



**One Council Overview and
Scrutiny Committee**
24 July 2012

**Report from the Director of
Regeneration and Major Projects**

For Action

Wards Affected: ALL

Housing Needs Transformation Project

1.0 Summary

- 1.1 This report updates from a previous report brought to this Committee on 6 July 2011. That report provided an overview of the Housing Needs Transformation Project (HNTTP) and updated Members on progress of the project which was one of the One Council Programme projects.
- 1.2 The HNTTP focussed on the way the Council delivers housing advice and assistance to people in housing need, including management of statutory homelessness applications and allocations. The key aim was to deliver performance improvements with fewer resources in a more challenging operating context driven by welfare reform, recessionary pressures and rising demand.
- 1.3 The project involved a fundamental review of working practices across two services the Housing Resource Centre and Housing Solutions, including use of a lean systems review and other process mapping work. As a result of the review work, two existing services were merged into a single service, designed to reduce duplication of activity and minimise customer hand-offs. The new Housing Needs Service went live on 2 April 2012 and the new structure chart is attached as Appendix 1. New working practices and IT systems were introduced simultaneously, which are currently being bedded in.
- 1.4 Another project strand focussed on managing housing demand more effectively and includes the development of a new tenancy strategy as required by the Localism Act. This will be presented to the Executive in July 2012 and will form the basis of changes to the Council's Allocation Scheme. A new Allocation Scheme is on target to be adopted by October 2012.

2.0 Recommendation

- 2.1 To note the successful implementation of the HNTTP.

3.0 Detail

- 3.1 In addition to the financial savings detailed in section 4 below the Project Board agreed a number of service delivery objectives which are detailed below.
- 3.2 Improving the customer journey by streamlining working practices across customer facing areas of the business including reception services, homelessness prevention, homelessness assessment, re-housing and re-settlement
- 3.2.1 The project identified imbalances between workload and staffing resources across the customer facing aspects of the service which were reflected in multiple hand-offs between staff as well as duplication of activity and variable use of IT. A lean review, a review of processes (carried out by Ad Esse Consulting) and the review of workloads and activity related to accommodation services were used to identify scope for rationalisation and the assessment of future staffing requirements. Services in the structure are now broadly grouped into people and accommodation based functions, ensuring better clarity of management responsibility and an improved focus on the end-to-end customer journey. Bringing together the statutory assessment and advice roles has reduced customer handoffs and sought to promote stronger case ownership.
- 3.2.2 The new structure has succeeded in balancing workloads and staffing levels more effectively and has reduced the number of hand-offs that customers experience. However, the development and introduction of the new staffing structure in tandem with new working practices and IT systems has proved challenging for managers and staff.
- 3.3 Ensuring the reconfigured customer contact arrangements fit with the proposed corporate approach and are easily transferable to the civic centre.
- 3.3.1 The new service is well aligned to new corporate customer care arrangements, with a focus on swift referral to specialist support and resolution of simple issues at the first point of contact. New job descriptions and structural arrangements mirror those developed for the new Corporate Customer Service Division, enabling a smooth transfer of resources when the service moves to the Civic Centre. However, while performance of reception staff has remained strong since go-live, telephone contact centre performance requires further development to improve performance.
- 3.3.2 Further detailed customer journey mapping is required to ensure the smooth transition into the Civic Centre and the Housing Needs Service continues to work closely with the Future Customer Services Project to ensure that services will be well coordinated at the Civic Centre.
- 3.4 Ensuring more effective supply and management of temporary accommodation and better access to privately rented housing.
- 3.4.1 The project identified a number of areas where there was scope to improve accommodation management. This included a need for better integration of different sections involved in procurement of property; closer management of the temporary accommodation pathway; and greater focus on moving households on from temporary accommodation.
- 3.4.2 The new Accommodation Team has brought all commissioning, contract management and support for households in temporary accommodation and private

rented homes together. This has helped to promote economies of scale and give landlords a single point of contact. Although arrangements are still bedding in, new IT solutions have also been developed to ensure that available properties can be matched to suitable households using agreed matching criteria.

3.4.3 The main risk to delivery of this objective centres on increased demand for affordable accommodation across London due to welfare benefit reform and rising rental costs. This is making it harder for the team to satisfy requests for accommodation and could potentially increase the level of customer complaints and /or review requests related to suitability. These pressures will be monitored closely under the new performance management framework and a new Placement Policy.

3.5 Improve support to households in temporary accommodation and support move-on.

3.5.1 Project work identified that support to households in temporary accommodation was largely reactive, with no programme of routine visits or systematic approach to encouraging move on from temporary accommodation such as shared ownership or the private rented sector.

3.5.2 A renewed focus on support to households living in temporary accommodation has been built into the role and responsibilities of the new Temporary Accommodation Support Team, with seven officers having a more clearly defined remit for proactive support. A programme of visits is due to commence in July 2012, with an expectation that managers will measure impact, including the number of qualifying officers achieved. However, the workload of the Temporary Accommodation Support Team may increase, if, for example, complaints about the quality of accommodation and/or the suitability of placements escalate. This could have a negative impact on the team's ability to carry out proactive work.

3.6 To improve customer information about housing options to promote self-help and informed choice among housing needs customers.

3.6.1 The project identified a need for better information about the Council's approach to meeting housing needs, in part to help manage demand more effectively.

3.6.2 New housing options information packs and an information pack for landlords have been developed to increase understanding of what the service can offer and to outline and build awareness of local housing constraints. These are due to be published by mid-July. The Locata website has also recently been updated to increase information about housing options. Delivery of the wider objective to use better information to manage demand may be adversely affected by the pressures posed by welfare reform.

4.0 Financial Implications

4.1 The savings target for the project was initially set at £750,000 recurring from 2012/13. The project has achieved first year savings of £1.050m for 2012/13 and is projected to deliver ongoing saving of £1.3m from 2014/15.

4.2 The project costs have been kept within the projected budget of £161,000 for 2011/12 and £107,000 for 2012/13.

4.3 Redundancy costs of £827k were incurred as a result of the transformation project, including statutory redundancy costs, severance and the actuarial strain on the

pension fund. These costs were higher than originally forecast, principally because the staffing establishment of the new service was smaller than anticipated, with a reduction of 30 posts compared to 18 forecast at the start of the project. A number of staff who took redundancy on a voluntary basis also had long service and /or qualified for early retirement, adding to overall costs.

5.0 Legal Implications

5.1 Legal advice has been considered in developing a Placement Policy which sets out criteria for placing homeless households in temporary accommodation.

5.2 Legal advice will also be sought throughout the process of agreeing a Tenancy Strategy and Allocations Policy.

6.0 Diversity Implications

6.1 The predictive impact assessment for the project forecast that women and BME groups were more likely to be affected by any reduction in staff numbers, given the profile of the workforce. This outcome is reflected in Table 1 below, which shows that higher proportions of women and BME staff were made redundant.

6.2 However, White staff were disproportionately affected by reductions, reflecting the higher proportion of these staff in the older age groups, some of whom opted for early retirement.

6.3 The staffing profile of the new service has not changed significantly in terms of age and gender, though the proportion of staff from ethnic groups has increased.

6.4 A fuller assessment of the impact of the new service on service outcomes will be undertaken by 31st March 2013. A customer satisfaction survey undertaken for the project will be repeated to inform this assessment, allowing impact to be measured by protective diversity characteristics.

Table 1: Diversity breakdown of staff prior to restructure, after the restructure and of those made redundant.

Characteristic	Housing Resource Centre (%)	Housing Solutions (%)	Housing Needs Service (%)	Redundant staff (%)
Gender				
Female	61.5	64.7	63.6	64.3
Male	38.5	35.3	36.3	35.7
Age				
< 25 years	0	2.9	0	0
25-50 years	75	76.4	72.7	46.4
51-59 years	23.1	17.6	23.8	46.4
60 years and >	1.9	2.9	3.4	7.9
Ethnicity				
BME Group	76.9	61.7	79.5	64.3
White	17.3	20.6	13.6	32.1
Ethnicity/unknown or not given	5.77	17.7	6.8	3.6
Disability				

Yes	0.9	0	1.1	3.6
No	85.6	82.4	86.4	96.4
Unknown	13.7	17.6	12.5	0

7.0 Staff / Accommodation Implications

- 7.1 The project identified the need to restructure the job roles and resulted in the reduction of 30 full time equivalent posts. The restructuring process was implemented in accordance with the Council's Managing Change Policy.
- 7.2 The restructure resulted in 28 staff being made redundant and seven of these were compulsory redundancies.
- 7.3 A wide ranging training programme has been implemented for all officers and managers in the new service to support new job roles and new ways of working. The project commissioned Cordoba to deliver an intensive Management Development Programme including modules on managing Performance, People and Change. All managers have started a six month coaching programme and all teams have taken part in team building sessions. The National Homelessness Advice Service has carried out training for Housing Options Officers on homelessness prevention. Further training is being planned to take place in the remainder of the 2012/13 financial year and a National Vocational Qualification (NVQ) programme is under consideration.
- 7.4 The service will continue to be delivered from Mahatma Gandhi House and will transfer to the Civic Centre in June 2013.

Contact officer:

Perry Singh
Assistant Director, Housing
Regeneration and Major Projects
Mahatma Gandhi House
Telephone: 020 8937 2332
Email: perry.singh@brent.gov.uk