

	Housing Committee 26 June 2017
Title	Housing Commissioning Plan - 2017/18 addendum
Report of	Commissioning Director, Growth and Development
Wards	All
Status	Public
Urgent	No
Key	Yes
Enclosures	Appendix A: Housing Commissioning Plan - Annual Report 2016/17 Appendix B: Housing Commissioning Plan - 2017/18 Addendum
Officer Contact Details	Faisal Butt – Commissioning Lead, Housing Tel. 0208 359 6263 Email: Faisal.butt@barnet.gov.uk Alaine Clarke – Head of Performance & Risk Tel: 0208 359 2658. Email: alaine.clarke@barnet.gov.uk Cath Shaw- Commissioning Director, Growth &Development Tel: 0208 359 4716. Email: cath.shaw@barnet.gov.uk

Summary

In October 2015, the Housing Committee approved a five year Commissioning Plan for the period 2015-20, which sets out the Committee's priorities and outcome performance measures across its core areas of responsibility. All Theme Committees agreed five year Commissioning Plans.

This report provides an update on the Housing Committee Commissioning Plan for 2016/17 (Appendix A) and presents refreshed targets for 2017/18 in an addendum to the Commissioning Plan (Appendix B).

Recommendations

1. That the Committee note progress against the Housing Committee Commissioning Plan in 2016/17 (Appendix A)
2. That the Committee review and approve the addendum to the Housing Committee Commissioning Plan for 2017/18 (Appendix B).

WHY THIS REPORT IS NEEDED

1.1 The Council's Corporate Plan 2015-20 was agreed by Full Council in April 2015. It sets the strategic priorities and direction for the Council to 2020 and targets against which progress is measured. Each year, the priorities and targets are refreshed to ensure they remain focused on the things that matter most to the Council. The 2017/18 addendum was agreed by Full Council on 7 March 2017 and includes a new priority on delivering quality services:

- **Delivering quality services** – we strive to deliver services to the highest possible standard and to continuously improve this standard. We are committed to high quality customer service and being as transparent as possible with the information we hold and our decision-making.
- **Responsible growth, regeneration and investment** – in an era of reduced Government funding, growth is necessary for Councils to increase the local tax base and generate income to spend on public services. The Council has an ambitious programme of regeneration, which aims to create new homes and jobs, and the proceeds of this growth will be reinvested in the borough's infrastructure and essential community facilities.
- **Building resilience in residents and managing demand** – we will focus on the strengths and opportunities in our communities and target resources at those most in need. The Council will support residents to stay independent for as long as possible through equipping people to help themselves and intervening early to address issues as they arise rather than waiting until they reach a critical stage.
- **Transforming local services** – as a Commissioning Council our focus is on reaching the best outcomes for our residents whilst delivering value for money to the taxpayer. This means delivering differently and working with a range of public, private, and voluntary sector organisations to ensure we can meet our priorities.
- **Promoting community engagement, independence and capacity** – we want to support residents and the wider community to become more independent and self-sufficient. This means residents having more of a say in the future of their local area, and where appropriate, taking on more responsibility for local services.

1.2 In 2015, each Theme Committee agreed a five year Commissioning Plan covering the period 2015-20. Commissioning plans set out the strategic priorities and outcome performance measures for each Committee, with targets to be refreshed annually. On 19 October 2015, following consultation, the Housing Committee agreed its five-year Commissioning Plan, which set out the following priorities:

- Increasing housing supply and delivery of affordable homes
- Council housing, housing needs and tackling homelessness
- Sustaining quality, particularly in the private rented sector
- Providing suitable housing to support vulnerable people

1.3 Each Theme Committee is now being asked to agree a 2017/18 addendum to their plans, which sets out the Q4/end position against 2016/17 targets and updated targets for 2017/18. This will give Committees the opportunity to review and consider their priorities for the year ahead and the associated targets against which progress will be measured. The addendum to the Housing Commissioning Plan for 2017/18 is provided at Appendix B.

Summary of Q4 position against 2016/17 targets

- 1.4 The Housing Strategy was agreed in October 2015 and provides the framework for increasing the supply of affordable housing, subject to viability, within the borough.
- 1.5 On **housing supply and the delivery of affordable housing**, Barnet has been set the challenge of meeting the 4th highest housing target in London. Over 27,000 new homes are expected to be delivered across the Borough over the next ten years. The Local Plan Core Strategy sets out when, where and how this growth will be delivered. Over half of these are expected to be delivered by the Council through its development pipeline in the areas of Brent Cross, Mill Hill East and Colindale together with the Priority Estates of Dollis Valley, Grahame Park, Granville Road, and West Hendon. In 2016/17, 1,212 homes were delivered by the Council's growth and regeneration programme.
- 1.6 This was the second year of the GLA's 2015 to 2018 Affordable Homes Programme. Higher levels of affordable completions can be expected in the later years when more schemes will actually be built out. A report by BNP Paribas¹ on the delivery of affordable homes by London boroughs from 2009 to 2015 found that Barnet had delivered 5,029 affordable homes. Only Tower Hamlets, Greenwich, Newham and Southwark had delivered more. The Policy and Resources Committee is responsible for the borough's Local Plan and affordable housing target. The Local Plan is being reviewed later in the year. 470 affordable homes were recorded as being completed at the end of 2016/17 in the borough. The total number of housing completions will be verified later in the year when it is reconciled with data from the Greater London Authority (GLA).
- 1.7 Barnet Council's ALMO, Barnet Homes, completed delivery of 40 new homes (between April 2015 and March 2017) across six sites. All 40 of the homes in this programme were let in accordance with Barnet Council's allocations policy for affordable rent, increasing the Council's supply of affordable housing. Barnet Homes also successfully registered Open Door Homes as a Registered Provider (housing

¹ https://www.realestate.bnpparibas.co.uk/upload/docs/application/pdf/2016-05/how_the_new_mayor_can_tackle_the_housing_crisis.pdf?id=p_1665689

association) with the Homes and Communities Agency with the aim to build 320 new affordable homes on Council land by 2020.

- 1.8 On **housing needs service and tackling homelessness**, a new 10 year Management Agreement for the provision of Housing Services was agreed by Barnet Homes and the Council following a robust 'Challenge Process' in 2015. The agreement came into effect on 1 April 2016 and includes a comprehensive register of services provided. Barnet Homes have a Temporary Accommodation Action Plan to maximise prevention, manage demand, and increase affordable supply. Since the action plan was implemented at the beginning of 2015/16, the number of homelessness preventions has increased to 972 (up from 870 on last year) and the numbers in temporary accommodation has reduced to 2,757 (compared with 2,941 last year). To further optimise homelessness prevention activity in 2016/17, additional specialist tenancy sustainment resource has been put in place offering mediation services to households at risk of homelessness.
- 1.9 The Council has been facing increasing difficulties in securing enough accommodation within the Borough to meet its statutory obligations to provide homes for homeless households. Barnet Homes have been commissioned to acquire properties outside of Barnet which could be used to provide either permanent or temporary accommodation for households approaching the Council for assistance. During the year the first 39 properties exchanged or completed, including 16 in London and 23 in the Luton area. A further 4 properties were purchased by early May bringing the total to 43 properties, completing the first phase of acquisitions programme. On the 24th April 2017, the Assets, Regeneration and Growth Committee agreed to purchase a further 50 properties during 2017/18 to provide accommodation for homeless households.
- 1.10 The collection of arrears in Temporary Accommodation has slightly declined over the course of the year. This is in part due to the service experiencing an IT issue which meant rent accounts were not being promptly updated with accurate payment information delaying officers ability to prioritise their efforts as they waited for the information to update prior to taking any action. The predominant factor however is the continued decline in Housing Benefit entitlements, which means more income needs to be collected directly from tenants rather than received automatically from Housing Benefit. An improvement plan with clear timeframes outlining a range of improvement areas is in place and being closely monitored through the contract and performance management arrangements with the Council.
- 1.11 On **sustaining quality in the private rented sector**- There are now 244 houses in multiple occupation (HMOs) licensed under the mandatory HMO licensing scheme. The Council is performing significantly above the 60% target on compliance with major licencing requirements for HMOs at 72% compliance. Consultation on proposals for an extended scheme of licencing HMOs was completed last year and the scheme went live on 5th July 2016. The scheme has been operational for 11 months and 128 properties have been licensed under the additional HMO Licensing scheme and 85 licences have been issued under the mandatory scheme during 2016/17. Eight successful prosecutions have been taken for failure to licence and

poor management. Support has also been provided for a Rent Repayment Order following successful the prosecution for a failure to licence. The private rented sector is one of the fastest growing tenures in Barnet with an average rent for a 2 bed property now costing £1,395² per month. Better management and regulation of the sector through licensing has enabled more residents and households living in poor or temporary accommodation to find well managed, safe and secure accommodation.

- 1.12 On **supporting vulnerable households**, demolition work at Moreton Close, the site of a new Extra Care scheme, has now been completed. 53 self-contained one and two bedroom apartments will be built on the site, enabling adults with additional care needs to live independently. The revenue savings for the Council, through the replacement of residential placements with more cost effective extra care placements is expected to reduce adult social care costs by £465k in 2018/19. A further capital bid has been submitted for the development of another extra care scheme, creating potential for additional 100 places at affordable rents.
- 1.13 Barnet Homes have delivered 4 wheelchair accessible homes as part of the 40 Council homes delivered in 2016/17. Each home has had additional adaptations fitted to meet the needs of the allocated resident. Moving residents from high cost care facilities to independent living on average saves the Council £11,494 for every resident moved.
- 1.14 On **delivering efficient and effective services**, it was agreed that the Barnet Group would deliver efficiencies to the value of £2.613m during the first four years of the new agreement. The Barnet Group have delivered the savings agreed for the first year as part of this efficiency programme in 16/17.
- 1.15 It was agreed that £1.029m of savings would be delivered as a result of the expected reduction in management of 1397 homes on the regeneration estates over the four years.
- 1.16 The Council has calculated the actual reduction in the management of regeneration stock is expected to be 556 units over the next four years. As a result, the Council will continue to receive rental income on the balance of homes remaining in use, and has adjusted the amount of efficiencies to be delivered by £464,817 over the 4 year period, reducing the total savings from £2.613m to £2.148m. Going forward, no further adjustments will be made for changes in the regeneration phasing.

Further information is available in Appendix A.

Summary of the 2017/18 priorities and targets

- 1.18 Key priorities in 2017/18 include a continued focus on homelessness prevention to better manage demand for services. This is reflected in an increased target for Barnet Homes to place more households directly into the private rented sector and prevent more households from becoming homeless.

² <https://www.london.gov.uk/what-we-do/housing-and-land/renting/london-rents-map>

- 1.19 A further emphasis for 2017/18 is on providing effective and efficient services as this is a key objective in the Housing Strategy. Increased targets have been included around average re-let times for routine voids and the percentage of customers satisfied with the repairs services.

Next steps

- 1.20 The proposed addendum to the Housing Commissioning Plan, including updated targets for 2017/18, is set out in Appendix B. Members are invited to review and agree the document.
- 1.21 Following agreement, the Performance and Contract Management Committee will receive a progress report during the year against this Plan and associated in-year targets. The Housing Committee will be asked to agree updated targets for 2018/19 in 2018 and this process will continue through to 2020.
- 1.22 The Performance and Contract Management Committee will continue to review progress against the Council's Corporate Plan, and overview of the performance of both internal and external Delivery Units. This Commissioning Plan will enable the Performance and Contract Management Committee to focus on the key areas of performance for different service areas.
- 1.23 The Performance and Contract Management Committee has also set up a working group to oversee the four year review of the Council's contract with Re Ltd. The Re review is an opportunity to assess the performance and service delivery from the first four years of the contract and to ensure that the contract is best placed to meet the future needs of the Council.
- 1.24 As a result of the review, some of the targets for 2017/18 agreed as part of the housing commissioning plan may be subject to change.

2 REASONS FOR RECOMMENDATIONS

- 2.1 A key element of effective strategic and financial management is for the Council to have comprehensive business plans in place that ensure there is a clear strategy for addressing future challenges, particularly in the context of continuing budget and demand pressures (resulting from demographic and legislative changes), delivering local priorities and allocating resources effectively.

3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 There is no statutory duty to publish Committee Commissioning Plans but it is considered to be good practice to have comprehensive business plans in place for each Committee – which set out priorities and how progress will be measured – to ensure that the Council's vision for the future is clearly set out and transparent.

4 POST DECISION IMPLEMENTATION

- 4.1 Revisions to the Commissioning Plan will be communicated internally and with key stakeholders.

5 IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 This report invites Members to review and approve the addendum to the Commissioning Plan for 2017/18, enclosed as Appendix B.

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

- 5.2.1 In addition to continuing budget reductions, demographic change and the resulting pressure on services pose a significant challenge to the Council. The organisation is facing significant budget reductions at the same time as the population is increasing, particularly in the young and very old population groups.
- 5.2.2 The Commissioning Plan has been informed by the Council's Medium Term Financial Strategy, which sets out the need to make savings of £53.9m between 2017/18 and 2019/20.

5.3 Social Value

- 5.3.1 The Public Services (Social Value) Act 2013 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.

5.4 Legal and Constitutional References

- 5.4.1 All proposals emerging from the business planning process must be considered in terms of the Council's legal powers and obligations, including its overarching statutory duties such as the Public Sector Equality Duty.
- 5.4.2 Annex A, of Part 15 of the Council's Constitution, the Responsibility of Functions, states that the Housing Committee has the responsibility for those powers, duties and functions of the Council in relation to various housing services, including:

- a) Housing Strategy (incorporating Homelessness Strategy);
- b) Work with Barnet Homes, RSLs and social housing providers to ensure the optimum provision of housing and associated facilities for those who require social housing;
- c) Promoting the better integration of privately rented properties in to the Borough's framework;
- d) All matters related to Private Sector Housing including Disabled Facility Grants;
- e) Housing licensing and housing enforcement.
- f) To approve any non-statutory plan or strategy within the remit of the Committee that is not reserved to Full Council or Policy and Resources.

5.4.3 If any report comes within the remit of more than one committee, to avoid the report being discussed at several committees, the report will be presented and determined at the most appropriate committee. In relation to this report, that is the Housing Committee.

5.4.4 The Housing Committee therefore has the responsibility for commissioning activity that falls under the remit of Housing, giving cause for the setting of a Commissioning Plan.

5.5 Risk Management

5.5.1 The Council has an established approach to risk management. Key corporate risks are assessed regularly and reported to Performance and Contract Management Committee on a quarterly basis.

5.6 Equalities and Diversity

5.6.1 The general duty on public bodies is set out in section 149 of the Equality Act 2010.

5.6.2 A public authority must, in the exercise of its functions, have due regard to the need to:

- a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

5.6.3 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.

5.6.4 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

5.6.5 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, the need to tackle prejudice; and promote understanding.

5.6.6 Compliance with the duties in this section may involve treating some persons more favourably than others but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act.

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

5.6.8 It also covers marriage and civil partnership with regard to eliminating discrimination.

5.6.9 In agreeing the Corporate Plan, the Council is setting an updated strategic equalities objective and reiterating our commitment to delivering this. The strategic equalities objective is as follows:

- Citizens will be treated equally, with understanding and respect, and will have equal access to quality services which provide value to the tax payer.

5.6.10 All aspects of the Housing Commissioning Plan will take account of equality requirements and be carried out in accordance with the Council's Strategic Equalities Objective (SEO). Outcomes will be monitored and reported as appropriate to Housing Committee.

5.7 Consultation and Engagement

5.7.1 The original Corporate Plan and Commissioning Plans were informed by extensive consultation through the Budget and Business Planning report to Council (3 March 2015).

5.7.2 The consultation aimed to set a new approach to business planning and engagement by consulting on the combined package of the Corporate Plan, Commissioning Plans, and budget. In particular it aimed to:

- Create a stronger link between strategy, priorities and resources
- Place a stronger emphasis on commissioning as a driver of the business planning process.
- Focus on how the Council will use its resources to achieve its Commissioning Plans.

- 5.7.3 To allow for an eight week budget consultation, consultation began after Full Council on 17 December 2014 and concluded on 11 February 2015. Further consultation on the budget for 2017/18 has been undertaken following Policy and Resources Committee on 1 December 2016.

6.0 BACKGROUND PAPERS

- 6.1 Full Council, 7 March 2017, Corporate Plan Addendum 2017/18

<http://barnet.moderngov.co.uk/documents/s38385/Appendix%20N%20Corporate%20Plan%20Addendum.pdf>

- 6.2 Housing Committee, 27 June 2016. Housing Commissioning Plan – 2016/17 addendum:

<http://barnet.moderngov.co.uk/documents/s32696/Housing%20Commissioning%20Plan%20-%202016-17%20addendum.pdf>

