

CHORLEY BC

**REVIEW OF PROPOSALS FOR SEPARATION OF
THE STRATEGIC HOUSING FUNCTION**

September 2005

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1 Introduction

1.1 Background

1.1.1 The Council produced a report entitled, "Housing Service Restructuring" earlier this year, which was approved by the Executive Cabinet on 7th April for consultation purposes with staff and Trades Unions. The report focused on the separation of the strategic housing functions from the housing landlord role in preparation for housing stock transfer.

1.1.2 As a result of the consultation, a number of staff gave written feed back on the proposals and raised a number of specific concerns.

1.1.3 In light of the concerns raised, it was decided to invite TRIBAL HCH to independently carry out a review of the proposals and to provide a written report.

1.2 The Brief

1.2.1 We were specifically asked to

- liaise with staff who had submitted written responses to the report and review their concerns
- consider the level of the senior post needed to lead the strategic housing function
- consider whether the proposed structure would be fit for purpose
- consider whether there were adequate resources for energy efficiency
- consider potential future demands on the service
- review the proposed staffing arrangements and suggest alternatives, if appropriate

1.3 Our Approach

1.3.1 We looked at the national framework and guidance on the strategic housing function.

1.3.2 We looked at staffing arrangements in other similar sized authorities, who have transferred their housing stock, their experiences and examples of good practice.

1.3.3 We interviewed eight staff individually, who had submitted letters or comments on the proposals, and invited them to restate and expand on their concerns. There were two members of staff who were not available, one being off sick and the other having been promoted to a post in another local authority.

1.3.4 We would like to thanks the staff for sharing their views with us.

1.3.5 This report needs to be read in conjunction with the original Council report, a copy of which is attached at Appendix A.

1.4 National Framework and Guidance on the Strategic Housing Function

- 1.4.1 The Government has been advocating that councils should consider splitting their strategic from their landlord roles since 2000. Often the catalyst for doing this is when authorities are considering transferring their housing stock as is the case in Chorley.
- 1.4.2 This in itself is not a problem. However, there is danger that with the transfer of the stock, local authorities provide an under resourced residual strategic housing team.
- 1.4.3 The Audit Commission in its report in 2002, "Housing After Transfer: the Local Authority Role," pointed out that although a quarter of local housing authorities had now sold off their homes, they still retain statutory housing duties which they should not ignore.
- 1.4.4 It added that councils needed to take a more strategic approach to housing, and adjust to a new way of working in which housing providers can be influenced, but not directly controlled, by the council.
- 1.4.5 The importance of the residual strategic housing role of local authorities was reinforced again in the Housing Transfer Manual 2005. The Government stated "the Secretary of State will not grant consent to transfer if the authority cannot demonstrate convincingly that they (the retained housing services) will be provided satisfactorily in the future Performance in these areas will continue to be part of a post-transfer authority's Comprehensive Assessment and Future Best Value Reviews. "
- 1.4.6 In our view the above guidance should not be taken lightly. There is evidence of some district authorities, who have not adequately resourced their strategic housing functions post transfer, which, in some instances, has resulted in adverse Best Value Reviews.
- 1.4.7 It is important therefore that the Council is mindful of this in coming to any decision on resourcing the service.

1.5 Current Housing Responsibilities of Local Authorities

- 1.5.1 The key strategic housing services that will still need to be provided by the Council post transfer were outlined in the report to Executive on 7th April:
- Dealing with Statutory homelessness
 - Provision of Temporary accommodation
 - Housing Strategy
 - Supporting People Commissioning
 - Low Cost Home Ownership
 - The Approved Development Programme
 - Partnership working with the statutory and voluntary sector
 - Discretionary and mandatory grants
 - Disabled Facilities Grants
 - Home Energy efficiency advice

- Housing standards
- Empty private dwellings
- Private landlord liaison

1.5.2 We would suggest that this list understates the position and would add the following:

- Homelessness strategy
- Contributing to Sub regional housing strategies
- Liaison with Primary Care Trusts

1.6 Future Housing Responsibilities of Local Authorities

1.6.1 Looking ahead, the government 's agenda would suggest a growing housing role for local authorities working in partnership with other organisations. This type of work is often demanding in terms of time and calls for officers with the appropriate level of authority and experience to make decisions to be available.

1.6.2 The Government is committed to providing more choice and financial inclusion. In housing, it is promoting initiatives such as Home Buy and HomeSave which provides assistance for council and housing association tenants wherever they are at, financially. It gives incentives to tenants who open a bank account and to those who save modest amounts. It offers new opportunities for tenants to own a stake in housing without putting them under pressure to buy their home. For those who want to and can afford to purchase, it provides a scheme for shared ownership. This should not affect the Council, assuming that transfer proceeds.

1.6.3 The Housing Act 2004 brings new responsibilities and tools available with regards to the enforcement and monitoring of private sector housing.

1.6.4 For example, Empty Dwelling Management Orders (EDMOs) are a new legal tool which will help local authorities to bring longer-term empty properties back into use. EDMOs enable local authorities to rent out properties which the owner has chosen to leave empty and use the rental income to cover repair and management charges They were introduced by the Housing Act 2004, but require secondary legislation to bring them into force.

1.6.5 The introduction of HMO licensing, may call for some additional resources as a means of raising property and management standards in the private sector. However, given the relatively small number of HMO's and the size of the private rented sector in Chorley, we would not envisage this having a major impact.

1.7 Specific Functions and Resourcing -

1.7.1 **Strategic Housing** -We have examined the proposed location of the different housing functions, the proposed resources and, from our interviews with staff involved, we noted the following.

1.7.2 There seems to be general acceptance that the strategic housing function should be located in the new Development and Regeneration Unit, comprising economic development, regeneration, development control, economic regeneration and building control.

- 1.7.3 We would endorse this proposal view in that there is already close working between these disciplines, in particular housing and planning. It is also consistent with the approach recommended in the recent report “Intelligent Approaches to Housing”, a joint publication by the Chartered Institute of Housing, Royal Town Planning Institute and the Local Government Association.
- 1.7.4 However, we suggest that the function should not be placed under the Planning Policy Manager, as proposed in the original report, but be the responsibility of a new post of Strategic Housing Services Manager at a comparable level of seniority in the Council.
- 1.7.5 This would reflect the importance of housing in its own right and ensure that it was not subsumed under the planning function. Also, we consider there is a capacity issue for the Planning Policy Manager to effectively lead on this role and carry out his existing role effectively.
- 1.7.6 This would also reflect the growing importance of the strategic housing function of local authorities.
- 1.7.7 **Housing Standards-** There seems to be general support for the Housing Standards function to be transferred to the Environmental Services Unit. This seems logical given the options available and the natural links with environmental health. However, there does seem to be an issue of capacity in relation to dealing with 500 drainage issues per year. Also, it would appear that this is almost entirely a reactive service at present. Even if the Council chooses not to provide a proactive service, there would appear to be a need for some additional support for a post holder who deals with this. This could be either one technician or another EHO.
- 1.7.8 In addition, concern has been expressed about the additional demand on existing administrative support available in Environmental Services Unit resulting from one or two further staff.
- 1.7.9 **Housing Renewal-** We would support the location of this role under strategic housing. Whilst there was some suggestion that this should be with environmental health, both of these are recognised approaches. (The Council has already agreed in principle that the two current housing renewal staff work for the new Home Improvement Agency.)
- 1.7.10 **Energy Efficiency** – The issue of additional resources for addressing energy efficiency was raised in the feedback from staff. One needs to differentiate between the statutory functions that are a Council responsibility under the Home Energy Conservation Act and the non statutory support such as assistance with Affordable Warmth.
- 1.7.11 We would suggest the latter could be partially fulfilled through the work of proposed joint Home Improvement Agency (HIA). However, this would not address the statutory functions. This is an area the Council may wish to review once HIA is up and running.
- 1.8 Suggested Structure**
- 1.8.1 A copy of our suggested structure is attached at Appendix B with detail of the individual posts at Appendix C.

1.9 Salaries

1.9.1 In respect of individual salaries, this is a matter for the Council to determine. The issue of lack of equality of pay was raised by one or two staff. It was not a wide spread issue. We are aware that the Council is currently undertaking Job Evaluation and would not wish to pre-empt the outcome of this exercise.

1.9.2 However, we would stress the importance of having salaries that both attract and retain the right calibre of staff to deliver the service in an effective manner. In particular, we would suggest that the post of Strategic Housing Services Manager should be on a comparable salary to the other Managers in the Development and Regeneration Unit to reflect the importance of the strategic housing service.

1.10 Timing

1.10.1 In terms of implementation of any changes, it recommended that they are introduced as soon as practical. It is not considered either necessary or beneficial to wait until transfer, which is not scheduled to take place until December 2006.

1.10.2 Implementation of any proposed changes sooner rather than later, would allow for the new arrangements to be established and new links established in advance of transfer. It also minimises uncertainty for staff and would help minimise any potential loss of staff over and above normal turnover.

1.11 The Homelessness Service

1.11.1 This report has not addressed the issue of where the homelessness service, which is an important strategic housing function, should be located. The reason for this is because there is currently a review based on Best Value principles being carried out to determine the most appropriate way to deliver the service, assuming the transfer proceeds.

1.11.2 If it is decided the homelessness service should be retained in house, then one could add an additional service area that could be managed by the Strategic Housing Services Manager with support staff.

1.11.3 We would suggest the issue of the capacity of this section to carry out preventative work as well as reactive work should be addressed as part of this separate review.

1.12 Capacity

1.12.1 A key issue raised by a number of staff was the issue of the capacity of the proposed structure to provide services. Having compared the structure with other district authorities of a comparable size, we would suggest that it is similar in size to a number of others.

1.12.2 The issue for the Council is to decide on its priorities and resource services accordingly. We would suggest that the structure and staffing numbers allow for only a limited amount of non statutory and proactive work to be carried out. This is not a problem in itself.

1.12.3 A common theme from the interviews and submissions from staff was the concern to ensure adequate administrative support. From our perspective, this is a real issue that needs to be reviewed and some additional support may need to be provided. The

benefits are that it would free up professional time as well as allow staff to use their time more productively.

- 1.12.4 Based on our understanding of current administrative support, the Council may wish to consider transferring the existing Administrative Assistant post from Housing Renewal to the new Development and Regeneration Unit.

1.13 Conclusion

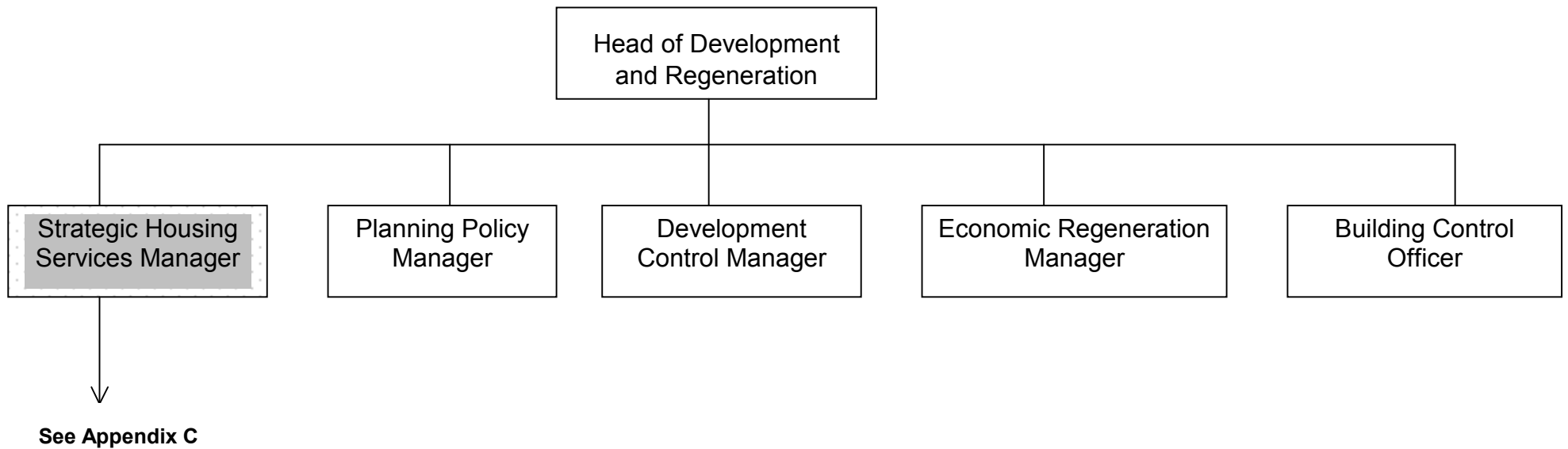
- 1.13.1 In our opinion the original report provides the basis for a structure that is broadly fit for purpose, with the key caveat of having a suitable post to head up the strategic housing service

1.14 Recommendations

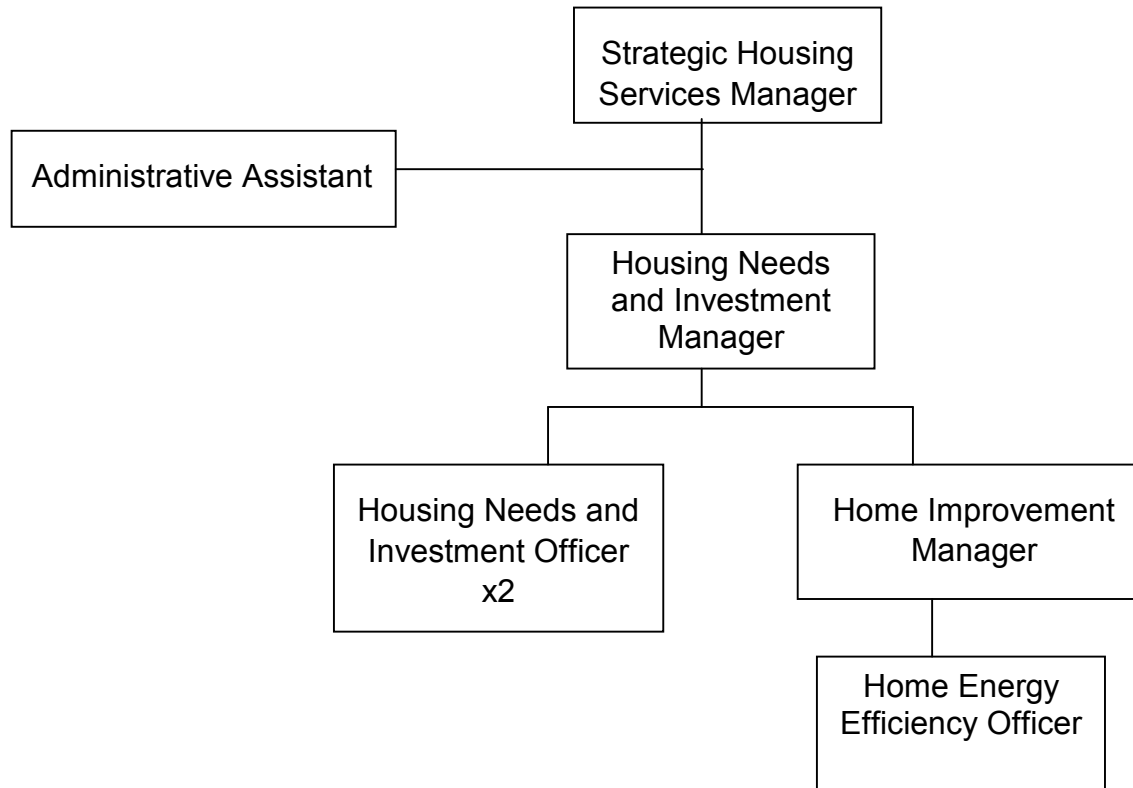
- 1.14.1 We recommend that :

- The structure outlined in this report be adopted,
- A distinct stand alone strategic housing service is established within the new Development and Regeneration Unit
- The changes are implemented at the earliest opportunity
- The structure is reviewed in Autumn 2007 (or twelve months after transfer.)
- Consideration is given to providing an additional EHO or technician to assist with Housing Standards
- Additional Administrative support for the Environmental Services Unit is reviewed
- Consideration is given whether to transfer the existing Administrative Assistant from Housing Renewal to the new Development and Regeneration Unit.

Proposed Housing Strategic Service
Located within the Development and Regeneration Unit



Proposed Strategic Housing Services Structure



NB The above structure excludes homelessness services or housing register management.