Haringey Council

Report for:	Housing and Regeneration Scrutiny Panel	Item Number:	

Title:	Housing Transformation Programme - Update

Report Authorised by:	Tracie Evans – Chief Operating Officer

Lead Officer:	Tracie Evans – Chief Operating Officer

| Ward(s) affected: All	Report for Key/Non Key Decisions:

Signed: Tracie Evans

1.   Describe the issue under consideration

1.1   On the 18th 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, further to the report provided to this meeting on 3rd November 2014.

2.   The Housing Transformation Programme

2.1   This programme was previously the 'Housing Unification and Improvement' Programme but has been changed to the 'Housing Transformation Programme' now that Unification
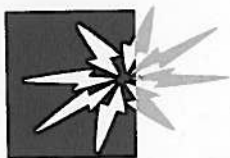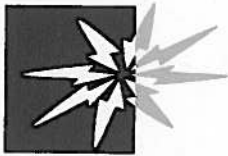
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has been achieved.

2.2 As a reminder of the programme as set out in the last report in November 2014, the programme is 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:
  - *complete*

- **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 Innovation and Transformation:** 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 £9.57m GF and 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.*

An update on each of the parts of the programme is set out below.

3. **Wave 1: Unification – this part of the programme is now complete.**

4. **Wave 2: The Housing Strategy**

4.1 Work on the Housing Strategy is well underway, with the first wave of consultation on the principles of the strategy completed. A draft housing strategy is now being completed for consideration at Cabinet this month, with further consultation planned from May 2015 to finalise the strategy for consideration by Cabinet and full Council in July 2015. This is a change from the original process, which had planned for the strategy to be taken for approval in March 2015.

4.2 With the consultation on the Council's Corporate Priority now complete, the housing strategy will reflect these priorities to ensure the 'golden thread' of strategy starts with the Council's Corporate Priorities. The change in timeline allows for the priorities to be better reflected in the strategy, and for the final version to be consulted upon prior to the Council's decision.

4.3 Beneath the Housing Strategy are a set of related documents. One of these is the Homelessness strategy.It has now been agreed to carry out a homelessness review that feeds into the new strategy, and will better align with the housing innovation and transformation process which aims to review all operational housing services, including homelessness. The overall process for this piece of work is being finalised.

4.4 The timetable for agreeing these documents is now:

Anticipated activity	Timescale
Allocations Policy approved	14.10.14
Tenancy Strategy approved	14.10.14
Homelessness review and strategy consultation draft for approval	July 2015 (tbc)
Housing Strategy – for consideration at Cabinet and Council	July 2015

5. **WAVE 3: The Housing Innovation and Transformation Process (plus links to CST and BIP)**

5.1. Following the Unification of services within one organisation, the improvement of all Housing Operational Services is intended to be undertaken. The name of this part of the programme has changed. The change from 'Housing Improvement' to 'Housing Innovation and Transformation' reflects the aim to build on existing improvement programmes underway and already implemented to develop a step change within services. As these services are managed within Homes for Haringey, this part of the programme has a governance structure based within that organisation which feeds into the wider Council programme board.

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
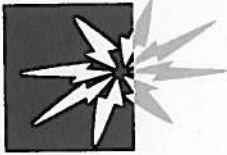
Priority review and the development of the new housing strategy. The driving principles for how this vision will be achieved are still in development as part of that process. The direction of travel is towards:
- A tenure blind approach
- - early intervention
  - proactive prevention
  - reactive prevention
  - enabling residents to support themselves
  - enforcement
  - service support for the most vulnerable

5.3. This 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. 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.

5.5 The proposed process being undertaken is as follows. Later dates may be adjusted once the scale and type of change is known.

Activity	Outcome	Deadline date
'As is' process mapping and data collection	• 'As is' report packs • Analysis of areas of strength and weakness, areas for improvement and gaps/duplications	End Feb 2015
Benchmarking and best practice	• Comparison of performance with other providers • Collation of ideas and options	End March 2015
Development of Target Operating Model for Housing services (TOM)	• Strategic overview of how services should work • Comparable data to show anticipated outputs and costs at high level	April/May 2015
Detailed design	• Detailed process maps, procedures, job descriptions, skills assessments, team structures, ways of working etc etc to enable the delivery of the TOM. Discussions with and involvement of staff, unions and customers as the plans develop.	July 2015
Validation and approval of detailed design	Approval through relevant board structures for proposed changes.	September 2015
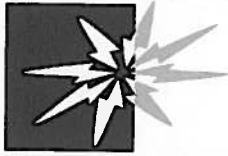
Consultation with staff	• Will vary depending on the extent of change, but needs to enable full information and consultation.	December 2015
Implementation	• Move to new structures, processes and job roles with associated training, support and review	March 2016
Post-implementation review	• Review of TOM • Programme closure report • Programme of remaining activities	3 and 6 months.

5.6 The first stage 'as is' reporting aims to set out at a high level, thow the business operates including its cost, performance and level of service and how well it serves the customer through mapping the customer journey.

5.7 This phase is complete in 3 of the 4 workstreams – the three operational workstreams above, and the culture change workstream. The 4th workstream has some process maps outstanding which will be complete this month.

5.8 The process to identify the 'as is' has involved workshops including over 100 staff, with positive feedback from staff about the process, and their willingness to change. Through these workshops, interviews, job shadowing, and data interrogation, process maps have been developed for each workstream showing the strategic overview of the customer journey through each workstream and the associated process map. In addition, strengths and weaknesses of each area have been identified, alongside possible gaps, duplications and opportunities. These have been pulled into extensive reports that show the business overview for each area.

5.9 From these, common issues have emerged regarding IT, quality of data and data sharing, the need to share expertise and knowledge across the services and reduce 'silo working', as well as specific areas for improvement e.g. the bureaucracy of decision making in the homelessness service as well as areas of good practice already in the business e.g. the welfare reform hub.

5.10 The next stage is the benchmarking and best practice phase. This phase aims to deliver:
- Data analysis and comparison – cost v output
- Analysis against 'top quartile' performance – how far we need to go
- Identification of relative cost and performance of service – areas of strength and weakness
- Where organisation sits in the 'market'
- Clarity on 'required' (statutory/landlord functions) v 'support' (prevention, enabling, other) – is the balance right?
- Best practice:
  - site visits
  - innovation workshops and ideas capture/generation
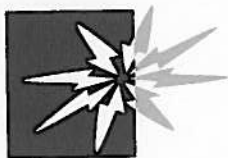
- application of principles of early intervention/ enforcement/enabling

5.11 Based on the analysis of the ideas and outcomes required, a target operating model (TOM) for the service will be developed.

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 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 The Member steering group for this process has met on 17th December, 27th January and 24th February and 27th February. The group has received and approved its Terms of Reference including the scope of the process review, the Criteria for Option Analysis and the Stakeholder Engagement and Communications Plan.

6.4 The Group has also received an overview of the housing revenue account status from the Assistant Director of Finance to set the scene for the review and has determined some site visits to see how some of the options are working in other areas. A financial adviser has also been appointed to work with the Finance Team to model the various options. Stakeholders are being interviewed by the Independent Facilitator, with results fed back to the group, including focus groups of residents and staff. Homes for Haringey board and Managing Director also spoke to the Group on 24th February 2015. Site visits by the Steering Group are being organised to visit examples of each of the options.

6.5 An interim is due to be considered by the Group at its meeting this month (March 2015) and will be shared with the Scrutiny panel at the appropriate time. In addition, papers considered by the group are published on the intranet after each meeting.

6.6 The next stage is to apply the criteria in detail to the options and present this back to the steering group at its meeting in May 2015 and consider this in the light of the findings from the site visit, with an aim to come to a conclusion about the recommendation to Cabinet in June or July 2015.

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. In view of the fact that this is an updating report, there are no direct legal implications which arise from its contents.
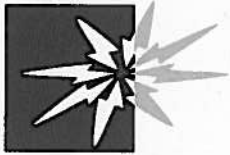
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8. Finance Comments

8.1 The resources required to compile this report and to undertake the transformation programme have been contained within existing budgets and the funding previously approved by Cabinet. The most significant element of this is the £403,954 agreed 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 were agreed by Cabinet and Full Council in February 2015.

9. Use of Appendices

None.

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