



**REPORT TO: HOUSING AND COMMUNITY SAFETY COMMITTEE ON 6
SEPTEMBER 2022**

**SUBJECT: HOUSING MANAGEMENT REVIEW AND SERVICE
DEVELOPMENTS**

**BY: DEPUTE CHIEF EXECUTVE (ECONOMY, ENVIRONMENT AND
FINANCE)**

1. REASON FOR REPORT

- 1.1 This report provides progress on the review of Housing Management, includes recommendations for service developments which arise from it and provides an overview of service developments within the 2022/23 budget.
- 1.2 This report is submitted to Committee in terms of Section III (G) (3 &4) of the Council's Scheme of Administration relating to the management and maintenance of the council's Housing Stock including housing for the homeless and sites for Gypsies/Travellers, and the allocation and letting of houses.

2. RECOMMENDATION

2.1 It is recommended that the Committee:

- (i) notes the progress of reviewing the Housing Management structure and resources;**
- (ii) agrees that the budget set aside for a Housing Inspector post is amended to recruit 1 FTE mainstream Housing Officer instead;**
- (iii) agrees to the addition of a further 1 FTE Area Housing Manager and 2.1 FTE Housing Officers to the Housing Management structure;**
- (iv) notes the overview of the service developments within the Housing Revenue Account (HRA) budget for 2022/23 as detailed in paragraph 5.2.**

3. BACKGROUND

- 3.1 The Housing Management service delivers key aspects of the Council's landlord role – tenancy management, estate management, rent collection and arrears management.

- 3.2 On 12 February 2015, The Moray Council approved the Housing Revenue Budget for 2015/16 (Paragraph 6 of the minute refers). A number of service developments were included within the budget to help respond to changes arising from welfare reform, improving neighbour disputes/anti-social behaviour performance and void management performance.
- 3.3 During October 2015, a Change Management Plan (CMP) was implemented and the housing officer's role became less generic and more specialised. The main characteristics were to support tenants to pay their rent given the impending roll out of Universal Credit, provide high quality "person centred" services; improve neighbourhoods and deliver better outcomes for the people of Moray. The responsibility for dealing with neighbour disputes/antisocial behaviour and certain void management practices were removed from the Housing Officer.
- 3.4 The Council currently has two Area Housing Teams (East & West) comprising of 26.9 FTE members of staff, including two Housing Managers and 13.4 Area Housing Officers. The other posts are an Unauthorised Encampment Officer, an Estate Co-ordinator, 4 Estate Caretakers and 5.5 clerical assistants.
- 3.5 The complement of Housing Officers remains at 2015 levels, which is low in comparison to other Councils and over 300 additional properties have since been added to the Council's stock through the New Build programme. As at 31 March 2015, Moray Council owned 5,990 properties and this had increased to 6297 properties by 31 March 2022 meaning the average patch size for a Housing Officers is 485 properties. The Council's Strategic Housing Investment Plan (SHIP) approved by Housing and Community Safety Committee on 19 October 2021 (paragraph 5 of the Minute refers), makes provision for 50 additional Council house completions per year from 2022/23 - 2026/27, subject to capacity within the Business Plan. This means the size of Housing Officer's patches will continue to grow as stock is added through the New Build programme.
- 3.6 On 27 September 2017, Moray Council approved a confidential report reviewing the Housing Management service staffing structure (Paragraph 19 of the minute refers). This resulted in two Senior Housing Officer posts (Grade 9) being deleted from the structure. This reduced operational management resource by half.
- 3.7 On 27 August 2019, Communities Committee agreed a recommendation to investigate the addition of a new Housing Inspector post (Paragraph 13 of the minute refers) to address the poor property condition of some council tenancies. A further report was to be presented to a future Committee setting out the full scope of any new job description and budget provision was made for a post at the same level as the Housing Officer. The further report did not proceed due to workload pressures and the subsequent Coronavirus Pandemic.
- 3.8 In April 2021, a further change management plan resulted in the Area Housing Managers taking over the management of 5.5 FTE clerical staff as part of the decentralisation of the Housing Central Administration Team.

- 3.9 On 22 February 2022, Moray Council approved the Housing Revenue Budget for 2022/23 (Paragraph 5 of the minute refers). Service developments of up to £456k were included within the budget to help respond to several emerging priorities and areas of pressure, which included Housing Management.
- 3.10 On 22 March 2022, the Housing and Community Safety Committee approved service developments of £47,799 (Paragraph 9 of the minute refers) which included an additional 0.4 FTE Housing Officer at a cost of £18,506 to alleviate operational pressures pending a wider review of staffing levels in the course of the year.
- 3.11 On 22 March 2022, the Housing and Property Service Plan 2022/23 (Paragraph 6 of the minute refers) was approved by Housing and Community Safety Committee and contained an action to review the performance and resources within the Housing Management structure in line with the increasing stock levels and challenging operating environment (i.e. Impact of Rapid Rehousing Transition Plan, Housing First, Coronavirus Pandemic and Cost of Living Crisis).
- 3.12 Consultations have taken place with recognised Trade Unions making them aware of the service intention to have open and transparent discussions with their members regarding a review of the performance and resources within the Housing Management structure. The Trade Unions welcomed the review and the involvement of their members in its considerations.
- 3.13 Service Management have undertaken performance and resource reviews with Housing Officers to identify areas which are challenging and to identify potential solutions. On 19 August 2022, a Housing Management Workshop took place with Housing Officers to discuss the proposed service developments and listen to their views and suggestions. A mop up session took place the following week for those not able to attend. The proposal set out in Section 4 of this report took account of staff comments.

4. Proposed Service Improvement

- 4.1 Since the implementation of the CMP in 2015, there have been a number of factors impacting on performance and the effectiveness of the Housing Management service. Welfare Reform and the Coronavirus Pandemic have had a detrimental impact on rent collection. Although the Council remains in the top quartile for rent collection when compared with our peers there is a rising trend in rent arrears that needs to be addressed. Rent arrears stood at £330k when the CMP was implemented in October 2015 and it has now increased to £785k as at 15 August 2022. Any significant increase in rent arrears will impact the Housing and Revenue Account Business Plan and the ability to provide new council housing and upgrade its existing housing stock.
- 4.2 The Council is now housing more vulnerable people with some having multiple and complex needs. This requires more intensive support and time from Housing Officers when dealing with tenants. The implementation of the Rapid Rehousing Transition Plan and Housing First has placed additional pressures on staff resources. Housing Officers engage with tenants through a number of platforms but face to face contact continues to be the most

effective approach when dealing with vulnerable tenants but it can be time consuming.

- 4.3 In reviewing the Housing Management structure, officers have recognised the need for additional management capacity to proactively manage the larger teams and for additional housing officers to reduce the average 'patch size' from its current high level. It is proposed to add a further Area Housing Manager to the structure to enable additional focus on performance management and facilitate a more proactive approach to service delivery.
- 4.4 There is consensus within the team not to proceed with the specialist Housing Inspector post detailed at paragraph 3.7 above, but to recruit an additional mainstream housing officer instead. If the overarching proposal is accepted and patch sizes are reduced, Housing Officers feel they would have the time to address council tenancies in poor property condition if appropriate guidance/procedures are developed, as well as undertaking a broader range of duties to improve performance and customer service. The budget for this post is already set aside in the Housing Revenue Account. The £456k identified for service developments in the Housing Revenue Budget for 2022/23 included provision for a further two Housing Officer posts, which it is proposed to augment by a further 0.1 FTE for both additional capacity in order for ease of recruiting the an existing 0.4 FTE vacancy which had previously been approved. There is sufficient budget remaining provision available for the additional £4,626 annual (£2,313 in-year) requirement.

| Previously Proposed/Approved Posts | Grade | Committee |
|---|--------------|--|
| 1 FTE x Housing Inspector | 8 | Communities, August 2019 |
| 0.4 FTE Area Housing Officer | 7/8 | Housing & Community Safety, March 2022 |

- 4.5 It is therefore proposed that the number of Housing Officers across Moray is increased by 3.5 FTE from 13 FTE to 16.5 FTE, inclusive of the previously proposed Housing Inspector role and approval for 0.4 FTE role approved by committee in March 2022, which have yet to be recruited to. This equates to a proposed 27% increase in Housing Officers to reflect the increase in stock levels through the Council's New Build Programme and the challenging operational context. This would reduce average patch sizes from 485 to 382 properties and allow Housing Officers to become more proactive. There is no national data on housing officer patch sizes but a few examples are Glasgow Housing Association (200 properties), Fife Council (250 properties) and West Dunbartonshire (300 properties). Organisations with lower patch sizes typically have fully generic housing officers whilst larger patch sizes will have more specialist officers carrying out a lesser degree of housing management functions. Reducing patch sizes will provide officers with more time to address rent arrears and support vulnerable customers e.g. the cost of living crisis and increase in energy costs is presenting a significant challenge to some of our tenants. Housing Officers would also have time to collaborate with tenants to enhance the condition of council estates which have definitely deteriorated during the pandemic. This would reduce the number of complaints and enquires that elected members receive about the condition of estates.

| Proposed Service Development | Grade | Committee |
|-------------------------------------|--------------|--|
| 1 FTE x Area Housing Manager | 10 | New proposal arising from the service review |
| 3.5 FTE Area Housing Officer | 7/8 | Inclusive of 1.4 FTE roles detailed in table beneath para. 4.4 |

- 4.6 The proposed service development is intended to maintain the Council's position as a good performing social landlord by
- providing high quality customer services to our tenants;
 - increasing staff morale by reducing workload pressures and minimising staff absence;
 - protecting the Housing Revenue Account from emerging risks.

5. FINANCIAL IMPLICATIONS & SUMMARY OF HRA SERVICE DEVELOPMENTS FOR 2022/23

- 5.1 The total annual equivalent cost of the Housing Management review proposals for the Housing Revenue Account would be £177, 681, which requires £79,587 budget for 2022/23. The previously earmarked budget of £46,264 (annual) is also drawn down in lieu of the Housing Inspector post, which this year will equate to £23,132 spend.

- 5.2 Following agreement of the HRA budget for provision of £456k for the year 2022/23, a number of proposals have been approved or proposals are being taken to this committee for approval. A summary is provided below:

| Service Developments - budget 2022/23 | Committee Approval (2022) | Full Year Equivalent | 2022/23 Budget provision |
|--|--|-----------------------------|---------------------------------|
| Tenant Participation post & ancillary costs | March (paragraph 9 of the minute refers) | 51,544 | 20,701 |
| Housing Management resource | March (paragraph 9 of the minute refers) | 18,506 | 9,253 |
| Property Asset Manager recharge | March (paragraph 9 of the minute refers) | 29,293 | 29,293 |
| Policy, Compliance & Systems | June (paragraph 6 of the minute refers) | 92,528 | 30,946 |
| Housing Investment proposal | September (item 7 on the agenda) | 174,130 | 72,555 |
| Allocations resource proposal | September | 46,264 | 23,132 |

| | | | |
|---------------------------------|-----------------------------------|----------------|----------------|
| | (item 8 on the agenda) | | |
| Repairs & Maintenance proposal | September (item 12 on the agenda) | 74,264 | 30,000 |
| Housing Management proposal | September (item 10 on the agenda) | 159,175 | 79,587 |
| Total cost | | 645,704 | 295,467 |
| 2022/23 budget/remaining | | 456,296 | 160,829 |

5.3 The above table summarises what is expected to be the final position in terms of service developments arising from the 2022/23 budget. These incorporate some non-recurring spends and where applicable staffing provision for the second half of the budget year (from October 2022), therefore the full year equivalent figure varies from the budgeted amount and will inform the baseline for 2023/24 as required. Actual outturn is expected to be a higher underspend than the remaining £161k provision, with lead-in time for evaluations and recruitment likely to be greater for some of the posts established.

6. SUMMARY OF IMPLICATIONS

(a) **Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

The provision of new affordable housing, the maintenance of the Council's housing stock and dealing with homelessness are priorities identified within the Corporate Plan, the Council's Local Housing Strategy, the Strategic Housing Investment Plan (SHIP) and the Housing and Property Service Plan.

(b) **Policy and Legal**

There are no policy or legal implications arising from this report.

(c) **Financial implications**

The financial implications associated within this report are set out in Section 5 of the report. Provision for a Grade 7/8 officer had already been budgeted for and the service developments incorporated within the 2022/23 HRA budget allow for the additional expenditure. In practice the additional posts will come into the service halfway through the year, therefore the full year provision is double the anticipated spend within this financial year.

(d) **Risk Implications**

Failure to address the capacity issues identified within the Housing Management service will limit operational effectiveness and risk an increase in rent arrears, which would impact on the Council's ability to provide new housing and upgrade its existing housing stock.

(e) **Staffing Implications**

Approval of the service development will result in the recruitment of 1.0 FTE Area Housing Manager (Grade 10) and 3.1 FTE Housing Officers (Grade 7/8).

(f) Property

There are no property implications arising from this report.

(g) Equalities/Socio Economic Impact

There are no equalities/socio economic impacts arising from this report.

(h) Climate Change and Biodiversity Impacts

There are no climate change/biodiversity impacts arising from this report.

(i) Consultations

Consultation on this report has taken place with Edward Thomas (Head of Housing and Property), Housing Management staff, Grant Cruickshank (HR Manager), Georgina Anderson (Legal Services Senior Solicitor), Lorraine Paisey (Chief Finance Officer) and Lindsey Robinson (Committee Services Officer).

7. CONCLUSION

- 7.1 This report provides Committee with progress on a Housing Management service development. It seeks approval for a proposal to recruit an additional Area Housing Manager, 2.1 FTE Area Housing Officers and agrees to a Housing Inspector post previously budgeted for being changed to a mainstream Housing Officer.**

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Background Papers:

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