

BABERGH DISTRICT COUNCIL and MID SUFFOLK DISTRICT COUNCIL

From: Gavin Fisk	Report Number: JHB/13/17
To: Joint Housing Board	Date of meeting: 20 March 2017

HOME OWNERSHIP REVIEW

1. Purpose of Report

- 1.1 In July 2015 the Housing Quality Network completed an independent review of the Home Ownership (Leaseholders and Right to Buy (RTB)) Service. The outcome was a report and action plan with recommended improvements to the Home Ownership service.
- 1.2 The recommendations focussed broadly on improving customer service, alignment of the two Councils' operating practices to deliver efficiencies, introduce performance measures, compliance with statute to maximise income from service charges, administration fees and major works.
- 1.3 Delivery of the action plan will meet 3 of the Councils' key joint strategic outcomes:

Housing Delivery	More of the right types of homes, of the right tenure in the right place.
Assets and Investments	Improved achievement of strategic priorities and greater income generation through use of new and existing assets
Enabled & Efficient Organisation	The right people, doing the right things, in the right way, at the right time, for the right reasons

- 1.4 An application to the Transformation Fund secured resources to create a project team to deliver the action plan over 12 months to ensure the Home Ownership service is efficient, maximises income and fit for the future.
- 1.5 The Project team is led by an external project manager working with staff from the Home Ownership team and supported by teams including Finance, Legal, Property & Building Services. The project team has adopted the Councils' project management methodology and progress is monitored fortnightly at a Project Board.
- 1.6 This report will update the Housing Board on the progress to date.

2. Recommendation

- 2.1 Joint Housing Board is asked to NOTE this report.

3. Financial Implications

- 3.1 The Project Budget is £40k and expenditure to date is £10k.
- 3.2 Committed expenditure at 28 February 2017 is £10k for consultancy and £2.2k for training.

4. Legal Implications

- 4.1 New policy and procedures ensure compliance with statute and regulations for the recovery of service charges. Achieving compliance will reduce demand upon the legal service as appeals and tribunals will be avoided.
- 4.2 The new legal shared Service have actively been involved in the RTB process and joint working has led to improved process and consequential efficiencies.

5. Risk Management

- 5.1 This report is most closely linked with the Council's Corporate / Significant Business Risk No. Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
Failure to manage our Housing Assets effectively	2	3	Review of service being undertaken (as per report)
Failure of the Councils to become financially sustainable in response to funding changes	2	4	Review of service being undertaken (as per report)

6. Consultations

- 6.1 No formal consultations have taken place with departments for this report. It should be noted Legal, Finance and Accountancy are actively involved and supporting delivery of the Home Ownership action plan.

7. Equality Analysis

- 7.1 New policies will have an equality impact assessment to ensure no discrimination in relation to any of the protected characteristics.

8. Shared Service / Partnership Implications

- 8.1 As per paragraph 4.2, Legal Services actively involved in the project.

9. Links to Joint Strategic Plan

9.1 The successful deliver of this project will meet several of the Council strategic priorities:

- a) Better service delivery model
- b) Better use of our existing Housing Assets
- c) Manage our housing assets effectively
- d) Financial stability
- e) More efficient public access arrangements
- f) Digital by design
- g) Strengthened and clear governance to enable delivery within statue law

10. Key Information

10.1 The project team commenced work in November 2016 and are 4 months into the project and are on target to achieve delivery by June 2017. Progress to date is summarised in the table below.

Council Objective	Progress	Impact
Enabled & Efficient Organisation	Liaison meetings with supporting Council teams: – Legal, Finance, Accountancy, Building & Property Services. Outcomes include defined roles & responsibilities, new process maps, clarification on process & procedure, increased knowledge, shared expertise, improved partnership and joint working.	Streamlined processes achieved efficiencies, improved customer service, removed single point of failures, business continuity assured.
	Developing detailed understanding for the cost of service and income opportunities for Administration Fees and Management Fee	Ensure leaseholders fairly contribute to the cost of providing services
	Policy, procedures in development to align the Councils' service offer	Consistent and efficient approach to Leaseholder service delivery and improved customer satisfaction
Housing Delivery	New website information for Right to Buy service. Dedicated page for Leaseholders in News & Views.	Detailed information for tenants' available 24/7 and increased engagement with leaseholders.

Council Objective	Progress	Impact
Housing Delivery	New key performance indicators and management information for Home Ownership	Visibility of performance and increased management monitoring to maximise income and improve customer service.
	Leasehold training for staff from various Council teams being delivered in May 2017. Training for staff on identification of fraudulent Identification Documents	Increased in house knowledge, expertise, confidence and ability to deliver improved customer service. Fraud prevention and ensure Council dwellings are not sold to an applicant who is not entitled to RTB.
	New RTB fraud and anti-money laundering checks from April 2017 utilising Audit Shared Service Partnership. (A similar action in a neighbouring Local Authority has seen 6 RTB applications stopped)	Stopping RTB fraud and money laundering. Prevention of RTB discounts up to £79k being given. Protecting public purse from fraud. Retention of properties for those in Housing need
Council Objective	Progress	Impact
Assets and Investments	Identified services provided to Leaseholders. 2017/18 Service Charge billing will maximise recovery for the cost of providing these services	Increased financial revenue from Leaseholders to meet the cost of providing the services.
	Compliance with law and regulations for the recovery of ground rent and service charges	Reduced risk of legal challenge and expense of investigating and defending a challenge. Improved customer service with clear and justified service charge demands.
	Block inspections commenced in December 2016 to check services being delivered at each estate.	Improved maintenance, reduced risk of complaints, improved customer service, identification of risks, ensure cost of providing services is recovered.

Council Objective	Progress	Impact
Assets and Investments	Grounds maintenance and understanding cost of service provision	Ensure leaseholders pay a fair proportion for maintenance of the estate they live.
	Identified potential new sinking funds for BDC leaseholders.	Help leaseholders fund major works to their property in an affordable way. Maximise income and reduce collection costs to BDC.

10.2 The next 2 months the project team will be focussing on embedding new policy and procedures and as we commence service charge billing for 2017/18 ensuring accurate service charge demands. The project is on track to achieve delivery within the 12 months allocated.

10.3 Additional reports will be discussed by committee/s within the next few months, these reports will focus on the introduction of a revised lease agreement and a revised set of management charges.

11. Appendices

Title	Location
None	None

12. Background Documents

12.1 I have deliberately not included the entire set of project documents associated with this project but I am more than happy to supply them upon request.

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