



**Service Delivery  
Committee**

**Tuesday, 27 June  
2017**

**Matter for  
Information and  
Decision**

**Title: Community Services Update**

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## **1. Introduction**

This report is to provide an update to the Committee regarding the delivery of landlord services and related community activities.

## **2. Recommendations**

- 2.1. Members are asked to note the contents of the report.
- 2.2. To approve the current rent arrears target of 2% of the annual rent debit for 2017/18.
- 2.3. To approve the former tenant arrears target of 2.5% of the annual rent debit for 2017/18.
- 2.4. To approve a voids turnaround time of 20 days for 2017/18

## **3. Information**

### **3.1. Current Tenant Arrears**

The target for 2016/17 was to reduce the gross arrears to 2.5% of the annual rent debit by the end of the financial year ending 31 March 2017. The table below shows the performance from January to March 2017.

January 2017	February 2017	March 2017
£136,947	£132,746	£103,362
2.75%	2.66%	2.07%

- 3.2. Members will note that the target for 2016/17 of 2.5% was achieved and Members are asked to consider the target for 2017/18. Arrears are increasingly being affected by the introduction of Universal Credit which has a built in delay of 6 weeks for payments. Also the Benefit Cap has been reduced to £20,000 which is adversely affecting some of our tenants and is likely to impact on the level of arrears.

There has been the usual increase in arrears at the beginning of the new financial year and the arrears at the end of April had increased to £127,132 which represents 2.61% of the annual debit. Taking into account the impact of Universal Credit and the Benefit Cap it is proposed that we set a target of 2% of the annual rent debit for 2017/18. Internally we will work towards a stretch target of 1.75%

### **3.3. Former Tenant Arrears**

The target for 2016/17 was to reduce former tenant arrears to 1.5% as a percentage of the annual rent debit. With hindsight this target was over ambitious in that only nominal effort had been made in respect of former tenant arrears over a considerable period of time. Many of our ex tenants are on low incomes and even when we are able to trace them repayments tend to be small, affordable amounts as little as £3.75 per week consequently it takes a long time to reduce the arrears by a meaningful amount. The increasing use of Debt Relief Orders and Bankruptcy also reduce or remove our ability to collect outstanding debts.

At the end of 2016/17 Former Tenancy Arrears stood at £124,590 which represents 2.56% of the percentage of the annual rent debt.

A tracing and collections agency was engaged during 2016/17 working alongside the Income Team to reduce former tenant arrears. In addition we are proposing a more systematic approach to writing off accounts that are deemed to be irrecoverable. Appropriate cases will be submitted to the Section 151 for approval which can be written back in if there is a change in circumstances.

In light of the above a target of 2.25 % of the annual rent debit is proposed. For 2017/18.

#### 3.4. **Voids**

During April 2017 some 8 properties were re-let as 'normal' void properties with an average of 20 working days. In May 2017 only 2 properties were-let with an average of 8½ working days.

The target for 'normal' void property turnaround remains at 20 working days.

#### 3.5. **Housing Allocations Policy and Choice Based Lettings**

Members will reMember that delegated authority was assigned to the chair of this Committee alongside Senior Officers to procure an independent Choice Based Lettings system in the event the current partnership arrangements no longer met our requirements.

These powers were taken up in March 2017 and the contract awarded to Home Connections.

Home Connections provide Choice Based Lettings solutions to a range of customers including 13 London Boroughs and several major Housing Associations.

The project plan anticipates the new system to be fully operational by November 2017.

Implementation of this new system will involve certain changes including a move to online application and the supply of supporting documents electronically. Members are assured that appropriate assistance will continue to be provided to the most vulnerable disconnected residents wishing to access the service.

The Housing Allocations Policy will be amended to remove reference to the Leicestershire Sub-Regional Partnership and in doing so the policy will revert to a more straightforward bedroom eligibility matrix. No other changes are anticipated to the Policy.

The internal procedures will be amended to ensure that no application is accepted for further processing without proof of identity for every adult. In this way staff resource will not be expended on speculative applications.

### **3.6. Additional Support for Domestic Violence**

From March 2016 the Community Team commenced a project with Women's Aid Leicestershire to assist housing staff with the difficult circumstances which arise around supporting victims of domestic abuse. This project added further value to the existing UAVA arrangements (United Against Violence and Abuse being the main Domestic Abuse partnership in Leicester, Leicestershire and Rutland which includes Women's Aid Leicestershire as a partner).

In the first 10 months some 44 households were assisted of which 20 had not previously sought help from the UAVA service.

The success of the project and the assistance rendered to both the Housing Options Team and the Housing Management Team has resulted in the project being continued into 2017/18.

### **3.7. Gas Safety**

100% compliance has been achieved to 31 May.

As at 12 June, only 8 properties remain to be serviced by 30 June and good progress is being made on those due in July. Procedures have been amended to strengthen the Council's position should it at any point prove necessary to take court action.

### **3.8. Empty Homes - Private Sector**

#### **114 Uplands Road, Oadby**

The trustees of this property have advised this Council that Oadby Estates were instructed on 5 June 2017 to place the property on the market.

The progress of this sale will be monitored.

#### **37 Newton Lane, Wigston**

There has been no further contact with the Council since letters were sent out to the legal owners prior to the last Committee Meeting on 21 March 2017.

Further attempts to engage in dialogue with the owners will be made to illicit a response or to secure the Councils' position to take appropriate action to bring the property into the pool of housing available to suitable applicants.

### **3.9. Chartwell House, Oadby - Lease for Rooftop Telecommunications Site**

At the time of writing, draft heads of terms for continuation of the lease have just been received and are being reviewed.

### **3.10. Update on Capital Programme**

All capital projects on site in 2016/17 financial year have now been completed with

the exception of the following:-

- Junction Maromme Burgess (external works to replace screen walls with railings) due to complete first week in July.
- Replacement kitchens and bathrooms at Countesthorpe Road, last two properties, works currently on site, completion due in June.
- William Peardon Court bathroom upgrades. All residents' bathrooms completed. Revised window arrangement to communal facilities still to be installed. Main contractor let down by intended window installer arrangements now being made with another window company.
- Chartwell House completed apart from one window needing replacement which is on order. Positive feedback from residents on works.

Good progress is being made on the 2017/18 capital programme with the two main contacts already tendered and let. These are:-

- (1) The Energy Improvement Works to 75 properties at Elizabeth Court, Wigston. (to install partial external wall insulation, extract existing cavity wall insulation and refill, replace windows and fit positive input ventilation systems) started on site on Monday 12<sup>th</sup> June 2017.
- (2) The decent homes upgrades to 25 properties at Malham Way, Oadby. This contract is currently being mobilised with an 8 week lead in period and works due to start in August. This project includes replacement kitchens, bathrooms, gas central heating boilers, electrical upgrades and some external work (to properties where these works have not already been undertaken at relet).

A full schedule of 2017/18 projects and progress update will be provided for the next meeting.

### 3.11. **Borough Wide Cleaning Contract**

Members will recall that authority to award the contract was delegated to officers in consultation with the Chair of the Service Delivery Committee. 5 completed tenders were received and were assessed in terms of price and quality and Pinnacle Housing limited were adjudged to have submitted the most economically advantageous tender.

Pinnacle has therefore been appointed and the new contract will commence shortly once the pension arrangements for transferring staff have been completed. The contract is for a 5 year period with the option to extend for further 3 years if desired. All existing staff have the option of transferring to the new company on their existing terms and conditions and are protected by the Transfer of Undertakings (Protection of Employment Regulations). Extensive consultation has been carried out with all the staff involved and a smooth transition to the new contract is expected.

Overall the new contract is subject to a detailed specification and will be monitored on a regular basis to ensure that the required standards are being achieved. Overall the contract will save the Council £20,000 per year.

### 3.11. **Local Housing Company**

At its meeting on 23 May 2017, full Council received a report regarding Housing and Property Development in the Borough.

The following recommendations were approved:

- (a) That a Council-owned housing and property development company is created to build Houses for rent and for sale and other property development.
- (b) That the Articles of Association of Bushloe Developments Limited be approved.
- (c) That final approval of the Business Plan is delegated to the Section 151 Officer.
- (d) Two Officers of the Council - Anne Court (Director of Services / Monitoring Officer) and Christopher Raymakers (Interim Finance and Accountancy Manager) be appointed as Directors of the Company.
- (e) That Stephen Glazebrook (Interim Head of Community Services) be appointed as an Independent Executive Director and will also perform the role as Company Secretary.
- (f) That the land at Bennett Way, South Wigston is sold to the Housing Company at market value.
- (g) That £100k is vired from existing budgets to provide an initial loan to the Company to cover its operating costs for 2017/18 and any contingencies that may arise.

### 3.12. Lightbulb Project Update

Work is progressing towards the planned 1 October 2017 go-live date. Most of the detailed work involving the authorities joining the project has now been completed. The Lightbulb Project Team is now recruiting and training staff; finalising TUPE arrangements where these apply; and making operational arrangements.

#### Background Documents:-

Report of the Interim Head of Communities entitled 'Housing and Property Development within the Borough' to Council on 23 May 2017 and appendices.

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Implications	
<b>Financial (CR)</b>	CR1 - Decreasing Financial Resources - Efficient housing and void management is essential in maintaining income streams.
<b>Legal (AC)</b>	The Council's lawyers have confirmed that it has the power to set up the Local Housing Company. The Contract for the new cleaning contract has been completed and signed by all parties.
<b>Risk (SG)</b>	A full risk assessment has been carried out in relation to the new Local Housing Company.
<b>Corporate Priorities (SG)</b>	The new Housing Company will seek to address the Council's Corporate priorities by using modern methods of construction (CP3) including the highest levels of Energy Conservation providing green and safe places (CP4) to live.
<b>Vision and Values (SG)</b>	The new Housing Company will seek to work with the Council's chosen Vision and Values and will adopt innovative solutions (VV4) to provide new housing in the Borough.
<b>Equalities (SG)</b>	An initial Equality Assessment in respect of the new Housing Company was submitted in the report to full Council on 23 May 2017.
	Equality Assessment:-
	<input checked="" type="checkbox"/> Initial Screening <input type="checkbox"/> Full Assessment <input type="checkbox"/> Not Applicable

