

<b>Item No:</b>	<b>Classification:</b> Open	<b>Date:</b> 7 July 2014	<b>Meeting Name:</b> Housing & Community Safety Scrutiny Sub-Committee
<b>Report Title:</b>		The Housing and Community Services Horizon - 2014/15	
<b>Ward(s) or Group affected:</b>		All	
<b>From:</b>		Strategic Director of Housing and Community Services	

## Introduction

1. This report sets out an overview of the housing and community services department, the key areas of focus and the strategic issues that will impact on the business in the year ahead.
2. Southwark is the largest local authority landlord in London, and the third biggest in the country with 53,000 council homes. Since the housing department was created in 2011, becoming Housing and Community Services in 2012, the focus has been on improving a poor performing service and increasing the quality of service delivery to the borough's tenants and leaseholders. The department has six divisions and 1,176 staff.

## Community engagement

3. The division supports departments across the council in engaging with communities - delivering better services through creating a more active and informed community. This includes the Neighbourhoods team - responsible for leading on the strategy for developing the neighbourhood element of engagement; Community Participation, which focuses on minimising inequality and promoting social inclusion; Commissioning and voluntary sector support and the Resident Involvement service.

## Customer experience

4. This division is focused on improving the experience of all residents who come into contact with the council. The division has a remit over the corporate contact centre and the My Southwark service points. The division deals with tens of thousands of queries per week and works to improve customer service across the whole organisation. The Customer Resolution Unit provides both a corporate complaints and arbitration services.
5. The division also incorporates the Housing Options service now known as Housing Solutions service, which manages housing applications and options, including the Homesearch Centre.

## Maintenance and compliance

6. Maintenance and Compliance manages day to day repair services, including the maintenance of heating, electrics, estate lighting and lifts, and gas

servicing. The division also ensures compliance with key health and safety legislation.

7. The contract management teams are split into North and South, delivering internal and external repairs such as carpentry, plumbing, plastering and roofing works via 2 contractors; Mears and SBS (the directly managed DLO).
8. The compliance team manages all the key compliance issues including fire safety, asbestos, gas safety, water (Legionella) and electrical safety.

### **Major works**

9. The division manages the programme to ensure all the council's housing stock is made warm, dry and safe. The division includes the Programme and Asset management team, which ensures data on property condition, is kept up to date. This information is then used to plan the maintenance of the stock.
10. Investment is designed and delivered via North and South teams, and a separate team which manages Mechanical and Engineering projects such as lifts and heating. Other functions of the division include liaison and communication with tenants and homeowners over proposed major works; management of contractors for the delivery of works and management of the delivery of sustainable design.

### **Housing operations**

11. The division provides day-to-day tenancy management services including tenancy checks, estate inspections and responding to antisocial behaviour. The service comprises North and South Area Management Teams, and the Central Operations and Aylesbury Regeneration Teams. Resident services officers provide a visible service to residents on estates and at their homes. In addition, counter services are provided at 4 hubs supported by resident services officers and customer services staff. A mobile office enables direct contact throughout the borough. Concierge services are provided in the north of the borough. The Aylesbury team manages housing issues linked to the regeneration of the Aylesbury estate.
12. Central Operations within area management includes voids and lettings (the management of empty properties); income management (to maximise rent and other income); investigations (special investigations into subletting and illegal occupation) and former tenant arrears (or FTA, maximising the income from the debt of former tenants).
13. The division also includes the business improvement unit, which works on a number of cross-departmental projects to improve service delivery, and compiles and analyses performance information.

### **Specialist housing services**

14. The division provides a broad range of services to secure tenants, homeowners and freeholders, prospective purchasers and their solicitors, estate agents and

mortgagees. These include sales and acquisitions; service charge construction; revenue and income; and tenant management initiatives. The division works with home owners to ensure they are involved in how the service is delivered.

15. The Tenant Management Initiatives business unit is responsible for the establishment of Tenant Management Organisations, so that residents can self-manage their estates. The unit also monitors their performance.
16. The division manages the council's mortgage portfolio and is client for the HRA commercial portfolio. It also instructs and monitors the housing service's conveyancing contract and manages the Housing Revenue Account buildings insurance for homeowners.
17. The council's garage portfolio is also managed. Additionally, the Temporary Accommodation service provides short-term housing solutions and helps to prevent homelessness.
18. This division also manages the supported housing services (supported hostels, sheltered housing and Regalement & SUSTAIN team)

## **Performance**

19. The department has a strong performance management culture with the senior management team overseeing a comprehensive suite of key performance indicators providing stretching targets benchmarked against the best social housing providers.

In 2013/14 the headlines were:

- £82.5m spend on warm, dry and safe works, the boroughwide major works programme delivering to the government decent homes standard and renewing roofs, windows and doors
  - 80% right first time achieved on the day to day repairs and maintenance programme, delivered by Mears in the south of the borough and Southwark Building Services in the north of the borough 79% R&M and 81% ECON – combined RFT is 80%
  - 94% (94% is for March 2014 only –90% for 2013/14) satisfaction with the quality of empty properties following implementation of a new enhanced standard for empty properties
  - 379 illegally sub-let properties recovered, winning the LGC award for fraud prevention and the best performance nationally
  - 93% (32,000) tenancy checks, for the first time giving us a comprehensive picture of who is living in council property
  - Continuing our tough contractor performance monitoring regime, including servicing a formal pre-default notice on Mears in March 2014 to improve their service to residents
20. Following on from the Lakanal inquest, there has been a strong focus on implementing all of the coroner's recommendations including installing sprinkler

systems to sheltered housing and hostels, continuing with the borough-wide fire safety works programme and installing smoke alarms starting off with the borough's portfolio of street properties.

21. The performance of the department is set against a difficult financial background and the challenge to deliver more with less. A self-financing Housing Revenue Account provides some opportunity for the council but means that the collection of all available income is more important than ever. We have managed to improve rent collection despite the impact of welfare reform but there is still a large residual debt in both our current tenant portfolio and amongst those former tenants that is proving challenging to make serious inroads into.
22. On the general fund budget, the main challenges are the increase in homelessness. The lack of supply of accommodation, particularly in the private sector, means increased pressure on our own limited stocks of private sector leased accommodation and an increase in the use of bed and breakfast accommodation.

### **Housing and community services key objectives**

#### **Objective 1: Implement a programme to ensure Southwark's housing stock is warm, dry and safe**

23. Majority of the 2013/14 works programme was on site by the end of the year, with only a few exceptions.
24. £82m of the Warm, Dry and Safe budget was spent during 2013/14, which was 103% of the target. This also means that to date £184 million has been invested in Southwark's homes.
25. We are finalising our asset management strategy, which sets out how we will maintain the Council's assets following completion of the WDS programme. As part of this we are close to completing a review of the lessons learnt from our High Investment Needs Estates (HINE). This is a major piece of work which will involve all sections of the department in due course.
26. Use of EDMS (Electronic Data Management System) has also been implemented in the major works division, enabling ease of access for officers and reducing reliance on paper records.
27. We undertook a review of stock condition database software and determined that APEX was the best fit.
28. It is anticipated that the majority of the 14/15 works will be on site in the financial year along with '**2015/16 programme** in two of the five contract areas'.

#### **Objective 2: Deliver an improved housing repairs service, verified by residents**

29. The main priorities for the repairs service continue to be ensuring appointments are kept, that work is completed right first time and that there is a strong level of customer satisfaction with the service.

30. There is a great deal of work to be done to get us to the level of a top-quartile performer. Overall performance across the last year has been very consistent with 2012/13 in a number of areas, though there have also been improvements in others. The targets for 14/15 remain largely the same as the previous year, giving us the opportunity to consolidate and push on.
31. Our interim R&M contractor, Mears, signed a 5-year contract with the council in October 2013. This was based on the strong levels of performance and customer commitment they displayed in the interim period. Performance on the whole has fluctuated, and it is important to make sure the contractor is tightly managed as we move into next year. To this end, service improvement plans are in place for both SBS and Mears.
32. In the first half of 2014, R&M officers piloted the use of mobile technology in the field, enabling real-time access to a property's repairs history. Successful implementation in 14/15 will improve productivity, increase efficiency and save money in the long-term, which will contribute to an improved service.
33. There was a net reduction in the number of disrepair cases in 2013/14, though this did not quite reach target. The target void relet time will remain at 22 days for 14/15, recognition that maintaining this level of performance will be a challenge and an outstanding result.
34. The Handyperson service has continued to provide a quality, specialist service to the most vulnerable residents in the borough. In 2013/14 over 2,400 jobs have been completed, many of which have prevented falls in the home. There is a strong emphasis on partnership working with health and social care teams to assist with safe hospital discharges and safeguarding issues. There continues to be a very high level of customer satisfaction with this work, with 100% either very satisfied or satisfied. The challenge for the team will be to maintain this level in 14/15.
35. 18 officers were recruited to the newly-formed communal repairs team - providing a comprehensive inspection, ordering and performance monitoring service in the borough.

**Objective 3: Improve customer services and increase online services  
Customer Experience**

36. In terms of service delivery, significant strides forward were made in 2013/14 towards delivering the kind of customer-focussed service that our residents deserve. At the end of May 2013 the contracts with GDIT (for our telephone and email services) and Liberata (for face-to-face services) came to an end after eight years and customer services were brought back in house on 1 June. The twin aims of this move were to deliver an improved service for residents whilst also making substantial savings on contract costs. We now have a greater level of control over key aspects of customer services, such as ensuring calls are answered in a timely manner and are dealt with at the first point of contact. As well as putting in place a new telephone system and customer relationship management (CRM) system, we opened a state-of-the-art customer service

centre at Queens Road Peckham and took on 40 enthusiastic customer services apprentices.

37. Average call wait times lowered in the months following the move in-house. Yet there is still some way to go before the target of a 60 second average is met.
38. New My Southwark service points were opened at the Blue in Bermondsey and the Walworth Road, with a strong emphasis on self service and assisted self service. Take-up of the 'My Southwark' online application has been exceptionally high, with over 67,000 people regularly accessing need-to-know information such as parking and recycling as well as paying their rent and council tax online. This interactive aspect will be advanced even further through 2014/15.
39. Plans to improve customer service will go further in 14/15 as we further embrace benefits of digital technology. We want to be more 'digitally inclusive' with residents, to ensure that tenants who do not have a PC or internet access are not disadvantaged in any way.
40. The 2-stage complaints process has been in place for a year now with a focus on resolving issues at the first point of contact, and this has resulted in fewer escalations. More can be done to recognise the importance a complaint carries with it, to ensure a response begins to be formed as soon as the complaint is received. There will be a greater emphasis on the qualitative interpreting of complaints information to achieve this end.

#### **Objective 4: Ensure that charges for homeowners are fair**

41. Around half of all residents are satisfied that annual service charge bills are easy to understand and that each charge is clearly identified, which is an improvement on the previous year. Further, almost three quarters are satisfied that the bills are delivered on time.
42. It is recognised that more can be done to engage with homeowners and give them confidence that we are acting in their best interests. This will be done by increasing opportunities for homeowner participation in 14/15.
43. We continue to offer a wide range of payment options to our leaseholders and strive to ensure service charges are accurately estimated and billed.

#### **Objective 5: Provide improved value for money and deliver savings**

44. The Operation Silver initiative has to date helped recover over 900 illegally sublet council homes, helping us to deliver on our promise to provide value for money and deliver savings.
45. There have been further successful investigations into both housing benefit and Council Tax fraud, with a combined value of over £4 million.
46. Within customer experience division, the cost per closed complaints case has been driven down from nearly £30 to under £20.

47. Compensation payments were also significantly lowered as a result of the new complaints process which focuses on resolution at first point of contact.
48. The average cost per closed disrepair case came down considerably in 13/14, as did the average time taken to close.
49. One of the major benefits of moving customer services in-house was the ability to save money on contract costs in the region of £3 million.
50. A mobile working project board was established to facilitate implementation of solutions across the department. This is a significant step which will realise cost savings in the long-term, and promotes a more efficient way of working.

**Objective 6: Increase the supply of housing, use our stock effectively, and reduce the numbers in temporary accommodation**  
**New council homes delivery**

51. The decision to build 11,000 new homes is the biggest area of focus for the future of our housing stock. In 2013/14 we embarked on one of the largest community conversations ever undertaken, as we looked to follow up the Housing Commission report by gauging the views of those who matter most – our residents. In a wide-ranging consultation, we asked residents and key stakeholders:
  - Who should council housing be for and for how long?
  - How much council housing should there be, and to what standard of quality?
  - How should council houses be managed?
52. There was a very strong level of engagement with the community conversation. Residents told us that they wanted more council housing that was of good quality. They believed that council housing should be for those people on lower incomes and particularly those who had a local connection to the borough. Lifetime tenancies were supported as this gives security as well as a sense of belonging. Residents also wanted more opportunities for genuine.
53. In effect, now that the decision to build has been made, the hard work really starts this year. It is proposed to align new council housing build alongside the existing investment in the council's housing stock and the delivery of major works, new kitchens and bathrooms. Cabinet will be considering the plans for delivery of the new-build programme on 22 July.
54. The commitment to building 11, 000 more homes in the borough over the next 30 years is a significant step. Now the commitment has been made, attention will turn to the development, planning and investment needed for the initiative.
55. The impact of welfare reform on our residents has been considerable in the last year, and an extra burden was placed on our officers' ability to not only provide advice and support but also to be vigilant in ensuring efficient use of our housing stock.

## Objective 7: Involve tenants and homeowners in the improvement of service delivery

56. The community engagement division plays a vital role in involving communities in the decision-making process. Despite this, we all have a part to play in this process and in bringing services closer to the people they serve.
57. The past year has seen a number of high-profile opportunities for resident involvement, not least the community conversation on the future direction of housing in the borough, but also on the Warm, Dry and Safe programme, the statutory consultation on the conditions of tenancy and the Annual Report to Tenants to name but a few.
58. During 2014/15 we will undertake more community conversations than ever before. We will also give residents a greater say over how their money is spent.

## Departmental structure and key activities

