

MINUTES OF THE HOUSING SELECT COMMITTEE

Thursday, 28 January 2021 at 7.00 pm

PRESENT: Councillors Peter Bernards (Chair), Stephen Penfold (Vice-Chair), Aisling Gallagher, Silvana Kelleher, Olurotimi Ogunbadewa, Susan Wise and Bill Brown

ALSO PRESENT: Fenella Beckman (Director of Housing), Kevin Sheehan (Executive Director for Housing, Regeneration & Public Realm), Katharine Nidd (Strategic Procurement and Commercial Services Manager) and Rachel Dunn (Service Group Manager - Partnerships and Service Improvement)

1. Minutes of the meeting held on 18 November 2020

Resolved: that the minutes of the last meeting be agreed as an accurate record.

2. Declarations of interest

The following interests were declared:

- Cllr Olurotimi Ogunbadewa is a board member of Phoenix Housing
- Cllr Aisling Gallagher is a Lewisham Homes tenant.
- Cllr Silvana Kelleher is a Lewisham Homes tenant.

3. Responses from Mayor and Cabinet

There were no responses to consider.

4. Budget cuts

Kevin Sheehan (Executive Director for Housing, Regeneration and the Public Realm) introduced the proposed budget cut, **C-10 Housing Services Review**.

The meeting was adjourned at 19:15 due to technical problems with the webcast.

The meeting and webcast restarted again at 19:42.

4.1 The proposed budget cut for the housing service, **C-10 Housing Services Review**, will be achieved through action in four areas: doing more work online and over the phone and significantly reducing administration costs; investing in IT and rolling out an integrated housing IT system; investing in IT for private sector licensing and transferring the administrative burden back to landlords; and working across silos to target resources more effectively.

4.2 This will result in the current housing service's workforce of 148 posts being reduced by 10 to 15 posts over the next two years. The council will look to use the natural staff turnover and other mitigations such as redeployment. There will be formal consultation with staff and trade unions.

- 4.3 The committee expressed concern about the potential impact of the proposed budget cut on the service at a time when an increasing number of residents may need to use it.
- 4.4 The committee also noted that a significant number of residents will not be able to access services online and queried how the council is going to work with third sector to meet the needs of residents who need extra support.
- 4.5 The investments in efficiencies that the council has made will allow services to be provided as effectively as they have been in the past. In many cases the service will be more accessible and quicker for residents. There is also flexibility in the grant regime during the Covid pandemic which can be used to address particular challenges that might come up.
- 4.6 The council also recognises that homelessness isn't just a housing issue and that it will need to be more holistic in dealing with clients in the future.
- 4.7 The Chair explained at 19:52 that there had been a technical problem with the webcast and that the meeting had been adjourned. Because of this the Chair asked the Executive Director to repeat his introduction to the budget cuts.**
- 4.8 The council is facing a very challenging financial position following ten years of austerity policies by the government. The council has had 11 years of cuts to its budget and this is likely to continue.
- 4.9 The Local Government Association estimates that there is a £4bn shortfall in local government funding nationally.
- 4.10 The council has a statutory responsibility to produce a balanced budget. This is particularly challenging following the Covid-19 pandemic and the resources the council has had to spend to support the most vulnerable residents.
- 4.11 The council needs to make cut of £40m over the next three years. £28m of this needs to be made in the first year, 2021/22. The housing service's proportion of this is £600k over the next two years.
- 4.12 The Covid-19 pandemic has created considerable financial risks for the council. It has affected the council tax and business rate collection rate. There is likely to be a significant increase in unemployment, which could also affect the council tax collection rate. It has also affected the income generated through the council's commercial estate.
- 4.13 The housing service had been investing in a programme to modernise and move more interaction online and phone prior to the Covid-19 pandemic. The service invested £1m in a new integrated housing IT system to reduce administration and is working across silos to be more efficient.
- 4.14 The committee queried how the proposed budget cuts are going to affect the more vulnerable residents who will still need face to face services, and how the cuts are going to affect the council's home-building and buying programmes, noting the need for larger 4 and 5 bedroom homes?
- 4.15 It was confirmed that there will always be provision for those people who need to access the council's services in a way that's suitable for them. It was

also confirmed that the council's home building programme is likely to deliver more homes than it set out to do.

- 4.16 The committee asked to be provided with further details of where to direct residents who can't use online and phone services.
- 4.17 The committee queried how officers came to the figure of £600k cuts for the housing service; whether it will involve any outsourcing; how the cut will fall across the three parts of the housing service; and whether there will be any budget implications from the council's proposed allocations scheme.
- 4.18 The council's budget process has been collaborative. The overarching financial strategy is presented to directorates, but services generate the specific proposals and engage with staff. Outsourcing is not part of any of the proposals. The impact of the proposed allocation scheme is expected to be cost neutral.
- 4.19 The committee agreed not to make any specific recommendations on the budget cuts to the Public Accounts Select Committee.

Resolved: the committee noted the report.

5. Allocations consultation

Rachel Dunn (Service Group Manager - Partnerships and Service Improvement) introduced the item and delivered a presentation providing a background to the consultation and proposed changes.

- 5.1 The council's housing allocation's policy has been reviewed and is currently being consulted on. The major changes being proposed include: two new rehousing reasons to be added to priority band 2 in a new banding structure (homelessness with urgent need, and overcrowded by 3 bedrooms); the introduction of a new band 4 for overcrowded by 1 bedrooms (48% of the register); to increase overall lets; reduce the number of refusals; and increase the number of bids per week.
- 5.2 So far the consultation has received 446 responses: 26% of these are from people currently living in temporary accommodation and 33% from people currently living in social housing.
- 5.3 Key consultation activity to date has included messaging on the council website; emailing housing register applicants; texting temporary accommodation and hostel residents; and working with other organisations to try to hear from hard-to-reach groups.
- 5.4 Due to the challenges of consulting during the Covid-19 pandemic the consultation period has now been extended by 4 weeks in order to proactively work with community organisation and facilitate specific sessions and focus groups with hard-to-reach groups.
- 5.5 The committee asked about how the council is specifically targeting young people and other hard-to-reach groups and what platforms they are using to do this?
- 5.6 The council has been advertising and promoting the consultation in various forums. The council would have carried out more events to reach hard-to-reach groups if it hadn't been for the Covid-19 pandemic. However, the

consultation has been extended for this purpose and the council has been working with community groups to identify those who might not be able to engage online.

- 5.7 The committee also queried how suitable offers are determined; whether mutual aid groups and similar organisations had been engaged with; what is being done to meet the housing need for larger 4 and 5 bedroom homes; what is being done to reduce the number of unsuitable offers; how income can be taken into account in the allocation process; and how people's expectations are being managed about the availability of and waiting times for social housing.
- 5.8 Officers provided an explanation of how suitable offers are determined. It was confirmed that more than 100 community organisations had been engaged with and that officers will look into engaging with mutual aid groups too. Officers confirmed that the council would purchase larger 4 and 5 bedroom properties if they were available and affordable. It was noted that the council is also building some larger homes itself.
- 5.9 It was also noted that the council is intending to manage the expectations of people on the housing register by providing information about the realistic waiting times and is also looking to develop a calculator tool to help people understand where they are in the waiting list.

The committee agreed at 21:15 to suspend the relevant standing order to allow the committee to finish the business on the agenda.

- 5.10 The committee noted that if agreed the proposals would mean that around half of the people on the housing list would be demoted by one band. The committee expressed concern about this and suggested that adopting statutory overcrowding would mean that the council would have deeper understanding of need when allocating this scarce resource. It was noted that other London local authorities have adopted statutory overcrowding.
- 5.11 The committee also noted that adult children are not included when assessing overcrowding and queried what would happen if the child of a family in the overcrowded by 3 bedroom category became an adult while they were on the waiting list, and whether this would then mean that the family would be re-categorised as overcrowded by 2 bedrooms and be demoted a band?
- 5.12 The committee also queried whether the proposal for smart lettings would be restricted to one other person in the chain or whether longer chains would be possible where this would solve more housing need?
- 5.13 Officers noted the committee's comments on statutory overcrowding; agreed to come back with more information about what would happen in the situation where a child in an overcrowded household becomes an adult; and confirmed that provision for longer chains of lettings is still included in the allocations scheme.

Resolved: the committee noted the report.

6. Select Committee work programme

Resolved: the committee agreed the work programme.

The meeting ended at 9.25 pm

Chair:

Date:
