### HOUSING SCRUTINY SUB COMMITTEE

## **REPORT UNDER RULE 2(VI) OF THE COUNCIL PROCEDURE RULES**

## Report by Councillor Donald Nannestad, Portfolio Holder for Quality Housing

### INTRODUCTION

The last 12 months have been an extraordinary time for everyone with the effects of the COVID-19 pandemic affecting all aspects of life. In terms of housing the service we have been able to offer has varied in relation to what level of lockdown we have been in at the relevant time. The situation has changed a number of times and at the time of writing this we are in a period of "lockdown" although this is not as severe as the lockdown imposed in March 2020. Many areas have been operating in different ways and where possible staff have worked from home with some areas such as supported housing services being delivered via telephone. Construction work, after the initial lockdown, has continued at De Wint Court, as allowed under the current regulations, and the new homes on the former Markham House site have been completed and are tenanted. However, we are only able to run a restricted repair service dealing with essential and priority repairs. Some services such as Lincare have continued as normal, with some additional staff trained to help if required, while the homelessness service has also continued its very important work. Housing staff were involved in the Community Help scheme and the Befriending Service. There have been disappointments most notably being the fact that we have been unable to celebrate the Centenary of Council Housing in Lincoln which we had hoped to mark in November on the anniversary of our first house being tenanted. We have also made progress in some areas including the completion of our new Housing Strategy. I thank the many members of council who contributed towards the production of this important strategy. Members have also recently been consulted on another important area of work namely fire safety. At various times some of our housing staff have either been furloughed or redeployed. The pressure on allocations continues to be immense as I detail later in this report. We currently have 7,617 council properties but over 1,000 people on the housing register. In terms of performance the Council's executive has taken the decision that performance data for guarters one and two should be published but the information for quarter three should be delayed and published with quarter four. There are 19 measures for housing of which five were reported as below target for guarter two, and two reported above target. The fact that we have been able to keep services operating as much as possible is an achievement in itself and I pay tribute to every single member of staff who have done some extraordinary work over the last 12 months. I would also like to thank the members of our Tenants Panel for the valuable work they have carried out.

### HOMELESSNESS

Homelessness continues to be a significant issue in Lincoln as in many towns and cities across the country. Rough sleepers have in recent years been the most visible aspect of this and at the start of the pandemic the Government introduced Its "Everyone In" campaign which has led to additional accommodation funded by Central

Government being provided for people sleeping out. We successfully offered accommodation to every person as part of the campaign and we continue to provide accommodation for former rough sleepers. Due to the efforts of the team, at the start of the New Year we were able to report to MHCLG that we had no one sleeping out in Lincoln which is a fantastic achievement.

In addition to those people who are sleeping out, the number of people presenting to the City Council as homeless varied in the first two guarters of the current year from a low of 21 in April to a peak of 52 in July. The team has been working remotely during the year and dealing with cases by phone. Lockdown has reduced the options available for temporary accommodation and that has been an issue. A further issue that will have effects long-term is the County Council decision to cut £1 million from its housing related support budget. This is the funding that provides the extra support required to help homeless people improve their lives, many of them having complex problems which are not possible to resolve without help. We have responded to all of the various Government homeless and rough sleeping initiatives during the pandemic and continue to do so. The recent imposition of SWEP (Severe Weather Emergency Protocol) saw every rough sleeper on Lincoln's streets being housed for the cold weather period. Our track record in homeless prevention and intervention has enabled us, as a trusted partner of MHCLG, to draw down funding as part of the Next Steps Accommodation Programme. This will provide 15 units of "move on" accommodation in the City and I am very pleased to tell members that we were the first Council in the country to purchase properties under this scheme. Further, we have been able, due again to our excellent service, to draw down significant funding in rough sleeping grant which is more than last year and will enable us to continue assisting some of the most vulnerable people in our City.

# **TENANCY SERVICES**

Tenancy Services staff have worked extremely hard to mitigate the impact of COVID-19 on rent arrears and collection. The two-week rent-free period, which is normally over the Christmas/New Year period was brought forward to the start of the financial year. We also set up a discretionary rental hardship fund which assisted 182 tenants. Although this was brought to an end at the conclusion of the first national lockdown, this was revived for the current lockdown with the assistance being provided to those who have difficulty paying their rent as a direct effect of COVID-19. Our response has been featured by ARCH (the Association of Retained Council Housing) in their monthly magazine and on their website. We have also been able to use funds from our Discretionary Housing Payment allocation to assist tenants. At the end of quarter three rent arrears were £340,000 above the same period in 2019-20 with the rent collection rate being 98.9%. However, compared to the councils we benchmark with we have fared much better. The number of tenants on Universal Credit continues to increase and is now over 2.000. More than half of the total rent arrears of £1.1 million is owed by tenants on UC. The number of tenants that are under occupying their property continues to decrease due to work with tenants to ensure accommodation is adequate for the number in the household. Instances of under-occupancy have reduced from 436 to 364 when comparing the data for quarter two between 2019/20 and 2020/21. We have been putting significantly more emphasis on tenant sustainability with a team of officers working on this. This is early intervention work with tenants to help them maintain their tenancies. Before the onset of COVID this had begun to have an effect and this is evidenced by the fact that the number of evictions reduced by half in 2019-20 compared to the previous year. In March 2020 the Government suspended evictions and this ban has recently been extended through to the end of this month. This is a regulation which affects not only local authorities and other social housing providers but also the private rented sector. Councils up and down the country are anticipating a significant increase in demand for local authority properties when the ban is eventually lifted.

## HOUSING REPAIRS

The Housing Repairs Service has been subjected to a number of limitations in the way it can operate due to COVID and this has affected performance. The number of workers able to operate in a single property has been restricted due to social distancing, there have been increases in the costs of some supplies and a significant increase in demand for PPE. In addition, Government guidance has changed on many occasions. One effect of COVID appears to have been a reduction in the number of repairs reported with some tenants, particularly those who are shielding, being reluctant to have operatives working in their homes.

In terms of performance the percentage of repairs fixed first time at the end of quarter two was 90.11%. The percentage of appointments kept was 99.95% in quarter two which is an almost perfect figure.

During the current financial year, we have introduced on a trial basis a system of Scheduled Repairs which means that repairs covered by this system will be carried out area by area at set times. We are continuing to carry out our priority repairs within 24 hours and urgent repairs within 3 days. The Schedule Repair system allows us to plan all the work in each area and ensure that we have all the right resources and materials in the right place so we can complete any repairs reported in one visit. This gives everyone more certainty that the repair will be carried out on the expected date. It also drives down delivery costs and will drastically reduce our carbon footprint as we scale back journeys across the city. The initial indications are that this system has had a positive effect in terms of both financial and service delivery.

To conclude on this section, we are currently carrying out procurement exercises for the vehicle fleet and managed stores provider. The new fleet will be greener, this linked to a reduction in the number of journey's around the city as a result of the move to scheduled repairs will help towards meeting the council's climate goals. As of 4 April Jewson Partnership Solutions will be the managed stores provider replacing Travis Perkins.

### VOIDS

At the end of quarter two there were 65 properties in voids. The process of bringing back into use has been substantially affected by the COVID-19 restrictions. The number of workers able to work within one property at the same time has been restricted causing delays in work being completed and COVID also affected the supply chain. These two factors have resulted in the performance being 50 days (keys

handed in to keys handed out) for voids when the target is 32 days. Since my last report to this committee, we have changed voids contractors. There were some initial teething problems with the incoming provider which have now mostly been resolved. I have asked the Director of Housing to specifically target void turnaround going forward as we must seek to maximise our housing supply in these difficult times.

## HOUSING INVESTMENT

Two key areas in this section are in red as far as performance is concerned but, in both cases, this has been a direct effect of COVID. Firstly, the number of Council properties that are not at the Decent Homes Standard. The data showed 0.81% at the end of guarter two excluding refusals. However, in a further 207 instances the tenant had refused to allow work to be carried out - often due to the tenant shielding or concerned about visitors to their home during lockdown periods. A similar situation has arisen with the figures for the number of properties with a valid gas safety certificate. This was down to 85.84% at the end of guarter one but had increased to 95.05% at the end of quarter three. As with the Decent Homes Standard work, we expect to catch up as time goes on although further refusals are likely during lockdown periods as we are experiencing at the time of writing. The Council's executive has taken the decision to implement the break clause in the planned maintenance contract with Kier Services. As a result, this contract will end on 31 March. The intention is that some of the work under this contract will be carried out in-house with some being contracted to smaller, local companies helping boost the local economy and again supporting our carbon reduction agenda.

# NEW BUILD/ALLOCATIONS

The pandemic has slowed up work on new properties. The five new properties on the site of the former Markham House building on Swift Gardens were completed in December and have been tenanted. Although the timetable for completion of De Wint Court extra care unit has been affected we are still hoping to be able to finish this during the current calendar year. Progress is continuing to be made on the next proposed development at Rookery Lane.

The pressure on allocations continues to be immense. On 3 February we had 1,144 on the housing register of whom 170 were in band one. This continuing pressure only serves to show how much the Right to Buy legislation affects our ability to provide Council housing for those who need it. When the 1980 Housing Act came into being, we had around 11,000 Council homes for rent in the city. Right to Buy has reduced this by about 30% to approximately 7,800. Sales have consistently outstripped any efforts we have been able to replace them. There are several effects of this. One is that in all likelihood, in line with national trends, around half of the properties that were sold to tenants have ended up in the private rented sector. Private rents in the City can be around 80 to 90% higher compared to an identical Council property. Further to this the properties are being sold at a discount with restrictions on how we can spend the receipts. For example, a tenant of 10 years standing who purchases a property valued at £100,000 with the statutory discount (35% plus, after five years of being a tenant 1% per year of tenancy) potentially acquire the property for £60,000. However, the regulations mean we are then considerably restricted on the way we can use that

receipt to build a replacement. Before the 1980 Act local authorities were able to sell Council houses, and did, but there was no discount and there was no restriction on spending the receipt to build replacements. I fully accept that aspirational tenants living in a council house will aspire to own their home but equally many other people aspire to live in a council house or are current tenants of ours who need more suitable properties. The restriction on the use of receipts has meant that over the years our housing stock has reduced although the demand remains considerable.

A further pressure on allocations is that a major effect of lockdown has been a reduction in the number of properties that are available. We had at one stage dropped from an average of 20 sets of keys being handed in per month to just two or three, many of which were in sheltered housing schemes. This is now slowly improving but the pressure on voids has restricted turnaround times. We are now doing limited bidding cycles and a small number of emergency mutual exchanges. In addition, government advice has been to restrict lettings to emergency cases only. This has been a source of frustration for many people seeking to move but we simply have not had enough properties available to operate as normal. We have been helped to some extent by our purchase and repair scheme but this does not solve the problem and never will do. Between April 2019 the end of January 2021 we bought 65 properties through this scheme and a further four properties are, at the time of writing, in conveyancing.

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