

	<h2>Housing Committee</h2> <h3>19 October 2015</h3>
<p style="text-align: right;"><b>Title</b></p>	<p><b>Business Planning Annual Report-Housing</b></p>
<p style="text-align: right;"><b>Report of</b></p>	<p>Commissioning Director, Growth and Development</p>
<p style="text-align: right;"><b>Wards</b></p>	<p>All</p>
<p style="text-align: right;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: right;"><b>Urgent</b></p>	<p>No</p>
<p style="text-align: right;"><b>Key Decision</b></p>	<p>Yes</p>
<p style="text-align: right;"><b>Enclosures</b></p>	<p>None</p>
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<h2>Summary</h2>
<p>Each Theme Committee is to receive an annual report against progress made in 2014/15. These reports are to provide theme committees with an annual update of the work that has been undertaken to meet the committee’s commissioning intentions, as outlined in the agreed commissioning plan for each committee.</p> <p>Performance of the council is monitored each quarter by the Performance and Contract Management Committee. Any in-year concerns will be raised through a referral to the relevant theme committee.</p> <p>This reports presents performance and financial data from March 2014 to April 2015, highlighting progress made against the Corporate Plan and the Housing Committee’s work in assisting in the achievement of meeting the fiscal challenge up to 2020.</p> <p>Following a review of 2014/15, priorities and areas of potential challenge 2015/20 have been considered and are outlined in this report in line with the Draft Housing Committee Commissioning plan 2015 – 2020. Following on from public consultation this committee will</p>

also be asked to approve the final plan at this meeting.

In June 2015 the Housing Committee agreed a new ten year management agreement with Barnet Homes which will be implemented from April 2016.

## **Recommendations**

- 1. That the Committee note the progress made during 2014/15 and agree to use the information provided to help in future decision making.**

### **1. WHY THIS REPORT IS NEEDED**

- 1.1 Each Theme Committee is to receive an annual report against progress made in 2014/15. These reports are to provide theme committees with an annual refresh of the work that has been undertaken.

### **2. REVIEW OF 2014/15**

#### **Corporate Plan priorities**

- 2.1 Housing services contributed towards the Council's Corporate Plan 2013/16 priority outcome "To maintain the right environment for a strong and diverse local economy". Barnet is a popular place in which to live and has high demand for a limited supply of council and housing association homes and a thriving and high cost private rented sector. The Council has faced increasing costs of providing temporary accommodation to housing applicants.
- 2.2 Housing services in Barnet are delivered by external delivery units. Barnet Homes, an Arm's Length Management Organisation, delivers the Council's housing management, homelessness and housing options functions. Re<sup>e</sup>, a joint venture with Capita, delivers planning, regeneration and private sector housing environmental health related functions. In addition to this, the Council works strategically with Registered Providers to deliver new affordable housing and regenerate the borough's housing estates.
- 2.3 The performance outturn for 2014/15 (Table 1 below) shows the borough's progress against two of the Corporate Plan 2013/16 objectives which the Housing Committee contributed to. The targets on the indicators of total number of private rented sector lettings achieved and the delivery of affordable housing completions were achieved. The indicator on households placed in emergency accommodation was below target because of the increased number of households presenting as homeless. The Council is working with Barnet Homes to reduce the use of temporary accommodation and to maximise homelessness preventions. On new affordable homes and numbers of empty properties brought back into use the targets were exceeded.

Table 1: Progress against relevant areas of the Corporate Plan 2013/16

Objective	Indicator	2014 Outturn	Previous Outturn 2013
To maintain the right environment for a strong and diverse local economy	Reduce the number of households placed in emergency accommodation to 500 (Barnet Homes)	455	471
	Increase the number of Private Rented Sector lettings achieved to 315	392	318
	Complete 367 new affordable homes	398	344
	Bring 100 empty properties back into use	130 <sup>1</sup>	624 <sup>2</sup>

2.4 A number of major programmes were implemented in 2014/15. Key achievements include:

- The council developed and consulted on a new housing strategy to deal with the housing challenges to 2020.
- 221 disability facility grants were approved in 2014/15 allowing residents to remain in their homes.
- A new generalist housing related floating support and specialist mental health housing related floating support service was re-commissioned.
- First new council homes for over 30 years were completed at Alexandra Road and tenants moved in during 2014.
- A new ten year management agreement with Barnet Homes has been developed with a view to it being in place by April 2016.
- There were 900 new homes completed in 2014/15, including 398 affordable homes.

2.5 Between autumn 2014 and spring 2015 there was a 2.7% increase in resident satisfaction with council housing services according to the Council's Resident Satisfaction Survey. 25% of residents stated that this service was excellent or good. Whilst this was not one of the most highly rated services in the survey, the result has improved by 7.7% since autumn 2012. A key concern for residents in the survey is the lack of affordable housing, with 33% of residents saying that this is their top concern. A key part of the council's Housing Strategy is to increase the supply of housing, and in particular affordable housing for rent and sale.

<sup>1</sup> 2014/15 activity focused on more complex and long term empty properties involving significant enforcement action and has been a very successful programme exceeding its target of 100 empty properties. Nine of the 130 empty properties successfully restored were handed over to Barnet Homes in Q4 to house priority homeless persons.

<sup>2</sup> Activity focussed on non-complex and straightforward cases

### 3. PRIORITIES 2015 – 2020

3.1 The Housing Committee contributes to the strategic objectives in the Corporate Plan 2015 – 2020 in the following ways:

*The Council, working with local, regional and national partners, will strive to ensure that Barnet is a place:*

- *“Of opportunity, where people can further their quality of life”*- by delivering on the Council’s ambitious regeneration programme, creating 30,000 jobs and 20,000 new homes as well as improvements to infrastructure including new schools, health facilities and transport;
- *“Where people are helped to help themselves, recognising that prevention is better than cure”* – by enabling vulnerable people to live independently through floating support and supported living arrangements; our strategy for tackling homelessness focuses on prevention and helping people to help themselves, for example by securing their own accommodation in the private rented sector with support from the Council.
- *“Where responsibility is shared, fairly”* – by helping households affected by welfare benefit reforms to find more affordable accommodation and access to employment opportunities.
- *“Where services are delivered efficiently to get value for money for the taxpayer”* – by developing a new management agreement with Barnet Homes to provide more effective housing services for the Council and delivering more effective environmental health services through Regional Enterprise Ltd.

3.2 The Housing Commissioning Plan (2015 – 2020) sets out how this will be achieved and will be considered for approval at the Committee on 19 October 2015. In summary the Commissioning Plan covers the following:

<b>Increasing the housing supply</b>	<ul style="list-style-type: none"> <li>• Priorities on increasing the housing supply, including maximising the use of our own resources to invest in delivering new homes</li> </ul>
<b>Homes that people can afford</b>	<ul style="list-style-type: none"> <li>• The delivery of homes that people can afford, including homes for rent at local housing allowance levels and low cost home ownership.</li> </ul>
<b>Improving quality, particularly in the private rented sector</b>	<ul style="list-style-type: none"> <li>• The increased level of private renting means that we will focus on quality in the Private Rented Sector, including the use of discretionary powers to improve poorly managed stock.</li> </ul>
<b>Tackling Homelessness</b>	<ul style="list-style-type: none"> <li>• Continue to help those in need of assistances by tackling homelessness, with a focus on prevention</li> <li>• Make best use of our current housing stock.</li> </ul>
<b>Housing to support vulnerable people</b>	<ul style="list-style-type: none"> <li>• Providing suitable housing to support vulnerable people will be a priority, including older residents, those with disabilities and mental health problems and young people leaving care.</li> </ul>
<b>An efficient and effective service</b>	<ul style="list-style-type: none"> <li>• With a new management agreement in place Barnet Homes will continue to deliver efficient and effective services.</li> </ul>

3.3 The following outlines the key activities being delivered in 2015/16 to take forward our vision:

- Finalisation and implementation of new 10 year management agreement with Barnet Homes to deliver improved housing management, homelessness and housing options services for residents and the council.
- Further work to reduce the incidence and cost of homeless presentations through better prevention work.
- Progress the development of a further 170 affordable homes on housing land.
- Implementation of Article 4 Direction and Additional Licencing of homes in multiple-occupation subject to the outcome of public consultation.
- Development of accommodation strategy for vulnerable people.

#### **Performance monitoring**

3.4 Performance across the Council is monitored by the Performance and Contract Management Committee. This committee receive quarterly reports on progress and spend for each 3 month period of the year. Where performance is considered a concern and relevant to the work of a thematic committee a referral will be made.

3.5 This committee will receive annual reports to ensure members are informed on performance as part of their decision making.

### **4 REASONS FOR RECOMMENDATIONS**

4.1 The Commissioning Plan was developed following consultation and the Housing Committee will consider for approval at its meeting on 19 October 2015. agreed in March 2015. This report highlights performance and priorities during 2014/15 which should be noted and taken forward where appropriate.

### **5 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

5.1 None

### **6 POST DECISION IMPLEMENTATION**

6.1 Commissioning plans will be reviewed as and when they are required to contribute to business planning for the council for 2016/20.

### **7 IMPLICATIONS OF DECISION**

#### **7.1 Corporate Priorities and Performance**

7.1.1 As outlined in section 1 of this report, the work of this committee directly impacts on the previous 2013/16 Corporate Plan and the new 2015/20 Corporate Plan.

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

7.2.1 The Housing Committee accounted for 1.69% of the Council's General Fund budget in 2014/15; this will increase to 1.80% in 2015/16 to cover the inflation of the cost of temporary accommodation. In addition to the General Fund the Housing Revenue Account funds housing management services delivered by Barnet Homes.

7.2.2 It has become increasingly difficult to procure accommodation in the private sector at Local Housing Allowance rates. This has resulted in a significant increase in the use of emergency temporary accommodation<sup>3</sup>, often at a cost that cannot be fully met through the housing benefit system, resulting in a pressure on the Council's General Fund budget. In 2013/14, 471 such units had to be procured at a cost of £829k (£1.418m including bad debt provision). At the end of May 2014, the average nightly rate for emergency temporary accommodation was £41.36 and average nightly rent that could be charged through the housing benefits system was £36.95 meaning a net average cost to the Council of £4.41 per night per unit.

7.2.3 There is a forecast budget pressure of £1.18m in 2015/16 due to the cost of homelessness and this has an impact on the General Fund and the Council is working with Barnet Homes to reduce the use of expensive emergency accommodation by working to procure cheaper accommodation as well as prevent the need for the accommodation by reducing the incidence of homelessness in the borough.

7.2.4 The table below provides an overview of the General Fund housing budgets.

Table 5: Overview of budget

	<b>2014-15 net budget (£000s)</b>	<b>2015-16 net budget (£000s)</b>
Housing Needs and Resources	4,833	4,976
<b>Total Council Expenditure</b>	<b>286,412</b>	<b>276,465</b>

<b>Percentage of Total Council Budget</b>	<b>1.69%</b>	<b>1.80%</b>
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7.2.5 In addition to these General Fund budgets there is a Housing Revenue Account net budget of £6.3m which is ring-fenced for use on the Council's housing stock.

7.2.6 The table below sets out the Medium Term Financial Strategy for the Housing Budget up to 2020.

Table 6: Overview of the Housing related budget and savings

<sup>3</sup> In Barnet all emergency temporary accommodation consists of self-contained units which is paid for on a nightly basis

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
	(£000s)	(£000s)	(£000s)	(£000s)	(£000s)	(£000s)
Housing Budget	4,833	4,976	4,976	4,976	4,976	4,976
In year savings incl. in above	-55	-300				
Actual	5,170					

### **7.3 Legal and Constitutional Reference**

7.3.1 Section 150 of the Localism Act 2013 makes provision for a local housing authority to have a housing strategy. Section 344 of the Greater London Authority Act 1999, as amended, requires that any local housing strategy is in general conformity with the London Housing Strategy. The term local housing strategy includes any other statement of the local housing authority's policies or proposals relating to housing.

7.3.2 Annex A to the Responsibility for Functions Section of the Council's Constitution gives the Housing Committee specific responsibility in relation to the Housing Strategy (incorporating the Homelessness Strategy).

### **7.4 Risk Management**

7.4.1 Risks are managed on a continual basis and reported as part of the Council Quarterly Performance regime and considered as part of the Performance and Contract Management Committee quarterly monitoring report.

### **7.5 Equalities and Diversity**

7.5.1 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
- foster good relations between people from different groups

7.5.2 Relevant protected characteristics are – age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

### **7.6 Consultation and Engagement**

7.6.1 A large consultation and engagement exercise took place to develop the commissioning plan. Specific consultation and engagement programmes will take place for each programme as necessary.

## **8 BACKGROUND PAPERS**

- 8.1 London Borough of Barnet's Corporate Plan 2015 – 2020:  
<https://www.barnet.gov.uk/citizen-home/council-and-democracy/policy-and-performance/corporate-plan-and-performance.html>