessments that will take place here also encourage the development of resilience within the CYP making use of the provision, by giving them the tools, the right support, and opportunities to move forward into secure next steps and live a healthy and independent life.
- 5.1.2 The kind of culture being the first to champion such a provision for the most vulnerable CYP that we care for could nurture. It aligns with the wider national social care reforms, and it actively shows CYP that their specific needs are considered and addressed rather than having generic solutions to very particular sets of needs. It also demonstrates our willingness to invest in their futures and to take the time to better understand their wants and needs.
- 5.1.3 As the concerns around placement sufficiency, and the shortage of available placements for CYP is being experienced nation-wide, a provision such as the one being proposed has the potential of being sold to other local authorities, should there be any points at which the property is not actively in use by one of Barnet's vulnerable CYP. The national context and shortage renders this a situation that is likely to occur and therefore makes this solo provision commercially viable should it need to be.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 The staffing resources needed for this provision to be run successfully, and for the CYP utilising it to receive their clinical assessments exist already as part of our children's social care provision. The staff involved in the running of this provision will be those already involved in the running and management of our therapeutic children's home, Greenbank House. Therefore, the expertise and infrastructure for this provision's management will not incur a significant cost increase to the current level of expenditure associated with children's social care placements and will be contained within the existing budget envelope.
- 5.2.2 To ensure that this provision is aligned with the aspirations outlined within the London Borough of Barnet's sustainability strategy framework's net zero target and as a council that 'cares for the planet' we will be planning, subject to affordability, retrofitting works on the property. Family Services currently have two buildings being used to support our CYP which have already been approved in Phase 3 of the Public Sector Decarbonisation Scheme (PSDS), and this solo provision may be included in later phases, should Family Services be successful in developing this new residential provision. To further support that we are Our total project budget allows for any renovations and retrofitting's required to ensure the building is safe and fit for purpose

for our CYP, as well as meeting any requirements to achieve our net zero target.

5.2.3 This solo provision will accommodate our CYP with complex needs, experiencing placement breakdowns who are currently in high-cost crisis external placements. Our finances show the projected running costs of an in-house provision would cost significantly less and this renders the proposed solo provision one that is of financial benefit to London Borough of Barnet through the reduction in spend on crisis placements.

5.2.4 The project budget was approved at Capital Strategy Board Tuesday 21st June 2022 and was awarded following Policy and Resource Committee on Tuesday 19th July 2022. The council's offer on the property has been accepted and remains well within the total awarded budget for project. The remaining budget will fund the costs/fees attached to the purchase of the property and the renovation works required on the property to ensure it is safe, compliant (meets Ofsted requirements for a children's home) and fit for purpose for our CYP.

5.3 Legal and Constitutional References

5.3.1 Local authorities have specific duties in respect of children under various legislation including the Children Act 1989 and Children Act 2004. They have a general duty to safeguard and promote the welfare of children in need in their area and, if this is consistent with the child's safety and welfare, to promote the upbringing of such children by their families by providing services appropriate to the child's needs.

5.3.2 Section 22C(8) of the Children Act 1989 outlines the responsibility of local authorities around the provision of placements for looked-after CYP, stating that the local authority must ensure that the placement is such that:

- a) it allows CYP to live near their home
- b) it does not disrupt children and young people's education or training
- c) if the child/young person has a sibling for whom the local authority is also providing accommodation, it enables the siblings to live together
- d) if the child is disabled, the accommodation provided is suitable to the child's particular needs
- e) placements must be such that the child is provided with accommodation within the Local Authorities area

5.3.3 The development of a solo provision as recommended within this report allows for the London Borough of Barnet to fulfil its legal obligations to its looked after children, where the current practice of moving vulnerable CYP out-of-borough for solo placements renders the local authority unable to guarantee its ability to meet the obligations of parts a and b (above).

5.3.4 Further to these inclusions of the Children's Act, the Government amended the Care Planning, Placement and Case Review (England) Regulations 2010, to make it a condition of placing in "other arrangements settings" (i.e., independent, and semi-independent settings) under section 22C(6)(d) of the Children Act 1989 that the child is aged 16 or over. The effect of this will be that local authorities must (subject to some limited exceptions) place looked after children who are under the age of 16 in either foster care or a children's home that is registered with Ofsted or as otherwise provided

in Regulation 27A. The ban came into effect in September 2021, following a grace period to give local authorities time to respond to the changes and make alternative arrangements

- 5.3.5 Under section 120 of the Local Government Act 1972 Local Authorities may acquire land by agreement for the purposes of (a) any of their functions under the 1972 Act or any other enactment, or (b) the benefits, improvement, or development of their area.
- 5.3.6 Under Article 7 of the council's constitution, Housing & Growth Committee's remit includes Housing (including: housing strategy; homelessness; social housing and housing grants; private sector housing and leasing and enforcement; HRA Revue Account and Capital Programme); and Asset management.
- 5.3.7 Under Table A of Article 10 – Decision Making – of the council's constitution, purchases of property for a price in excess of £500,000 are to be approved by the Housing and Growth Committee.
- 5.3.8 In line with Article 10 - Decision Making - this paper reports to the Housing & Growth Committee. Prior approval has been given at the following:
- Project Approval at Property Review Board on Monday 25th April 2022
 - Funds approved and awarded at Capital Strategy Board on Tuesday 21st June 2022
 - Funds allocated at Policy & Resource Committee on Tuesday 19th July 2022

5.4 Insight

- 5.4.1 Evidence for the need for a solo provision for young people in crisis placements is detailed in the [CMA children's social care market study 2022](#), which suggests that the current strains on the social care system due to lack of residential resource which addresses the specific needs of young people deemed in need of solo provision is having a detrimental impact on these CYP.
- 5.4.2 This is echoed by the National Children's Bureau's Under-utilisation of London Provision Report, which details the ways in which the lack of suitable provision for the young people in question is actively negatively impacting their experiences and outcomes, specifically citing levels of diversity outside of London as a key contributor of this. It also goes in detail around the positive long-term outcomes associated with young people remaining in their home borough.

5.5 Social Value

- 5.5.1 The value of the kind of culture being the first to champion such a provision for the most vulnerable young people that we care for could nurture within the organisation and the borough more widely cannot be understated.
- 5.5.2 It could also strengthen bonds with neighbouring Local Authorities, with Barnet being an example of good practice in the context of the wider upcoming national social care reforms, and it actively shows CYP that their specific needs are considered and addressed rather than having generic solutions to very particular sets of needs. It also demonstrates our willingness to invest in their futures and to take the time to better understand their wants and needs.

5.5.3 This provision will provide wrap around support with specialist clinical intervention ensuring our children and young people's emotional, mental, and social wellbeing is being supported, resulting in improved outcomes in their adulthood and future.

5.6 Risk Management

1. The exchange and purchase of the property not going through due to the seller pulling out of the process will result in Family Services directing more resource to seek another property fit for purpose. The risk and impact are low as a formal contract has already been issued on this purchase by the seller's solicitors. As this is also a cash purchase, the process to buy is fairly streamline and being overseen and managed by the Council's Estate's team. This would result in a small abortive cost for legal and valuation/building condition report fees.
2. If the decision to commence the purchase of the property is not approved at committee, this will result in Family Services continuing to use external high-cost providers to place our CYP until another property is found and meets the requirements (abortive costs as above). The risks attached to this are:
 - On-going high costs to place CYP which may cause medium/long-term financial implications to Family Services budgets.
 - CYP will continue to be placed further away from their home and local networks which can lead to significant negative consequences on their emotional, mental, and social wellbeing.

These risks will require more time and resource from both Family Services and Estates to find another property. In this instance, to mitigate any further delays we have a Family Services Project Manager allocated to this project who will carry out more searches on properties. Family Services would also reflect on why the decision to proceed with the property in discussion was not approved and consider this information in our future search.

3. Although the budget for this project has been approved and allocated, there is a financial risk due to the unknown costs attached to the property renovation works that are required. Family Services has recently undertaken renovation projects on a children's home and a care leavers support hub, therefore these projects costs have been used to estimate renovations budget for the property. A tendering process will be undertaken to price these works. There is substantial budget remaining once all acquisition costs and this renovation estimate has been considered, and as only general renovations are required, we are confident that any risk to the budget is low.
4. Changing residential market conditions will affect the value of the property. Recent political decisions have negatively affected the mortgage market, and high inflation is leading to expectations of further interest rate rises. Therefore, in the short term, the residential market is expected to weaken. However, the need for this facility is expected to be long-term so the Council will not be exposed to short-term fluctuations, but longer-term market movements should the property become surplus to requirements and sold.
5. The property will be insured from completion.

5.7 Equalities and Diversity

5.7.1.1 Under the Equality Act 2010, in the exercise of its functions, the Council must have due regard to the need to

- a) eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Act;
- b) advance equality of opportunity between those with a protected characteristic and those without;
- c) promote good relations between those with a protected characteristic and those without.

5.7.1.2 The protected characteristic referred to are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. It also covers marriage and civil partnerships with regards to eliminating discrimination.

5.7.1.3 The Council is committed to improving the quality of life for all, and wider participation in the economic, educational, cultural, social, and community life in the Borough.

5.7.1.4 As a high proportion of those CYP in children's social care in London are from racialised backgrounds, being moved into less ethnically diverse areas can be detrimental and isolating.

5.7.1.5 The provision promotes equality in that it seeks to ensure that young people with complex needs have their needs met in the same way young people with less complex needs can have their needs met.

5.8 Corporate Parenting

5.8.1 As corporate parents we are responsible for the care and support of our children in care and make sure they are safeguarded and provided with the opportunities they need. Responsibility for corporate parenting sits with the whole council, Councillors, community services, education support, schools, and health services; we all have a vital role to play in supporting children to do well. Under section 1 of the Children and Social Work Act 2017 a local authority must, in carrying out functions in relation to the children and young people who are care leaver, have regard to the need:

- To act in the best interest, and promote the physical and mental health and well-being, of those CYP;
- To encourage those CYP to express their views, wishes and feelings;
- To take into account the views, wishes and feelings of those CYP;
- To help those CYP gain access to, and make the best use of, services provided by the local authority and its relevant partners;
- To promote high aspiration, and seek to secure the best outcomes, for those CYP;
- For those CYP to be safe, and for stability in their home lives, relationships and education or work; and;

- To prepare those CYP for adulthood and independent living

5.8.2 The proposed recommendation within this report directly and specifically seeks to increase the London Borough of Barnet's corporate parenting capacity and quality through ensuring that there is sufficient provision to address the complex needs of young people in crisis placements.

5.9 Consultation and Engagement

5.9.1 As a matter of public law, the duty to consult with regards to proposals to vary, reduce or withdraw services will arise in the following circumstances:

- Where there is a statutory requirement in the relevant legislative framework
- Where the practice has been to consult, or, where the council has stated that it will consult
- Where a failure to consult would lead to conspicuous unfairness

5.9.2 The purchase of a suitable property as a solo provision for looked-after young people in crisis placements does not meet the above circumstances, and as an urgent matter has not been consulted upon.

5.10 Environmental Impact

5.10.1 We will potentially be carrying out retrofit works on the property that allows the provision to remain in alignment with the sustainability aspirations outlined within the Borough's sustainability strategy and its net-zero target. Retrofitting work could include the installation of heat pumps in the property for the purpose of reducing carbon emissions, as well as for their efficient conversion rates of energy to heat relative to that of traditional boiler systems. These works would contribute to improving the EPC rating from the current D rating. There are current inspections ongoing on the property to enable us to establish this.

5.10.2 Family Services currently have two buildings being used to support our CYP which have already been approved in Phase 3 of PSDS, and this Solo Provision has in principle been agreed to be part of phase 4, should Family Services be successful in developing this new residential provision. The approved funds allows for any renovations and retrofitting's required to ensure the building is safe and fit for purpose for our CYP, as well as meeting any requirements to achieve our net zero target – these works will be confirmed following the inspections currently being conducted on the property.

6. Background papers

6.1 The Policy & Resources Committee on the 19 July 2022 approved the funding in item 9, Revised Budget 2022/23 and Business Planning 2023-2027, 2.5.17 - <https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=11225&Ver=4>

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Children’s social care market study final report England summary 10 March 2022

1. The CMA launched a market study into children’s social care in England, Scotland and Wales on 12 March 2021, in response to two major concerns that had been raised with us about how the placements market was operating. First, that local authorities were too often unable to access appropriate placements to meet the needs of children in their care. Second, that the prices paid by local authorities were high and this, combined with growing numbers of looked-after children, was placing significant strain on local authority budgets, limiting their scope to fund other important activities in children’s services and beyond.
2. We considered that the case for a market study in this area was particularly strong due to the profound impact that any problems would have on the lives of children in care. While we have approached this study as a competition authority, assessing how the interactions of providers and local authority purchasers shape outcomes, we have been acutely aware of the unique characteristics of this market, and in particular the deep impact that outcomes in this market can have on the lives of children.
3. Our market study is also timely. Each of the three nations in scope has significant policy processes underway which are aiming to fundamentally reform children’s social care. For one vital element of this – the operation of the placements market – our study provides a factual and analytical background, as well as recommendations for reform. We intend that these will prove useful for governments as they develop their wider policy programmes for children’s social care.
4. Overall, our view is that there are significant problems in how the placements market is functioning, particularly in England and Wales. We found that:
 - a lack of placements of the right kind, in the right places, means that children are not consistently getting access to care and accommodation that meets their needs;
 - the largest private providers of placements are making materially higher profits, and charging materially higher prices, than we would expect if this market were functioning effectively; and

- some of the largest private providers are carrying very high levels of debt, creating a risk that disorderly failure of highly-leveraged firms could disrupt the placements of children in care.
5. It is clear to us that this market is not working well and that it will not improve without focused policy reform. Governments in all three nations have recognised the need to review the sector and have launched large-scale policy programmes. A key part of these programmes should be to improve the functioning of the placements market, via a robust, well-evidenced reform programme which will deliver better outcomes in the future. This will require careful policymaking and a determination to see this process through over several years.
 6. We are therefore making recommendations to all three national governments to address these problems. Our recommendations set out the broad types of reform that are necessary to make the market work effectively. The detail of how to implement these will be for individual governments to determine, taking into account their broader aspirations for the care system and building on positive approaches that are already in evidence.
 7. Our recommendations fall into three categories:
 - recommendations to improve commissioning, by having some functions performed via collaborative bodies, providing additional national support and supporting local authority initiatives to provide more in-house foster care;
 - recommendations to reduce barriers to providers creating and maintaining provision, by reviewing regulatory and planning requirements, and supporting the recruitment and retention of care staff and foster carers; and
 - recommendations to reduce the risk of children experiencing negative effects from children's home providers exiting the market in a disorderly way, by creating an effective regime of market oversight and contingency planning.
 8. In recognition of the different contexts in each of England, Scotland and Wales, we differentiate between these in the text of the main report where appropriate. We have also drawn together the main conclusions and recommendations for each nation in its own dedicated summary. This summary sets out our main conclusions and recommendations for England, and where appropriate compares our findings for England with those for Scotland and Wales.

Background: the placements market

9. There are 80,850 looked-after children in England, out of a total of just over 100,000 looked-after children in England, Scotland and Wales. Over two-thirds of looked-after children in England live in foster care, which is similar to the proportion of children living in foster care in Wales, and 16% live in residential settings, compared to 10% in Scotland and 7% in Wales. 13% of children in England live in other settings for example living with parents, placed for adoption or in community settings.
10. The current annual cost for children's social care services is around £5.7 billion in England.
11. Children's social care is a devolved policy responsibility, with key policy decisions in England being made by the UK Government. There are significant policy processes underway in the children's social care sector in England with the ongoing independent review of children's social care expected to report later this year.
12. The Office for Standards in Education, Children's Services and Skills (Ofsted) is the independent regulator of services that care for children. Unlike the Care Inspectorates in Scotland and Wales, Ofsted does not regulate adult social care. Ofsted is responsible for inspecting children's social care provision to ensure it is of the appropriate standard. Both fostering services and children's homes fall within Ofsted's remit.
13. Local authorities in England have statutory duties in relation to the children taken into their care. They are obliged to safeguard and promote children's welfare, including through the provision of accommodation and care. In discharging their duties, local authorities provide some care and accommodation themselves, and they purchase the remainder from independent providers, some of which are profit-making.
14. In England, local authorities use a significant amount of private provision for children's homes, with around 78% of places being provided by the private sector, which is similar to the position in Wales. In contrast local authorities in Scotland rely more heavily on local authority provision of children's homes places. Over the last five years, the private sector's share of children's homes in England has risen by 26%; while the number of local authority homes has declined by 5%. The voluntary sector is very small and in decline.
15. As well as shifting from local authority or voluntary sector to private provision in general across England, Scotland and Wales the average size of children's

homes has fallen. Most children's homes in England now provide four or fewer places.

16. In fostering, local authorities maintain their own in-house fostering agencies, but also use independent provision in the form of Independent Fostering Agencies ('IFAs'). However, the majority of fostering placements are provided by local authority foster carers in each of England, Scotland and Wales. In England, local authorities provide 64% of foster placements. In Scotland and Wales, around 69% and 74% of foster placements, respectively, come from local authorities.
17. In recent years, the number of looked-after children in England has increased steadily, both in absolute terms and as a proportion of the population. Between 2016 and 2020 the number of looked-after children rose by 14% in England. Needs were also shifting, with placements needed for a greater number of older children and unaccompanied asylum-seeking children, as well as those with more complex needs. These shifts have also increased demand for residential care and specialist fostering placements. We have seen an increasing gap between the number of children requiring placements and the number of local authority and third-sector placements available.

Problems in the placements market

18. The placements market – the arrangements by which local authorities source and purchase placements for children – plays an important role in the provision of residential and fostering placements for children. As noted above, a significant proportion of placements are provided by private providers, particularly in children's homes. Regulators assess most residential placements and fostering services as being of good quality, and there is no clear difference, on average, between their assessments of the quality of private provision, as compared with local authority provision. In England at 31 March 2021, just over 80% of children's homes and 93% of fostering agencies were rated as good or outstanding.
19. Our study found problems in the way the placements market is operating. Children are not consistently gaining access to placements that appropriately meet their needs and are in the appropriate locations. Local authorities are sometimes paying too much for placements.
20. First, and most importantly, it is clear that the placements market in England is failing to provide sufficient supply of the right type so that looked-after children can consistently access placements that properly meet their needs, when and where they require them. This means that some children are being

placed in settings that are not appropriate for their own circumstances, for instance where they are:

- far from where they would call 'home' without a clear child protection reason for this, thereby separated from positive friend and family networks: 37% of children in England in residential placements are placed at least 20 miles from their home base;
- separated from siblings, where their care plan calls for them to be placed together: 13% of all siblings in care in England were placed separately, contrary to their care plan;
- unable to access care, therapies or facilities that they need: we were told consistently by local authorities in England, Scotland and Wales that it is especially difficult to find placements for children with more complex needs and for older children. We were also told that some children are placed in an unregulated setting due to the lack of an appropriate children's home place, and so cannot legally be given the care they need. We also understand that in some cases children are being placed in unregistered settings, notwithstanding the fact that this is illegal.

21. While the amount of provision has been increasing in England, primarily driven by private providers, this has not been effective in reducing difficulties local authorities face in finding appropriate placements, in the right locations, for children as they need them. That means, in tangible terms, children being placed far from their established communities, siblings being separated or placements failing to meet the needs of children, to a greater extent than should be the case.
22. Given the vital importance of good placement matches for successful outcomes for children, and particularly the negative impact of repeated placement breakdown, these outcomes should not be accepted. It is a fundamental failure in the way the market is currently performing.
23. Second, the prices and profits of the largest providers in the sector are materially higher than we would expect them to be if this market were working well. The evidence from our core data set, covering fifteen large providers, shows that these providers have been earning significant profits over a sustained period. For the children's homes providers in our cross-GB data set we have seen steady operating profit margins averaging 22.6% from 2016-20, with average prices increasing from £2,977 to £3,830 per week over the period, an average annual increase of 3.5%, after accounting for inflation. In fostering, prices have been steady at an average of £820 per week, and

indeed have therefore declined in real terms, but profit margins of the largest IFAs appear consistently high at an average of 19.4%.

24. If this market were functioning well, we would expect to see existing profitable providers investing and expanding in the market and new providers entering. This would drive down prices as local authorities would have more choice of placements, meaning that less efficient providers would have to become more efficient or exit the market, and the profits of the largest providers would be reduced. Eventually, profits and prices should remain at a lower level as providers would know that if they raised their prices they would be unable to attract placements in the face of competition. The high profits of the largest providers therefore shows that competition is not working as well as it should be.
25. Third, we have concerns around the resilience of the market. Our concerns are not about businesses failing *per se*, but about the impact that failure can have on the children in their care. Were a private provider to exit this market in a disorderly manner – for instance by getting into financial trouble and closing its facilities – children in that provider’s care could suffer harm from the disruption, especially if local authorities were unable to find alternative appropriate placements for them. Given the impact of these potential negative effects on children’s lives, the current level of risk needs to be actively managed. This is less of a concern in the case of fostering, as foster carers should be able to transfer to a new agency with minimal impact on children. It is a greater concern in the case of children’s homes, where placements may be lost altogether.
26. We have seen very high levels of debt being carried by some of the largest private providers, with private equity-owned providers of children’s homes in our dataset having particularly high levels. This level of indebtedness, all else being equal, is likely to increase the risk of disorderly exit of firms from the market.
27. In addition to the above concerns about the market, some respondents have argued that the presence of for-profit operators is inappropriate in itself. We regard the issue of the legitimacy of having private provision in the social care system as one on which it is primarily for elected governments to take a view. Nonetheless we are well placed to consider the outcomes that private providers produce, as compared to local authority provision. While there are instances of high and low quality provision from all types of providers, the evidence from regulatory inspections gives us no reason to believe that private provision is of lower quality, on average, than local authority provision.

28. Turning to price, our evidence suggests that the cost to local authorities of providing their own children's home placements is no lower than the cost of procuring placements from private providers, despite their profit levels. By contrast, in fostering, there is indicative evidence that local authorities could provide some placements more cheaply than by purchasing them from IFAs. We have, therefore, made recommendations to the Government to run pilots in certain local authorities to test the potential to make savings by bringing more fostering placements in-house.
29. Finally, as noted above, we have seen that some private providers, particularly those owned by private equity investors, are carrying very high levels of debt. As local authorities need the capacity from private providers, but these providers can exit the market at any time, these debt levels raise concerns about the resilience of the market. We have, therefore, made recommendations to enable these risks to be actively monitored so that there is minimal disruption to children in care.
30. Given the importance of the functioning of the placements market for looked-after children, the problems we have found must be addressed. In the following three sections, we set out our findings on the main drivers of these problems, and the recommendations we are making to address them.

Commissioning

31. A key factor in determining how well any market functions is the ability of the behaviour of purchasers to drive the provision of sufficient supply at an acceptable price. The current shortfall in capacity in the placements' market therefore represents a fundamental failing in market functioning. In particular, we have found that there are severe limitations on the ability of the 206 local authorities in England, Scotland and Wales, who purchase placements, to engage effectively with the market to achieve the right outcomes.
32. In order to engage effectively with the market, local authorities, directly or indirectly, need to be able to:
 - forecast their likely future needs effectively, gaining a fine-grained understanding of both the overall numbers of children that will be in their care, and the types of need those children will have;
 - shape the market by providing accurate and credible signals of the likely future needs of children to existing and potential providers, and incentivising providers to expand capacity to meet these needs; and

- procure placements efficiently, purchasing those places that most closely match the needs of children, in the most appropriate locations, at prices that most closely reflect the cost of care.
33. However, we have found that local authorities, including those in England, face serious challenges when trying to do each of the above.
 34. Individual local authorities face an inherently difficult task when trying to develop accurate forecasting. They each buy relatively few placements, and they experience significant variation in both the number of children requiring care and their specific needs. The absence of reliable forecasts means that there is greater uncertainty in the market than there needs to be. This acts as a barrier to investment in new capacity needed to meet future demand.
 35. The majority of local authorities and large providers we spoke to in England highlighted that accurate forecasting of future demand is challenging. The most common reasons given were: that demand is inherently uncertain (for example, the needs of individual children change over time as well as the trends in need of children in care overall) and external pressures (such as local events, budget/service cuts, changes in staff, change in practices) which are hard to account for let alone predict. Other reasons included: a lack of forecasting tools and resources for local authorities to use and the accuracy of data recorded with regards to unplanned/emergency placements.
 36. Local authorities and large providers in England told us that their forecasts of future demand are usually based on previous trends and current care needs rather than substantial predictions of likely future needs. Many large providers explained that they do not consider local authority forecasts of their future needs to be accurate and so would not use these to inform their capacity expansion decisions.
 37. Even where future needs can be anticipated, local authorities struggle to convert this understanding into signals that providers will act on. Local authorities must often take whatever placement is available, even when it is not fully appropriate for the needs of the child. This blunts the ability of local authority purchasing decisions to shape the market to provide for their true needs. In England, most local authorities told us that they do not attempt to actively shape the market by encouraging providers to invest in new provision. Local authorities acting alone face particular challenges in attempting to shape the market. For example, often the demand of an individual local authority for certain types of specialist provision is too low to justify contracting a whole service to meet these needs.

38. Sufficiency statements provided by local authorities in England demonstrated that many local authorities focus their future sufficiency plans on further developing their in-house offering of children's homes and foster carers, rather than seeking to influence the expansion plans of providers. Nevertheless, opening a new children's home is a major financial commitment and especially so for local authorities with reduced budgets and multiple competing demands for resources. Many local authorities told us this was one of the major challenges when considering whether to open a new children's home.
39. We have seen considerable evidence that working together can make local authorities more effective. Collaborative procurement strategies can strengthen the bargaining position of local authorities, and groups of local authorities can more effectively engage with private providers to support the case for investment in new capacity, which provides the right type of care in the right locations.
40. Currently in England, there is a variety of commissioning cultures and approaches, with some local authorities procuring individually while many form regional procurement groups with neighbouring local authorities. These groups vary in their design and purpose. All local authorities that responded to our request for information in England explained that regional procurement groups are beneficial as they allow for sharing of information and best practice between local authorities, the pooling of demand, and for local authorities to negotiate better terms with providers. However, many local authorities also highlighted that the design of procurement groups is important. Local authorities told us that for placements catering to complex care needs, collaborating with a large number of local authorities can be very effective due to the smaller number of cases requiring these kinds of placements.
41. While we have seen varying degrees of cooperative activity between different groups of local authorities in England, this has not gone far enough or fast enough. Despite regional collaboration being widely seen as beneficial, local authorities can struggle to collaborate successfully due to risk aversion, budgetary constraints, differences in governance, and difficulties aligning priorities and sharing costs. It is not clear how local authorities can sufficiently overcome these barriers even if given further incentive to do so. As such, without action by national governments to ensure the appropriate level of collaboration, local authorities are unlikely to be able to collaborate sufficiently to deliver the outcomes that are needed.

Recommendation 1.1: Larger scale market engagement

42. We recommend that the UK Government requires a more collective approach to engagement with the placements market. This should include:
- setting out what minimum level of activity must be carried out collectively. This should include an appropriate degree of activity in each of the key areas of forecasting, market shaping and procurement;
 - ensuring there is a set of bodies to carry out these collective market shaping and procurement activities, with each local authority required to participate in one of them; and
 - providing an oversight structure to ensure that each body is carrying out its functions to the appropriate level. This should involve an assessment of the extent to which sufficiency of placements is being achieved within each area.
43. The UK Government should determine how best to implement this recommendation taking into account key issues that lie beyond the scope of our study. In examining the relative advantages and disadvantages of different options, the UK Government should consider:
- the number of bodies: for any body or set of bodies created there will be a trade-off between gaining buyer power and efficiencies through larger size, versus difficulties of coordination and management that come with that. The UK Government should consider these factors in determining the appropriate approach;
 - what precise collective market shaping and procurement activities are assigned to the bodies: there is a range of options, from mandating only a small amount of supportive activity to be carried out collectively eg forecasting, market shaping and procurement only for children with particular types of complex needs, through to mandating all of this activity to be carried out by the collective bodies;
 - the relationship between the new bodies and local authorities: the regional bodies will decide on how the mandated level of collective activity is carried out. This could be with local authorities collectively reaching agreement or the regional bodies could be given the power to decide;
 - the governance of the body or bodies: on the presumption that corporate parenting responsibilities (and therefore the ultimate decision of whether to place a particular child in a particular placement) will remain with local

authorities, there may be a tension between the roles of the local authorities and the collective bodies that will need to be resolved via the governance structure; and

- how to best take advantage of what is already in place. There are benefits of building on existing initiatives in terms of avoiding transition costs and benefiting from organic learning about what works well in different contexts. For example, consideration should be given to using existing agreements, organisations and staff as the basis for future mandated collective action.
44. Wherever responsibility for ensuring there is sufficient provision for looked-after children sits, it is essential that this body or bodies are appropriately held to account. As such, we are also recommending that local authority duties should be enhanced to allow more transparent understanding of the extent to which sufficiency of placements is being achieved within each area. In order to do this, better information is required to understand how often children are being placed in placements that do not fit their needs, due to a lack of appropriate placements in the right locations. This will also help ensure that moving to a wider geographical focus helps support the aim of placing more children closer to home, unless there is a good reason not to do so.

Recommendation 1.2: National support for purchaser engagement with the market

45. We recommend that the UK Government provides additional support to local authorities and collective bodies for forecasting, market shaping and procurement.
46. With regards to forecasting, the UK Government should establish functions at a national level supporting the forecasting of demand for, and supply of, children's social care placements. These functions should include carrying out and publishing national and regional analysis and providing local authorities and collective body or bodies with guidance and support for more local forecasting, including the creation of template sufficiency reports.
47. For market shaping and procurement, the UK Government should support the increase in wider-than-local activity by funding collective bodies to trial different market shaping and procurement techniques and improving understanding of what market shaping and procurement models work well.
48. In England, the Department for Education should support the reintroduction of national procurement contracts covering those terms and conditions that do not need to reflect local conditions.

Recommendation 1.3: Support for increasing local authority foster care provision

49. We recommend that the UK Government supports innovative projects by individual local authorities, or groups of local authorities, targeted at recruiting and retaining more foster carers to reduce their reliance on IFAs.
50. While precise like-for-like comparisons are difficult to make, our analysis suggests that there are likely to be some cases where local authorities could provide foster placements more cost-effectively in-house rather than via IFAs, if they are able to recruit and retain the necessary carers. We also have heard from local authorities who have successfully expanded their in-house foster care offering and have seen positive results.
51. The UK Government should offer targeted funding support for innovative projects by individual local authorities, or groups of local authorities, targeted at recruiting and retaining more foster carers to reduce their reliance on IFAs. Any such projects should then be evaluated carefully to provide an evidence base to help shape future policy.

Recommendations we are not taking forward: banning for profit care; capping prices or profits

52. Some respondents have argued that we should directly address the problem of high profits and prices in the placements market by recommending that local authorities stop using private provision altogether, or that caps should be imposed on their prices or profits.
53. Turning first to children's homes, as discussed above, the central problem facing the market is the lack of sufficient capacity. At the moment, England relies on private providers for the majority of its placements. Similarly, most investment in new capacity is currently coming from private providers. Banning private provision, or taking measures that directly limit prices and profits would further reduce the incentives of private providers to invest in creating new capacity (or even in maintaining some current capacity) and therefore risk increasing the capacity shortfall. While this shortfall could be made up by increased local authority or not-for-profit provision, it would take significant political intervention to ensure that this was achieved at the speed and scale necessary to replace private provision, requiring very significant capital investment.
54. In the case of foster care, by contrast, we do see indicative evidence that using IFA carers may be more expensive for local authorities than using their own in-house carers in some cases. Compared to children's homes, the

capital expenditure required to in-source significant numbers of foster placements would also be lower. While we are recommending that the UK Government supports local authorities to explore this option, we do not recommend that the Government takes direct action to limit or ban profit-making in foster care. From the evidence we have seen is not clear that local authorities would be able to recruit the required number of foster carers themselves, nor that they would be able to provide the same quality of care at a similar price, across the full range of care needs and in every area.

Overall recommended approach on commissioning

55. In our view, the best way to address the high levels of profit in the sector together with the capacity shortfall is to address the common causes of both problems, in particular the weak position of local authority commissioners when purchasing placements and removing unnecessary barriers to the creation of new provision (as discussed in the next section). Improving the approach to purchasing, will provide local authorities with greater purchasing power and put them in a better position to forecast future demand and manage capacity requirements accordingly. Removing barriers to investment in new provision will help providers respond more effectively to the needs of children.
56. Over time, we believe that these measures would be successful in drawing more appropriate supply to the market and driving down prices for local authorities, without acting as a drag on required ongoing and new investment in provision. In doing so they would move the market to a position where providers are forced to be more responsive to the actual needs of children, by providing places which fully meet their needs, in locations which are in the best interests of those children. Such placements ought also to offer better value to commissioners who are purchasing them, by being priced more in line with the underlying cost of provision.
57. We are aware that there have been calls in the past for greater aggregation in commissioning. In England, reviews for the Department for Education in 2016 and 2018 recommended that local authorities be required to come together in large consortia to purchase children's homes and fostering placements, and that larger local authorities or consortia attempt to become self-sufficient using in-house foster carers.
58. The UK Government will rightly wish to consider our recommendations, and the appropriate way to implement them in the round, taking into account broader issues that are beyond our remit. Nonetheless, we are clear that excessive fragmentation in the processes of forecasting, market shaping and

procurement are key drivers of poor outcomes in this market, and must therefore be addressed if we are to see significant improvement in the outcomes.

Creating capacity in the market

59. We have also identified barriers that are reducing the ability of suppliers to bring new supply to the market to meet emerging needs. These barriers are in the areas of:

- Regulation;
- property and planning; and,
- recruitment and retention.

By creating additional costs and time delays for providers, these factors may act as a deterrent to new investment, leading to provision being added more slowly, or even deterred completely. Unless addressed, over time, these will contribute to the ongoing undersupply of appropriate placements in the market.

Recommendation 2.1: Review of regulation

60. We recommend that the UK Government carries out or commissions a review of regulation impacting on the placements market in England.

61. Regulation is a vital tool to protect safety and high standards, and where it is well-designed to protect the interests, safety and wellbeing of children, it must not be eroded. We have seen evidence that in England there are areas where regulation is a poor fit for the reality of the placements market as we see it today. Despite the huge changes in the nature of the care system over the past twenty years, the regulatory system in England has remained broadly the same over this period.

62. For example, in England it is a legal requirement for a children's home to have a manager. It is also a legal requirement for a manager to be registered and failure to do so is an offence. On that basis, Ofsted policy is that an application to register a home will be accompanied by an application to register a manager. This means that the manager usually has to be in place for some time before children will be cared for. Similarly, in England a manager's registration is not transferable, so each time a manager wishes to move home they must re-register with Ofsted. We have heard from providers

that these processes are costly, time-consuming and hinder the rapid redeployment of staff to a location where they are needed.

63. These are examples of the sort of areas where regulation as currently drafted may be preventing the market from working as well as it should, without providing meaningful protections for children. As a result, the net effect of these areas of regulation on children's wellbeing may be negative. We have seen less evidence of these sort of problems in Wales and Scotland, where regulation appears to be more flexible, while still providing strong protections for children in care.
64. The UK Government should carry out, or commission, a thorough review of regulation relating to the provision of placements, during which protecting the wellbeing of children must be the overriding aim, but also considering whether regulations are unnecessarily restricting the effective provision of placements.

Recommendation 2.2: Review planning requirements

65. We recommend that the UK Government reviews the impact of the planning system on the ability of providers to open new children's homes.
66. Access to suitable property is another barrier to the creation of new children's homes. While this is partly down to competition for scarce housing stock, one particular area of concern is in negotiating the planning system. We have repeatedly heard concerns that in England obtaining planning permission is a significant barrier to provision because of local opposition, much of which appears to be based on outmoded or inaccurate assumptions about children's homes and looked-after children. Similarly, we have heard that the planning rules are applied inconsistently in relation to potential new children's homes.
67. The average new children's home in England provides placements for only three children. As a result, the type of properties that are suitable to serve as children's homes will also tend to be attractive to families in general. Where providers face delays imposed by the planning process, even where they are successful in getting planning permission, this can lead to them losing the property to a rival bidder for whom planning is not a consideration. It is therefore clear to us that market functioning would be improved by a more streamlined and consistent approach to planning issues.
68. In England, the UK Government should review the planning requirements in relation to children's homes to assess whether they are content that the correct balance is currently being struck. In particular, in order to make the planning process more efficient for children's homes, we recommend that the UK Government considers whether any distinction, for the purposes of the

planning regime, between small children's homes and domestic dwelling houses should be removed. This could include, for example, steps to make clear that small children's homes which can accommodate less than a specified number of residents at any one time are removed from the requirement to go through the planning system notwithstanding that the carers there work on a shift pattern. Doing this will increase the prospect of enough children's homes being opened and operated in locations where they are needed to provide the level of care that children need.

69. We also recommend that where children's homes remain in the planning system (for example because they are larger) national guidance is introduced for local planning authorities and providers. The guidance should clarify the circumstances in which permission is likely to be granted or refused.

Recommendation 2.3: Regular state of the sector review

70. We recommend that the UK Government commissions an annual state of the sector review, which would consider the extent and causes of any shortfalls in children's home staff or foster carers.
71. Recruiting and retaining staff for children's homes is a significant barrier to the creation of new capacity. This is a fundamental problem across all the care sectors. Given the high levels of profit among the large providers it is perhaps surprising that wages have not risen to ease recruitment pressure and that greater investment is not made in recruiting, training and supporting staff. We note, however, that there are many other factors aside from wages that impact on the attractiveness of roles within children's social care, some of which are outside the control of providers. While there is no easy route to addressing this, more attention needs to be paid to this question at a national level. This should be an ongoing process building on existing work.
72. In England, there should be an annual assessment of the state of the sector, including workforce issues, to provide a clear overview of staffing pressures and concerns, and to recommend measures to address bottlenecks. This would be similar in scope to the CQC's annual State of Care review. The UK Government should also give attention to whether national measures, such as recruitment campaigns, measures to support professionalisation (such as investment in training and qualifications) and clearer career pathways are required.
73. Recruitment and retention of foster carers is a barrier to creating more foster places. While many local authorities and IFAs are adopting positive approaches to addressing this, again more can be done at the national level.

There should be an assessment of the likely future need for foster carers and the UK Government should take the lead in implementing an effective strategy to improve recruitment and retention of foster carers.

Resilience of the market

74. We have found that some providers in the market, particularly those owned by private equity firms, are carrying very high levels of debt. These high debt levels increase the risk of disorderly firm failure, with children's homes shutting their doors abruptly. Were this to occur, this would harm children who may have to leave their current homes. Local authorities may then have problems finding appropriate alternative provision to transfer them into.
75. In principle, a successful children's home should be expected to be attractive to a new proprietor. There is, however, no guarantee that it will be sold as a going concern in every case. In particular, the expected move away from the ultra-low interest rate environment of recent times would place new pressure on highly-leveraged companies to meet their debt servicing obligations, increasing the risk of disorderly failure. Our assessment is that the current level of risk of disruption to children's accommodation and care as a result of a provider's financial failure is unacceptable, and measures must be taken to mitigate this.
76. In considering our recommendations in this area, we have taken into account the ongoing need for investment in the creation of appropriate placements, and the current level of reliance on private providers to make this investment. We have sought to balance the need to take urgent steps to reduce the level of risk to children against the need to avoid a sudden worsening of the investment environment faced by providers, which may exacerbate the problem of lack of appropriate supply in this market.
77. We are therefore recommending that the UK Government takes steps to actively increase the level of resilience in this market, in order to reduce the risk of negative outcomes for children. In particular, we recommend that it:
 - introduces a market oversight function so that the risk of failure among the most difficult to replace providers is actively monitored; and
 - requires all providers to have measures in place that will ensure that children in their care will not have their care disrupted in the event of business failure.

Recommendation 3.1: Monitor and warn of risks of provider failure

78. We recommend that the UK Government creates an appropriate oversight regime that is capable of assessing the financial health of the most difficult to replace providers of children’s homes and of warning placing authorities if a failure is likely.
79. This regime could operate along similar lines to the Care Quality Commission’s current market oversight role in relation to adult social care providers in England – a system that already exists for a similar purpose. Adopting this recommendation would provide policymakers and placing authorities with early warning of a potential provider failure.
80. Creating this function on a statutory basis would provide benefits such as giving the oversight body formal information-gathering powers, and a firmer footing on which to share information with local authorities. We recommend that in England, where the CQC already operates a statutory regime for adult social care, the statutory approach should be adopted. Given the cross-border nature of many of the most significant providers, oversight bodies in the three nations need to be able to share relevant information in a timely and effective way.

Recommendation 3.2: Contingency planning

81. We recommend that the UK Government takes steps to ensure that children’s interests are adequately protected if a provider gets into financial distress.
82. The UK Government, via its appointed oversight body, should require the most difficult to replace providers to maintain a “contingency plan” setting out how they are organising their affairs to mitigate the risk of their provision having to close in a sudden and disorderly way in the event that they get into financial difficulties or insolvency. One important element will be to ensure that appropriate arrangements are in place to ensure that providers have the necessary time and financial resources to enable an orderly transition where the provision can be operated on a sustainable basis, either by its existing owners or any alternative owners. Contingency plans should seek to address these risks, for instance through ensuring that:
 - appropriate standstill provisions are in place with lenders;
 - companies are structured appropriately to remove unnecessary barriers to selling the provision to another operator as a going concern; and

- providers maintain sufficient levels of reserves to continue to operate for an appropriate length of time in a stressed situation.
83. These contingency plans should be subjected to stress testing by the Government's oversight body, to ensure that they are sufficiently robust to reduce the risk of negative impacts on children in potential stress scenarios. Where the oversight body considers that plans are not sufficiently robust, it should have the power to require providers to amend and improve them.
84. Taken together, we believe that these measures strike the right balance between minimising the risks of negative impacts on children and maintaining an environment that supports needed investment in the future, based on the current state of the market. As the measures that we are recommending take effect and capacity grows in the market, the Government will want to reflect on the appropriate balance between public and private provision. In particular, as well as the resilience risks associated with the high levels of debt inherent in the business models of some providers, there is a risk that excessive reliance on highly leveraged providers will leave local authorities more susceptible to having to pay higher prices for services if the costs of financing debt increase.
85. In addition, as reforms to the care system are made in England (possibly resulting in fewer children being placed in children's homes – the terms of reference for the independent review of children's social care in England notes it should consider "the capacity and capability of the system to support and strengthen families in order to prevent children being taken into care unnecessarily") the basis of this calculation may shift, meaning that imposing tougher measures, such as a special administration regime or steps to directly limit or reduce the levels of debt held by individual operators, may at that point be appropriate.

Next steps

86. If implemented, we expect that our recommendations should improve or mitigate the poor outcomes that we see in the placement market.
- Our recommendations in relation to commissioning placements in the market will put purchasers in a stronger position to understand their future needs, to ensure that provision is available to meet them and to purchase that provision in an effective way.

- Our recommendations to address barriers to creating capacity in the market will reduce the time and cost of creating new provision to meet identified needs.
 - Our recommendations around resilience will reduce the risk of children experiencing negative effects from children's home providers exiting the market in a disorderly way.
87. Taken together, we expect these measures to lead to a children's social care placements market where:
- the availability of placements better matches the needs of children and is in appropriate locations;
 - the cost to local authorities of these placements is reduced; and
 - the risk of disruption to children from disorderly exit of children's homes provision is reduced.
88. Major policy processes in relation to children's social care are currently ongoing in England, through the independent care review, and we hope that our recommendations will be considered as part of this. We will engage with the UK Government, Ofsted and others to explain our recommendations, strongly encourage them to implement them and, support them in doing so.

Final Report – 1st April 2022

Under-utilisation of London Provision

Purpose of the research

The National Children's Bureau (NCB) and Isos Partnership were commissioned by LIA to explore the factors behind under-utilisation of London placement provision.

Recent in-depth work undertaken by LIA has identified that less than half the available placements in London are used by London children. Yet at the same time, borough commissioning teams continue to report a shortage of placements.

Based on this previous research, six hypotheses were developed to be tested to inform future recommendations for practice.

The six hypotheses

1. Under-utilisation is a result of the **available provision not matching the provision required to meet the needs** of the children requiring placements.
2. Under-utilisation is a result of the **quality of the provision** not meeting the requirements of the placing authority.
3. Under-utilisation is a result of the **practice of local authority placement managers and/or social workers.**
4. Under-utilisation is a result of the **cost of provision** compared to alternatives.
5. Under-utilisation is a result of **attitude to risk**, either by the provider or the placing authority, possibly also linked to inspection.
6. Under-utilisation is a result of the **provider's ability to field staff** with the required skills and experience, potentially linked to recruitment challenges.

Methodology

Stage 1

Preparation and understanding the context

- Rapid literature review
- Preliminary analysis of data compiled by London Councils
- Sampling of LAs for later fieldwork

Stage 2

Fieldwork

- Virtual Social Worker Roundtable
- Virtual Fieldwork with six representative London Boroughs
- Interviews with key stakeholders, partners or other representative organisations

Stage 3

Reporting

- Development of a final report with clear findings and recommendations

Key findings from Data Analysis

Headlines from Data Analysis

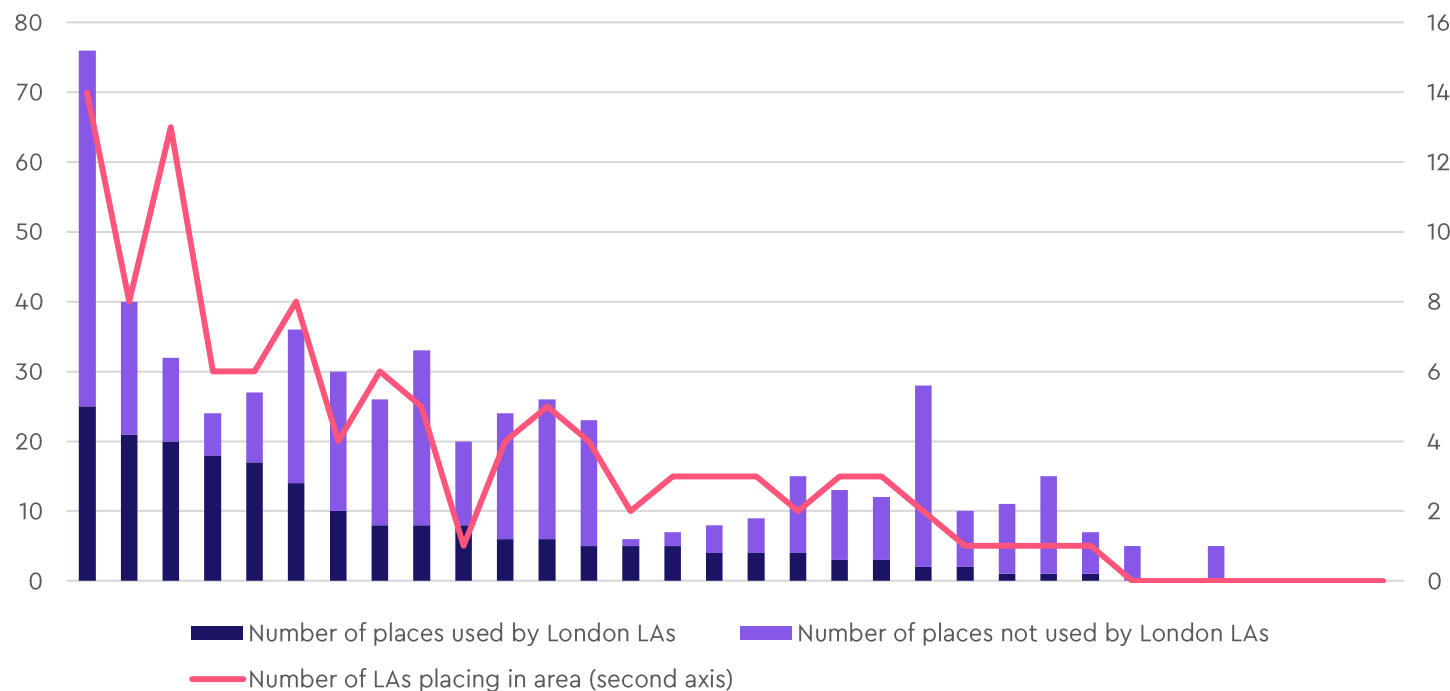
- The pan-London snapshot indicated that there are **790** placements by London boroughs in residential children's homes. Of these, **532** young people (**67%** of the cohort) were placed outside London
- There are **569** externally provided children's homes places in London of which only **35%** is filled by London young people.
- There is significant variation across London in those boroughs who place outside of London, from **0%** of children placed out of London in 2 LAs to **100%** of children placed out of London in 3 other LAs.
 - Inner London Boroughs collectively place **67.8%** out of London vs **70.8%** for Outer London Boroughs

Placement availability

- There is significant variation in the number of children's home places in each borough. On average, Outer London boroughs have higher numbers of residential children's home places than Inner London.
 - However, there is only a weak association between the number of children's home places per borough and the number of young people placed in residential homes.
- We have data on **536** places in residential children's homes. Of these, **117** are in London and **419** outside of London. This covers places in **47** local authorities, of which **35** are not in London and **12** are in London.
 - The most frequent destinations are Hampshire, Essex, Kent, Shropshire, Cambridgeshire, Telford and Wrekin, Norfolk and Cumbria. Together these 8 LAs account for just under half the placements for which we have information.

Variation in utilisation of residential placements

How externally provided children's home places are used



- Overall 568 externally provided children's home places in London, of which 201 (35%) used by London boroughs.
- For individual boroughs, significant variation in the percentage of places available used by London LAs – range from 83% to 0%.
- Also significant variation in number of individual London LAs placing in single boroughs – so at the high end 14 boroughs place in Redbridge. At the lower end, there are boroughs in which no London boroughs make placements

LA behaviour patterns

Group	Description	Number of Boroughs that fit the description	Average % of young people placed in borough	Average % in London but OOB	Average number of London LAs in which young people placed	Average number of young people placed per LA
1	Boroughs which make very little use of residential children's home provision at all (<3% of LAC cohort placed in residential CH)	4	12%	45%	1.5	1.2
2	Boroughs with in-house provision (and more than 3% of LAC cohort in residential CH)	11	21%	16%	4.3	2.9
3	Boroughs which appear to have a more strategic relationship with external providers in borough, or in a nearby borough (average +2 placements per LA)	6	20%	23%	4.8	2.8
4	Boroughs which appear to have a more scattergun approach – placing young people across a wide number of LAs	8	3%	25%	4.5	1.5
5	Boroughs which place no young people in London	3	0%	0%	0	0

Key findings from Fieldwork

The barriers to placing in London

The perceived benefits of placing out of London - there is not a universal view that placing in London is better and that it is not necessarily prioritised by the system in all places

Lack of specific provision – a lack of specific, specialist provision that could meet the needs of this cohort of children and young people was commonly discussed by stakeholders. Particularly, specialist foster carers with knowledge of contextual safeguarding

Challenges with the market – currently London has a market-led not needs-led system and LAs do not feel they have the levers to engage effectively with the market and shape what is available.

The barriers to placing in London

Behaviour of commissioners – local teams are not aware of all provision available in London and therefore rely on existing relationships with providers to source placements. Commissioners would rather use providers they know that use a new untried home, even if that enabled a London placement

Practice issues related to referral forms/profiles – profiles are often written with an over-emphasis on the challenges of a young person and not their strengths which is influencing provider's decisions to accept placements. Providers have also highlighted that they sometimes receive inadequate information on a young person's needs and the existing support around them leading to increased rejections.

The barriers to placing in London

Risk appetite of providers – LAs and providers both identified that concerns around Ofsted inspections impacting on their decisions to accept placement requests for young people with complex needs. This seem particularly true for young people from their immediate local authority.

Staff capacity of providers - Providers are struggling to recruit and retain the necessary staff to meet the needs of this cohort of young people.

Why it's important for London children to stay in London

Diversity - A high proportion of looked after children in London are from racialised backgrounds and we need to consider the impact of placing them in less ethnically diverse areas

Positive long-term outcomes - When young people get older they are likely to return to their home borough therefore managing placements locally ensure work is done to manage risks and identify the necessary support

Variance in proximity - Placements just outside London might provide closer proximity to home for Outer London boroughs than placements across London.

Testing the hypotheses

Hypothesis 1 (available provision not matching provision required)- Supported

- Main challenge is that provision is unable to meet complexity of need
- Lack of needs-led provision – market can provide what it wants to
- Certain profiles of young people are harder to place in London
 - CCE/County Lines/Gang influences
 - YP leaving in-patient stay for mental health issues
 - Young people coming into care late with entrenched issues
- There is a lack of specific provision including specialist foster carers with relevant knowledge of contextual safeguarding and secure provision
- Residential placements in London do not always include the education provision
- Perception that some young people would benefit from OOB

Hypothesis 2 (quality of provision not meeting requirements) – **Not Supported**

- Did not come out strongly as a theme with only one stakeholder raising concerns that they do not have enough confidence in placements in terms of outcomes for child from some providers
- Issues seem to overwhelming be with quantity or access to existing provision
 - There is high quality provision in London but all the boroughs are competing for a small pool of placements that can meet needs for this specific cohort

Hypothesis 3 (result of practice of placement managers/SWs) - Supported

- Language
 - Some challenges with the way that social workers are describing young people in placement requests/profiles which are not strengths based
- Challenges managing information in a YP's history and what is needed to be shared – need greater trauma informed understanding here
- Information
 - Quality of information provided – providers have to make snap decisions on placements and often too much information is missing
 - Providers aren't getting all the information at referral so they take YP who they struggle to accommodate leading to placement breakdown and lower trust with LAs
 - Lack of information on what other partners are providing the YP

Hypothesis 4 (result of cost of provision compared to alternatives) – **Not Supported**

- Low consensus that cost was a driver behind decisions to place OOB but rather that decisions were predicated on a variety of other factors rather than cost
- No strategic approach to commission, means decisions are operationally based with individual placements sourced to meet needs in spite of cost
- Costs attached to placement breakdowns so using low cost provision that doesn't meet need could be a false economy
- Issue is about availability, quality and capacity of placements in London, if we could overcome this, financial challenges could be alleviated.

Hypothesis 5 (result of attitude to risk from provider and/or LA)- Supported

- Risk linked to Ofsted inspection decisions identified by both providers and LAs
- Higher risk aversion in LAs for young people linked to CCE/gangs/county lines, particularly from their home borough
- Reluctance to move young people back after placing OOB to maintain stability even if outcomes are only short-term
- Role of relationships between LAs and providers in negotiating placements
 - From a provider perspective they are more likely to accept request from LAs they have a relationship with which can lead to providers accepting more YP from external LAs rather than their local LA or LAs in London
 - From an LA perspective, commissioners are more likely to seek placements from providers that have already been used effectively and less willing to try new providers

Hypothesis 6 (provider's ability to field staff with required skills and experience)- Supported

- Providers have identified that they are struggling to recruit and retain staff – particular challenges around gender balance and part-time staff
- They are also struggling to have staff available when emergency placements are required – mainly SME providers who don't have large staff banks to rely on. Decisions to reject/accept are therefore based on who is available at time of referral
- Risky behaviour could be managed better by providers if they had more trauma-informed training
- If the provider has demand over the available spaces they can almost lower their specification of needs so that they do not cater to the same level of need if they had vacant spaces

Recommendations for future practice

Developing a strategic vision across London

- Developing evidence base for the value of placing young people in London, particularly focusing on young people who are most likely to be placed outside of London
- Co-develop compatible sub-regional approaches aligned with ICS footprints, as well as borough-based approaches to build a picture of the market across the region, and the costs associated with it.
- Further survey work undertaken by LIA to understand what needs can be met by London providers and develop a comprehensive view of the market to set clear aims for future provision

Building relationships

- Develop capacity across the region to support conversations between LAs and providers to improve trust, knowledge and transparency, particularly providers not currently being used
- At an LA and sub-regional level, build relationships between providers and other local provision such as APs to improve overall wrap-around support offer and outcomes for young people in local placements
- Develop a model of support for providers that raises their confidence in managing risk and raises the confidence of LAs placing with them

Challenging assumptions and practice

- Adopt a strengths-based approach to language in referrals and involve children and young people in writing profiles to contextualise their behaviour and needs for providers
- Co-develop solutions-focused training for the whole workforce to tackle assumptions around OOB placements
 - Include external partners in this training such as the police, health colleagues and providers

Understanding the market

- Develop a London-wide directory of provision that includes information on all specialist provision and uniform costs, building on LIIA's existing work on Dynamic Sufficiency
- Progress the work being undertaken by LIIA to develop a pan-London vehicle for engaging with the market, including sub-regional joint frameworks where necessary
- Further in-depth work with local providers to understand the impact of Ofsted registration on their ability to accept placements



Housing and Growth Committee

25th October 2022

Title	Opendoor Homes Acquisitions programme – 200 Home Review
Report of	Chairman of Housing and Growth Committee
Wards	All
Status	Public
Urgent	No
Key	Yes
Enclosures	Appendix 1– Progress Report (200 homes)
Officer Contact Details	Shahid Navapurwala, Growth & Development, Barnet Homes. shahid.navapurwala@barnethomes.org , 020 8359 2491

Summary

Against a backdrop of increasing housing demand and rising costs associated with providing temporary accommodation, a programme of up to 500 purchases by Opendoor Homes, funded by a loan facility with the Council was approved in November 2019.

The terms of the loan facility require Opendoor Homes to provide a progress report following each tranche of 100 purchases and for the council to formally approve a continuation of the programme. This report seeks Committee approval for the continuation of the programme for a further 100 purchases.

Officers Recommendations

- That the Committee approve the continuation of the Opendoor Homes purchasing programme for a further 100 units, as per the terms of the loan facility.
- That the Committee note the update on delivery of placements for care leavers (1.3)
- That the Committee delegate authority to the Chair of the Committee, in consultation with the Deputy Chief Executive, to agree terms for loan draw downs to complete the purchase of the next tranche of 100 homes

1. WHY THIS REPORT IS NEEDED

- 1.1 To help tackle increasing demand for housing, rising housing costs, and growing numbers of households in temporary accommodation, committee approved a loan facility with Opendoor Homes for the purchase of up to 500 homes to meet housing demand.
- 1.2 The terms of the loan facility require that the Council formally review each tranche of 100 purchases in the form of a progress report and provide authority for the programme to continue. This report is produced to meet the requirement of the loan facility following completion of the second tranche of 100 purchases.
- 1.3 On 25 January 2020 the Committee approved a report recommending the council engage with the Barnet Group on the delivery of placements for care leavers through the Opendoor Homes acquisition programme. A proposal to deliver 30 placements through a mixture of 1-bedroom flats and 3-bedroom flat shares has since been developed by the Barnet Group and Family Services that was approved by Opendoor Homes board on 20 September 2021. The first placements are expected to be made available in Q3 2022/23.
- 1.4 A series of external events have led to borrowing rates increasing significantly over recent months. Analysis of the Opendoor Homes business plan identified that a maximum borrowing rate of 4.25% was sustainable. Any funds borrowed above this rate would render the business plan unviable. The Opendoor Homes board approved a loan draw down from the council sufficient to enable the programme to complete 220 purchases. With PWLB rates now exceeding 4% and therefore Opendoor Homes borrowing rates exceeding 5.25%, this means that the programme cannot continue beyond c220 homes without intervention from the council.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The programme has to date provided demonstrable benefits to the Council in the form of on-lending revenue and temporary accommodation cost avoidance. A continuation of the programme will mean that benefits continue to accrue and deliver the expected outputs approved at Assets Regeneration and Growth Committee in November 2019.
- 2.2 The continuation of the programme will ensure that a supply of affordable homes continues to be acquired to meet the needs of Barnet residents.
- 2.3 The continuation of the programme will also continue to contribute to the Council's savings plan for the Housing General Fund.

2.4 The continuation of the programme will also help ensure that the strategic aims of the programme are met, and that the long-term growth of Opendoor Homes is supported.

2.5 A decision to continue with the programme will ensure Opendoor Homes will continue to be able to assist the Council in meeting the needs of different customers groups such as rough sleepers and care leavers and give the council flexibility to respond to the needs of different client groups where future need arises.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 Suspension of the programme will mean that the Council will not fully realise the expected benefits of the programme and witness no further on-lending revenue coupled with increasing temporary accommodation costs. For these reasons this option is not recommended.

4. POST DECISION IMPLEMENTATION

4.1 Opendoor Homes will acquire a further 20 properties on the open market under the terms of the approved business case to meet housing demand.

4.2 Rising interest rates have increased the loan agreement borrowing rate to in-excess-of the Opendoor Homes maximum rate of 4.25%. Council officers are working with Opendoor Homes to ensure the loan agreement is affordable, securing a further draw down of loan funds, to complete the remaining 80 homes in the third tranche of purchases.

4.3 A further progress report will be provided after completion of the third tranche of 100 homes (300) should the programme continue.

4.4 The Council would continue to monitor progress and expenditure of the project through Contract Performance monitoring, which is sponsored by the Deputy Chief Executive.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 A new Corporate Plan is in development, with an approach being built around a council that cares for people, our places, and the planet. It aims to work towards residents seeing the council as their ally, an advocate, and an asset, and to tackle inequality and ensure that residents have access to the right support, at the right time, to thrive. It aims to ensure sustainable growth, and quality homes, and it aims to become one of London's most sustainable

boroughs. The acquisitions programme aligns with these emerging priorities.

5.1.2 It also aligns with the Council's Housing Strategy 2019-2024 that aims to:

- Deliver more homes that people can afford
- Deliver safe and secure homes
- Tackle homelessness and rough sleeping in Barnet.

The Housing Strategy is presently being updated, and the programme will support the emerging themes to prevent homelessness and support rough sleepers off the streets, and deliver the right homes in the right places.

5.1.3 The programme also aligns with the council's Homelessness and Rough Sleeping Strategy 2019-24 that aims to

- Secure suitable accommodation for those who are, or may become homeless
- Support rough sleepers to address their housing and other needs

The Homelessness and Rough Sleeping Strategy is presently being updated, and the programme will support the emerging theme to ensure a sufficient supply of accommodation.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1 Following completion of the 100th purchase, Opendoor Homes had drawn down £67.5m which is approximately 40% of the total capital budget for the programme.

5.2.2 At the end of September, a total of 186 properties had been acquired and 167 properties had been let, delivering a total of 59,447 days of temporary accommodation cost avoidance and saving the council approximately £0.45m.

5.2.3 The council has received an on-lending fee for all capital borrowed. By the end of September this had provided the council with an additional £0.9m revenue.

5.2.4 Following the completion of the 200 purchases, the cumulative benefit of the programme had reached £3.7k per day, equating to £1.35m a year. Where the programme succeeds in delivering all 500 homes this will increase to approximately £3.49m per year.

5.2.5 Further information is provided in the Progress Report in Appendix 1.

5.3 Legal and Constitutional References

- 5.3.1 The acquisition of properties utilising private investment falls within the remit of the Housing and Growth Committee - Council Constitution, Article 7 – Committees, Forums, Working Groups and Partnerships “Responsibility for regeneration strategy and oversee major regeneration schemes, asset management” and other matters.
- 5.3.2 The original programme was approved at Assets Regeneration and Growth Committee in November 2019.

5.4 Insight

- 5.4.1 A reduction in the supply of affordable housing, coupled with sustained levels of increased demand provided the rationale for this programme. Since the introduction of this programme and other affordable supply initiatives, we have witnessed continued progress in meeting homelessness demand. For example, the number of properties let on secure or flexible tenancies has increased, from 230 in 2018/19 to 435 in 2021/22.
- 5.4.2 The number of households in temporary accommodation has also continued to decline. Since March 2017 we have seen a 25% reduction from 2,763 to its currently level of 2,076 at the end of August 2022.

	16/17	17/18	18/19	19/20	20/21	21/22	22/23
Households in TA	2,757	2,579	2,545	2,467	2,399	2,115	2,076

5.5 Social Value

- 5.5.1 The Public Services (Social Value) Act 2012 requires the authority to consider how in conducting the procurement of a service, it may act so as to secure the improvement of the economic, social and environmental wellbeing of the area. Procurement of a service is not under consideration in this decision.

5.6 Risk Management

- 5.6.1 There are a number of key risks associated with the delivery of this programme:
- There is a risk that there will be an insufficient volume of units available for purchase at the projected average purchase price that meet business plan requirements. To mitigate against this risk Opendoor Homes will continue to source properties in affordable locations. Where there are no properties available for purchase that meet the modelled conditions, no additional units will be acquired.
 - There is a risk that the assumptions made are not realised and that the programme would fail to deliver the projected revenue savings over the

life of the scheme. This risk will be monitored closely to track financial benefits.

5.7 Equalities and Diversity

5.7.1 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies **to have due regard** to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- Advance equality of opportunity between people from different groups and foster good relations between people from different groups.

5.7.2 A full equalities impact assessment was completed for The Housing Strategy 2019-2024 which identified that the Strategy would have a positive impact on all sections of Barnet's Community.

5.7.3 Analysis of data has shown that women and members of Barnet's black and minority ethnic communities are over represented among those living in temporary accommodation. Over 70% of households in temporary accommodation are from non-white households, compared to around 40% of the Borough's population as a whole. Of those in temporary accommodation the main applicant is female in 65% of households.

5.7.4 It is not expected that these groups will be adversely affected by implementing the policies set out in this report, however the impact will be monitored to ensure that these groups are not adversely affected.

5.7.5 All units of accommodation that are procured will meet minimum standards and in placing households into accommodation the Council will consider the needs of protected groups.

5.8 Corporate Parenting

5.8.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. It is not anticipated that this report has any implications for the council's corporate parenting duties.

5.9 Consultation and Engagement

5.9.1 There has not been any specific consultation on the issues arising in this report.

Historically, a range of stakeholder consultation and engagement took place during the development of the Housing Strategy 2019-24 and the Homelessness and Rough Sleeping Strategy 2019-24, which have informed the ongoing acquisitions programme. Both strategies are currently under review, and public consultation will take place as part of their development timetable.

5.10 Environmental Impact

5.10.1 All properties acquired under the programme are assessed for their energy performance and improvements required to improve their energy efficiency. These improvements are taken into account when undertaking refurbishment.

5.10.2 All properties purchases will be expected to meet the government target of achieving an EPC B rating by 2030.

6.0 BACKGROUND PAPERS

6.1 Minutes and approval for the original programme. [Agenda for Housing and Growth Committee on Monday 16th September, 2019, 7.00 pm \(moderngov.co.uk\)](#)

6.2 Minutes and approval for the purchase of a further 100 properties. [Agenda for Housing and Growth Committee on Tuesday 16th November, 2021, 7.00 pm \(moderngov.co.uk\)](#)

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Purchase of 500 street properties

Overview

Following Assets Regeneration and Growth Committee and OpenDoor Homes board approval, the programme commenced in April 2020, in the midst of the pandemic. Since that time, Open Door Homes has continued to develop the programme and deliver a steady pipeline of affordable homes for Barnet residents.

By the end of September 2022, a total of 186 new homes had been acquired. This has consequently brought financial benefits to the council in the form of on-lending revenue and temporary accommodation cost avoidance.

The programme has also afforded the council the opportunity to meet the needs of other service users over and above the original business case:

- A total of £7.1m grant has been secured from the GLA to deliver homes for Rough Sleepers. At the end of September, a total of 45 properties had been acquired, securing £5.85m of the available grant funding. The remaining 10 homes are expected to be delivered subject to approval to continue the programme. The programme assists the council with affordable move-on accommodation for this client group and helps reduce reliance on more expensive temporary accommodation.
- A proposal to deliver accommodation for care leavers was approved by OpenDoor Homes board in September 2021. This will see the delivery of 30 placements for the borough's care leavers and presents a more cost-effective alternative than temporary accommodation.

With purchasing programmes dependent on sustained momentum, we are providing this report so as to enable a continuation of the programme without potential delays.

Budget

By the end of September 2022, we had drawn down almost 40% of the total capital budget. This will enable Open Door Homes increase the portfolio to approximately 220 homes before further loan draw-downs are required.

Total loan facility	£170m
Total drawn down	£67.5m
Total committed	£51.7m (net of grant)
Drawn down funds remaining	£15.8m
Total facility remaining	£102.5m

Project objectives and key outcomes for the Council

The effectiveness of the programme can be measured against the primary objectives agreed at Housing and Growth Committee in September 2019.

Objective	Outcome @30/09/22
Increase affordable housing supply by procuring affordable homes from the open market	At the end of September a total of 186 homes had been purchased, providing additional affordable accommodation for Barnet's housing applicants that otherwise would not have been available
Reduce the cost of temporary accommodation and subsequent pressure on the Council's General Fund	A total of 167 properties had been let, delivering a total of 59,047 days of temporary accommodation cost avoidance and saving the council a total of £449k .
Increase the asset base and affordable housing portfolio of Opendoor Homes, part of The Barnet Group which is wholly owned by the Council	The second tranche of purchases has enabled Opendoor Homes to continue its growth and August saw the entity reach over 600 homes.
Deliver on-lending revenue to the Council	The delivery of the programme also means that the council has additional revenue by virtue of an on-lending charge for all capital borrowed. To date this has provided an additional £892k revenue for the council.

It can therefore be demonstrated that the programme has delivered against its key objectives agreed at the outset. By the end of September 2022, the programme had delivered a **total estimated benefit to the council of £1.34m**. The cumulative benefit had reached £3,707 per day (equating to £1.35m pa) at the end of September, and where the programme succeeds in delivering all 500 homes, this would increase to approximately £9,578 per day (£3.49m pa).

Added to this, over time the growth of the programme and portfolio for Opendoor Homes will increasingly reduce reliance on the council and ultimately position Opendoor Homes to be able to secure finance independently and contribute to meeting the boroughs housing demand without any additional support from the council.

Current pipeline and portfolio performance

There was a total of 68 units in the pipeline at the end of September 2022.

Recent changes to both management fee assumptions and more volatile financial markets have impacted on the performance of both the pipeline and portfolio. The impact on the pipeline is more emphasised as current borrowing rates are more concentrated.

Pipeline		
Outputs	Actual	Business Plan
Drawdown rate	3.75%	4.24%
NPV	£5.6m	£3.7m
Total revenue surplus	£4.2m	£6.1m
Peak revenue deficit	£0.7m	£3.0m
Peak revenue deficit year	Year 10	Year 17
Average purchase price	£283,067	£282,500
Average total cap ex	£301,075	£317,710
Gross Yield	4.99%	4.39%
Repayment year	48	48
Total value of pipeline	£20.5m	
Units in pipeline	68	

Portfolio		
Outputs	Actual	Business Plan
Drawdown rate	3.23%	4.24%
NPV	£31.0m	£10.1m
Total revenue surplus	£41.5m	£16.8m
Peak revenue deficit	Nil	£8.1m
Peak revenue deficit year	N/A	Year 17
Average purchase price	£272,148	£282,500
Average total cap ex	£278,117	£317,710
Gross Yield	5.25%	4.39%
Repayment year	40	48
Total value of portfolio	£51.7m	
Units in portfolio	186	

Portfolio data

Borough		%
Barnet	68	37
Brent	5	3
Camden	1	1
Enfield	96	52
Haringey	11	6
Harrow	4	2
Newham	1	1
Total	186	100

Property Sizes		%
Studio	35	19
1 bed	29	16
2 bed	84	45
3 bed	36	19
4 bed	1	1
5 bed	1	1
Total	186	100

Summary of pipeline status

The pipeline has remained steady since the start of the programme and stood at 68 units that were actively being pursued at the end of September. There has also been 28 units that have been withdrawn since the last report in September 2021 as either vendor/chain circumstances have changed, or new information has come to light as part of the due diligence which has then instigated Open Door Homes to withdraw from purchases. The healthy pipeline demonstrates that sustained delivery of new stock is likely to continue at a strong rate.

Currently under review	6
Currently conveyancing	62
Current total	68
Withdrawn in last 12 months	28

Voids and lettings

Void turnaround was initially challenging due to lockdown restrictions and reduced tenant mobility. However since conditions improved throughout 2021/22, this has recently lapsed with void turnaround times standing at an average of 73 days at the end of September. This is a key priority moving forward. Void spend has consistently been within budget as refurbishments have been closely managed throughout the programme.

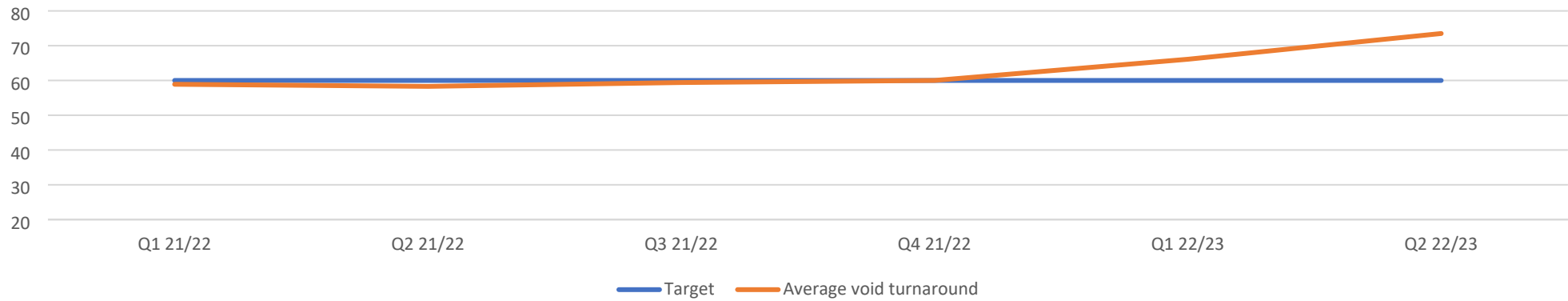
		Q1 21/22	Q2 21/22	Q3 21/22	Q4 21/22	Q1 22/23	Q2 22/23
New voids	In month	25	23	29	27	15	19
	YTD	25	48	77	104	15	34
New lettings	In month	19	27	24	28	22	15
	YTD	19	46	70	98	22	37
Average days to refurbish ¹	In month	30.1	29.3	37.4	39.9	41.9	54.0
	YTD	30.1	29.8	31.9	33.9	41.9	48.0
Average days to let ²	In month	29.6	31.9	22.0	20.6	30.0	25.5
	YTD	29.6	31.0	28.0	26.1	30.0	27.8
Average void turnaround ³	In month	58.9	57.6	53.9	61.6	66.1	81.0
	YTD	58.9	58.3	59.4	60.0	66.1	73.5
Void spend vs. Forecast Provision (£k)	In month	(8)	(7)	(64)	(30)	(14)	(15)
	YTD	(8)	(15)	(79)	(109)	(14)	(29)

¹ Average days to refurbish properties for refurbishments completed in month

² Average days to let for lettings completed in month

³ Average end to end time from completion to let for properties let in month

Average void turnaround vs target



Summary

Now into its third year, and despite the challenges brought about by the pandemic, the programme can be evidenced to have consistently delivered against its key objectives to deliver affordable homes for Barnet’s housing applicants, whilst also delivering financial benefits for the council.

As we continue to operate in an uncertain external environment, we now face challenges in respect of increasing borrowing rates. However, this also presents opportunity with potentially increasing numbers of properties becoming available for purchase and further scope to deliver affordable homes in the right places for housing applicants, whilst also continuing to deliver benefits for the council in the form of temporary accommodation cost avoidance and a pipeline of supply for particular client groups such as care leavers.

Appendix A - Sample stock

The following are some sample units acquired through the programme in the second tranche of 100 purchases.

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Housing & Growth Committee

AGENDA ITEM 11

25th October 2022



Title

Annual Performance Review of Registered Providers (RPs)

Report of

Housing & Growth Committee Chairman Cllr Ross Houston

Wards

All

Status

Public

Urgent

No

Key

No

Enclosures

Appendix One- Barnet Annual Performance Review 2020.21

Officer Contact Details

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Summary

Registered Providers (RPs) are key partners for the Council in delivering on the Housing Strategy goal of increasing the housing supply, including affordable housing. As the providers of accommodation for about 9000 households in the borough, RPs also have a key part to play in assisting tenants affected current issues such as cost of living crises and increasing fuel costs, providing training and employment opportunities, improving health and wellbeing, and providing effective landlord services and neighbourhood management. The Council has completed an Annual Performance Review of the top seven developing RPs operating in the borough to obtain a view on how RPs are performing and how they are adapting to the changing regulations and requirements regarding fire safety and sustainability.

Officers Recommendations

1. That Committee note the Barnet Annual Performance Review of Registered Providers 2021/22 as attached in Appendix 1.

1. WHY THIS REPORT IS NEEDED

- 1.1 At the meeting of 19th October 2015, the Housing Committee requested that a Performance Review be completed on an annual basis and reported to the Committee. The report provides an overview of how Registered Providers (RPs) are performing and how they are adapting to the changing regulations and requirements.
- 1.2 There are 58 RPs managing over 9000 affordable homes (excluding Shared Ownership) in the borough, of these 58 RPs only 17 have stock over 100 units and 5 RPs have stock over 500 units in Barnet. The main RPs currently developing in Barnet are Notting Hill Genesis, Metropolitan Thames Valley, One Housing Group, L&Q, Clarion, Home Group and Network Homes; all non-profit RP's. This review will monitor the seven RPs listed above. The review does not cover a review of Barnet Homes, or the RP subsidiary Open Door Ltd connected with the Barnet Group. Appendix 1 is an Annual Performance Report for 2021/22 for housing management and housing development activities and includes Fire Safety and Sustainability. The Performance Review presents an analysis of the performance of these 7 large RPs that are building new affordable homes in Barnet.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The attached Performance Review highlights that RPs are providing satisfactory landlord services and are proactive in responding to current issues such as the Cost-of-Living crises. New initiatives are well thought out and aimed at assisting residents facing hardship this year. The BOOST team will be re engaging with RPs welfare teams to encourage partnership working to ensure all residents can access additional services in Barnet.
- 2.2 The Council continue to liaise with RPs on relevant work streams such as development, sustainability, and fire safety; due to the large number of RPs in the borough, this is largely through email and one to one meetings with RPs on an ad hoc basis.

Anti-Social Behaviour (ASB) remains high on RPs agenda. Although most RPs have not highlighted Barnet as an area with severe ASB, one RP has concerns with how ASB caused by residents with mental health issues is dealt with and would welcome a more proactive approach to deal with these kinds of issues. RPs have been making improvements to prevent further ASB including improving door entry systems and CCTV.

- 2.3 RPs have shown commitment to developing sustainability programmes on existing stock and new developments. The Council will be working with RPs on the retrofit agenda going forward and reaching out to RPs not included in this Performance Review to identify their future plans and collaborate to reach the Councils target to achieve Energy Performance Certificate (EPC) band B by 2030. This supports the Councils Sustainability Strategy Framework adopted in December 2021, this includes an action plan of how the Council will deliver its net zero commitments by 2042. The Council have set up a housing retrofit working group which includes investigating grants and funding opportunities and plans on how the Council can work with RPs to achieve EPC band B by 2030.
- 2.4 RPs have focussed Fire Safety Teams and are forthcoming in providing data to the Council. Fire Risk Assessments (FRA) are up to date and work programmes are in place to complete required FRA works. The majority of the Building Safety Act 2022 came into force in April with further sections in June, and RPs have prepared themselves to meet the

changes in legislation. Current legislation is targeted at blocks of at least 18m (7 storeys tall) however liaison will continue throughout the year with the newly appointed Tower Blocks Officer with all RPs to further identify blocks between 11-18m

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 None

4. POST DECISION IMPLEMENTATION

4.1 The Council will continue to carry out an Annual Performance Review and take up any issues where poor performance has been identified.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The Council are in the process of developing a work programme to enable the delivery of the Council's new priorities.

5.1.2 One of the Council's priorities will be to invest in more CCTV, better lighting, and community safety hubs. Some of the RPs included in this review have provided CCTV and improved lighting on their residential estates, through liaising with RPs further work can be introduced to provide a joined-up approach on mixed developments.

5.1.3 Declaring a climate emergency is another top priority, RPs have developed varied sustainability programmes including improvements such as electric vehicle fleets and charging points, low carbon heating, retrofit programmes and tree planting programmes.

5.1.4 RPs have supported the priority of increasing the number of affordable family homes, last year RPs developed 249 new affordable homes for Barnet residents.

5.1.5 The new emerging Local Plan for Barnet will continue to prioritise the need for affordable housing, including family housing, helping people into work, health, and wellbeing, and creating safer neighbourhoods.

5.1.6 A key principle of the Council's Growth Strategy is to shape changes to places to secure healthy, resilient, and cohesive communities. The strategy identified the need to increase the supply of housing and deliver more housing that people can afford, as well as creating job and skills development opportunities for local people, as key priorities.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1 There are no direct resource implications arising out of this report.

5.2.2 There was a decrease in families affected by the benefit cap in 2021/22, and in May 22 unemployment rate was at 3.7%, the lowest for 50 years. However, the onset of the cost-of-living crisis is likely to see an impact in the Discretionary Housing Payment applications. Barnet council was allocated £33,000 for the Covid-19 winter grant to support those struggling to pay utility bills and daily living costs. The Council through BOOST (a partnership between Barnet Homes, Jobcentre Plus, Barnet & Southgate College to offer employment and benefit advice in Barnet) will continue to assist households affected and

RPs are also working with their residents to assist. BOOST is looking to strengthen their working relationship with welfare teams within each RP.

5.3 Legal and Constitutional References

5.3.1 Constitution, Article 7, Committees, Forums and Partnerships sets out the terms of reference of the Housing & Growth Committee which includes:

- Responsibility for housing matters including housing strategy, homelessness, social housing and housing grants, and private sector housing.
- Responsibility for regeneration strategy and oversee major regeneration schemes, asset management, employment strategy, business support and engagement.
- To receive reports on relevant performance information and risk on the services under the remit of the Committee.

5.3.2 Specifically the Housing & Growth Committee may submit budget proposals to the Policy and Resources Committee relating to the Committee's budget for the following year in accordance with the budget timetable.

5.3.3 RPs are regulated by the Regulator of Social Housing (RSH), The RSH is an executive non-departmental public body of the department for Levelling Up, Housing and Communities (DLUHC). The performance framework includes "Economic" standards such as the Governance and Financial Viability Standard and the Value for Money Standard and "Consumer" standards such as the Tenant involvement and Empowerment Standard.

5.4 Insight

5.4 The report is informed by the responses provided by RPs to a survey.

5.5 Social Value

5.5.1 RPs continue to provide support to residents in Barnet, they have programmes in place offering employment, skills, training and economic inclusion programmes to local residents. Many RPs have further increased their offer to residents including hardship funds, fuel vouchers and debt advice to help to assist with the current cost of living crises.

5.6 Risk Management

5.6.1 RPs have a major role to play in accelerating housing development in Barnet and a reduced capacity for them to develop is a key risk that will impact on the Council's ability to provide the new homes to meet the demand from a growing population. COVID-19 and Brexit has meant that many developments were on hold until restrictions were lifted, or have suffered delays or increased costs with materials, and utilities as a result there have been delays to completions thus resulting in some developments being delayed until 2022.23.

5.6.2 The Mayor of London's Affordable Homes Programme 2021- 26 first bid allocation in Barnet was announced with 217 affordable homes included (105 social rent homes and 112 affordable homes). The housing products include Social Rent, London Living Rent and Shared Ownership. The Shared Ownership is a new model that reduces initial shares from 25% to 10%. There have yet to be any Shared Ownership completions with applicants purchasing less than 25% shares in Barnet. This is running alongside the Affordable Homes Programme 2016-2021 which included 1585 homes in Barnet.

- 5.6.3 RPs should continue or revisit their partnership working with BOOST to ensure that they are correctly identifying the skillset required in Barnet, so that they can tailor training accordingly and gain additional financial support for residents.
- 5.6.4 Building Safety Act 2022 increases the requirements on RPs regarding existing and new buildings. The Council will continue to monitor RPs and offer signposting to training where applicable.
- 5.6.5 RPs play a key role in Barnet’s Sustainability Strategy Framework, in particular retrofit agenda. RPs will be monitored and included in the communications policies to take this agenda forward.

5.7 Equalities and Diversity

- 5.7.1 Pursuant to section 149 of the Equality Act 2010 (“the Act”), the council has a duty to have ‘due regard’ to the need to eliminate unlawful discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Act, advance equality of opportunity between persons who share a relevant protected characteristic and those who do not, and foster good relations between persons who share a relevant protected characteristics and those who do not.
- 5.7.2 The protected characteristics are age, race, disability, gender reassignment, pregnancy and maternity, religion or belief, sex, and sexual orientation. The duty also covers marriage and civil partnership but only in respect of the requirement to have due regard to the need to eliminate discrimination.
- 5.7.3 The Regulator of Social Housing requires RPs to meet the Tenant Involvement and Empowerment Standard which provides expectations in relation to equalities.
- 5.7.4 RPs are key partners in the delivery of the Council’s Housing Strategy 2019 to 2024. A full Equalities Impact Assessment has been completed for the Councils Housing Strategy and concluded that the overall impact of the Strategy on the protected groups from the Equality Act 2010, as well as the Barnet Fairness Agenda, is positive. This report is for information only and therefore unlikely to result in any equalities implications.

5.8 Corporate Parenting

- 5.8.1 There are no specific Corporate Parenting considerations arising out of this report.

5.9 Consultation and Engagement

- 5.9.1 The following table shows how the Council and Re currently engage with and manage the performance of RPs.

Current Engagement/ Monitoring	Frequency	What's Involved	Engagement/ Performance
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Annual Performance Review	Annually	Standard review issued to each larger/ developing RP.	Engagement and performance
Liaison Group Meeting	Adhoc	RPs to be invited to meetings with relevant to teams to discuss issues such as Welfare Reform, Fire Safety and Sustainability.	Engagement
Development Meetings	Minimum once per year	Individual meetings between larger developing RPs and Re to discuss current developments and future development plans in Barnet. Currently via TEAMS	Engagement
General meetings/ Visits	Adhoc	Adhoc meetings and visits to RPs on partnership working over areas of mutual concern e.g., lettings	Engagement
Consultation on changes in Policy and Strategies	Adhoc	Barnet Council consult with RPs on various policies and strategies. This can be done via liaison groups, forums, and email consultation. The most recent being the Information Sharing Agreement to comply with GDPR.	Engagement
Monitoring of lettings returns	Collected quarterly and recorded as an annual PI.	RPs provide details of lettings for each quarter to confirm that RPs have met nomination agreements. Results are verified.	Monitoring.
Development Data	Constantly	Re is in regular contact with each developing RP to discuss start on site dates, completion dates and monitoring the S106 affordable housing elements. Completion statistics are recorded as monthly KPI.	Engagement and Performance.
BOOST. Barnet Homes	Regular	BOOST and Barnet Homes consult with RPs on updates via email consultation through Re	Engagement.
Community Safety MAPAC	Quarterly	Any Barnet anti-social behaviour cases that require a multi-agency approach.	Engagement

6. Environmental Impact

- 6.1 There are no direct environmental implications from noting the recommendations.
- 6.2 RPs have provided information on their sustainability programmes for current stock and future developments.
- 6.3 The Council have set up a housing retrofit working group which includes investigating grants and funding opportunities and plans on how the Council can work with RPs to achieve EPC band B by 2030

7. BACKGROUND PAPERS

7.1 Relevant previous papers are listed in the table below.

Housing & Growth Committee 16 November 2021	Decision Item 12 Annual Performance Review of Registered Providers (RPs)	Agenda for Housing and Growth Committee on Tuesday 16th November, 2021, 7.00 pm Barnet Council (moderngov.co.uk)
Housing & Growth Committee 24 November 2020	Decision Item 15 Annual Performance Review of Registered Providers	Agenda for Housing and Growth Committee on Tuesday 24th November 2020, 7.00 pm (moderngov.co.uk)
Housing & Growth Committee 26 November 2019	Decision Item 7 Annual Performance Review of Registered Providers	https://barnet.moderngov.co.uk/ielistDocuments.aspx?CId=696&MId=9930&Ver=4
Housing Committee 1 April 2019	Decision Item 8 - Housing Strategy	Agenda for Housing Committee on Monday 1st April 2019, 7.00 pm
Housing Committee 10 October 2018	Decision Item 11 - Annual Performance review of Registered Providers	Agenda for Housing Committee on Wednesday 10th October 2018, 7.00 pm
Housing Committee 23 October 2017	Decision Item 7 - Annual Performance Review of Registered Providers	Agenda for Housing Committee on Monday 23rd October 2017, 7.00 pm
Housing Committee 20 October 2016	Decision Item 8 - Annual Performance review of Registered Providers	Agenda for Housing Committee on Thursday 20th October 2016, 7.00 pm
Housing Committee 19 October 2015	Decision Item 7 - Strategic engagement with Registered Providers	Agenda for Housing Committee on Monday 19th October 2015, 7.00 pm
Housing Committee, 27 October 2014	Decision Item 9 - Housing Strategy	http://barnet.moderngov.co.uk/ielistDocuments.aspx?CId=699&MId=7936&Ver=4
Housing Committee. 27 April 2015	Decision item 10- Summary of Feedback Following Consultation on Draft Housing Strategy	http://barnet.moderngov.co.uk/ielistDocuments.aspx?CId=699&MId=7938&Ver=4

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Barnet Annual Performance Review 2021/22

Barnet Annual Performance Review of Registered Providers.

Introduction

This review presents an analysis of the performance of Registered Providers (RPs). The report is divided into two sections. Section A looks at management performance and Section B considers development performance. The report focuses on the larger developing RPs in Barnet including the Estate Regeneration Schemes in Barnet.

Background

In the year 1 April 2021 to 31 March 2022 there were seven RPs with significant stock levels either currently developing or planning to develop general needs homes in Barnet.

The seven RPs and their general needs stock levels in Barnet are shown below.

Registered Provided	Number of General Needs homes in Barnet
Notting Hill Genesis (NHG)	2010
Network Homes	356
Metropolitan Thames Valley Housing (MTVH)	624
One Housing Group (OHG)	95
Clarion	279
L&Q	138
Home Group	579

A full breakdown of types of stock for each of the RPs can be seen in **appendix A**.

In addition, we have also monitored the following Estate Regeneration Schemes in Barnet.

The three regeneration schemes in Barnet and the number of General Needs homes completed on these estates to date are shown below: -

Scheme	Registered Providers	Number of new affordable homes
Grahame Park	NHG	389
West Hendon	MTVH	216
Dollis Valley	L&Q	292
Total		995

There are two other regeneration schemes in Barnet where development has started but there have been no completions to date.

- **Granville Road** (Registered Provider - One Housing Group). This scheme commenced in July 2019 and will complete by 2024 providing 46 shared ownership homes.
- **Brent Cross** Cricklewood (Registered Provider - L&Q), L&Q will deliver 47 replacement homes on Plots 53 and 54 for Whitefield Estate Part 1. The main construction works are well underway, and the estimated completion date is in Spring 2023. Argent Related will deliver 110 replacement homes for Whitefield Estate Part 2 residents on Plot 12. Enabling works has commenced on site, with the main works starting in Autumn 2022 and the new homes are estimated to be completed in Spring 2024. The estimated number of affordable homes to be built over the course of the next 10 to 15 years is 1293.

Mergers

One Housing Group and the Riverside Group merged in December 21.

Catalyst and Peabody merged in April.22 resulting in Catalyst becoming a subsidiary of the Peabody Group.

Optivo and Southern Housing Groups hope to complete their merger by December 22, the Chief Executive of Optivo will be leading the new organisation and has advised the merger is about focussing on resident service and investment in existing homes.

Southern Housing Group were previously planned to merge with Sanctuary, the merger did not take place and Sanctuary have now appointed a new group director of housing and property services.

Cyber Attack

As has been widely reported in the news, Clarion has been hit by a cyber-attack in June 2022, this has resulted in them being unable to provide information as requested as they are still working with a cyber security partner to restore systems however, they have provided some data for this review. It is still too early to tell whether any tenant data may have been impacted. Services such as repairs are continuing through the emergency repairs service.

The Performance Review

Each year the Council reviews the performance of partner RPs to assess whether they can demonstrate they meet standards in management and performance.

The expectations of our partners require regular liaison and submissions of annual performance returns specific to Barnet. In areas of poor performance, the Council will continue to work with the RPs to improve.

For this period, (April 2021 - March 2022) we will be focussing on the following areas of activity: -

Section A will focus on: -

1. Regulatory Judgements
2. Rent levels
3. Rent Arrears
4. Nominations offered to LBB
5. Welfare Reform & Cost of living crisis
6. Repairs Performance
7. Customer Satisfaction
8. Anti-Social Behaviour
9. Building Safety Act

Section B will focus on Development and Sustainability

Section A: Management Performance

1. Regulatory Judgements

The Housing and Regeneration Act 2008 sets out the objectives for regulation. The Regulator of Social Housing (RSH) is an independent regulator and non-departmental public body, sponsored by the Department for Levelling Up, Housing & Communities and is responsible for the regulation of social housing.

The Housing and Regeneration Act 2008 sets out the statutory framework within which the Regulator must operate. This framework enables the regulator to register and regulate providers of social housing. Providers of social housing registered with the Regulator are known as "Registered Providers" (RPs) These can be non-profit or for-profit. The main difference being that for-profit RPs are established as companies limited by shares and are permitted to distribute dividends to their shareholders. The standards set out by the Regulator do not apply to the non-social housing aspects of a for-profit RP's business. The Regulator is unable to remove or appoint board members, cannot impose restrictions on dealings or suspend or remove employers on for-profit unlike with non-profit RPs. The RPs included in this review are all non-profit RPs. The Regulatory Framework includes both the regulatory standards which providers must meet, and the way in which the Regulator carries out its functions.

The Regulator has two objectives: an economic regulation objective and a consumer regulation objective.

There are three economic standards: -

- Governance and Financial Viability
- Value for Money
- Rent

The consumer Standards are: -

- Home
- Neighbourhood & Community
- Tenancy
- Tenant Involvement & Empowerment

The Regulator reviews each RP and for those with more than 1000 units they also carry out periodic In-depth Assessments (IDA's).

Providers are assessed on a scale from G1/V1 to G4/V4, where G1/V1 means the provider meets the requirements and G4/V4 means the provider does not meet the requirements.

The following table shows the results summary for the regulatory judgements for the seven larger registered providers.

Registered Providers	Governance	Viability	Position of Travel since 2020.21
NHG	G1	V2	↔
Network Homes	G1	V2	Not in review last year
MTVH	G1	V2	↔
OHG (Riverside)	G2	V2	↔
L&Q	G1	V1	↔
Clarion	G1	V1	↔
Home Group	G1	V1	Not in review last year

In June 22, the Social Housing Regulation Bill was introduced to Parliament to strengthen the regulation of the social housing sector. It aims to make the consumer standards equal to the economic standards and will provide a basis for the RSH to regulate the consumer standards proactively. The RSH is undertaking a substantial amount of work in parallel with the development of the Bill and there is a plan to bring the new regime into practice as soon as reasonably possible.

2. Rent Levels

Social Rents

Since 2001, most rents for social housing have been based on a formula which was based on relative property values and relative local earnings. All rents from 1st April 2020 were charged in accordance with the Governments Policy Statement on Rents for Social Housing 2018. The key principles for social rent should still be set using a formula, this formula will now include the following

- Condition & location of property (30%)
- Local earnings (70%)
- Property size.

This formula rent is then uplifted annually, since 2015.16 this will be by CPI as of September the previous year plus 1%. For 2022/23 CPI is 3.1% plus the 1%, for 2021/22 CPI was 0.5% plus the 1%. Each local authority can set up to 5% above formula rent and would also set a rent cap. LBB (Barnet Homes) have confirmed they set at CPI + 1% for 2022/23 therefore the increase for 2022/23 is 4.1%. The government has launched a consultation on proposals to introduce a rent cap on social housing rent increases to be implemented next year.

London Affordable Rent is a type of affordable rent based on social rent levels. The GLA's benchmark for a 2-bedroom property for 2021/22 was £171.20 and for 2022/23 is £178.23.

The following table shows the average weekly net assured (social rent/ London affordable rent) rents for flats (i.e. exclusive of service charges) charged in 2021/22

Registered Provider	Bedsit £	1 bed £	2 bed £	3 bed £	4 bed £	5 bed (house) £
NHG	109.77	113.06	126.10	144.49	150.58	165.70
Network Homes	97.63	151.56	169.18	175.27	156.03	135.24
MTVH		118.03	138.66	144.12	165.75	
L&Q		133.6	134.94	157.26	166.57	
OHG		135.66	136.78	152.68	161.11 * (house)	
Home Group	86.76	109.15	116.98	117.87	138.65 * (house)	

Clarion is unable to provide this data

All RPs have confirmed that they are in line with the 2022/23 limit imposed by the Rent Standard (as detailed above)

The following table shows the average weekly net assured rents for flats and service charges (SC) for flats charged for new regeneration developments in Barnet in 2021/22.

Development	Bedsit £	1 bed £	2 bed £	3 bed £	4 bed £	5 bed £
NHG Grahame Park rent		116.5	139.95	149.74		
NHG Grahame Park SC		15.22	16.48	30.94		
MTVH -West Hendon rent		107.03	127.0	139.14	151.4	
MTVH -West Hendon SC		13.03	12.46	13.45	14.80	
L&Q – Dollis Valley rent		133.60	134.94	157.26	166.57	
L& Q – Dollis Valley SC		31.04	27.13	26.26	21.24	

Affordable Rents

Affordable Rent is a form of low-cost rental social housing, as defined by s69 of the Housing and Regeneration Act 2008, The maximum rental level for Affordable Rent should be no more than 80% of gross market rent (inclusive of service charges).

In Barnet, the total weekly rent inclusive of service charges for new properties should be 80% of market rent and within local LHA levels. All RPs in this review are within LHA levels.

The table below shows the weekly affordable rent levels in Barnet for new lets in 2021.22 for the RPs that provided new affordable rent units last year.

Registered Provider	1 bed £	2 bed £	3 bed £	4 bed £
NHG	225.91	271.97	341.65	426.61
Network Homes	198.93	247.71	247.76	
L& Q	178.16	226.04	274.97	

3. Rent Arrears

Rent Collection is a key element of Housing Management. Housemark (Housing Sector performance platform jointly owned by National Housing Federation and Chartered Institute of Housing) report the performance of Housing Organisations rent collection, an efficient rent collection service is important to ensuring that as much of the rent due, and thus potential income due to the landlord, is collected and received.

The Council have set a target of 4.6% for arrears collection for 2021/22; however, Housemark statistics have shown the average rent arrears for London being slightly higher than this in previous years, this has yet to be updated for 2021/22

The table below shows the arrears level as of 31 March 2022 for each RP.

RP	Arrears
NHG	5.94%
OHG	4.3%
MTVH	6.52
L&Q	6.26%
Network Homes	4.4%
Home Group	5.21%

Clarion is unable to provide this data.

All RPs were asked to for commentary if their arrears had increased from last year.

MTVH

The arrears are higher by £96K. The number of customers in arrears is the same so the arrears increase is due to customers who are already in arrears having a higher level of arrears. This is due to a number of factors including Covid, switching from Housing Benefit to Universal Credit (UC), and also the impact of the increased cost of living (fuel, petrol etc) and the removal of the £20pw UC top up. Last year there were also some internal factors specific to MTVH which led to a temporary dip in performance – restructuring of the team and the introduction of a new collections software system.

For West Hendon the Rent Arrears is 6.19%. The arrears are higher by £13K for the same reasons as above.

NHG

Arrears across the general needs stock at NHG was at a higher rate at the end of the year, compared to the start of the year. It is important to note that across the NHG general needs stock, 49% of residents are in credit with a further 26.5% owing less than £1000. Meaning 76% of residents are managing their tenancies well. Barnet has a high number with £10k+ arrears.

The changes that the government brought in during the pandemic, e.g., new Notice of Seeking Possession's and the introduction of Breathing Space meant the court process was slower and there were delays in getting court dates due to the backlog.

Many of our residents were affected during the pandemic, and some stopped engaging with us and other services and this resulted in claims being suspended by the Local Authority.

Residents were sometimes slow in taking up offers of assistance/support & advice and not engaging/responding to correspondences sent.

With the assistance and support from our Welfare Benefit Advisor Team, home visits have recommenced and where claims were suspended, these are slowly now being reinstated.

Applications for Discretionary Housing Payments (DHP) payments were submitted, and we are still awaiting decisions on several claims which we have identified as being entitled to receive DHP awards which will significantly help to reduce the arrears.

NHG also experienced delays with decisions on Alternative Payment Arrangements under Universal Credit /Dept. of Social Security direct payments requests, which impacted.

4. Nominations Offered to LBB

The Tenancy Standard requires that Registered Providers contribute to Local Authority strategic housing function and sustainable communities. In Barnet, the standard nominations agreement requires associations to offer 50% of non-family accommodation and 75% of family sized accommodation (2 bedroom and above) eligible properties to council nominees. Eligible properties are newly built properties or re-let vacancies that are the result of the death of the tenant, eviction, or the household moving out of the borough.

In addition, all schemes which are funded by the Council or are built on Council land or have a S106 Agreement require 100% nominations in perpetuity.

London Borough of Barnet (Re) monitor and validate all lettings by Registered Providers in the borough. There was a total of 105 lettings for family sized accommodation in 2021/22.

Last year NHG has failed to comply with the nomination's agreement for various S106 agreements and owed Barnet 7 from last year (2020/21) and 2 from this earlier this year (2021/22). They have since paid back 7 of these units and should repay the remaining over the next few months.

MTVH have also failed to offer a small number of units that were under a regeneration agreement. This was due to a member of staff making an incorrect decision, this member of staff has now left, and the RP has put measures in place to ensure this will not happen again. They will be repaying this debt through offering the Council properties that we do not have a nomination entitlement to.

5. Welfare Reform

BOOST is part of the Barnet Group, working in partnership with the Council to provide employment, benefit advise, skills and wellbeing in the borough.

BOOST have reported that in 2021/22, as the pandemic lockdowns were being lifted and all businesses were able to resume normally, this led to an increase in employment opportunities. In turn, households who were capped because they were

not earning enough due to the financial pressure businesses were under, were able to increase their hours or obtain another job to come off the cap. In February 2021, there were 3,994 households affected by the benefit cap, by February 2022 this figure reduced to 2,533. In May 2022, it was reported that there were a record number of job vacancies – 1.3 million (country wide), whilst the unemployment rate was at 3.7% by March - the lowest it has been for nearly 50 years.

BOOST continues to work alongside the Discretionary Housing Payment (DHP) team to support residents who face financial hardship. The team sees a diverse range of clients, including homeowners and pensioners and Barnet Homes tenants. As hybrid working was being encouraged across the organisation, more staff were being based in the Burnt Oak and Childs Hill office between one to two times a week. Demand on the contact centre and mailbox was steadily decreasing until January, with typical queries relating to DHP, benefit advice and council tax support. BOOST continues to work closely with the Council Tax Recovery team to support residents facing summonses and other recovery action, to maximise their income through employment and benefits and access Council Tax Support & Council Tax Discretionary Relief to reduce this debt.

From January 2021, LBB was allocated £33,000 for the Covid-19 Winter Grant to support those who were in financial hardship, struggling to pay their utility bills and daily living costs.

Demand on Welfare Benefit Advisors (WBAs) increased by 64%. Most of this demand was concentrated between November and March, after the £20 Universal Credit uplift was removed. Appointments were managed over the phone and the advisors supported the most vulnerable clients by collecting paperwork from their homes and utilising online version of forms. Face-to-face appointments were also re-introduced, allowing advisors to best support clients with more complicated forms. Most clients were from the private sector (73% of the total appointments for the year), but there has been a 1.5% increase on the number of housing association tenants supported (up from 5% to 6.5%). The largest area of support was for general benefit advice, Council Tax and DHP. However, the team has seen no change on the level of benefit capped cases being referred. The main reason for this is residents claiming UC or moving onto UC from legacy benefits.

Many BOOST clients are unaware of the support their own landlords can offer in relation to benefit advice and accessing DHP. The DHP team have said that they would benefit from having a point of contact for each registered provider, such as a welfare benefit advisor or income collection officer as they have historically been willing to engage with the DHP officers in providing background information to the tenant's circumstances. This is crucial in cases where tenants are unable to liaise with the DHP team themselves, due to varying factors such as poor mental health. BOOST has recently re-established the Welfare Benefit Liaison Group and are currently liaising with RPs.

RPs continue to work with their residents to offer support and provide assistance in gaining skills and employment, here are a few examples of what each RP is currently offering to Barnet residents: -

MTVH

- 30 Barnet residents engaged with employment support service – Love London Working.
- 8 of which were confirmed with work and 14 engaged in training and employability sessions.
- In West Hendon Neighbourhood and Skills Plan 4 residents worked with Love London Working Advisor, 2 found employment, 1 linked to a professional business mentor and 1 to a MTVH mentor for fundraising to grow their business.
- 17 children in West Hendon attended home-work club

Network Homes

- Employment scheme through s106 construction site- Burnt Oak Broadway and Premier Place providing a selection of entry-level construction jobs, apprenticeships and training opportunities for residents that are interested in careers within the construction sector.
- Aim to recruit 25% local labour, provide 10 traineeships opportunities, 8 apprenticeships, deliver workshops to Barnet school or college students.
- Recommended 2 involved residents for a Level 2 CIH Housing course.

OHG

- One Academy offered Transform and Achieve programme of Coaching and Employment with external coaching service.
- One Academy Employment and Training team provide 1-2-1 support, triaging needs agreeing support and action plans for Supported Housing residents to progress in their journey towards employment.
- Barista training in partnership with Change Please which includes an offer to progress to 16 hrs employment for 3 months and progression to guaranteed job interviews in hospitality sector.
- Barnet residents have yet to sign up to these initiatives.

Home Group

- In partnership with Notting Hill Genesis, customers can access NHG's Employment & Training initiative based in the Old Library on the Grahame Park Estate. The initiative is relatively new and currently has had six customers access the service.
- Attend the Grahame Park Strategic Group meetings which bring together a number of organisations across the borough.

NHG

- Offer an inclusive enterprise, employment and training offer which is delivered

from the Old Library on Grahame Park, in the enterprise suite. The Make It Happen Programme is made up of several organisations: DWP, Boost, Twinings, CAB Barnet, Youth Engagement Solutions and Shared Enterprise.

- Placed 49 residents into employment and 165 into training.
- A total of £89,000 grant funding was awarded to local Grahame Park delivery organisations from the NHG Community Foundation.
- Grahame Park Young Futures - Recruitment of 15 young people who were supported with training to be Peer to Peer researchers who conducted research and delivered workshops over a 10-month period.

Clarion

- Working with a Transform & Achieve initiative, which is being run in Barnet. This involves supporting participants seeking employment.
- Supported the Transform and Achieve provision in Barnet in May 2022, providing interview skills and mock interview sessions. Subsequently, some of these participants have engaged with their Digital Skills provision, and their Active Inclusion program, which provides support to those who are further away from the Job Market.
- Provides support from a Mental Health Specialist, and guidance such as disclosure to employers of medical issues. Other participants from this cohort are actively engaging with their Employment Support Officer, receiving support with CV, Job Applications, and one participant is due to start employment in the next few weeks.
- Working partnership with Peabody Housing Association, a Barnet resident was supported by Clarion in a SWAP (Sector Based Work Academy Program) for Vegetation Gang roles. The resident in question had not worked for 12 years and had been caring for his wife's children following her passing, one of whom had a learning disability. Clarion supported this participant with Safety Training, supplied him with PPE, and coached him through interview – he was successful and is currently enjoying his new role.
- 10 residents enrolled on the programme and 5 have started work

L&Q

- Access to the L&Q foundation Employment Service
- Access to a pool of vacancies with local businesses
- Work with training providers
- Roots to Work – work placement programme
- Offer apprenticeships for construction programmes.

6. Repairs Performance

The Regulatory Framework requires RPs to *'provide a cost-effective repairs and maintenance service to homes and communal areas that responds to the needs of and offers choices to tenants and has the objective of completing repairs and*

improvements 'right first time'. Each RP is required to meet all applicable statutory requirements that provide for the health and safety of the occupants in their homes.

There is no generic standard for repairs reported by RPs but the majority report on satisfaction levels. Housemark have reported the average percentage of tenants satisfied with the repairs and maintenance service as 86% within the London area. RPs all report satisfaction levels around this percentage

7. Customer Satisfaction

As part of the regulatory framework, RPs must meet the tenant involvement and empowerment standard with required outcomes over the following: -

- Customer service, choice, and complaints
- Involvement and empowerment
- Understanding and responding to the diverse needs of tenants

The Regulator of Social housing is creating a new system for assessing how well social housing landlords are doing at providing good quality homes and services. This system will involve a set of tenant satisfaction measures that social housing landlords must report on. It is anticipated that landlords will need to provide this data in summer 2024.

Currently customer satisfaction statistics provided from surveys can give an indication as to how well the RP is doing in this area.

Most organisations employ independent organisations to complete random customer satisfaction surveys and in addition survey after incidences of ASB, repairs and formal complaints.

The Table below shows the level of satisfaction for each RP that completes surveys.

	% Of tenants satisfied or very satisfied with landlord services
Home Group	88.1%
L&Q	71%
Clarion	79.9%
MTVH	47.8%
MTVH WH	66.6%

The remaining RPs do not split satisfaction down by borough.

MTVH have advised they have introduced an internal action plan to address the themes raised in their Customer Satisfaction surveys, as well as producing clearer reporting to local teams to enable improved prioritisation of actions at a local level. In addition, they are introducing a new digital customer engagement platform to improve their ability to listen and take action to improve satisfaction rates.

8. Anti-Social Behaviour

The Neighbourhood and Community Standard require Registered Providers to keep the neighbourhood and communal areas associated with the homes that they own clean and safe. They should work in partnership with their tenants and other providers and public bodies where it is effective to do so.

The Safer Communities Partnership Board is the governance board aimed at reducing crime, the fear of crime and helping ensure Barnet remains safe. It acts as the Crime and Disorder reduction Partnership which is required by legislation. RPs are unable to attend or refer cases directly and would use the Community Safety MARAC.

The Barnet Community Safety MARAC (multi-agency risk assessment case conference) is a multi-agency meeting where stakeholders across the community safety partnership come together to discuss and resolve complex, high risk anti-social behaviour cases and includes the following members: -

- Barnet Community Safety Team
- Police
- Children's Services - Youth Offending Service, Social Care, Youth Service, Family First and a representative from schools
- Housing (Council and other Social Landlords)
- Barnet Homes
- National Probation Service
- Victim support
- Mental Health Services

Referrals can be made to the panel a minimum of 10 days before each meeting via a link.

RPs were asked about their main areas of concern in Barnet regarding anti-social behaviour, and what improvements they have made. Any issues where appropriate have been raised with the MARAC team.

MTVH

MTVH have reported concerns with ASB linked to Mental Health, they are heavily reliant on the support and assistance of Barnet Social Services and would like to work closer together to help resolve issues. In particular, they would like to work together to assist residents on support with moving into more supported housing accommodation as well as support from Barnet in securing accommodation for urgent management transfers.

MTVH have made some improvements on their estates in Barnet which include the following: -

- Fitted CCTV on selected sites/estates

- Working closely with Police to ensure regular patrols
- Housing team visiting sites/estates regularly
- Regular meetings with residents and regular offenders of ASB to resolve low level disturbances

Network Homes

The main issues experienced focus on youth ASB activity outside a block in NW9, bike theft from bike stores in NW9 and fly tipping in NW2. Guidance has been provided to residents to encourage reporting of incidents in addition they have installed CCTV in one of the blocks, strengthened bike and bin doors in another block and have carried out bay markings on a further block to help prevent neighbour disputes over parking issues.

One Housing Group & L&Q

Do not have any specific issues in Barnet.

Home Group

Their main areas of concerns were on a regeneration site, once a unit became void, there were reports of people trying to enter the properties. Home Group made these units secure and have installed guardians to prevent any further issues from occurring.

NHG

NHG have received reports of dogs fighting/barking & causing general nuisance on an estate. NHG are taking this matter seriously due to the breed of the dogs. Concerns around residents not following procedures and seeking permission from NHG to take up ownership of animals. NHG are also looking to involve Barnet Animal Welfare for assistance.

There have been a few issues with rough sleepers sleeping in communal areas of another block. Access is gained by forcing the doors open causing them to break. Walkabout has taken place with cleaning supervisor & Officers managing the patch in NHG and targeted blocks are highlighted. Review to take place to see what can be done to avoid this continuing, so far CCTV has been installed and external lights are being refurbished.

Clarion

They have received a handful of reports which relate to stalking and harassment, offensive behaviour or gestures, criminal damage or vandalism, shouting or arguing, loud parties/music and hate crimes and Clarion are dealing with these on a case-by-case basis. These are often dealt with directly by the ASB team within Clarion.

9. Cost of Living Crisis

The cost-of-living crisis refers to the fall in 'real' disposable incomes experienced in the UK since late 2021. High inflation and rising interest rates meaning the cost of living (energy, food, and fuel) are outweighing any wage and benefit increases, this is further worsened by tax increases.

In May 2022 the government announced some measures to respond to high energy prices, this includes the household support for energy bills.

This crisis was a key theme at the Housing 2022 conference and is a high priority for most social landlords. A big concern for RPs being the rising interest rates impact on rent. Social housing rents rise by CPI plus 1%, this is based on the previous September figure. This was 4.1% last September (21) but is currently 9.6% and will force rents up dramatically. As mentioned earlier in this review, the government has launched a consultation on proposals to introduce a rent cap on social housing rent increases to be implemented next year.

RPs were asked how they are assisting residents and any changes they have made to policies because of this situation.

MTVH

- Support referrals and home visits built into the arrears process (pre-court and pre-eviction). This is to ensure customers have been given the opportunity to access support prior to legal action.
- Support is offered by internal teams (Benefit & Debt Team primarily, or Resident Support Managers) or can be external.
- Follow the 'breathing space' principle in that if a customer is accessing support to address their arrears, will pause collection on their account for up to 4 weeks.
- Access to the Tenant Welfare Fund - to help customers going through a period of financial hardship including support to pay their rent (especially in relation to benefits - under occupation, transition to UC).
- Empowering Futures is the community investment arm of MTVH supporting residents to "heat and eat" and live well. Offers 121 support including:
 - Resident Support Managers – conducting needs assessments, budgeting and benefits maximisations and sign posting with utility and food costs
 - Specialist Debt and Money advisors support residents with high rent arrears, complicated benefit queries and debt.
 - Empowering Futures continues to remain concerned about the impact of the rising cost of living for our residents and has responded by developing partnerships with a range of agencies to include:
 - Green Doctors- providing workshops and home assessments to encourage residents to adopt strategies to minimise utility costs as well as providing cost saving adaptations.

- Pocket Power- providing support to residents to help them identify the best utility tariffs to meet their needs.
- Step Change- specialist advice on money and debt.
- Developing relationships with foodbank and food services that are delivered in house or are available locally
- Providing free phone data, digital equipment, food and utility vouchers so that savings can be made to household expenditure and the money diverted to essential items.

Network Homes

- Have a Welfare Advice Team, of five staff who are on hand to assist any tenants who are qualified to provide both Welfare and Debt Advice. This team helped over 1,200 residents last year, and help their clients achieve additional income of £2.44m (not just in Barnet)
- Reviewing the resources available to this team with a view to potentially increase the service.
- Hardship fund - providing food vouchers, beds, and white goods as well as small electronics, fuel vouchers including electric, school uniforms and even professional memberships.
- Access to HACT (Social Housing Charity) Fuel Vouchers – for households on prepayment meters only, people who top up their gas/ electric via the PayPoint or post office, and referrals come through our Welfare Advice team.

Home Group

- Home Group have an in-house financial inclusion (welfare team) supporting customers with cost-of-living increases. providing budgeting, signposting, and supporting customers to access benefits, DHP and access external support via CAB, food banks and local agencies.
- Home Group Fund- supporting vulnerable customers to access furniture, carpets, appliances etc.
- Home Life magazine – issued to all customers each quarter providing general support and advice.
- Housing Managers ensure customers are signposted to local support including local food banks, citizen advice bureau, debt advice agency.
- Supports customers with energy top up as part of a fuel poverty initiative.

NHG

- Resident Support Programme - supporting residents with the effects of fuel poverty and rising costs of living through a combination of income maximisation, budgeting, and financial education, and through directly sourcing funds available.
- Inhouse team of 8 full-time specialist welfare benefits advisers who support residents to maximise their incomes by challenging decisions and making new benefit claims. The advisers will also represent tenants at tribunals if necessary.
- In the last financial year (21/22) the team received over **800** referrals and recovered more than **2 million pounds** in revenue for residents (for all NHG

residents not just Barnet)

- Partnerships team works with external partners to deliver support and projects which alleviate household budgets and build financial resilience. 465 referrals to external support in 21/22 with most referrals going to Green Doctors for energy support.
- Partnerships officers work to source available funding to help with high energy costs. Secured around 20k of funding so far as part of an energy redress scheme and awarded this to residents (available to residents of any borough) struggling to pay for energy.
- In 2021/2022 awarded £160,000 in hardship fund awards, supporting 363 households in need. Awards mainly covered the cost of white goods, beds, carpeting and insulation and emergency removal costs.
- Plan to recruit to two additional posts within the income team. These posts will focus on supporting those customers who are experiencing fuel poverty, help customers improve how they can use their homes more efficiently as well as their appliances.
- Focus on residents in homes with lower EPC levels and arrears
- Plan to recruit Intensive Support officers who can work alongside affordable warmth offices and welfare benefit advisers to help support more vulnerable customers.

Clarion

- Clarion Futures Money provides any resident of Clarion with free money guidance and energy advice to help them feel more in control and confident about their money. The service provides help that covers:
 - Their household needs and entitlements
 - Detailed budgeting and getting better deals including social tariffs for water and broadband
 - Understanding bills and dealing with debt
 - Ways to manage energy costs more efficiently and ensuring getting all the help entitled to
 - Food and energy top up vouchers for households in hardship
- Issue e-vouchers for the national network of Trussell Trust foodbanks and offer supported debt advice through partner Pennysmart as well as signposting to StepChange. Residents can also apply for membership of Leeds Credit Union to support with saving and affordable borrowing.
- Offer support to households who are at risk of fuel poverty.
- Clarion Housing Group Sustainment and Benefits service, provides additional support to residents who are more vulnerable to assist with any issues that will help them maintain their tenancy.

L&Q

- Offer up to £500 for those struggling to afford essential household items.
- Offer Food Bank Vouchers
- Offer Fuel Vouchers (for repayment meters)
- Signposting to various organisations.

- Tenancy sustainment team carry out home visits

10. Fire Safety Policy and Procedures

Fire Safety remains high on the agenda for Landlords, The Building Safety Bill, received royal assent on 28th April 2022 to become an Act (The Building Safety Act BSA). Implementation of the measures will likely take between a year and 18 months.

This Act gives effect to the policies set out in the Building a Safer Future consultation and takes forward further changes to the Regulatory (Fire Safety) Order 2005 (the Fire Safety Order or FSO), this builds on for the Fire Safety Act 2021. The Act aims to regulate the construction of 'higher risk buildings' from planning stage, through construction, occupation and throughout its lifecycle by putting obligations on different individuals and organisations. The new Building Safety Regulator has been introduced to enforce the Act.

Higher Risk Buildings are defined to be at least 18metres in height or at least 7 storeys and contain at least 2 residential units. Any building that falls within this definition will need to be monitored and controlled by the building safety regulator throughout its lifecycle. Of the RP's included in this review only MTVH and NHG have blocks that fall into this definition.

The Act also includes a clause to making building owners liable for the costs of remediating historical safety defects in the building. Leaseholders can be charged to help pay for these works, but costs will be fixed at no more than £15,000 per leaseholder in London.

Each RP has been working to ensure their organisations will be fully compliant with the requirements.

MTVH

- Established the Safer Building Department to lead External Wall System issue, inspection and remediation works. There is a corporate project aim at ensuring that MTVH meets our full obligations in line with the BSA.
- Focused in delivering a risk-based program of surveys to ensure that blocks are safe for customers and developing a Building Information Model.
- Adopted a risk-based approach to the inspection programme to ensure those buildings with the highest risk categorisation are being inspected first. All block over 18m have now been surveyed. Focus for financial year 2020-2021 was in line with the guidance for the EWS1 process and included higher risk residential blocks and blocks over 18 m in height where MTVH is freeholder or responsible for external wall.
- To date have surveyed over 100 blocks

- This financial year the inspection program will focus on blocks that are between 11 and 18 meters, MTVH have approximately 250 blocks that meet the criteria in total and will aim to carry out a further 50 inspections during this financial year.
- Within Barnet there are 2 blocks over 18m, of which only one had Aluminium Cladding Material (ACM) which has now been removed and replaced.

Network Homes

- Complying with any part of the Building Safety Act that is currently enforceable.
- Work is ongoing to comply with requirements in the Act that aren't currently enforced.

OHG

- Currently have no stock in Barnet falling into this category
- Complying with Building Safety Act that is enforceable

Home Group

- Created a new executive directorate to focus on work required by the changes in legislation including Building Safety Act.
- The Building Safety Team are implementing a four-stage process for gathering key building safety data and commissioning retrospective strategies to address this lack of information for higher priority buildings.
- No buildings over 18m in Barnet

NHG

- Taking a number of steps such as piloting building safety cases and a new building safety management function.
- Engaging with residents in order to produce a template for building specific resident engagement plans to ensure engage about building safety in the right way at a local level.

L&Q

- Appointing a Head of Strategic Building Safety who will be outlining the strategy to complying with the new regulations.
- Have carried out inspections of the external wall systems in these buildings and all received a B1 rating on the EWS1 approach.

All RP's have confirmed that their fire risk assessments on all blocks are up to date.

Identifying Vulnerable Residents

Each RP has been asked how they identify vulnerable residents who may be at risk of starting fires or unable to escape, this includes where Personal Emergency Evacuation Plans (PEEP) are in place. All RPs have confirmed policies in place for buildings over 18 metres and keep and maintain information about vulnerability and mobility issues usually carried out through a person-centered risk assessment. RPs keep a premises information box on relevant blocks so the LFB can access this information in case of emergency.

11. Overall Performance and Commentary

Overall, the performance of each RP meets the required standard RPs are continuing to provide relevant training and upskilling to their residents and have identified various methods to assist residents in the cost-of-living crises. As a result of the review, we would continue to recommend the RPs to developers on new Housing Developments.

SECTION B

Development

In 2021/22 there were 249 affordable housing completions in Barnet. The following table shows a breakdown of these completions.

Registered Provider	Scheme	Total Affordable Completions.
The Book Trade Charity	Bookbinders Cottages	7
Open Door Homes	Various Schemes	61
Notting Hill Genesis	Millbrook Phase 4C	12
Origin Housing	Millbrook Phase 5	20
L&Q	Millbrook Phase 9	28
Clarion Housing	Sweets Way	44
Notting Hill Genesis	Millbrook Park Phase 6	48
L&Q	Medical Research Centre	14
L&Q	Dollis Valley Regen	2
MTVH	West Hendon Regen	3
Barnet Homes	Barnet Homes Acquisitions	10

It is important to maintain an effective partnership between the Council and each developing Registered Provider to ensure schemes are run smoothly and efficiently. The Council maintain regular contact with the developing Registered Providers throughout the development to monitor progress of each scheme.

In 2021.22 developers saw delays with completions, largely due to Brexit related issues such as shortage of supplies e.g., bricks and skilled workers. Developers also experienced delays with utility connections and building control sign off.

Expected completions for the year 2022/23 are 525 affordable homes, these are predominately through the requirements of a S106 scheme. However, developments are still reporting delays due to shortage of supplies and increases in costs which may result in delays due to changes to planning and programming.

The following table shows the current developments which are currently on site and due for completion in 2022/23 and 2023/24

Registered Provider	Scheme Name	Total Affordable Completions on site.
L&Q	Medical Research Centre	57
Innisfree	Medical Research Centre	16
Sage	The Peel Centre – Colindale Park Gardens	143
Network Housing	Premier Place	124
Sanctuary	Millbrook Park Phase 10	19
Network Housing	100 Burnt Oak Broadway	100
Home Group	TFL Beechwood Mews	35
One Housing Group	Granville Road	46
L&Q	Dollis Valley	38
MTVH	West Hendon	21
Open Door Homes	Various	196
L&Q	Homebase the Hyde	229
Clarion	117 – 125 West Hendon Broadway	7
NHG	Millbrook Park Phase 6B	27
NHG	Grahame Park	209

NHG

Millbrook Phase 6 completed last year and phase 6B is in the current development programme

Grahame Park stage B has started on site, plot A will be delivering 32 social rent, 28 London affordable rent and 149 shared ownership units and plot L will provide 190 affordable housing units in approximately 3 years' time.

One Housing Group

One Housing Group currently have Granville Road mid construction. This is a joint venture with Sherrygreen homes providing 132 new homes of which 46 will be affordable Shared Ownership homes.

Victoria Quarter is a scheme currently at the Planning stage and if it successfully achieves planning then we will develop around 540 new homes and commercial space across the site.

L&Q

L&Q and Countryside Properties UK are the Councils appointed contracted development partners to develop the Dollis Valley estate. The Reserved Matters application was approved in February 2022 for Phases 4 and 5, which will deliver a total of 360 affordable homes of which 123 will be affordable. A start on site is expected early 2023. Phase 3 is due for completion by December 2022. In total there will be 43 affordable homes of which 38 will be social rent and first handovers are expected in October 2022. The remaining resident leaseholders will all move to their shared equity homes within the development in 2022.

They are working on three S106 schemes in Barnet, The Hyde, Millbrook Park, and the Medical Research Centre. When looking at new schemes they generally seek schemes with capacity of 75 plus units.

MTVH

Barratt Homes and MTVH have set up Barratt Metropolitan LLP to deliver the regeneration of the West Hendon estate. The development is ongoing with the next phase due to complete in early 2025. Between 2022 to 2025 the scheme will deliver 827 new homes, including 291 affordable homes. In 2022/3 there will be 21 shared ownership units completed.

Westhorpe Gardens in Hendon includes the regeneration of the Westhorpe Gardens and Mills Grove Estate to provide 251 new homes. Currently 50% through the construction programme. First handovers will take place in Q3 22/23 and practical completion in Q3 25/26.

MTVH are currently not considering any further new projects in Barnet.

Network Homes

Network Homes have two developments on site, these are: -
Burnt Oak Broadway, 98 – 102 Burnt Oak Broadway, Edgware HA8 0BE, this scheme will provide 100 affordable housing units consisting of Affordable Rent (19 units), London Living Rent (6 units), Shared Ownership (75). – Completion is due in summer 2023.

Premier Place in Station Road, Edgware, HA8 7BJ, this scheme will provide 124 affordable housing units consisting of Affordable Rent (16 units), Shared Ownership (92 units), London Living Rent(16units) and is due to complete by Sept 2023.

Home Group

The Douglas Bader Project is the only live project. They have just taken handover of Beechwood Mews in June which was 35 homes – 20 shared ownership and 15 rented. They did make an offer for a s106 with Redrow in Feb 22, but it did not proceed as it was a 12-storey apartment block which is not aligned with our group strategy.

Sustainability

Central Government have set mandated sustainability targets to ensure there is the ability to meet the needs of the present without compromising the ability of future generations.

These targets are reflected in The Mayor's Homes for Londoners – Affordable Homes Programme 2021- 2026 funding guidance which, outlines funding requirements in relation to design and sustainability. The GLA expects that new homes are environmentally sustainable and meet zero carbon targets. There are 6 sustainability standards as a condition of funding: -

1. Net Zero Carbon Homes
2. Whole life cycle carbon assessment
3. Be seen energy monitoring
4. Air quality neutral
5. Urban Greening
6. Managing heat risk

Following the adoption of the Sustainability Strategy Framework in December 2021, the London Borough of Barnet is currently developing an Action Plan to outline how the Council will deliver its net zero commitments, which include achieving net zero as an organisation by 2030 at the latest and delivering net zero borough-wide by 2042. The Council's carbon baseline, the evidence base which underpins the Strategy Framework, recognised the high impact of the built environment in borough-wide emissions, with stationary energy produced by housing and buildings accounting for over 60% of overall emissions within the borough. The Strategy Framework

subsequently identified that the retrofitting agenda was a key area for action to reduce borough-wide emissions and meet the Council's strategic commitments, with the new administration setting out the following targets to address this:

- Increase the number of well-insulated homes, working towards the Friends of the Earth target (Energy Performance Certificate (EPC) band C or higher) of 100% by 2030.
- Retrofit its social housing stock to achieve EPC B by 2030, ensuring that Barnet applies for all possible funding streams.
- Help residents secure grants to retrofit private homes.

Of the properties within the borough with an EPC assessment taken since 2008, the majority of Barnet's houses are EPC's D, C and E, which is particularly consistent in the private rented sector. Subsequently, there is a real need to work together to ensure that the Council meet local and regional targets. The Council will continue to work with RPs to get a better understanding of how they will contribute towards the Councils targets, the aim is to understand current barriers RPs are facing and how to assist i.e., training or funding opportunities.

RPs have reported on their sustainability programme for their existing stock and communities.

Clarion

- Clarion Housing Group real estate strategy is focused on the 'Clarion 2040 Standard'.
- This aims to bring the entire stock to a minimum of band C energy rating. The group is currently composing a Neighbourhood Standard, which will cover other sustainability initiatives such as broadband, charging points etc.

(At this point in time, due to IT system issues they cannot provide further detail around estimated timeframes for progression of these programs)

MTVH

- ECO insulation measures improving the energy performance of over 3000 properties in last 2 years.
- Secured an additional £6 million in the Social Housing Decarbonisation Fund Wave 1 with bids across London and the Midlands, which will deliver further improvements to energy performance.
- MTVH will be utilising any upcoming funding to improve stock in transition to Net Zero.
- Commits to ensuring that all residential properties meet a minimum efficiency standard of EPC B and C or equivalent by 2030,
- Greater focus on low carbon heating in combination with improved energy

efficiency standards with the aim of ensuring that homes are fit for the future.

- Aim to review our existing heating assets to compile a comprehensive planned programme which will aim to deliver low carbon heating to each home in line with the Net Zero 2050 target.

Network Homes

- Planning to retrofit program to all properties that are over EPC C.

OHG

- Completed a trial of EV vehicles in the Environmental Services team and Reactive repairs, following the findings from the trial will look to roll out to rest of organization.
- Committed to replanting 2 trees where 1 is removed.
- Recycle waste and bulk waste and provide recycling opportunities on all schemes.

Home Group

- Large scale retrofit pilots - The pilot is providing valuable information on the most effective way to retrofit at scale with a combination of a full fabric approach matched with PV, Battery, and Air Source Heat Pump Technology
- Commitments on decarbonisation and ecosystem services.
- Dedicated environmental sustainability team and are independently ISO14001 certified alongside being long standing SHIFT members.
- Secured BEIS's wave one SHDF retrofit project fund where we are retrofitting 90 homes in Cumbria to a full house, PAS2035 retrofit standard.
- Engaging with customers and supporting them in a range of ways to be more energy efficient and to think more about sustainability.
- Run a number of communication campaigns on topics ranging from correct ventilation and efficient heating through to recycling, biodiversity and sustainable travel.
- Creating a policy on EV charging facilities which involved customer insight and recommendations

NHG

- In 2023, will set out an approach to embedding climate change adaptation into the retrofit and design of new homes and roll this out from 2023 onwards, in alignment with retrofit programme.
- Will set a 2030 target to install individual low carbon, electric heating systems in homes that have been well-insulated to support the phase out of gas heating in homes.
- In autumn 2022, plan to launch the new Sustainability Strategy, that will set out a number of environmental commitments for green spaces, homes, and business impacts.
- Committed to ensuring that by 2030, all rented homes achieve an EPC of band C.

- Intend to bid for funding under the Social Housing Decarbonisation Funding wave 2.1.
- Green Spaces - committed to adopt a conversation led approach across the spaces they manage, through our new landscaping contracts. In doing so, we will explore opportunities to decrease high intensity, high-cost maintenance tasks, such as regular grass cutting with more cost effective and nature friendly maintenance approaches, that encourage naturalisation of areas of green space. Plan to trial nature enhancements across at least 7 locations over the next two years, working with an ecologist and local organisations (like the London Wildlife Trust).
- Waste Management -will measure and baseline impacts of construction, maintenance, and refurbishment activities in relation to water use, waste, and sustainable materials. Will set targets in 2023 to reduce the impacts of their activities in these areas year on year.

L&Q

Currently have no information to provide on sustainability on existing homes.

Sustainability Approach to New Homes

In 2020 The Sustainability reporting standard for social housing was drawn up. This is a set of standardised reporting criteria that housing associations can use to report on their environmental, social and governance (ESG) performance for lenders

To ensure compliance to the Mayor's Homes for Londoners – Affordable Homes Programme 2021- 2026 funding guidance, and for private funding, RPs must therefore develop a robust approach to developing new homes

NHG

- NHG develops almost exclusively in Greater London and new developments comply with the requirements of the Greater London Authority's London Plan.
- NHG's approach is to build good quality homes that promote well-being and have low running costs.
- They are focussed on meeting the London Plan requirements in a way that provides good outcomes for the life of the development and for the benefit of residents, rather than looking for low-capital options that will not perform well in years to come.

MTVH

- MTVH utilise a 'fabric first' approach which maximises the performance of materials situated with the external wall structure of a home before utilising mechanical or electrical components as a method of heating properties. This approach will help improve the efficiency of homes without the need of relying on conventional heating methods. Additionally, MTVH will also ensure that all new build homes achieve an EPC rating of B

OHG

- Use of communal Energy and Heat Network strategy via design supplements

- Introduce an Electric Vehicle Charging Strategy to improve service to residents and the business
- Are following the GLA requirements that new homes are environmentally sustainable and meet zero-carbon targets.
- Ensuring that partners adhere to the new Building Regulations (Part E and L)

Network Homes

- Aim to reduce the carbon footprint and the environmental impact of new developments, increase biodiversity, reduce waste, and water consumption and build sustainable communities.

L&Q

- 5-year corporate strategy outlines vision that *“we will develop quality, sustainable homes and places where people want to live that enable firm foundations for successful lives, benefiting our customers, our communities and the environment for the long term”*.
- Will build better and more sustainable homes, which deliver value for money and good quality, design, build and service to customers and communities
- Will establish an L&Q design standard which meets the Government’s Future Homes Standard, recognises the differing needs of the residents who live in our homes and drives operational excellence in construction
- Will establish an L&Q Placemaking office, committing to high quality build combined with on-going community investment, long term management and stewardship
- Will invest more in modern methods of construction to drive quality and consistency in the homes that we build
- Will have a standardised and digital building information management solution to building safety legislation gateways
- Will introduce group-wide supply chain management and a procurement plan that delivers best long-term value for money

Home Group

- Home’s sustainability approach will be focussing on fabric performance, particularly across regulation transition points with future proofing for the application of further sustainable technologies as these become required for the future home’s standard and the overall net zero.
- Focus on the main building fabric alongside upgradable components as regulations change, both for sustainable technologies and upgradable components (i.e., windows and doors)
- Plan to provide thermally efficient homes whilst allowing flexibility to respond to changing products and markets for developing technologies

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Appendix A

The table below shows a full breakdown of types of stock for the Registered Providers as at 31.3.22

	General Needs	Supported Housing	Wheelchair Units	Shared Ownership	Leasehold	Other (Non Affordable)	Total	No of void units
Notting Hill Genesis (NHG)	2010	128	No data	528	487	143	3296	85
NHG – Grahame Park	389	1	No data	102	253	145	890	3
Home Group	579	36		7	10	135	767	104*
Metropolitan Thames Valley (MTVH)	624	32	0	103	19	6	784	2
MTVH - West Hendon	216		0	37	3	4	260	1
One Housing Group (OHG)	95	15	15	12	94	8	239	10
Network Homes	356	56	0	151	106	72	741	2
L & Q	138	0	5 (all GN)	120	2	216	265	0
L&Q - Dollis Valley	109	0	0	0	120	63	292	0
Clarion	279	0	0	27	168	0	474	0

- Home Group – Voids due to redevelopment of Douglas Bader Estate

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Housing and Growth

25 October 2022

Title	Housing Strategy and Homelessness and Rough Sleeping Strategy
Report of	Chair of the Housing and Growth Committee
Wards	All
Status	Public
Urgent	No
Key	Yes
Enclosures	Housing Strategy Summary Evidence Base
Officer Contact Details	Laura Giles, Head of Strategy and Compliance (The Barnet Group), laura.giles@barnethomes.org , 020 8359 7181

Summary

This report recommends that officers are instructed to prepare a new draft Housing Strategy and a new draft Homelessness and Rough Sleeping Strategy, and sets out emerging themes for both these strategies. Officers have updated the evidence base that supports the Housing Strategy, and a summary version of this is attached at Appendix 1. The report also includes information about changes and events that have occurred since the current Housing Strategy and Homelessness and Rough Sleeping Strategy were last agreed by the council in 2019.

Officers Recommendations

1. That the Committee endorses the emerging themes for the new Housing Strategy and instructs the Deputy Chief Executive to prepare an updated draft strategy for consideration by the Housing and Growth Committee at its meeting on 23 March 2023.
2. That the Committee endorses the emerging themes for the new Homelessness and Rough Sleeping Strategy and instructs the Deputy Chief Executive to prepare an updated draft strategy for consideration by the Housing and Growth Committee at its meeting on 23 March 2023.

1. WHY THIS REPORT IS NEEDED

- 1.1 The council's Housing Strategy and Homelessness and Rough Sleeping Strategy both date from 2019, and since their implementation there have been significant changes in the housing landscape that make the introduction of new strategies timely. These changes include:
- A change in the council's administration in May 2022; the administration's manifesto included a number of housing-related priorities, including those concerning the supply of affordable housing for rent and for ownership, sustainability, and private tenants' rights.
 - The release of the Social Housing White Paper in November 2020, which sets out central government's housing-related priorities.
 - The release of other White Papers that have an impact on housing-related priorities, including the Private Rented Sector White Paper (June 2022), Social Care White Paper (December 2021), and Levelling Up White Paper (February 2022)
 - New legislation including the Fire Safety Act 2021, the Building Safety Act 2022, the Domestic Abuse Act 2021, the Renters Reform Bill, the Levelling Up and Regeneration Bill, and the Social Housing Regulation Bill.
 - Updates to key Barnet strategies, some of which are currently being reviewed following the change in administration, or new strategies in development including the Barnet Plan 2021-25, Growth Strategy 2020-30, the Joint Health and Wellbeing Strategy 2021-25, Cost of Living Strategy, Sustainability Strategy, and the Local Plan.
 - The impact of the COVID-19 pandemic and the ongoing rise in cost of living.
 - A change in the government's direction on the Rent Policy, ending the previous four-year rent reduction from April 2020, and a proposed rent cap from 1 April 2023 due to high inflation rates in 2022.
- 1.2 Officers have updated the summary evidence base (Appendix 1) that supports the Housing Strategy. A new Strategic Housing Market Assessment (SHMA) has not been commissioned due to the timing of the release of the latest Census results; however, a review will be undertaken of the key population information changes and assumptions will be tested as the detailed results from the 2021 Census are gradually released over the coming months. Officers are also updating the evidence base for the Homelessness and Rough Sleeping Strategy to provide essential information on housing and homelessness needs, trends, profiles, and contributory factors in support of the development of both strategies.
- 1.3 The updated evidence base shows a great deal of continuity in the trends that drove the 2019 Housing Strategy and Homelessness and Rough Sleeping Strategy, and there is therefore a degree of continuity in the themes for the new strategies, whilst the detail will drive forward the council's ambitions to ensure residents can thrive, diverse needs are met and supported, more affordable, quality homes are provided, and sustainability goals are met. The Homelessness and Rough Sleeping Strategy's emerging themes are also influenced by the Government's 'Homelessness Code of Guidance' on publishing a homelessness strategy. The exact wording of the themes for both strategies will remain under review and may further evolve to clearly articulate the aims below as the strategies are developed.

1.4 Barnet has a diverse and ageing population, there are increasing challenges in securing suitable homes for those who are most in need, and the cost of living pressures faced by residents have increased. Housing costs continue to rise fast relative to both local median incomes and Local Housing Allowance (LHA) rates which results in a continued affordability gap, there are challenges in supply to meet demand, and there are increasing pressures on the Housing Revenue Account and General Fund due to cost of living pressures on rental income, the affordable temporary accommodation capital programme, and costs associated with fire safety works and achieving carbon neutral and energy efficiency goals.

1.5 It is recommended that the new Housing Strategy focuses on the following themes:

- **Prevent homelessness and support rough sleepers off the streets.** *[Note: to be articulated through the Homelessness and Rough Sleeping Strategy]*
- **Deliver the right homes in the right places.** Barnet has a rising and ageing population, high house prices and private rent levels, and a lack of affordable housing to meet need, with growing challenges in supply. While the Local Plan sets the policy framework and targets for new homes, the Housing Strategy will focus on how the council will deliver new, affordable homes. This theme will focus on increasing the supply of affordable homes for rent and ownership, and aiming to meet diverse needs through an increased supply of suitable housing.
- **Ensure safe, sustainable council housing.** This theme will focus on driving Barnet's continued compliance with building and fire safety requirements in its council housing stock to prioritise and ensure the safety and security of its residents, as well as in meeting national and local sustainability, energy efficiency, and carbon neutrality targets.
- **Raise quality and standards in the private rented sector.** The private rented sector is home to a high proportion of Barnet's residents, and affordability constraints mean that for many it is a way of life. This theme will focus on continuing to champion the rights of private renters by setting clear standards for the private rented sector and supporting landlords to meet them, exploring the expansion of enforcement standards and taking action against landlords, raising awareness of private tenants' rights through a Private Tenants' Rights Charter, and providing information about sustainability and decent, safe, and secure homes.
- **Support living well by promoting healthy homes and wellbeing.** Good housing can help support general wellbeing and positive life outcomes, as well as other council objectives such as being family friendly, helping older and vulnerable people to live independently, and supporting educational attainment and wellbeing in children. This theme will focus on working in partnership, especially on improving and raising awareness of support, advice, and information to assist residents across the borough, particularly on helping to mitigate the cost of living crisis in relation to housing (including fuel poverty, energy efficiency, and water efficiency) with strong links to the council's emerging Cost of Living workstream, as well as on creating sustainable, resilient, and safe communities, providing information about housing-related support, enhancing broadband and digital access, and looking to better meet residents' needs so they can stay in their homes for longer including through adaptations. It will include a focus on the council using its voice to advocate for residents locally and nationally on housing-related issues such as housing shortage, sustainability and good design, welfare reform, longer tenancies, homelessness, and building safety and cladding.

1.6 Preventing and reducing homelessness and taking steps to end rough sleeping continue to be a focus for the council. Under section 3(1) of the Homelessness Act 2002 a homelessness strategy means a strategy for: (a) preventing homelessness in the district; (b) securing that sufficient accommodation is and will be available for people in the district who are or may become homeless; and, (c) securing the satisfactory provision of support for people in the district who are or may become homeless or who have been homeless and need support to prevent them becoming homeless again. It is recommended that the Homelessness and Rough Sleeping Strategy focuses on the following themes:

- **Prevent homelessness.** Focusing on identifying those most at risk, tackling the root causes of homelessness, partnership working to ensure early intervention and ‘upstreaming’ this where possible, preventing recurring homelessness, and improving awareness, advice, and information.
- **Ensure a sufficient supply of accommodation.** Focusing on accessing social housing and the private sector, using assets effectively, reducing the use of temporary accommodation, bringing empty properties back into use, and looking to address specialist needs including supported housing, domestic abuse, and accessible properties [*Note: Housing Strategy to support and focus on some of these thematic areas*].
- **Provide support for people who are or have been homeless.** Focusing on partnership working to provide support (particularly single people at particular risk, rough sleepers, families, victims of domestic abuse, and households in temporary accommodation), including housing-related support and personal support including with domestic abuse, mental health problems, drug and alcohol addiction, poverty, debt, and unemployment.

2. REASONS FOR RECOMMENDATIONS

2.1 The change in local administration, in addition to the changes in the operating and legislative environment set out in Section 1 of this report and the updated evidence base at Appendix 1, mean that the priorities in the Housing Strategy and Homelessness and Rough Sleeping Strategy need to be reviewed and updated.

2.2 The Homelessness Act 2002 places a statutory duty on each local authority to carry out a review of homelessness and develop a strategy every 5 years.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 The council could decide to not review the Housing Strategy and Homelessness and Rough Sleeping Strategy at this stage; however, this is not recommended due to the requirements of the Homelessness Act 2002, and as the documents will not reflect the changes that have occurred since 2019 or the emerging priorities of the current administration.

4. POST DECISION IMPLEMENTATION

- 4.1 Officers will prepare a draft Housing Strategy and draft Homelessness and Rough Sleeping Strategy for consideration by the Housing and Growth Committee at its meeting on 23 March 2023.
- 4.2 The council will engage with key partners and stakeholders, including early engagement with residents, when developing the draft strategies. Subject to the agreement of the Housing and Growth Committee, wider consultation on the draft Housing Strategy and draft Homelessness and Rough Sleeping Strategy will take place during the Spring and Summer 2023, and a further draft that takes account of this will be brought back to the Housing and Growth Committee in September 2023.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 A new Corporate Plan is in development, with an approach being built around a council that cares for people, our places, and the planet, as discussed at the Policy and Resources Committee meeting on 29 September 2022. Under the People priority, it aims to be family friendly, tackle inequality, and support health and independence. Under the Place priority, it aims to ensure safe, attractive neighbourhoods, sustainable growth, and thriving town centres and a fun place to visit. Under the Planet priority, it aims to focus on its journey to net zero, local environment, and green spaces. The Housing Strategy and Homelessness and Rough Sleeping Strategy will contribute significantly to these key priorities and the council's overall transformation programme.
 - 5.1.2 The Health and Wellbeing Strategy 2021 to 2025 recognises that the condition of and access to local housing has an important role in the quality of life and health of both individuals and communities.
 - 5.1.3 Barnet's Joint Strategic Needs Assessment highlights that there is a long-term shift in housing tenure towards renting and away from owner occupancy (either outright or with a mortgage), reflecting a sustained reduction in housing affordability and an imbalance between housing demand and supply.
 - 5.1.4 The Growth Strategy 2020 to 2030 includes priorities to increase the supply of housing, deliver more homes that people can afford, deliver homes on public sector land, and support our growing older population. The Housing Strategy and Homelessness and Rough Sleeping Strategy contribute to these priorities under the Growth Strategy's theme of 'a growing borough'.
- ### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**
- 5.2.1 A consultant may be commissioned to support early engagement with residents on the Housing Strategy and Homelessness and Rough Sleeping Strategy. The cost of this will be met from existing budgets.
 - 5.2.2 The costs of producing the draft Housing Strategy and Homelessness and Rough Sleeping Strategy will otherwise be met within existing resources through The Barnet

Group's strategy function.

5.3 Legal and Constitutional References

5.3.1 Section 1 of the Homelessness Act 2002 provides that a local housing authority in England may from time to time

- (a) carry out a homelessness review for their district; and
- (b) formulate and publish a homelessness strategy based on the results of that review.

The legislation also expects that the homelessness strategy will be renewed within five years of the last one being published.

5.3.2 The Homelessness Reduction Act 2017 significantly reformed England's homelessness legislation by placing duties on local authorities to intervene at earlier stages to prevent homelessness in their areas. It also requires housing authorities to provide homelessness services, in some form, to all those affected, not just those who have 'priority need'.

5.3.3 Section 29 of the Deregulation Act 2015 abolished the statutory requirement for English authorities to produce a housing strategy as previously required by section 87 of the Local Government Act 2003.

5.3.4 Where a Greater London authority has a local housing strategy, section 333D of the Greater London Authority Act 1999 provides that this should be in general conformity with the Mayor's London Housing Strategy.

5.3.5 The council's Constitution (Article 7 – Committees, Forums, Working Groups, and Partnerships) sets out the responsibilities of the Housing and Growth Committee which include:

- housing (including housing strategy, homelessness, social housing and housing grants, private sector housing and leasing, housing licencing and enforcement, HRA Revenue Account and Capital Programme).

5.4 Insight

5.4.1 The Housing Strategy and Homelessness and Rough Sleeping Strategy will be informed by evidence bases, which will include insight gained through the Health Workplan's Homeless Prevention and Insight Project. A summary of the Housing Strategy evidence base is appended to this report.

5.5 Social Value

5.5.1 There are no specific Social Value aspects to this report; however, outcomes that are ultimately delivered through the new Housing Strategy and Homelessness and Rough Sleeping Strategy will take into account the delivery of social value through any procurement that is undertaken. It should be noted that the strategies themselves will additionally secure wider social, economic, and environmental benefits through delivery of their objectives.

5.6 Risk Management

5.6.1 There is a risk if the Housing Strategy is not updated that the current strategy does not reflect the significant contextual changes summarised at section 1.1 of this report, and that the housing requirements of the borough are not met

5.6.2 There is a risk if the Homelessness and Rough Sleeping Strategy is not updated that the current strategy does not reflect the significant contextual changes summarised at section 1.1 of this report, and that homelessness may increase if the council does not update the Homelessness and Rough Sleeping Strategy and set out the measures it will take to tackle homelessness and support rough sleepers off the streets.

5.7 Equalities and Diversity

5.7.1 Equality and diversity issues are a mandatory consideration in the decision making of the council. This requires elected Members to satisfy themselves that equality considerations are integrated into day-to-day business and that all proposals emerging from the finance and business planning process have properly taken into consideration what impact, if any, there is on any protected group and what mitigating factors can be put in place.

5.7.2 The Equality Act 2010, Section 149 sets out the Public Sector Equality Duty which requires Public Bodies to have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant characteristic and persons who do not share it.

5.7.3 The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership.

5.7.4 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- a) Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- b) Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- c) Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

5.7.5 Equality Impact Assessments will be undertaken to assess the potential impacts of the Housing Strategy and the Homelessness and Rough Sleeping Strategy, and will feed into the final versions. Equality impact will also be monitored post-implementation, as required.

5.8 Corporate Parenting

5.8.1 Council housing remains the most affordable housing option for care leavers, and

therefore the Housing Strategy and Homelessness and Rough Sleeping Strategy are expected to have a direct, and positive impact on looked after children and care leavers, and to help ensure they have safe and appropriate accommodation to meet their needs, and access to suitable advice and information.

5.8.2 In the Homelessness and Rough Sleeping Strategy, this will include through all three proposed themes of preventing homelessness, ensuring a sufficient supply of accommodation, and providing support for people who are or have been homeless. In the Housing Strategy, this will include through the proposed themes of delivering the right homes in the right places, and supporting living well by promoting healthy homes and wellbeing.

5.8.2 The strategies will play a key part in helping the council to ensure it, as a corporate parent to all children in care and care leavers, has regard to the need to act in the best interests and promote the physical and mental health and wellbeing of those children and young people, help them gain access to and make the best use of services provided, promote high aspirations and seek to secure the best outcomes for them, help ensure they are safe and have stability in their home lives, and prepare them for adulthood and independent living.

5.9 Consultation and Engagement

5.9.1 There has not been any specific consultation on the issues arising in this report. Early engagement and public consultation will be undertaken on the new draft Housing Strategy and draft Homelessness and Rough Sleeping Strategy as part of their development timetable.

6 Environmental Impact

6.1 There are no direct environmental implications from noting the recommendations. Implementing the recommendations in the report will lead to a neutral impact on the council's carbon and ecology impact. Environmental impact will be considered in the drafting of the new Housing Strategy and Homelessness and Rough Sleeping Strategy.

7 BACKGROUND PAPERS

7.1 Relevant previous decisions are listed in the table below.

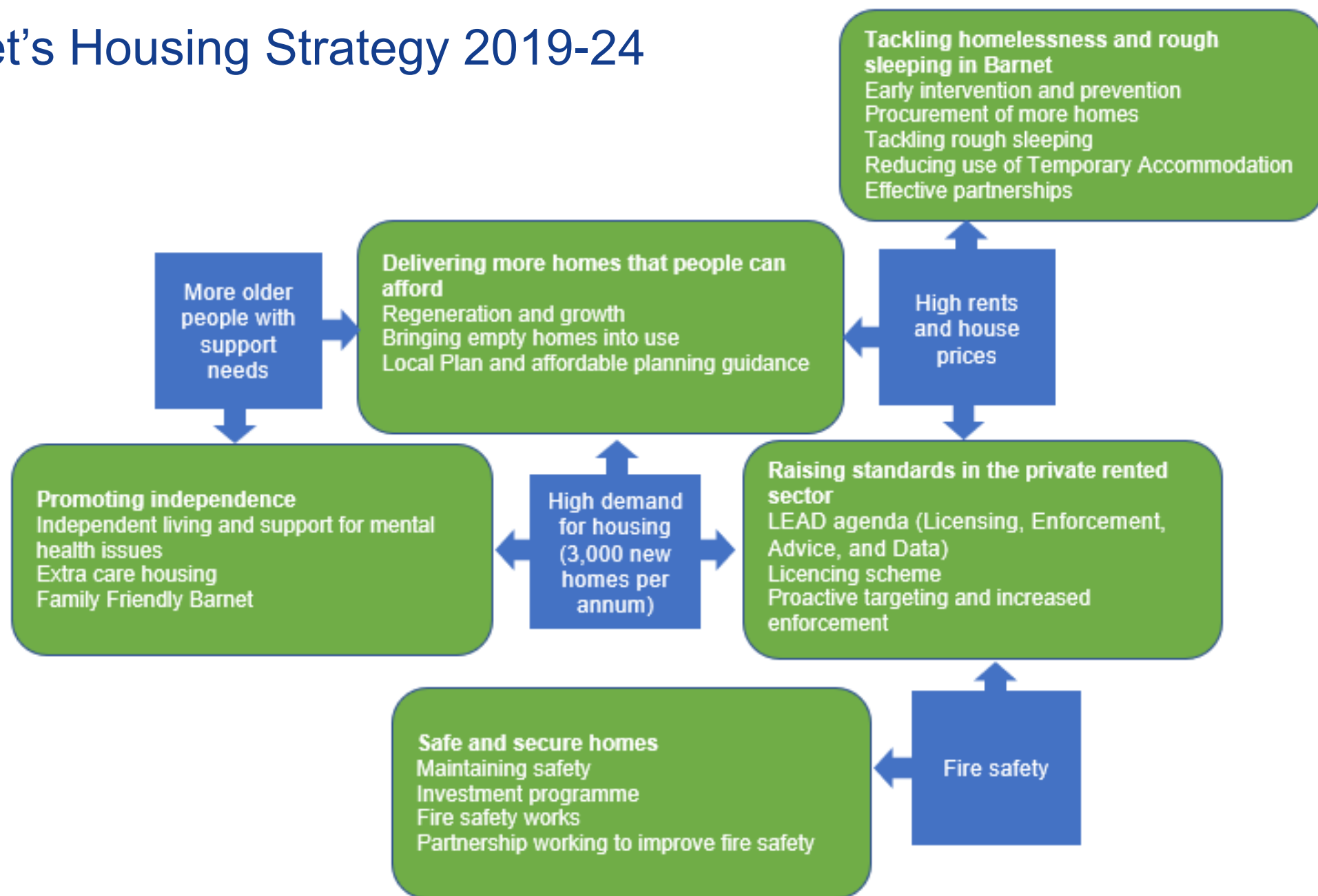
Item	Decision	Link
Item 8, Housing Committee, 1 April 2019	Approved Housing Strategy 2019-2024	https://barnet.moderngov.co.uk/ieListDocuments.aspx?Clid=699&MId=9740&Ver=4
Item 9, Housing Committee, 1 April 2019	Approved Homelessness and Rough Sleeping Strategy 2019-2024	https://barnet.moderngov.co.uk/ieListDocuments.aspx?Clid=699&MId=9740&Ver=4
Item 10, Housing and Growth Committee, 13 June 2022	Noted proposed timetable for the review of the Housing Strategy and Homelessness and Rough Sleeping Strategy	https://barnet.moderngov.co.uk/ieListDocuments.aspx?Clid=696&MId=11083&Ver=4

Housing Strategy

August 2022

- Barnet's Housing Strategy 2019-24
- Changes since 2019
- National and regional context
- Context
- Delivery
- Emerging themes

Barnet's Housing Strategy 2019-24



National and Regional Context

- Current Housing Strategy dates from 2019.
- Since then:
 - December 2019 – General Election
 - March 2020 – COVID-19 pandemic starts in UK
 - March 2020 – Everyone In rough sleeping campaign
 - April 2020 – Rent Policy Statement ends rent reduction and allows increases of up to CPI +1%
 - November 2020 – Social Housing White Paper published
 - April 2021 – Domestic Abuse Act 2021 - Royal Assent
 - April 2021 – Fire Safety Act 2021 – Royal Assent
 - May 2021 – London mayoral election
 - December 2021 – Adult Social Care Reform White Paper published
 - February 2022 – Levelling Up White Paper published
 - April 2022 – Building Safety Act 2022 - Royal Assent
 - May 2022 – Barnet local election
 - June 2022 – A Fairer Private Rented Sector White Paper published
 - June 2022 – Social Housing Regulation Bill published

National and Regional Context

National

- White Paper – *The charter for social housing residents* (2020)
- Fire Safety Act 2021
- Building Safety Act 2022
- White paper – *People at the heart of care* (2021)
- White Paper – *A fairer private rented sector* (2022)
- White Paper – *Levelling Up the United Kingdom* (2022)

Commitments:

- 300,000 homes per year by mid-2020s
- £11.5bn affordable homes programme for 180,000 homes
- End rough sleeping by 2024

Regional

London Housing Strategy

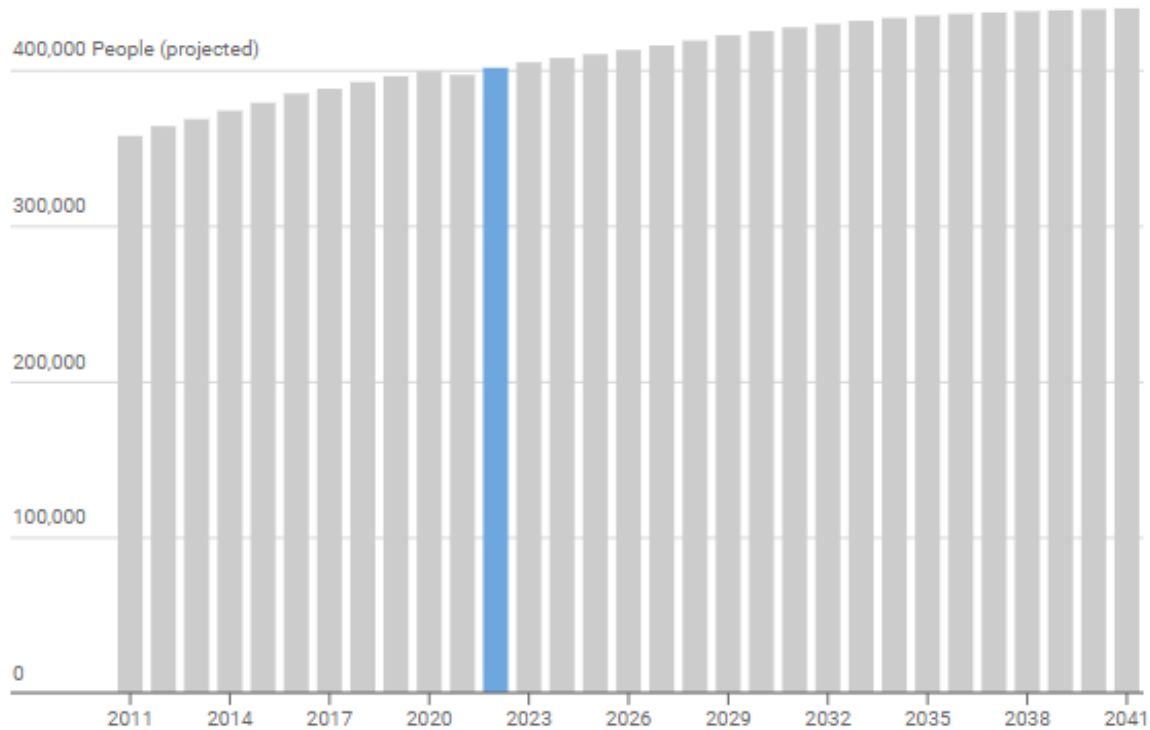
- Building homes for Londoners
- Delivering genuinely affordable homes
- High quality homes and inclusive neighbourhoods
- A fairer deal for private renters and leaseholders
- Tackling homelessness and helping rough sleepers

Commitments:

- *Homes for Londoners*
- £4.8bn affordable homes programme 2016-23
- £4bn affordable homes programme 2021-26

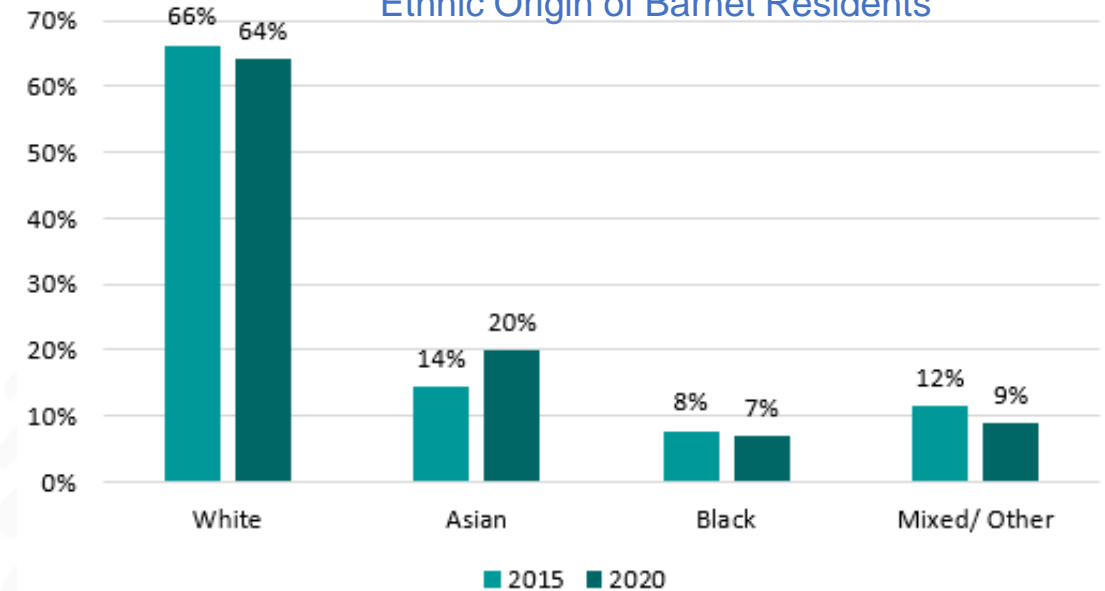
Evidence – a growing and increasingly diverse population

Projected Population Growth



- Barnet's population in 2021 Census: 389,300
- Increase since 2011 Census: 9.2%
- Expected population by 2041: 451,040
- Projected increase: 61,740 / 15.6%

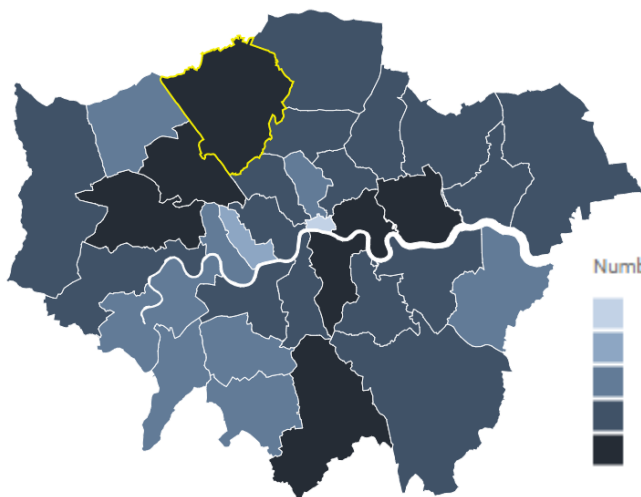
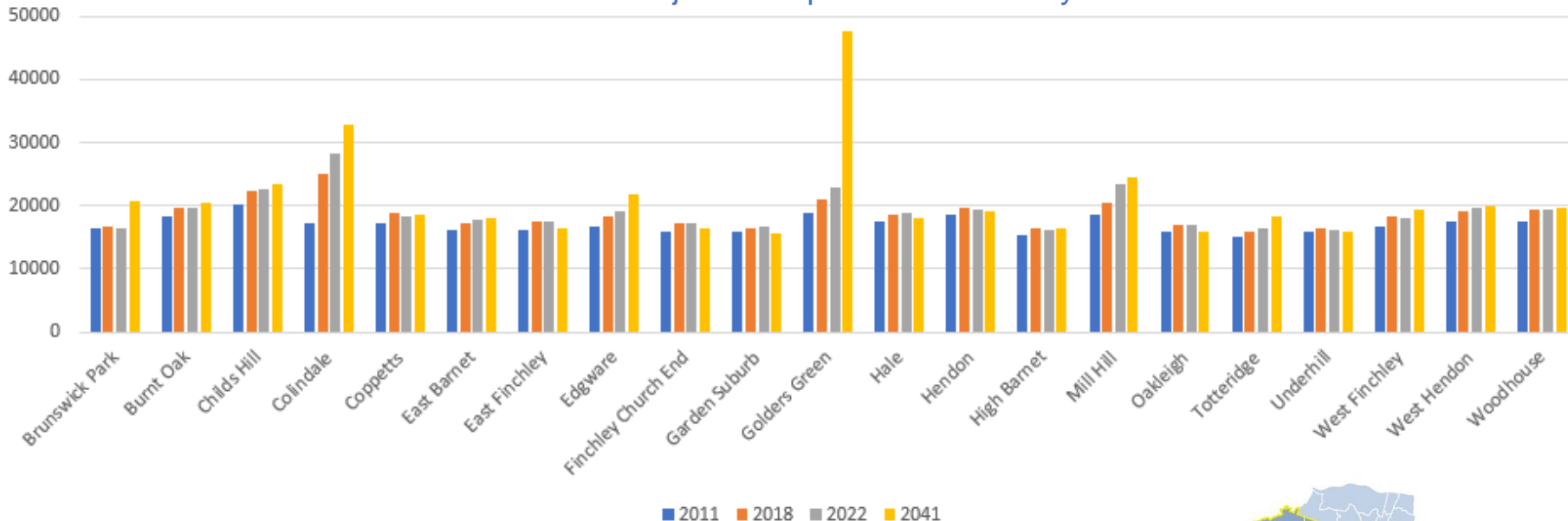
Ethnic Origin of Barnet Residents



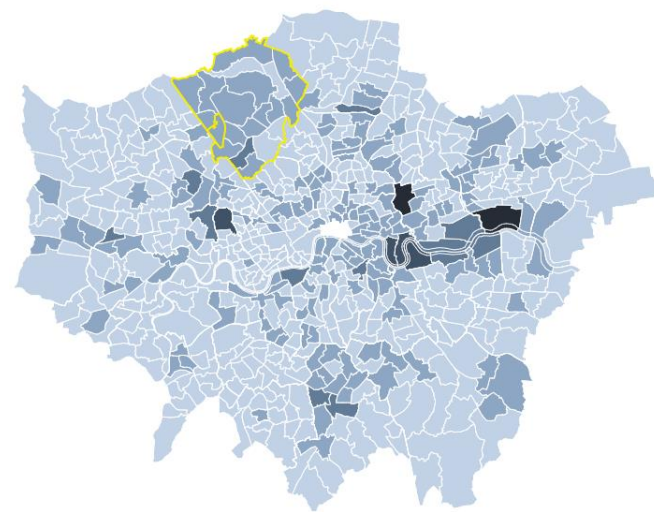
- **182** languages other than English are spoken by pupils in Barnet schools, where Romanian and Arabic are the most common languages spoken after English.
- In secondary schools, **163** languages other than English are spoken, with Polish and Arabic most common.

Evidence – a growing population

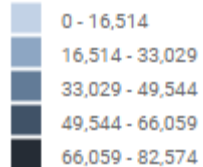
Projected Population Growth by Ward



Number of People in Borough

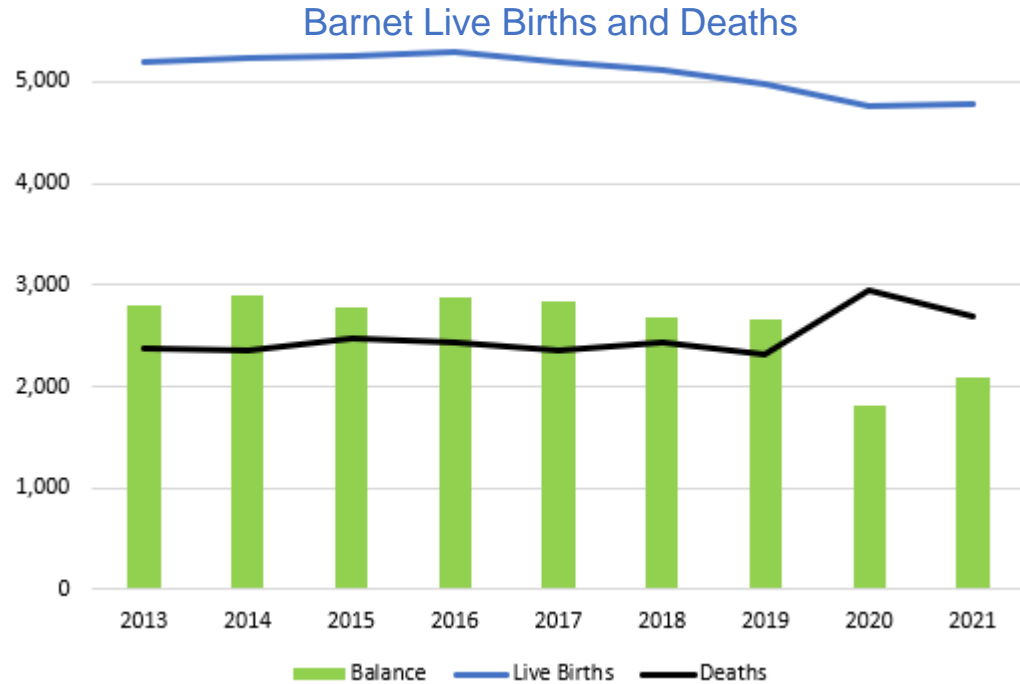


Number of People in Ward



- Largest population increases by wards between 2011 and 2022 were Colindale (+64.5%) and Mill Hill (+26.4%).
- Smallest increases were Brunswick (+0.3%) and Underhill (+1.1%).
- Largest projected population increases between 2022 and 2041 are Golders Green (+107.2%) and Brunswick (+25.4%).
- Smallest projected increases are Garden Suburb (-6.2%) and Oakleigh (-5.3%).

Evidence – what’s driving population growth?

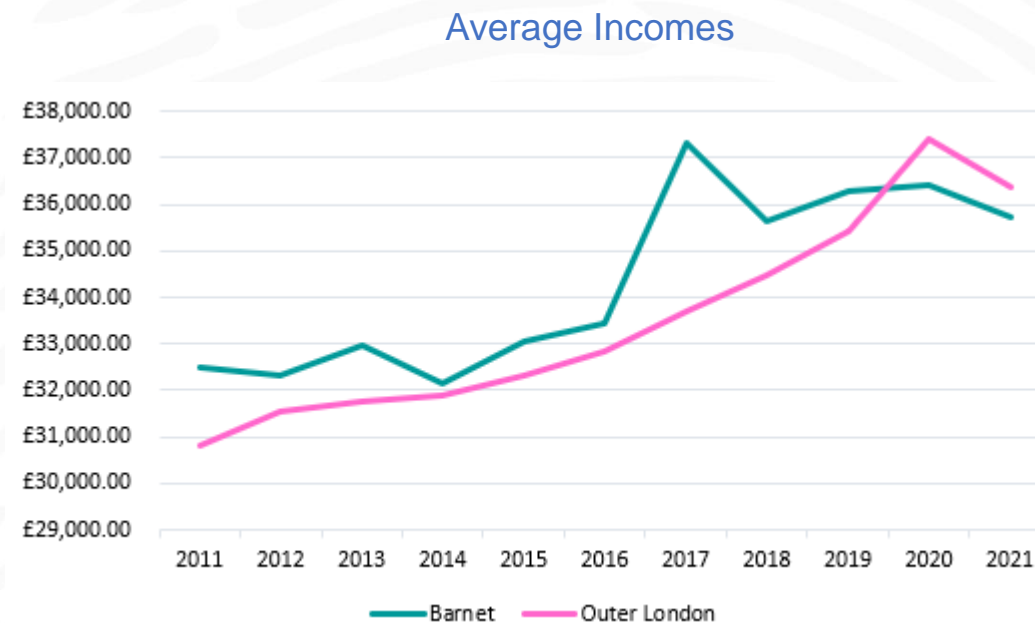
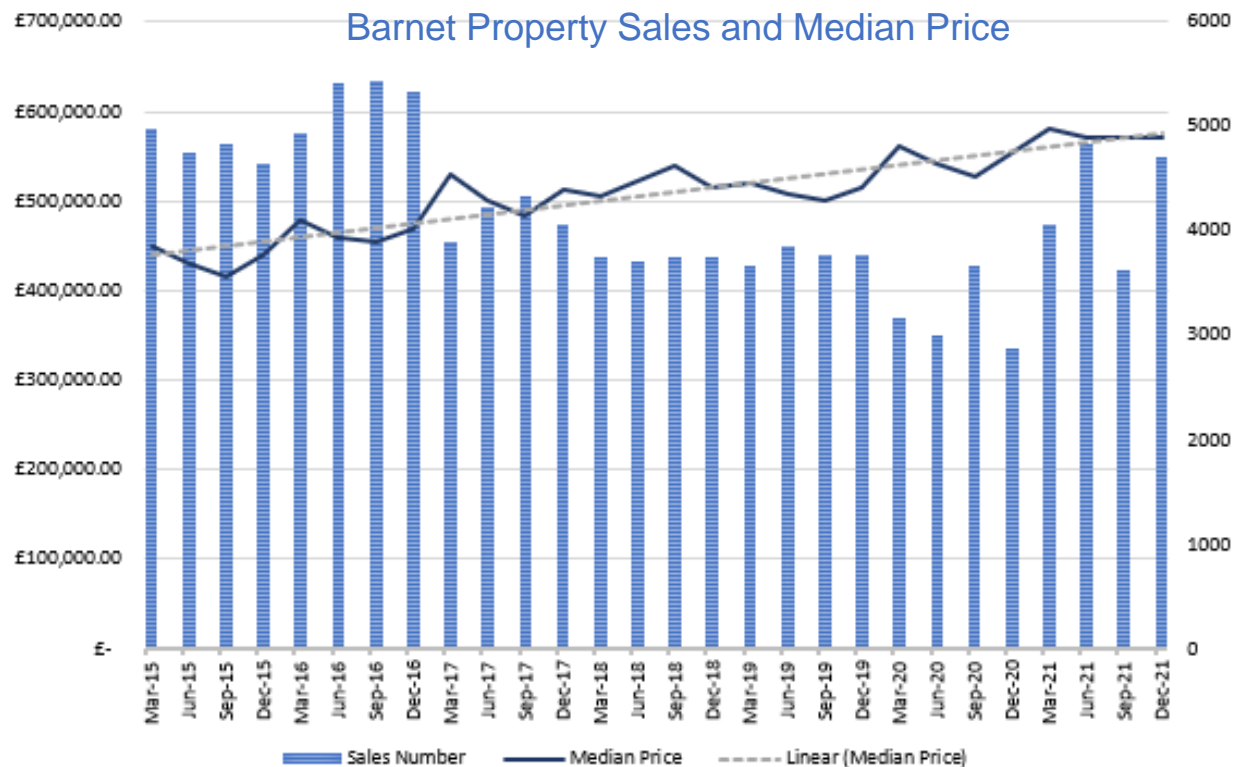


- Net migration (previous 5 years) is about **+1,382** per annum
- International migration (previous 5 years) is about **+4,056** per annum.
- Both are lower than in 2018 (+2,700 and +4,600 respectively). We might reasonably expect post-Brexit that there has been a decrease in migration from EU countries and an increase in other international migration.
- Net difference between live births and deaths is about **+2,600** per annum (down from +3,000 in 2018)

Barnet Migration Figures

		2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Overall
Long-Term International Migration	Inflow	8,311	6,748	6,092	7,720	8,636	8,257	7,622	7,085	7,269	7,395	75,135
	Outflow	3,329	3,033	2,793	3,321	2,969	3,450	3,506	2,864	3,792	3,736	32,793
	Net	4,982	3,715	3,299	4,399	5,667	4,807	4,116	4,221	3,477	3,659	42,342
Internal Migration (within UK)	Inflow	19,948	20,777	20,664	21,984	21,755	22,812	25,028	25,364	26,583	22,984	227,899
	Outflow	21,296	21,611	22,396	23,868	25,134	24,591	28,885	28,084	28,906	25,676	250,447
	Net	-1,348	-834	-1,732	-1,884	-3,379	-1,779	-3,857	-2,720	-2,323	-2,692	-22,548
Overall	Net Change	3,634	2,881	1,567	2,515	2,288	3,028	259	1,501	1,154	967	19,794

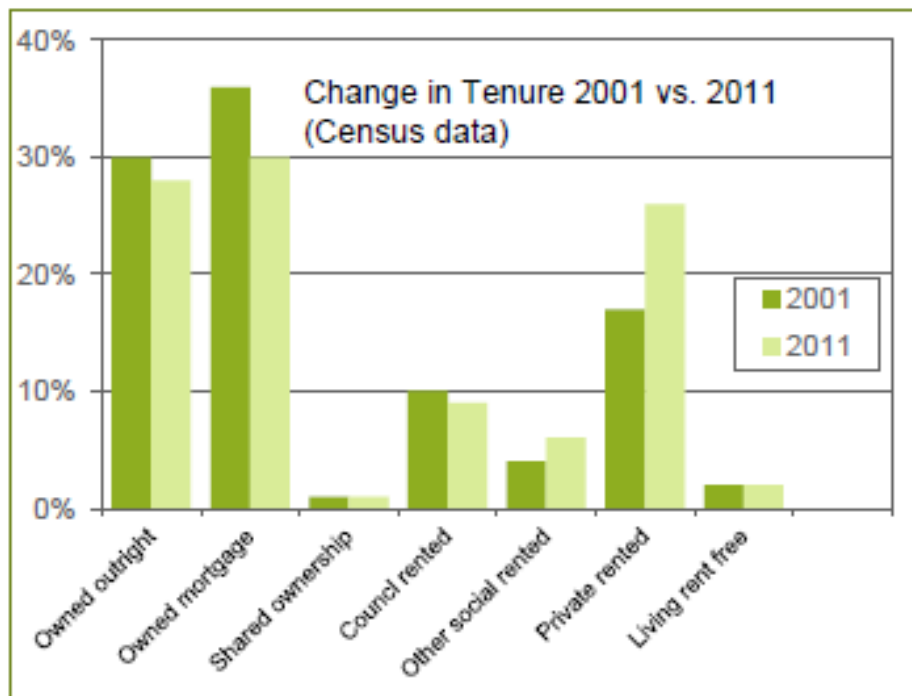
Evidence – relatively high incomes but house prices also high



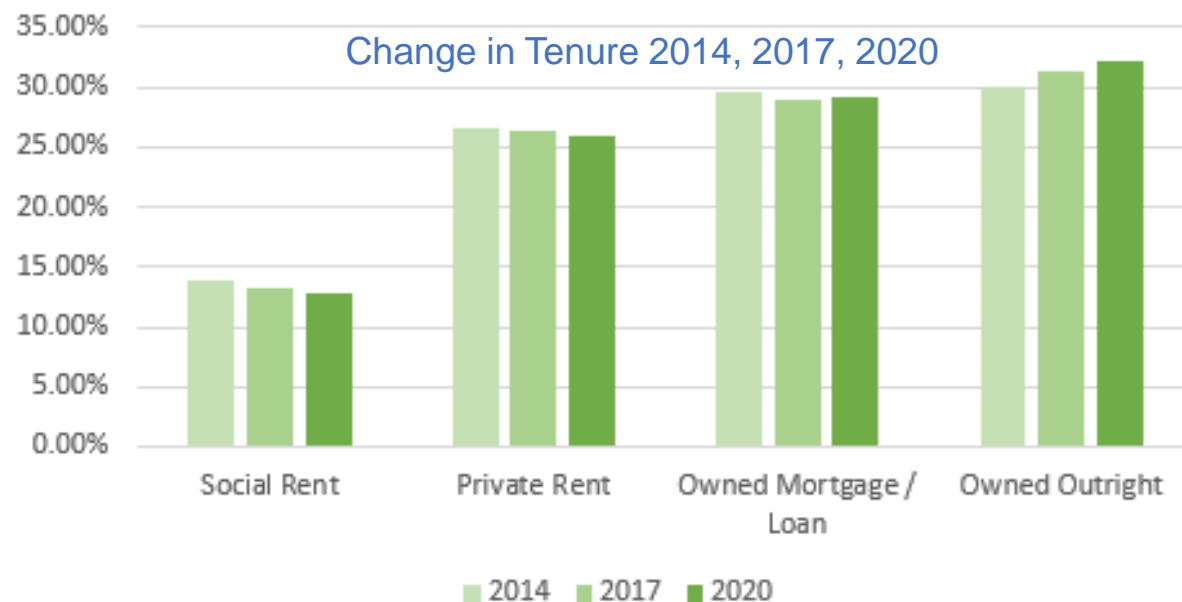
- Median house price in Barnet rose by 3.2% from 2020 to 2021.
- The Barnet median house price in October 2021 was £572,000, which was 15 x the median income of £35,716.
- In 2017, the average house price was £544,597, also 15 x the average income.

- Median income in Barnet decreased by 4.5% between 2017 and 2021, indicating a squeeze on standards of living.
- Median incomes in Outer London and Inner London increased during the same period by 7.6% and 8.5% respectively.

Evidence – tenure shift



- 2011 Census showed significant shift in tenure:
- Increase in Private Renting (+53%)
 - Reduction in owner-occupation (-12%)
 - Increase in council / housing association renting (+6%)



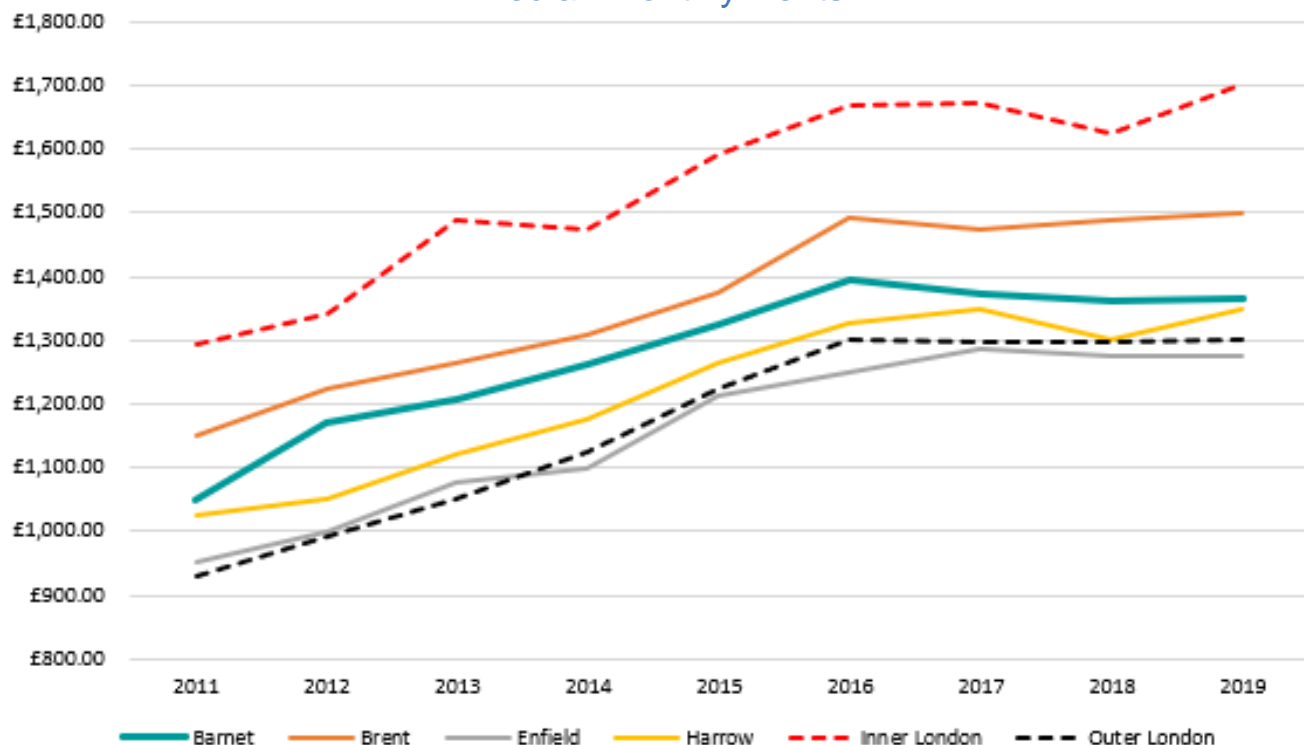
Annual ONS population survey shows a changing picture in the ensuing years. From 2017 to 2020:

- Decrease in council / housing association renting (-0.41%)
- Decrease in private renting (-0.41%)
- Increase in owner-occupation – especially in those owning their property outright (+0.82%)

In 2020, Barnet had the 26th highest proportion of households in social rented properties in London, the 16th highest in private rented, the 13th highest owner-occupied, and 8th highest owned outright.

Evidence – private sector rents

Median Monthly Rents



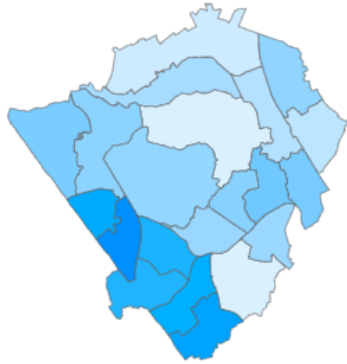
- Median monthly rent in Barnet in 2019 was £1,365 compared to Outer London’s median of £1,300.
- Average rental prices decreased by 0.6% between 2017 and 2019.

Barnet Average Rent Prices

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Av. Rental Price	£ 1,048.33	£ 1,170.25	£ 1,206.50	£ 1,264.00	£ 1,325.00	£ 1,393.50	£ 1,372.50	£ 1,363.00	£ 1,365.00
Change (%)	-	11.6%	3.1%	4.8%	4.8%	5.2%	-1.5%	-0.7%	0.1%

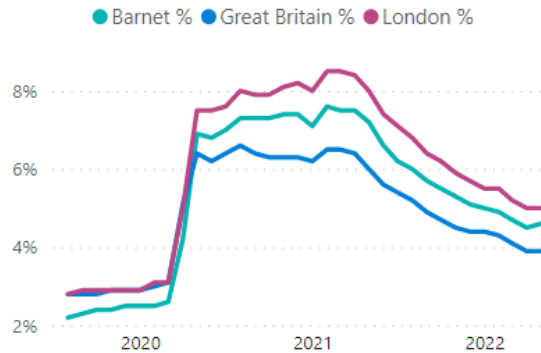
Evidence – welfare benefits and welfare reform

11650
Number of Out of Work Benefit Claimants

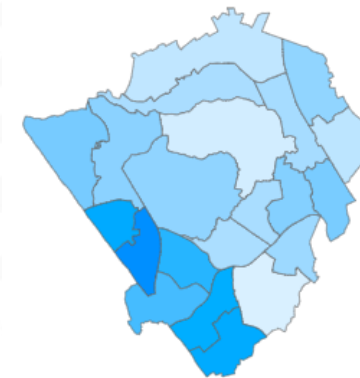


4.6%
% Working Age on Out of Work Benefits

Percent of Working Age on Out of Work Benefits

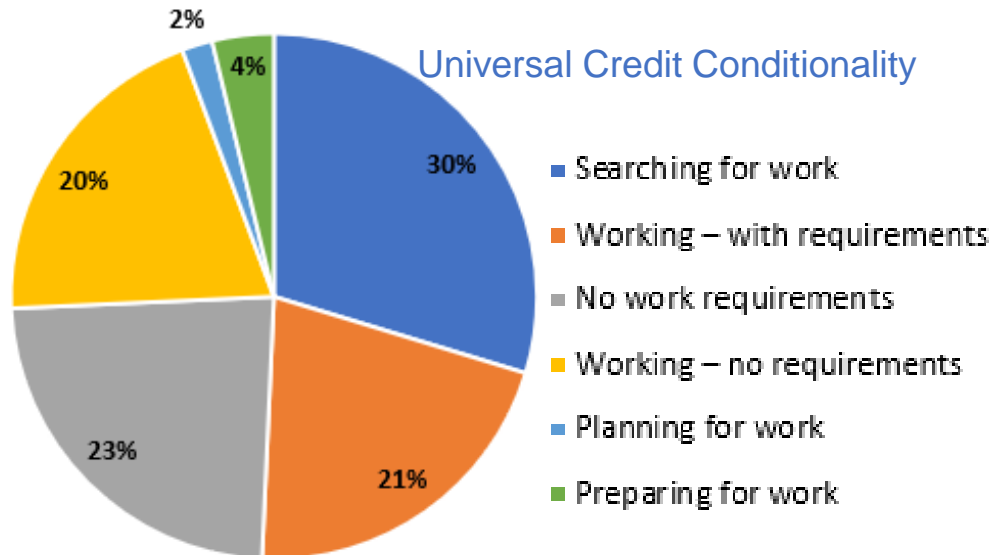
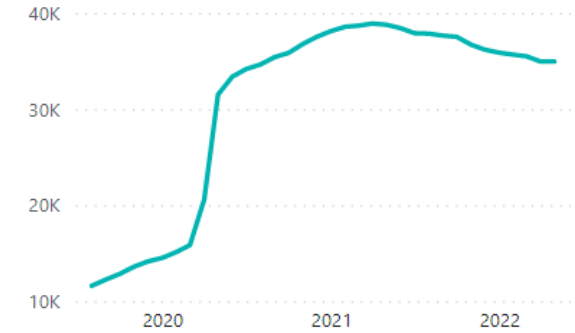


34949
Number of Universal Credit Claimants



9.0%
% Population on Universal Credit

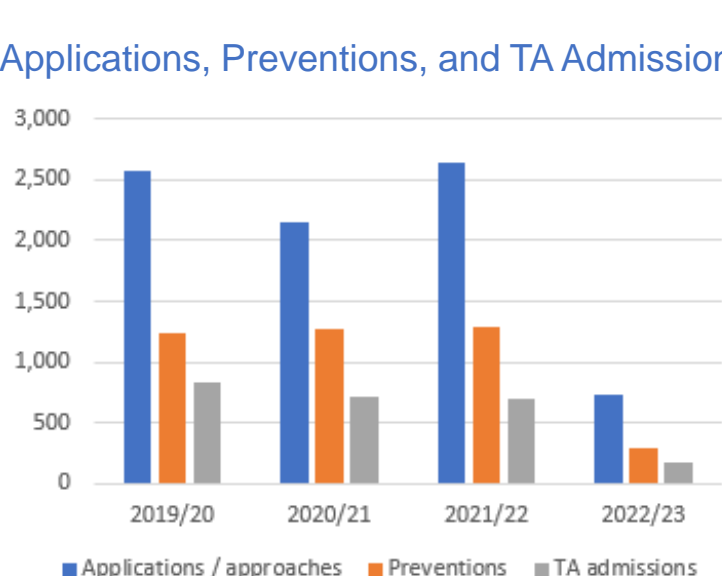
Universal Credit Claimants by Month



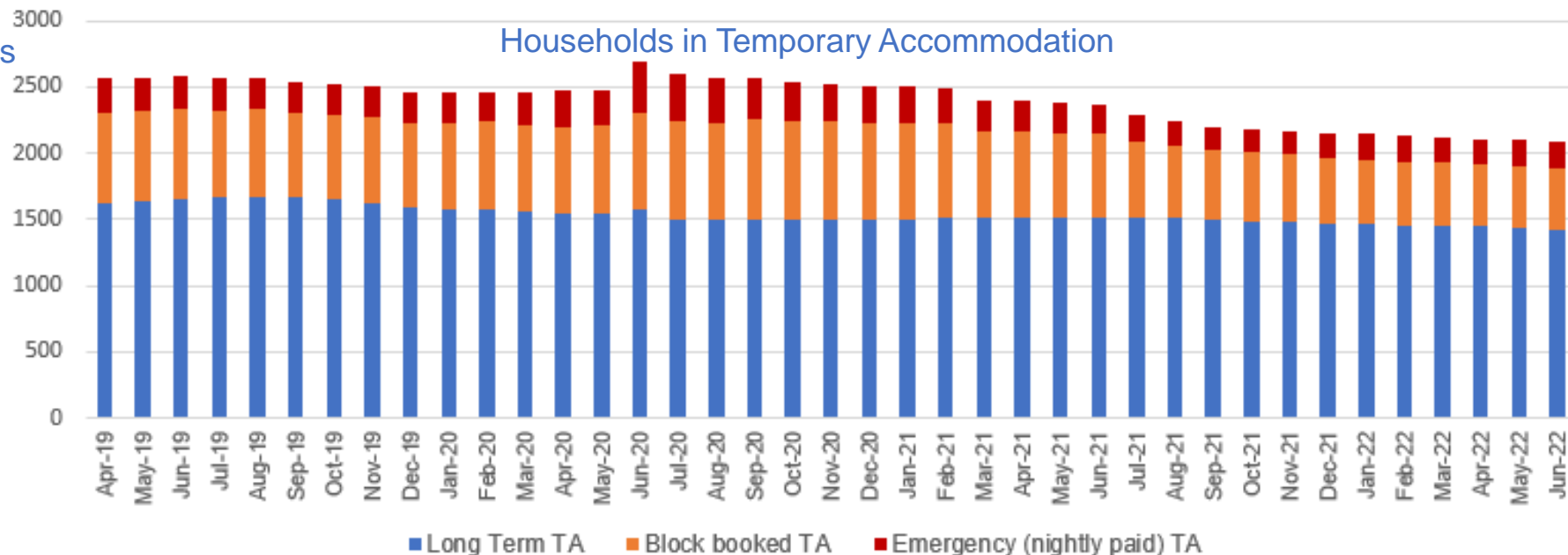
- As of March 2020, the number of Out of Work benefits claimants has risen sharply in Barnet and has been higher than Great Britain's but lower than London's levels. From June 2021 the number has slowly decreased. Barnet wards affected with the highest numbers of unemployment are Colindale, Burnt Oak and Child's Hill.
- The number of Universal Credit Claimants has more than doubled since 2020 and is equal to 9.9% of Barnet's population. The most affected wards are Colindale, Burnt Oak and Child's Hill, with Hendon, Golder's Green, West Hendon and Woodhouse following closely behind.

Evidence - homelessness

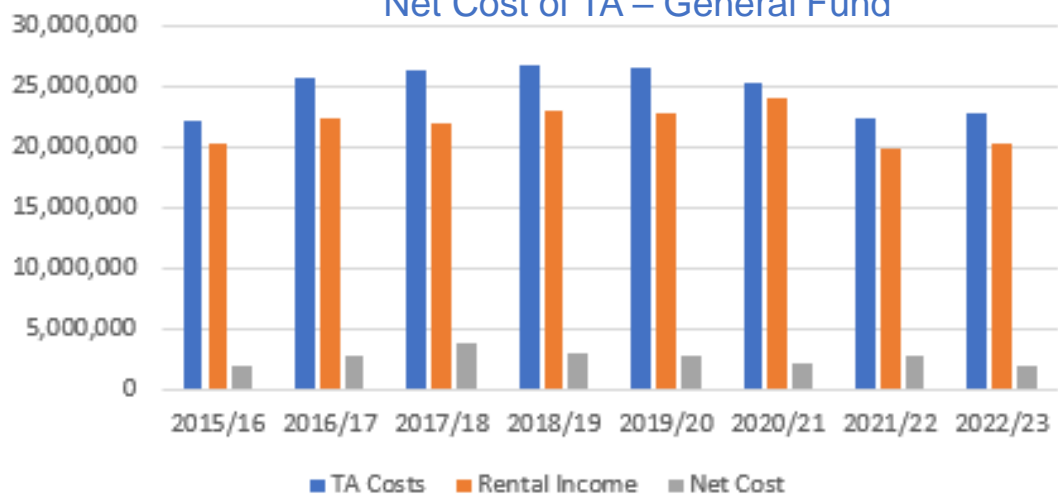
Applications, Preventions, and TA Admissions



Households in Temporary Accommodation

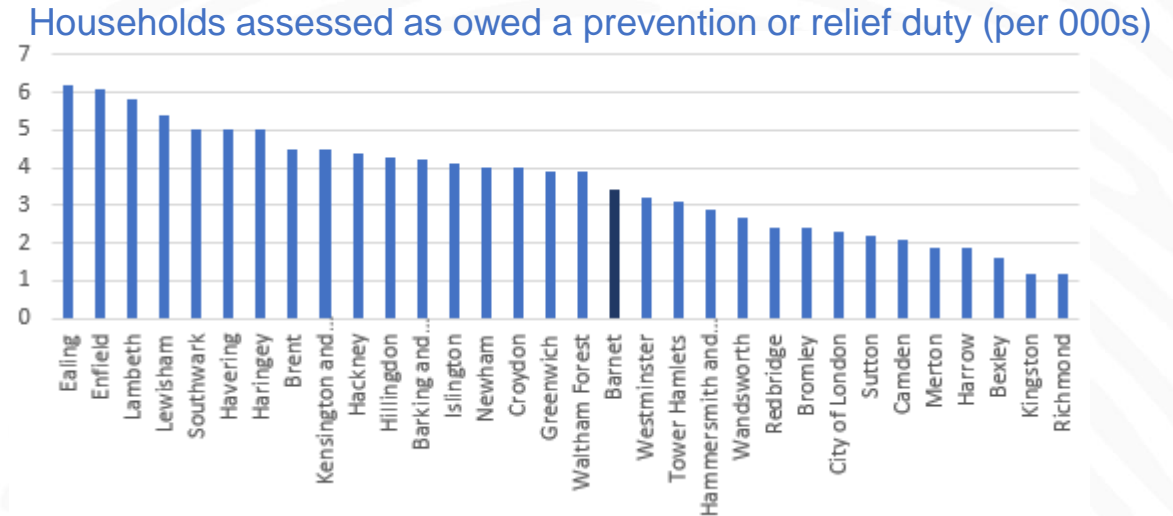
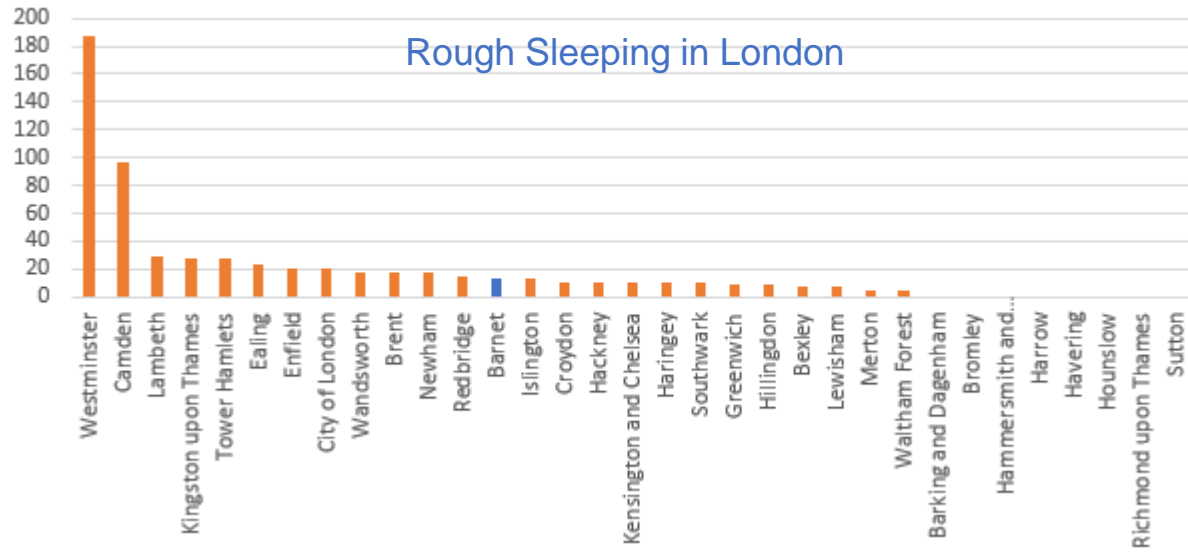


Net Cost of TA – General Fund

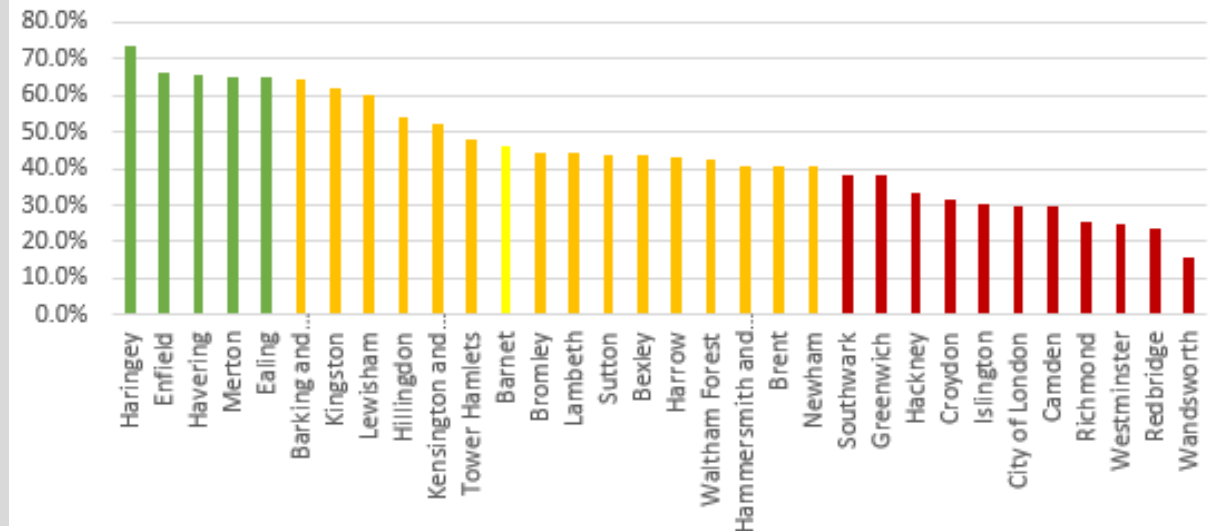


- Homelessness applications have remained high, but preventions have increased slightly, and use of TA has been reducing and in July 2022 was at its lowest in over 10 years.
- The projected net cost of temporary accommodation for 2022/23 is slightly lower than the previous year due to underspending on landlord incentives; the package currently offered is not competitive enough with the private market and in comparison with some other boroughs, resulting in less willingness for landlords to take on TA clients in private tenancies.
- Net costs are inclusive of TA payments, TA landlord incentives, TA rental income, and SDI rental income and costs.

Evidence - Homelessness performance comparison



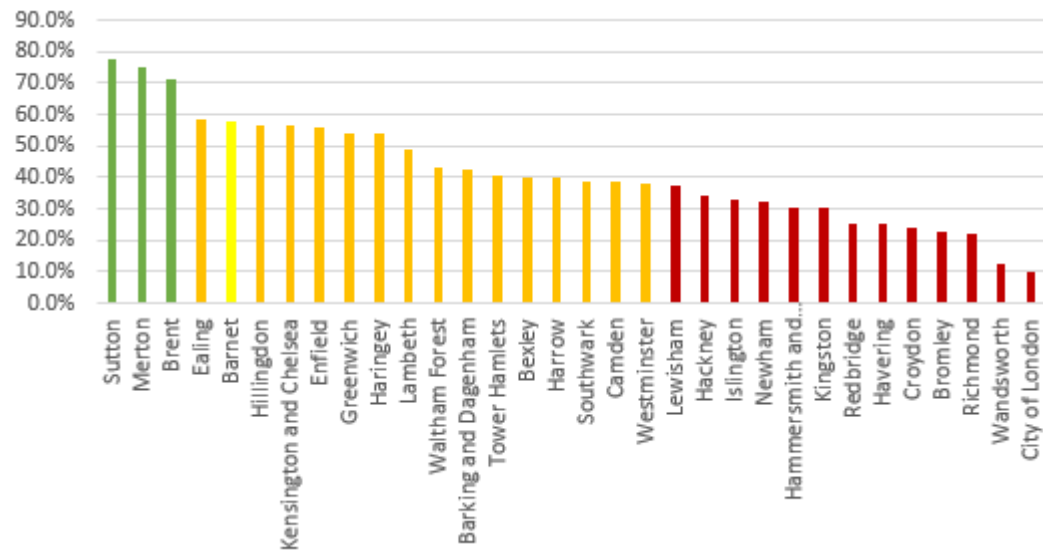
% owed a duty being accepted at prevention stage



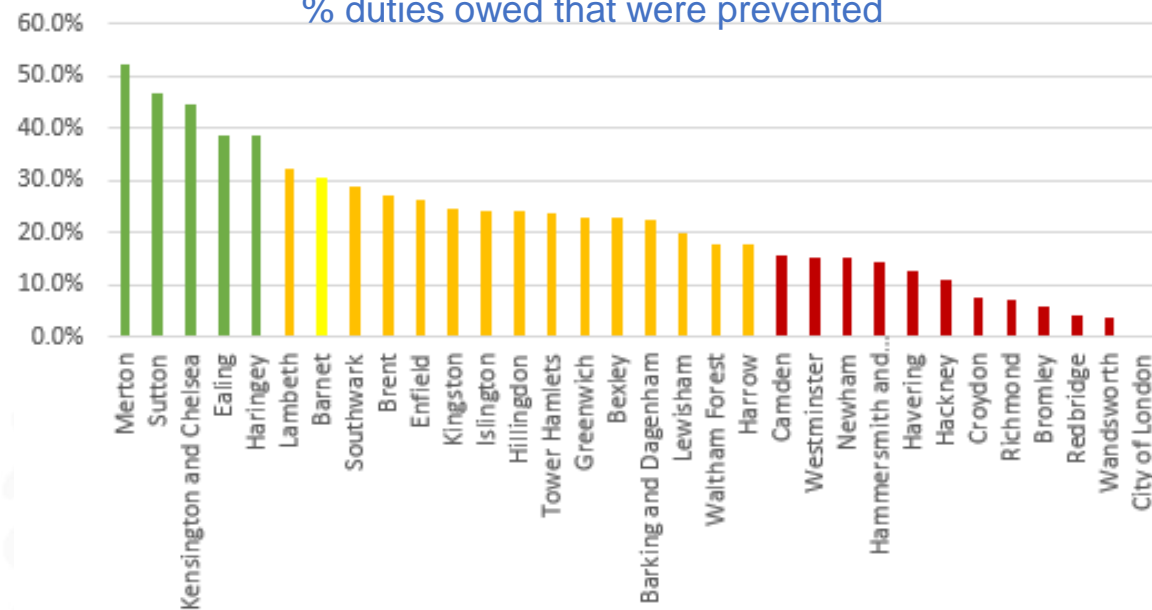
- Rough sleeping lower than London average in Barnet, and was lower in 2020 and 2021 than previous years.
- In the January – March 2022 quarterly data return on local authorities' actions under statutory homelessness legislation, Barnet performed in the middle two quartiles nationally.
- 12 of 27 London boroughs had no households with children in B&B accommodation for over 6 weeks, including Barnet.
- 26 of 27 London boroughs had no 16-17 year olds in B&B accommodation, including Barnet.

Evidence - Homelessness performance comparison

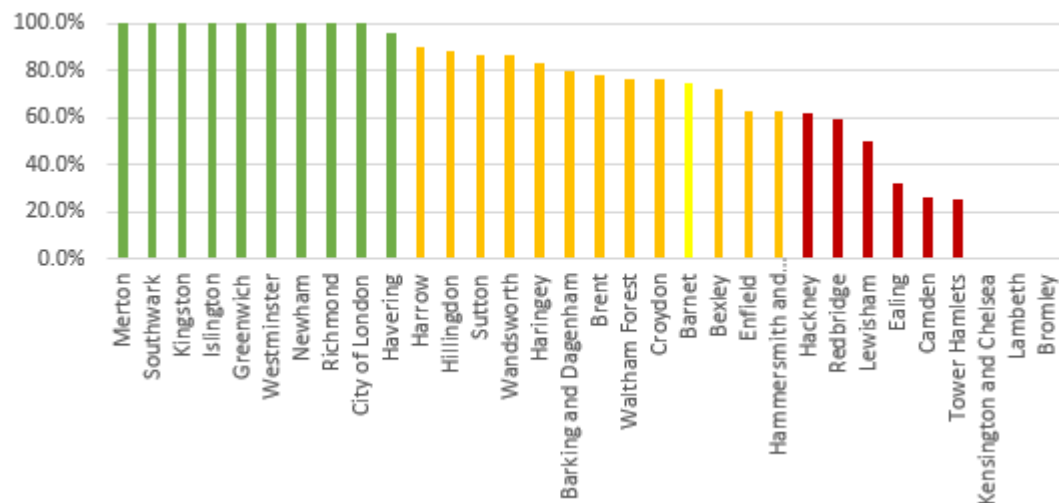
% prevention and relief duties owed that ended in accommodation secured



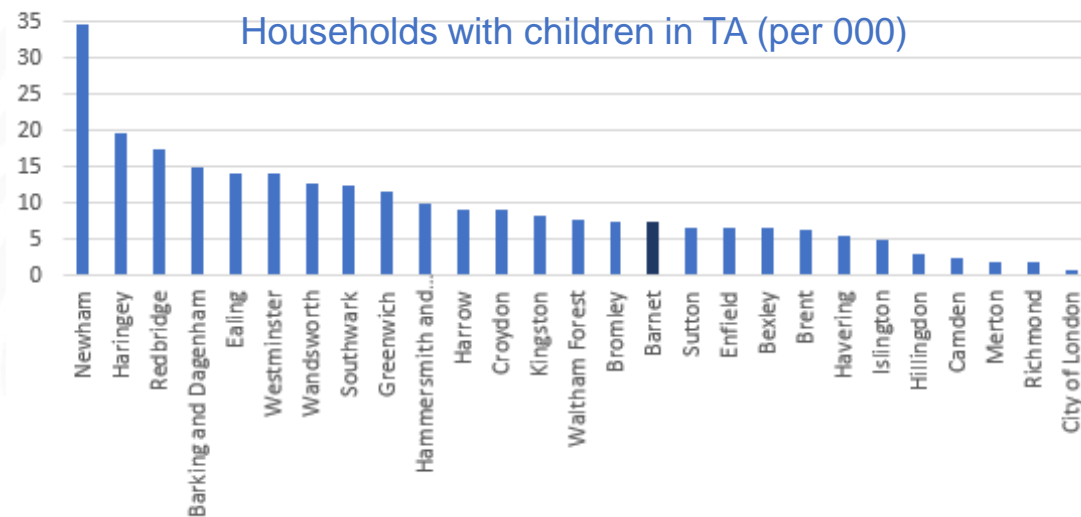
% duties owed that were prevented



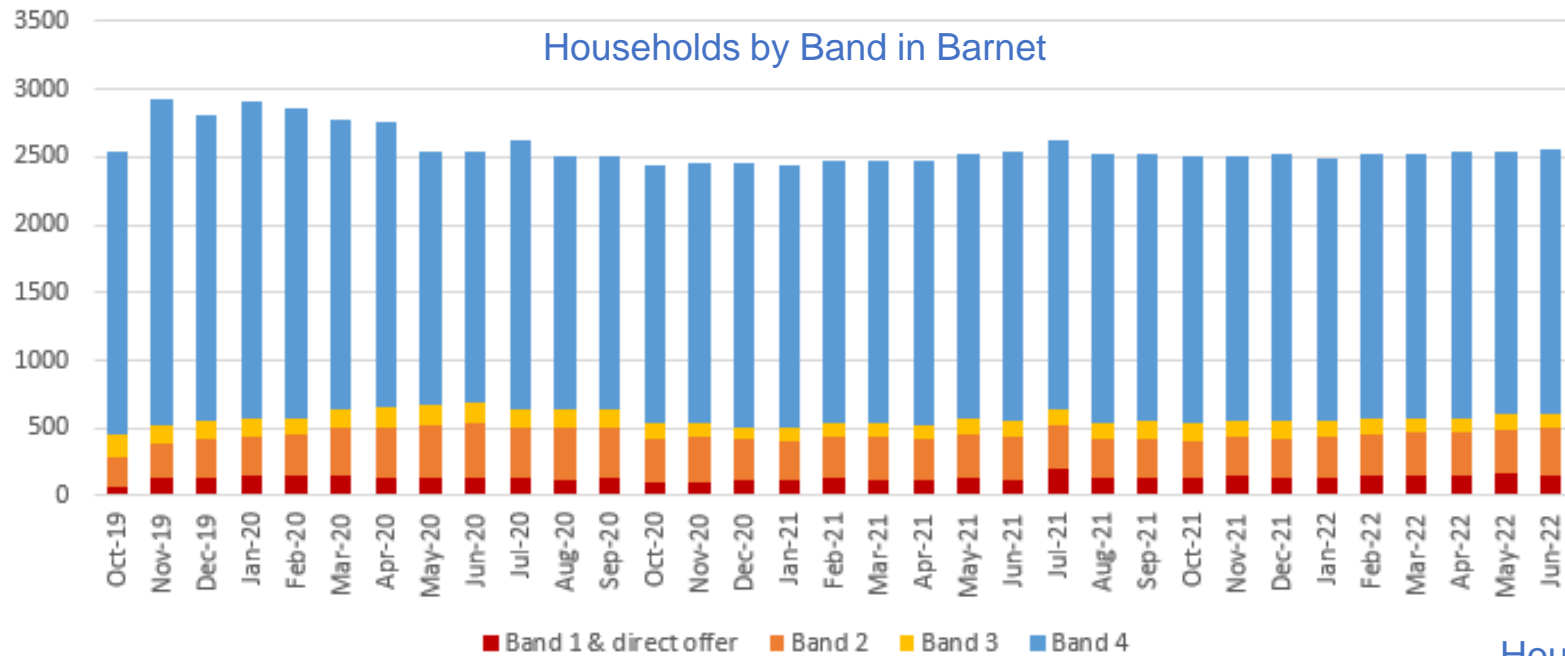
% main duties that ended in accommodation secured



Households with children in TA (per 000)

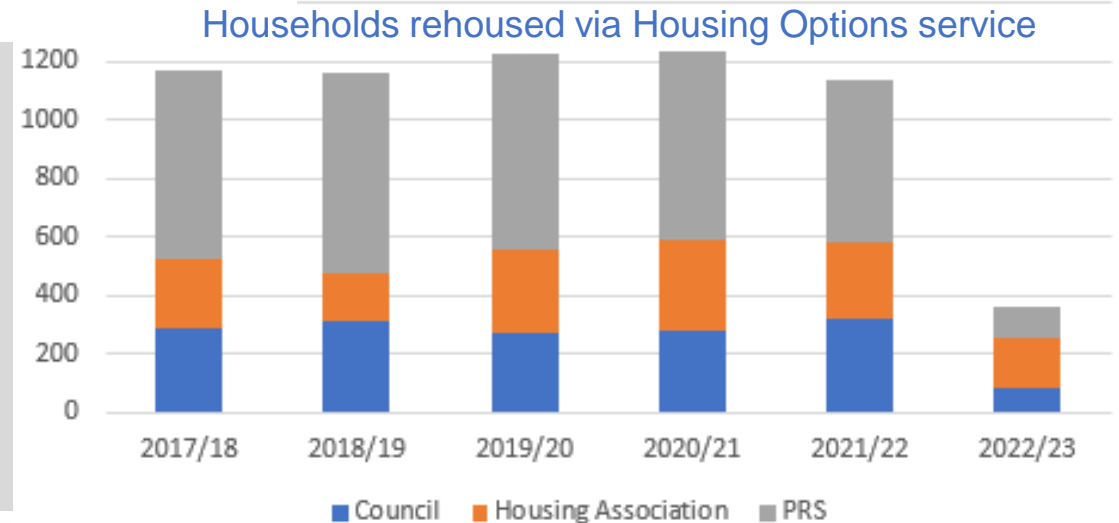


Evidence - housing needs



- Housing demand has remained high, with an increase in households being placed in Bands 1 and 2.

- The supply of social rented / affordable homes has fallen slightly.
- Since April 2021 the private rented market has become increasingly challenging, with a reduction in supply of 35% across London, PRS rents increasing by 16% in 2022, and more households declining PRS offers.

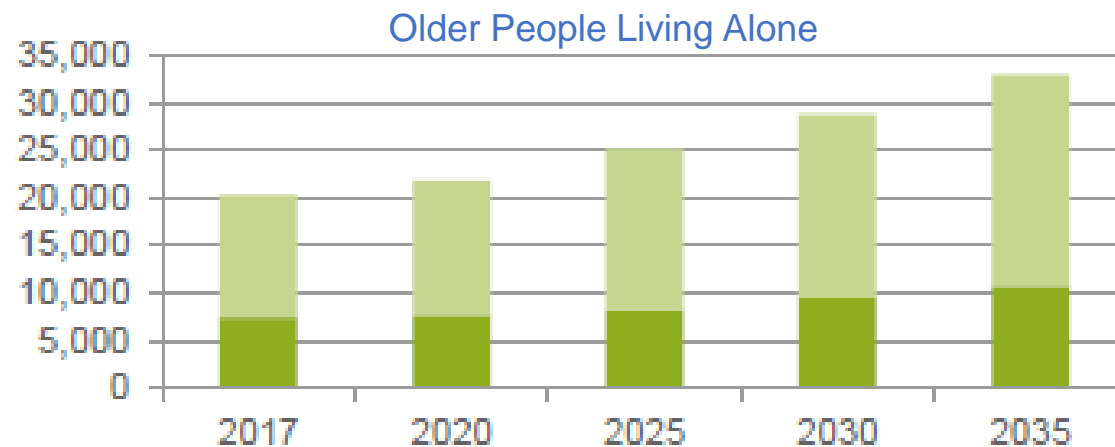
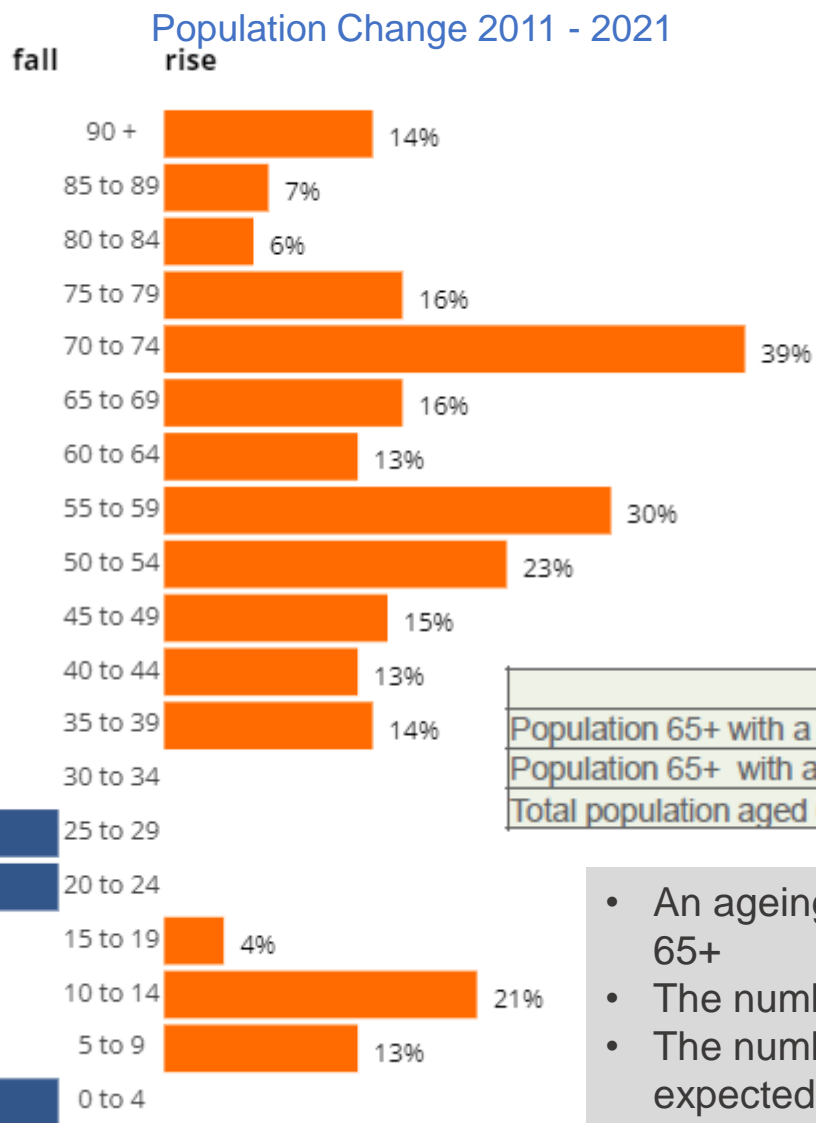


Evidence – housing supply and high priority demand

Projected supply vs. demand						
Bed size	Category	Y1 22/23	Y2 23/24	Y3 24/25	Y4 25/26	Y5 26/27
Studios	Supply	77	84	60	71	60
	Demand	39	40	38	40	40
	Difference	38	44	22	31	20
1-beds	Supply	365	277	294	342	347
	Demand	353	428	445	340	405
	Difference	12	-151	-151	2	-58
2-beds	Supply	375	233	318	320	474
	Demand	142	224	205	172	217
	Difference	233	9	113	148	257
3-beds	Supply	227	140	195	237	207
	Demand	288	296	305	274	276
	Difference	-61	-156	-110	-37	-69
4-beds	Supply	73	49	44	62	66
	Demand	155	162	152	155	159
	Difference	-82	-113	-108	-93	-93

- Focusing on the demand from housing applicants in Bands 1 and 2, direct offers, and regeneration and ad-hoc decanting schemes, there are particular housing supply pressures regarding 1-bedroom properties, 3-bedroom properties, and 4-bedroom properties.
- There is also a limited expected supply of wheelchair-adapted properties to meet the present need from Band 1 applicants.

Evidence – older people



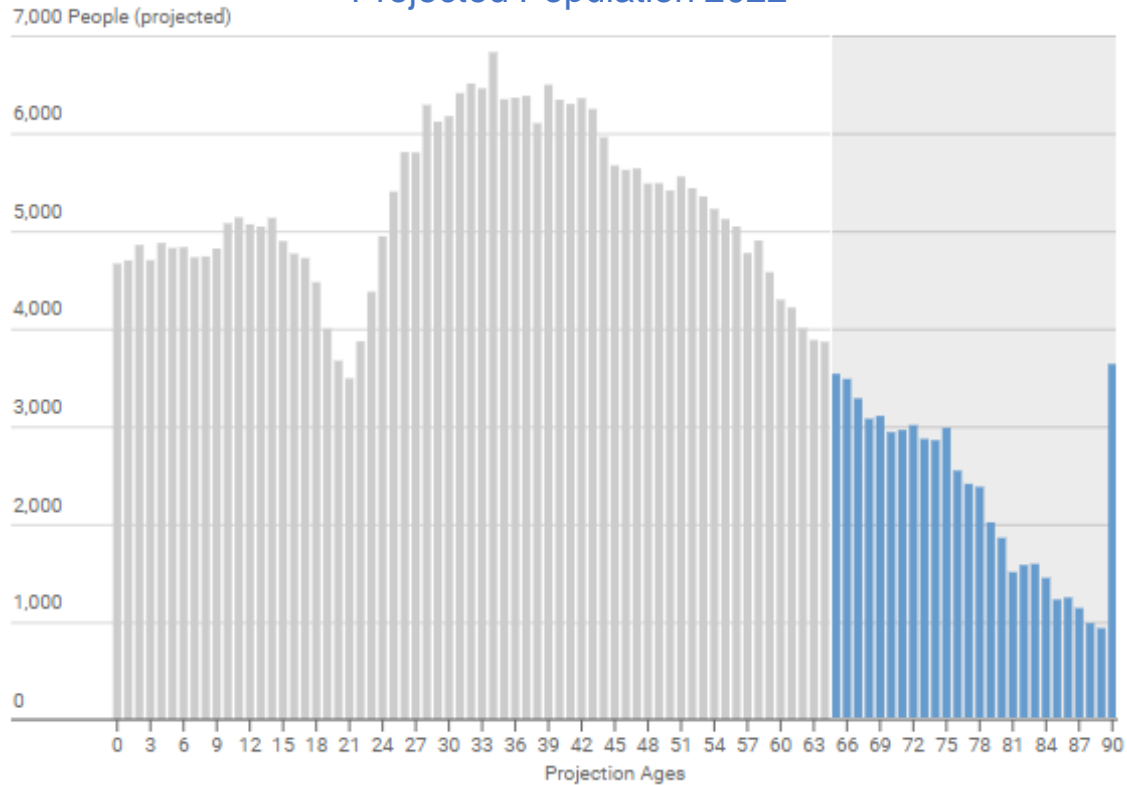
■ Total population aged 75 and over predicted to live alone

	2017	2020	2025	2030	2035
Population 65+ with a long term illness whose day-to-day activities are limited a little	13,151	14,102	16,138	18,512	21,061
Population 65+ with a long term illness whose day-to-day activities are limited a lot	11,804	12,725	14,696	17,011	19,727
Total population aged 65 and over predicted to have dementia	4,136	4,502	5,236	6,261	7,407

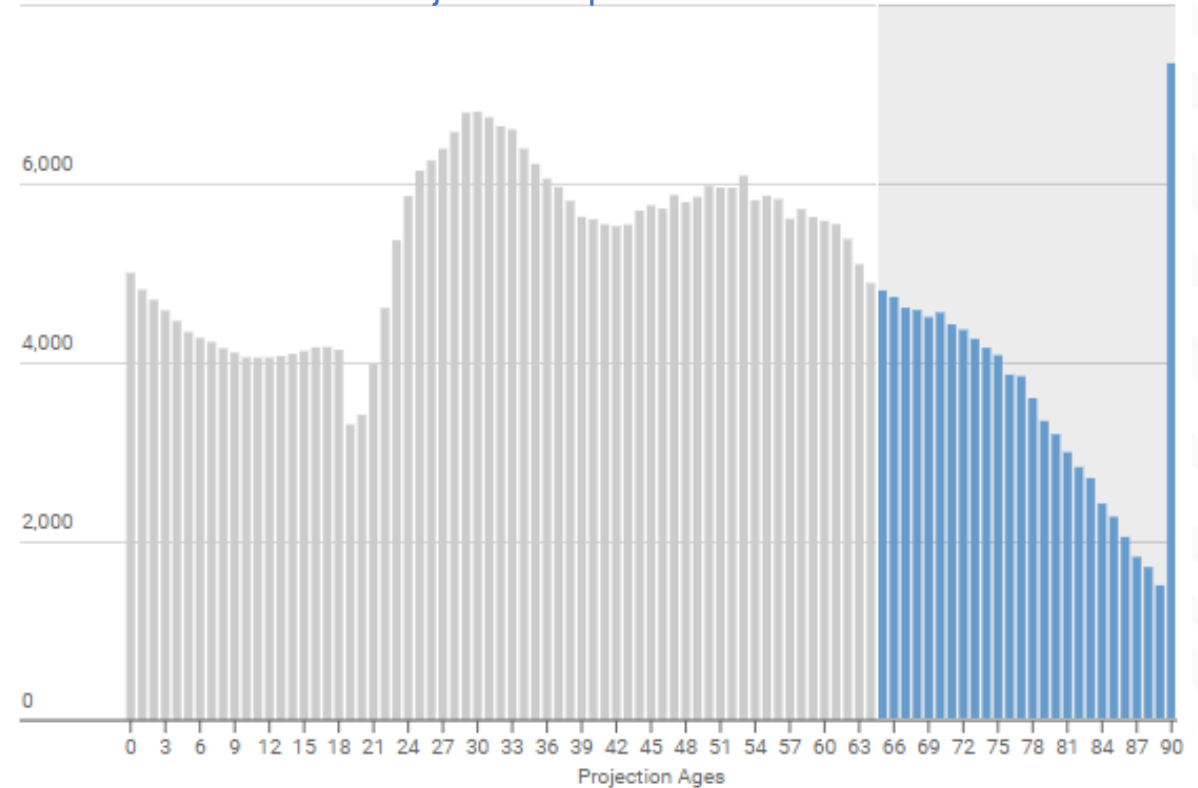
- An ageing population, although below the national average: 18.3% increase in those aged 65+
- The number of people living alone is expected to increase.
- The number of older people with long-term limiting health conditions and dementia is expected to increase.

Evidence – older people

Projected Population 2022



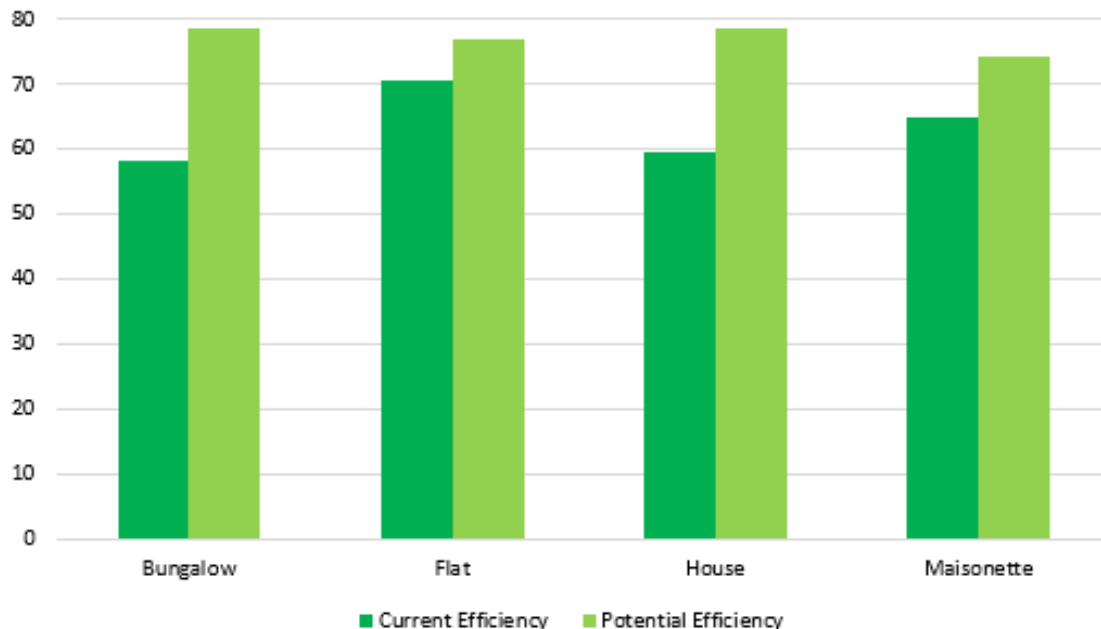
Projected Population 2041



- Projections indicate an increase in people aged over 65 in Barnet by 2041.
- Population of those aged 0-17 projected to decrease by 11.6% by 2041.
- Population of those aged 18-64 projected to increase by 5.7% by 2041.
- Population of those aged 65+ projected to increase by 56% by 2041.

Evidence – stock condition

Current and Potential Energy Efficiency by Property Type



- Across all postcode areas, domestic properties have an average of 9.4 improvement points to reach potential energy efficiency levels (down from 11 in 2018).
- On average, flats in Barnet have the highest current levels of energy efficiency (average score 70), while bungalows (58) and houses (60) are the lowest.

Domestic Property Energy Efficiency Rating

Ratings	Energy Rating (%) 2022	Energy Rating (%) 2018
A (92+)	0.2%	0.1%
B (81-91)	14.6%	12.3%
C (69-80)	30.5%	27.4%
D (55-68)	37.2%	36.5%
E (39-54)	14.7%	18.5%
F (21-38)	2.2%	4.4%
G (1-20)	0.4%	0.9%

- Most domestic properties in Barnet have a current energy performance certificate rating of either C or D.
- Since 2018, the proportion of domestic properties with an EPC of B, C, or D has increased, and of A, E, F, and G has decreased.

Evidence - Delivery of new homes

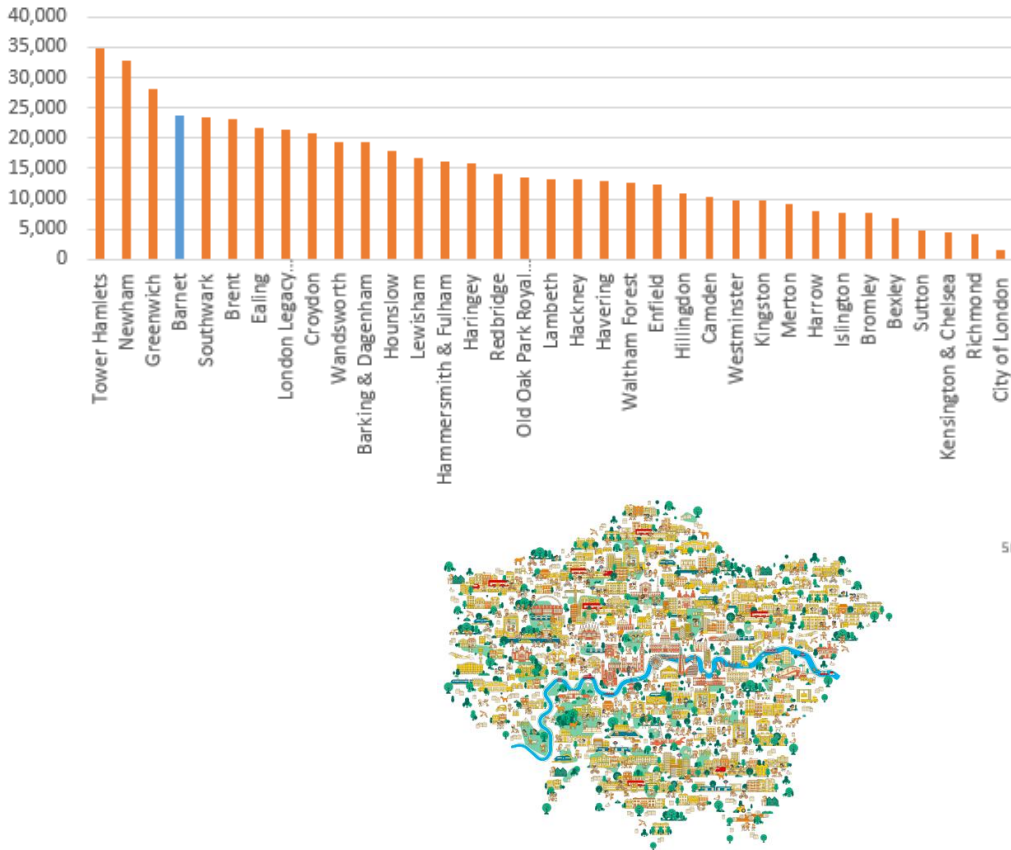
- 2,086 new homes delivered on regeneration schemes between 2018 and 2020
- 1,572 new homes to be delivered on regeneration sites, of which 520 will be for affordable rent, and 1,052 will be affordable homes for purchase

Barnet Homes	2023	2024	2025	2026	Type
Stag House	51				Extra Care
Cheshire House	51	75			Extra Care
Upper Lower Fosters		142			100% affordable
Broadfields			30		100% affordable
The Grange			50		100% affordable
Little Strand		35			100% affordable
Coppetts	16				100% affordable
Burnt Oak Rooftop		18			100% affordable
Potential future programmes			10	600	Mix of 100% & 50% affordable
Total	118	270	90	600	

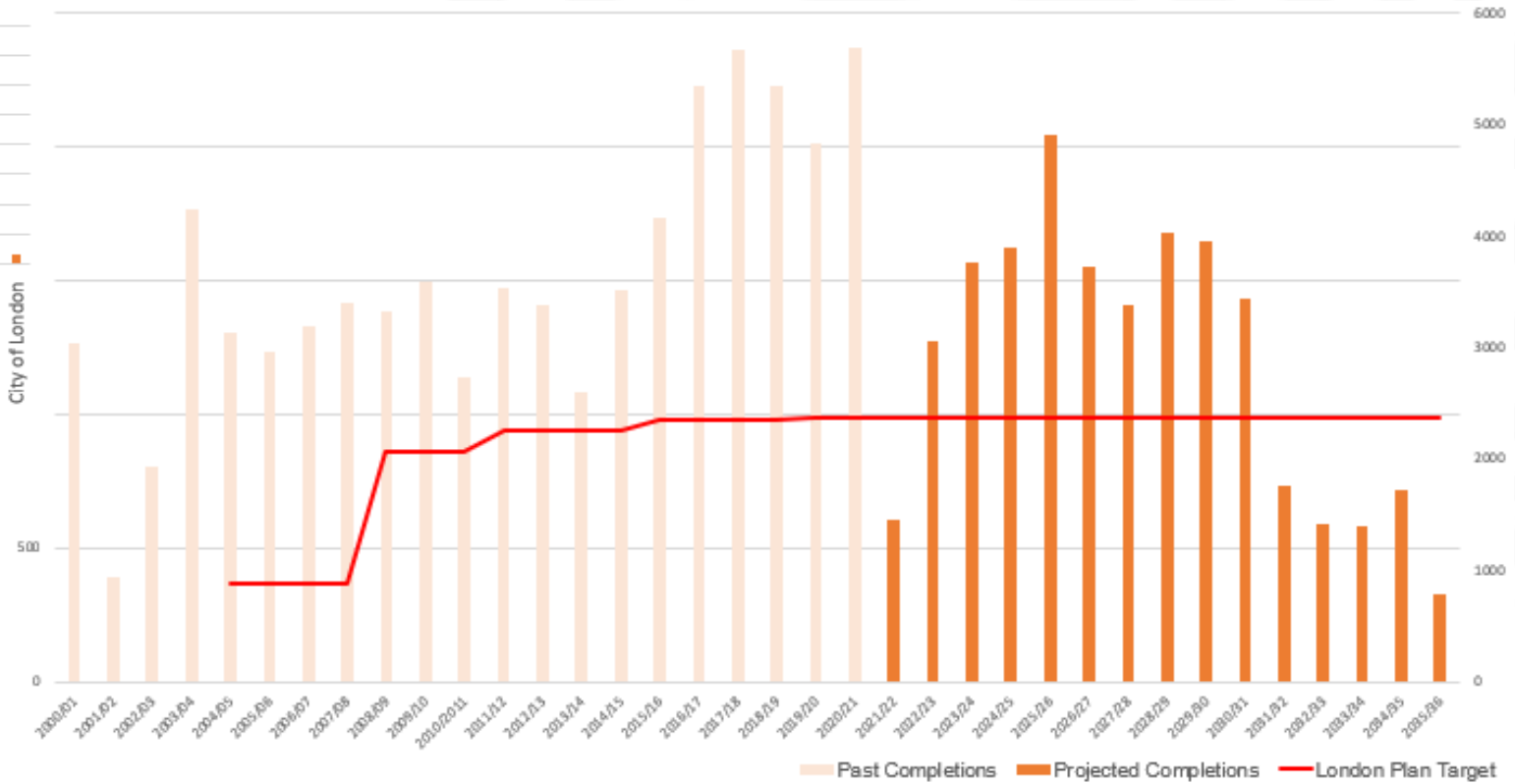
Regeneration sites	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Dollis Valley	42			94							
Granville Road	28	18									
West Hendon		78	71	34	96	19					
Grahame Park			209		190	66	72	78	190	229	11
Total	70	96	280	128	286	85	72	78	190	229	11

Evidence - Context – targets for delivery of new homes in London

The London Plan's ten-year targets for housing completions in each London planning authority (2019/20 to 2028/29)



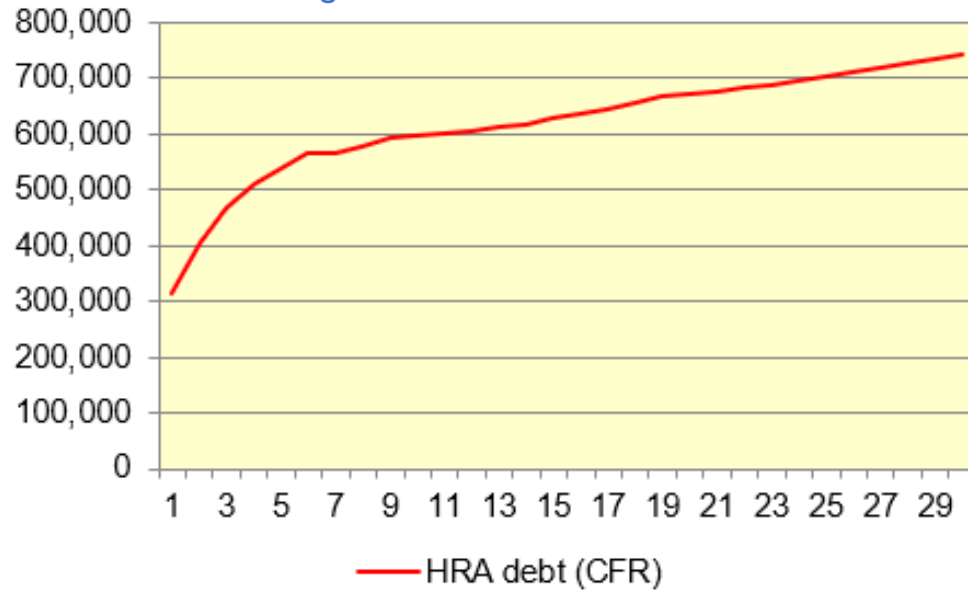
Barnet's London Plan housing trajectory



Barnet's housing trajectory shows that the borough will exceed the target in the London Plan.

Evidence - Financing the strategy

Housing Revenue Account Business Plan



General Fund Medium Term Financial Strategy

2022/23 approved budget through MTFS	2022/23 Budget (£)	2023/24 (£)	2024/25 (£)	2025/26 (£)	2026/27 (£)
March 2022 Full Council					
Expenditure	31,197,791	30,791,145	29,590,261	29,482,966	29,482,966
Income	-25,854,760	-25,955,760	-26,085,760	-26,099,760	-26,099,760
Net Expenditure	5,343,031	4,835,385	3,504,501	3,383,206	3,383,206
		-507,646	-1,838,530	-1,959,825	-1,959,825

- Housing Revenue Account Business Plan as at February 2022 shows we are operating within minimum reserve levels.
- All fire safety works included in HRA – totally £47.4m.
- General Fund Medium Term Financial Strategy includes future budget savings and pressures.
- Issues that may affect the MTFS include rental income from temporary accommodation (TA), impact of cost of living increases, the capital programme for Opendoor Homes for affordable TA, private sector landlord incentives, and reductions in FHS Grant.

Emerging themes

High demand for affordable housing

High rents and house prices

Housing supply challenges

Cost of living and inflation pressures

More older people with support needs



High numbers in private rented sector

Evolving regulation and legislation

Support and tenancy sustainment

Fire and building safety requirements

Energy efficiency targets

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

AGENDA ITEM 15

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