



**Haringey Council**

<b>Report for:</b>	<b>Scrutiny Panel</b>	<b>Item Number:</b>	
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<b>Title:</b>	<b>Housing Unification and Improvement Programme - Update</b>
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<b>Report Authorised by:</b>	<b>Tracie Evans – Chief Operating Officer</b>
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<b>Lead Officer:</b>	<b>Tracie Evans – Chief Operating Officer</b>
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<b>Ward(s) affected: All</b>	<b>Report for Key/Non Key Decisions:</b>
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**Signed: Tracie Evans**

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**1. Describe the issue under consideration**

- 1.1 On the 18<sup>th</sup> March 2014, Cabinet considered arrangements that would deliver the improvement and unification of Housing Management Services. Cabinet agreed at that meeting to transfer some housing services currently delivered in the Council to HfH for a period of up to two years until 31 March 2016 and to transfer support service functions from HfH to the Council, along with associated governance and delegations to support this proposal.
- 1.2 On 15th July 2014, Cabinet approved the setting up of the Housing Unification and Improvement Programme as one of the Council's transformation programmes.
- 1.3 This report updates Scrutiny Panel on the implementation of this programme.

**2. The Housing Unification and Improvement Programme**

- 2.1 The Council reviewed the operation of housing services. At the time (prior to March 2014), housing services are mostly delivered from two places, either in the Council's Arms Length Management Organisation (ALMO), Homes for Haringey (HfH) or in the Community Housing Service managed within the Council. This split of service delivery



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creates duplication, and work has been undertaken in the Council and Homes for Haringey to look at how housing services could be delivered in a more integrated way to provide a better quality and more efficient service to residents.

- 2.2 In the high level review of these services, the Council considered that there is potential to bring operational housing services together in a way that will improve customer service for residents, provide a more seamless service and prove more cost effective. Because of the contract in place with Homes for Haringey, the services would unify within that organisation. This integrated service will build on the success of Homes for Haringey and the Community Housing Service in delivering housing services to residents across the borough, while delivering improvements.
- 2.3 In order to fully realise the benefits of managing housing services largely in one place, it will mean a new relationship needs to be forged between the Council and HfH. The new relationship will be based on more appropriate arrangements in terms of delivery responsibilities, accountability for outcomes, governance and partnership working.
- 2.4 Given the flexibilities around housing service delivery brought about by the ending of the national Decent Homes funding programme, it would also seem pertinent to review the current Haringey model for delivering services through Homes for Haringey against any other models of delivery that may be more relevant. This piece of work though is significant and would need to be timed to ensure that Members are able to make decisions about the future of housing service delivery in time to put in place an implementation plan to coincide with the end date of the Management Agreement in March 2016.
- 2.5 To enable the right long-term decision, a strategic review of housing options will begin, looking at the options open to the Council about how to deliver housing services in the future. With the Government ending the Decent Homes programme, the Council has more flexibility about whether we maintain an ALMO or whether we adopt a different structure for delivering housing services.
- 2.6 The level of re-organisation proposed is significant and requires a planned approach to the transfer and re-configuration of services. Hence the need to set up a transformation programme which will bring together staff from the Council and HfH to ensure that the transformation is delivered in the most appropriate way and in consideration of all customer and staffing issues.
- 2.7 In July 2014, Cabinet agreed to set up the Housing Unification and Improvement Programme. This programme aims to bring operational housing services together in one place and transform them into a service that:
  - Delivers the council's priorities and vision for the future, both of the organisation and the services provided
  - Enables and supports customers and the community to provide their own solutions
  - Fits streamlined, necessary services around the customer
  - Links to other providers and parts of the Council to find solutions



- 2.8 The programme has been split into 5 phases or 'waves', as set out below, with key outcomes and deliverables identified for each:
- **Wave 1: Unification:** unify the housing operational services under one management structure within Homes for Haringey:
    - *A unified housing service in one place and ready for improvement by end September 2014.*
  - **Wave 2: Housing Strategy:** ensure the development of a robust vision for housing for the future through the Housing Strategy and associated documents
    - *Agreed strategies for Housing in place*
    - *A clear vision for housing services over the next 3-5 years with SMART outcomes and strategies and policies that support delivery of that vision.*
  - **Wave 3: Housing Improvement:** integrate services into a unified, efficient, effective and customer focussed service in line with Corporate Priorities and programmes and housing strategy vision including to review and improve the delivery of housing capital investment programmes
    - *Deliver transformation programme savings and corporate priority savings of at least £2.97m GF and £3.8m HRA by March 2017, including investment and growth in order to support savings.*
    - *Improved customer satisfaction – residents and members*
    - *Clarity of service – who, what, why, how and why not*
    - *Increased customer resilience: focus on enabling rather than doing*
    - *Achieve outcomes set to deliver Vision as agreed in Wave 2 above*
    - *A more efficient, coherent service for residents, where services are needed*
  - **Wave 4: CST and BIP:** implement and align transformation with the customer services (CST) and business infrastructure programme (BIP) design and outcomes
    - *To support transformation and corporate priority savings targets to be achieved through BIP and CST*
    - *Customer services and Support Services designed in line with the Council's TOM that work for customers to deliver the improved housing service.*
  - **Wave 5: Future Housing Delivery:** the development of options for the future of housing delivery post March 2016.
    - *An independent and objective recommendation to Cabinet on the future delivery model for housing and the future of the ALMO, that fits with the Council's priorities and direction of travel, by September 2015.*
    - *A recommendation that takes resident and other stakeholder views into account.*



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2.9 The programme has been set up based on standard project management practice and the programme sponsor is the Chief Operating Officer. A timeline for the overall programme is attached as **Appendix A**.

### 3. Unification

- 3.1. The first wave of the programme is to bring all operational housing services together into one service within Homes for Haringey. This is the first stage in the process to bring services together and transform them.
- 3.2. The Cabinet report in March set out the proposal to second staff into Homes for Haringey, and this has been implemented. Staff have now been moved from Community Housing Services – as was – into Homes for Haringey. Services that have moved include homelessness, housing advice and options, lettings and HMO licensing.
- 3.3. In implementing the change, the a detailed consultation process was carried out including:
- A consultation package
  - Union discussions and negotiations on the detail of the secondment agreement
  - Consultation sessions led by the Council’s Chief Operating Officer and Homes for Haringey’s Managing Director
  - Drop in sessions
  - FAQs following consultation sessions
  - Attendance at team briefs by Chief operating officer, MD Homes for Haringey and Programme Manager.
  - Feedback e-mail address
  - Feedback package and consultation session

3.4 The unification timetable was as follows:

Formal consultation with Unions	15 <sup>th</sup> July 2014
Formal Consultation with Staff	15 <sup>th</sup> July 2014
Complete formal consultation	1 <sup>st</sup> September 2014
Corporate Committee	18 <sup>th</sup> September 2014
Implementation	29th September 2014

- 3.4. Other issues that were resolved as part of the unification process through a joint Council and Homes for Haringey team were:
- Scheme of delegation
  - Process through which Homes for Haringey can take statutory/enforcement decisions on behalf of the Council (i.e. homelessness, private sector enforcement)
  - Transfer of associated budgets
  - A variation to the management agreement between the Council and Homes for Haringey
  - The new management structure within Homes for Haringey



- Contact with suppliers and users of services to advise them of the change.

3.5. The unification was completed on time and went live on 29<sup>th</sup> September 2014 with few problems. A lessons' learned review is now being undertaken to inform future processes.

#### 4. **The Housing Strategy**

4.1. As a fundamental part of the work described in this report, Councillors, residents and other stakeholders will be consulted on a new Housing Strategy. The Housing Strategy will be a strategic document setting out the vision and outcomes expected for housing and sits above a suite of documents including:

- The Homelessness Strategy
- The Allocations Policy
- The Tenancy Strategy
- The Affordable Housing Policy

4.2 All of these strategies and policies need to be reviewed, and are at different stages in the process to do this. In each case, some careful thought and discussion with Members will be needed in order to determine the extent and level of change that will be required, to deliver the improvement within housing services needed to build community resilience and reduce costs.

4.3 The 'golden thread' of strategy starts with the Council's Corporate Priorities, which are currently being reviewed. Below this sits the Housing Strategy, and then the related suite of documents. The timetable for agreeing these documents is:

<b>Anticipated activity</b>	<b>Timescale</b>
Housing Strategy consultation draft approved	14.10.15
Allocations Policy approved	14.10.14
Tenancy Strategy approved	14.10.14
Homelessness strategy consultation draft approved – Cabinet report	Jan '15
Housing Strategy approved	Feb '15
Private Sector Strategy – being developed	TBC

#### 5. **The Housing Improvement Process**

5.1. Following the unification of services within one organisation, the improvement of all Housing Operational Services is intended to be undertaken.

5.2. This process will rationalise services across Housing, redesign them to put the customer at the heart of the process and deliver a major budget reduction. This will be driven by a new vision for Housing that is being determined through the Corporate Priority review and the development of the new housing strategy. The driving principles for how this vision will be achieved are still in development as part of that



process. The direction of travel is towards:

- A tenure blind approach
- Increased emphasis on enabling support and prevention, reducing demand
- A 'joined up services' approach created with other services and partners for the customer, promoting choice and aspiration and building community resilience
- Improving operational service delivery to be efficient, streamlined and seamless with high satisfaction from users

- 5.3. The improvement process also needs to fit within the customer services and business infrastructure programmes, and staff will need to move from housing into the new structures being developed there. In addition, the housing services will need to align processes, procedures and systems to ensure that services can be delivered within the new target operating models.
- 5.4. Attached as **Appendix B** is a draft model for this process, based on the customer journey showing :
- the customer services 'front end' on the left – this is how customers will start the discussion with us
  - the functions on the right that support the delivery of services to customers
  - the business infrastructure 'support services' on the far right – this is the back office support function that sits behind the service that customers don't see
  - the housing improvement process in the middle – this is a draft approach which may change.
- 5.5. This process has identified that customers come to talk to the Council about issues that fall into three main areas:
- Finding and Keeping a home
  - Managing a home
  - Maintaining and Improving a home
- All these areas apply to customers regardless of the home in which they currently live, be it council tenanted, council leased, RSL, owner occupied or private sector rented.
- 5.6. Modelling processes around the customer is not new. What is an area of development is the idea of pro-active enabling and prevention at a much earlier stage – be it work to prevent homelessness becoming a crisis situation or proactively identifying the vulnerable within the community. This part of the 'customer journey' is being considered across the Council and will form part of the 'joined up approach to service delivery to get to the root cause of issues and try to identify and resolve these early. This piece of the journey is not mapped on the model at **Appendix B**.
- 5.7. The process will use the vision, and outcomes identified to set out what this vision will look like in 3-5 years to drive what the customer journey and outcomes for customers should look like. Systems thinking processes will be used, to look at what we do now and where the gaps and issues are; what good looks like, using best practice examples from elsewhere; where demand is coming from and why, and therefore what the new service should look like from a customer perspective. The process also builds in the work being done at the 'front end' and 'back end' in other corporate



transformation programmes, to create a seamless process.

- 5.6 Drivers for the change include:
- Delivering corporate priority savings and objectives
  - Delivering the Housing Strategy and other strategies
  - CST programme timetable
  - BIP programme timetable
  - Need to unify in a true sense – remove duplication between services
  - Temporary Accommodation reduction process: area of highest individual spend within the general fund housing budgets
  - General efficiency and service improvement
- 5.7 The programmes of change for Customer Services Transformation (CST) and Business Infrastructure Transformation (BiP) are ahead of the Housing Unification and Improvement Programme (HUI), specifically the housing improvement plan. This means that delivering a customer service solution for housing when it is not clear as yet what the new housing service will look like is hard to do. There is a strong need, therefore, to ensure that the housing improvement process gets underway as soon as possible.
- 5.8 The main areas of immediate consideration are those impacted by the CST programme, namely:
- the homelessness process, including housing advice, options, provision of temporary and permanent accommodation
  - income collection, an area of duplication that needs to be resolved prior to moving staff into the new CST model
  - tenancy management, an area of duplication that needs to be resolved prior to moving staff into the new CST model
- 5.9 A process for the homelessness review has been drafted, and is attached as **Appendix C**. The aim is to:
- start workshops with staff in November 14
  - carry out data analysis, benchmarking and best practice analysis
  - develop a target operating model
  - develop detailed design
  - test design
  - approve design by March 15.
- Similar timelines are being developed for income collection and tenancy management.
- 5.10 It is intended to carry out the improvement work in two phases, both of which are planned to be completed by March 16. This will mean all relevant housing services will be, or will have a plan to be, transformed by that time.
- 6. Future Housing Delivery Model**
- 6.1 The Homes for Haringey contract comes to an end on 31st March 2016. It is important for our customers' sake that the Council is able to articulate through a body of



evidence how it has decided that Housing Services should be managed in the future.

- 6.2 This question is bigger than whether the Council retains its ALMO or not. The question needs to be how it affords to deliver good quality housing services, and also fulfil its ambitions to regenerate and improve Haringey's homes. This is an opportunity to review the options that are available to deliver services and improvement in a unique and innovative what that fits the Council's ambitions and residents expectations.
- 6.3 A report will be presented to Cabinet in September 2015 which sets out the options, analysis and recommends a proposal for the way forward. This process will be facilitated independently and led by a Member steering group from November 2014, reporting in September 2015. This steering group will work with other key stakeholders to take all views into account and consider the analysis and information presented in order to agree the recommendation to go forward to Cabinet.

## **7. Legal Comments**

- 7.1. The Assistant Director, Corporate Governance has been consulted in the preparation of this report, and makes the following comments.
- 7.2. An integral part of the governance of this project, was the need to abide by the terms of the following condition which was attached to the consent given by the Secretary of State when approval was obtained to set up the ALMO:

*The Council "has to give the Secretary of State one calendar month's notice of any significant changes proposed by the Council or its ALMO to the terms of the agreement between the Council and its ALMO, to the constitution, responsibilities or operation of the ALMO as expressed in its Memorandum and Articles of Association, or to any other statement of the Council's or the ALMO's intentions specified in the Council's application for s27 approval. The Council and its ALMO shall take account of any comments made by or on behalf of the Secretary of State within this period before determining whether and how to proceed with the proposed changes".*

- 7.3. The Assistant Director Corporate Governance confirms that those views were sought, and was advised that no adverse comments were received.

## **8. Finance Comments**

- 8.1 The resources required to compile this report and to undertake the transformation programme have been contained within existing budgets and funding approved by Cabinet in July 2014. If further resources are required they will need to be agreed by Cabinet in line with Financial Regulations.
- 8.2 The transformation programme is expected to deliver significant savings that will help to alleviate the £70m funding gap the Council faces in the General Fund and to help support funding pressures within the Housing Revenue Account. Savings proposals are expected to be agreed by Cabinet in December 2013.





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**9. Use of Appendices**

Appendix A – Programme timeline

Appendix B - Programme structure

Appendix B – Draft timeline for improvement process

**10. Local Government (Access to Information) Act 1985 - Not Applicable**