

REPORT TO:	Streets, Environment & Homes Scrutiny Sub-Committee 30 November 2021
SUBJECT:	UPDATE ON IMPROVEMENTS TO THE HOUSING DIRECTORATE, PROGRESS TOWARDS A HOUSING STRATEGY AND REVIEW OF THE HOUSING REVENUE ACCOUNT
LEAD OFFICER:	David Padfield, Interim Corporate Director, Housing
CABINET MEMBER:	Councillor Patricia Hay-Justice, Cabinet Member for Homes
PERSON LEADING AT SCRUTINY COMMITTEE MEETING:	David Padfield, Interim Corporate Director, Housing
PUBLIC/EXEMPT:	Public

COUNCIL PRIORITIES 2020-2024

Include here a brief statement on how the recommendations address one or more of the Council's priorities:

- *We will live within our means, balance the books and provide value for money for our residents.*
- *We will focus on tackling ingrained inequality and poverty in the borough. We will follow the evidence to tackle the underlying causes of inequality and hardship, like structural racism, environmental injustice and economic injustice.*
- *We will focus on providing the best quality core service we can afford. First and foremost, providing social care services that keep our most vulnerable residents safe and healthy. And to keep our streets clean and safe. To ensure we get full benefit from every pound we spend, other services in these areas will only be provided where they can be shown to have a direct benefit in keeping people safe and reducing demand.*

[Council's priorities](#)

ORIGIN OF ITEM:	This item has been identified as a topic for Scrutiny.
BRIEF FOR THE COMMITTEE:	The Streets, Environment & Homes Sub-Committee is asked to:- <ol style="list-style-type: none"> 1. Note the update provided on the improvements to the Housing directorate and progress towards a Housing Strategy. 2. Consider and comment on the improvement work underway, and whether it will deliver the desired outcomes.

	<ol style="list-style-type: none"> 3. Consider and comment on the review of the Housing Revenue Account. 4. Consider whether there are areas of concern the Sub-Committee would like to investigate further at a future meeting.
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1 EXECUTIVE SUMMARY

1.1. This report seeks to inform and update committee members on improvements to the Housing directorate, progress towards a housing strategy, and the review of the Housing Revenue Account (HRA). The report includes information on the redesign of the Housing directorate, the directorate's new key performance indicators, the Council's increased focus on resident engagement, and progress towards a housing strategy. The report also includes an update on the review of the HRA, and improvements to governance.

2 BACKGROUND

2.1. In May 2021, Croydon Council commissioned ARK Consultancy to conduct an independent investigation into conditions at 1-87 Regina Road. The subsequent report highlighted a number of areas for improvement across the Housing directorate. Since the publication of the report, a programme of improvement has begun across the directorate to address the recommendations listed by ARK Consultancy. The improvement work, which includes the development of a Housing Improvement Plan and the establishment of a Housing Improvement Board, will underpin the development of a housing strategy.

2.2. The conditions at 1-87 Regina Road highlighted in the ARK Consultancy independent investigation will be further addressed through improving our council stock condition and business intelligence data. The collection of robust data will inform our review of the HRA revenue budget for financial year 2022/2023 and the revision of the 30-year HRA Business Plan which will be overseen by improved governance arrangements.

3 ORGANISATIONAL REDESIGN

3.1. On 2 November 2021, Croydon Council transitioned to its new line management and reporting structure, as approved at Full Council on 5 July 2021 following a staff consultation. The organisational redesign will enable Croydon Council to address the ARK Consultancy Independent Investigation recommendations through restructuring the directorate to provide a more resident-focused, performance-oriented service.

3.2. In the new structure, the Housing directorate is overseen by a Corporate Director for Housing, and divided into two divisions led by the Director of Estates & Improvement and the Director of Resident Engagement & Allocations respectively. The Director of Estates & Improvement oversees

the following heads of service: Head of Responsive Repairs & Safety, Head of Asset Planning & Capital Delivery, and Head of Policy & Performance. The Director of Resident Engagement & Allocations oversees the following heads of service: Head of Allocations, Lettings & Income Collection, Head of Homelessness & Assessments and Head of Tenancy & Resident Engagement. At present an interim Corporate Director and the two Directors are all in post, and all six head of service posts are vacant. A full structure chart of the directorate, and a description of each division, can be found in Appendix 1.

4 KEY PERFORMANCE INDICATORS FOR HOUSING

- 4.1. On 12 April 2021 a report was presented to, and approved by Cabinet, detailing a suite of indicators and a range of actions to create a Corporate Performance Framework. The latest suite of key performance indicators (KPIs) for the Housing directorate were presented to and approved by Cabinet on 15 November 2021. A full list of key performance indicators can be found in Appendix 2.
- 4.2. The monitoring and review of these KPIs will be key to addressing Recommendation 5 of the ARK Consultancy Independent Investigation, “[to] develop ‘business intelligence’ systems that allow the Council to collect and share real-time information on asset condition and performance”. The KPIs for Housing will be reviewed by the independently-chaired Housing Improvement Board, and any changes must be ratified by Cabinet.
- 4.3. The key performance indicators taken from the Council Resident Satisfaction Survey reflect resident satisfaction levels prior to the publication of the ARK Consultancy Independent Investigation. The data is therefore likely to be out of date; the Council has commissioned Housemark to conduct a review of resident satisfaction in order to address this. The Housing directorate’s progress against the key performance indicators is outlined in the appendices to the November 2021 Cabinet report.

The precision of this data will be reviewed and improved to inform the development and delivery of the Housing Improvement Plan. The benchmarking of data will be of crucial assistance in this regard. Available data shows that there is a clear need to focus management attention on responsive repairs - which has been well-documented elsewhere - and void turnaround times, which are a significant area of concern. Good performance, however, can be seen in a number of areas. These areas include a reduction in the number of households in temporary accommodation, and most (but not all) compliance metrics.

5 ENGAGEMENT WITH RESIDENTS

- 5.1. Resident engagement has been placed at the core of the Council’s Housing Improvement Plan. The purpose of the Plan, the delivery of which will be overseen by the Board, is to strengthen resident involvement, improve complaints handling, and ensure cultural and behavioural change

for both Council staff and contractor operatives. The Housing Improvement Board will include two representatives of Croydon's tenants and leaseholders, the chair of the Tenant & Leaseholder Panel, and one representative of Regina Road. At present, three of the four representatives have been recruited. Through the Housing Improvement Board, residents and tenants will monitor and scrutinize the Council's progress against actions outlined in the Housing Improvement Plan, and provide regular reports to Cabinet.

5.2. Officers from the Resident Involvement and Tenancy Teams have undertaken an engagement exercise to understand the experiences of a wide range of tenants and leaseholders across the borough. The officers initially targeted flats on those estates with high rise blocks where there were a higher volume of repair requests. The visits commenced between 13 July and 24 September, and over 2,286 doors have been knocked, and 563 surveys were completed. Where the resident was not at home, a flyer was posted, providing contact details for caretaking services, all other housing services, and their ward councillors. The survey found that 30% of respondents would describe their overall experience as a Croydon tenant or leaseholder as "excellent" or "good", whilst 54% of respondents would describe their experience as "average" or "poor". A full summary of the findings was presented to the Tenant & Leaseholder Panel in October 2021.

5.3. Croydon Council Tenancy Officers and Resident Involvement Officers are present at the Regina Road site every weekday to handle resident queries. All residents across the three Regina Road blocks have received the first edition of a regular Regina Road Newsletter which provides updates on what Croydon Council is doing to improve the homes and housing services.

5.4. Following the publication of the Charter for Social Housing Residents: social housing white paper, the Resident Involvement Team has established a working group with Council tenants to oversee the Council's response to future legislation. An introductory meeting of the group took place in June 2021 and sub-groups have formed to identify actions the Council can take to address specific areas of the Charter. As the legislation is introduced, the sub-groups will ensure the views of residents are prioritised in future service improvements.

6 PROGRESS TOWARDS A HOUSING STRATEGY

6.1. A Head of Policy & Performance role has been created who will oversee a service responsible for performance measures, service re-design and improvement, and housing policy. The HRA is currently funding a Housing Strategy post in the Corporate Policy & Performance Team, and work has begun to deliver the first stage of a housing strategy. The first stage of a housing strategy will consist of a Temporary Accommodation Strategy, and a Homelessness Prevention & Rough Sleeping Strategy. The latter strategy is scheduled to be ratified by Cabinet in June 2022.

6.2. The development of a Temporary Accommodation Strategy will run in parallel with the two temporary accommodation pilot schemes, CroyBond and the Homelessness Prevention Fund. The CroyBond scheme is a rent deposit scheme and the Homelessness Prevention Fund provides discretionary reserves which enable residents to remain in their current home, or supports them in securing a tenancy. Implementation has been delayed pending the recruitment of a team manager, which has become protracted.

6.3. The Temporary Accommodation and Homelessness Prevention & Rough Sleeping strategies will act as central pillars to an overarching housing strategy. Priorities and desired outcomes within the two strategies will accompany our future priorities for the private rented sector, asset management, and planning, in order to address housing need and homelessness in the borough.

7 HOUSING REVENUE ACCOUNT BUSINESS PLAN AND REVIEW

7.1. Croydon Council has recognised the need for robust financial governance of the Housing Revenue Account (HRA). Improvements to governance have been addressed through two key deliverables: HRA revenue budget setting for financial year 2022/2023, and a revision of the 30-year HRA Business Plan.

7.2. A review of revenue budget setting for financial year 2022/2023 has identified areas of pressure where a rebalancing of the budget is required to reflect the activity and services provided, including additional budget to implement the Fire Safety Act 2021, with a view to addressing the significant changes as a consequence of the Building Safety Bill 2021. Further existing pressures have also been included in order to right-size the budget; if savings within existing expenditure areas cannot be found, a draw down from reserves will be required.

7.3. Savills Plc has been appointed to support the production of Croydon Council's 30-year HRA Business Plan financial model. The model will be informed by condition data on the Council's housing stock which will be improved over time through the re-commissioning of stock condition survey work, and the implementation of a new database. The revised 30-year HRA Business Plan will be presented to Cabinet for approval in March 2022.

7.4. The review of the revenue budget setting and the revision of the 30-year HRA Business Plan will be overseen by an Assets and Capital Board, and a Strategic Board. Both boards will ensure the Council's commitment to housing tenants and monitor the Council's progress towards key performance indicators. The Assets and Capital Board will set out the three-year programme for stock conditions and performance management, and the Strategic Board will set out key work programmes to address regulatory changes affecting Council stock, and review the Council's existing compliance.

7.5. The Assets and Capital Board, and Strategic Board, will oversee the development and implementation of both an Asset Management Strategy and, potentially, a Housing Regeneration Strategy. The strategies will provide an assessment of the assets requirements within the borough, and a forward plan for regeneration and delivery. Both strategic documents will be informed by the improved stock condition data referenced above.

CONTACT OFFICER: Velvet Dibley, Senior Strategy Officer

BACKGROUND DOCUMENTS: None

APPENDICES: Appendix 1: Organisational Redesign, Housing directorate
Appendix 2: Corporate Performance Framework, Housing Key Performance Indicators