

Affordable Housing Working Group

September 2009

**A Joint Working Group between the Social Care and
Inclusion and Regeneration Scrutiny and Performance
Panels**



Walsall Council

Introduction

Scrutiny of affordable housing was a key work stream for the Health, Social Care and Inclusion Scrutiny and Performance Panel (H,SC&I SPP) from 2007/08 to 2008/09 and work has been completed in partnership with colleagues from the Regeneration Scrutiny and Performance Panels.

Background and Terms of Reference

On establishing its work programme for 2007/08 the Health, Social Care and Inclusion Scrutiny and Performance Panel (H,SC&I SPP) resolved to establish a working group to consider housing strategy, sustainability and choice and that the Regeneration Scrutiny and Performance Panel would be invited to join the working group. An interim report was then presented to the panel in October 2008. The H,SC&I SPP approved the re-establishment of the working group in 2008/09. It was further agreed that the working group conduct a review of the performance of WHG and its initial five year targets and promises.

Work completed

The working group have met on three occasions for this task and the following table summarises the main focus of each of these meetings.

Meeting date	Focus of Meeting
9 February 2009	Review of WHG commitment tracking document - the group identified key areas for further consideration. This included void properties and the decent homes programme. Information was also received regarding affordable housing within the Strategic Regeneration Framework. Two further meetings were agreed relating to consideration of WHG performance.
9 April 2009	The working group was joined by Members who sit on Local Neighbourhood Boards who had been invited to consider the information that had been provided to them by WHG. Members reviewed each section and identified further points that they wanted to discuss in more detail with representatives of WHG at their meeting on 30 April 2009.
30 April 2009	The working group received a presentation from WHG which provided guidance regarding WHG's performance against targets as well as any other issues that have arisen since the housing stock was transferred. The presentation also addressed a number of specific and broader questions raised by Members.



Membership

The group consisted of the following elected members:

Councillor T Oliver representing the H,SC&I SPP.
Councillor D Pitt representing the Regeneration SPP
Councillor S Coughlan representing the Regeneration SPP
Councillor I Shires representing the Regeneration SPP
Councillor C Ault representing the H,SC&I SPP

Walsall Housing Group (WHG)

A key element of the working group's activity during 2008 – 2009 was consideration of Walsall Housing Group (WHG) performance against targets as well as any other issues that have arisen since the housing stock was transferred. This included use of WHG's commitment tracking document, which Stock Transfer associations provide annually to the Tenant Services Authority (previously the Housing Corporation). This includes a self-assessment of performance against Transfer promise. The working group received a presentation from representatives of WHG which summarised progress made since stock transfer as well as addressing a number of specific and broader questions raised by Members.

Summary

WHG explained to the working group that it owns nearly 20,000 homes, housing over 20% of Walsall residents. The working group were interested to learn that it is within the top ten of Walsall employers – employing 660 people. WHG also explained that it has invested £330m in homes in five years. Other investment activity includes demolishing properties deemed not fit for purpose and beginning to build new homes. WHG stated to the working group that it believes it has evolved into a regeneration agency as well as a landlord, with a skills and training centre and a range of work with other agencies including health, police, community and voluntary groups, education and business.

whg – key facts

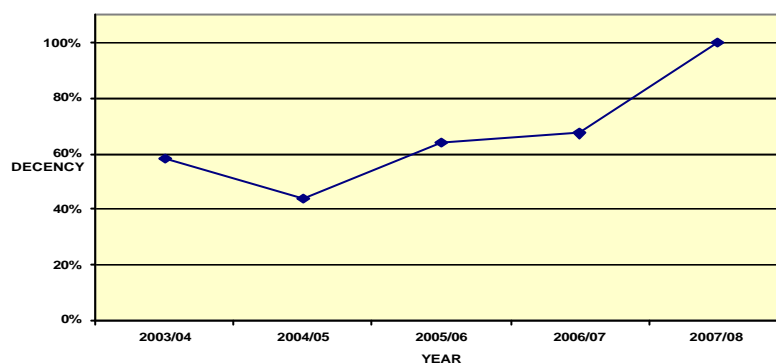
- We are a Large Scale Voluntary Transfer
 - 2003, Walsall-wide
 - Work in most deprived areas – many in UK's worst 5%
- We now own nearly 20,000 homes
 - 2,000 homes "lost" since transfer (RTB) mainly houses
- We house over 20% of Walsall's residents
 - 900 tenants >85yrs, alone, with disability, most in houses
 - >6,500 children under the age of 16 live in our homes
 - 13,000 registered applicants; 1,600 helped each year
- We employ 660 people – top 10 Walsall employers



Meeting promises & the Decent Homes standard

WHG informed the working group that it has met its promises and services have been transformed, including quality of housing stock higher than the Decent Homes Standard (DHS) and tenant participation in key decisions. WHG is ahead of the 2010 deadline set for achieving decent homes standard.

Decent Homes ahead of deadline



WHG explained to the working group a number of specific transfer promises that have been met include: a seven years major works investment programme; rent guarantees for five years; community-based trusts. The working group heard that WHG believe that progress since transfer includes becoming “a sound business”, with investments made to, “get our house in order which have paid dividends and a continuous performance culture embedded”.

Transfer promises met

- ✓ 7 year repairs programme
- ✓ Rent guarantee for 5 years
- ✓ Community-based Trusts, meeting local needs
- ✓ Tenant majority on local management boards
- ✓ Tenant rights similar to WMBC
- ✓ Leaseholders' lease terms respected
- ✓ Improved services from local offices
- ✓ Genuine tenant involvement in developing and improving services
- ✓ Partners in Borough regeneration



Working with local communities and the Council

WHG explained to the working group that their Corporate Plan, has been aligned with the Walsall Partnerships Sustainable Communities Strategy. Entitled "Reaching Out", it includes a strong vision for the future and a related programme of initiatives and events aimed at improving housing and creating strong communities, training and enterprise training opportunities. The working group heard that twelve estate tours are also undertaken per year with all local ward Members invited to participate. The estate management team representatives from WHG are members of each Community Action Tasking (CAT) group. WHG explained to the working group that Local Trusts are composed of 5 tenant members (who provide a majority); 3 independent members and 1 Walsall Council nominee. The working group were interested to hear that members of local communities were encouraged to participate on Local Trust Boards.

The working group agreed that the overall picture was positive, with acknowledgment from WHG that continuing their strong vision for the future was vital.

Major Works

The working group heard details of major works completed in the first six years. WHG explained that refusals can occur where customers are concerned with disruption and choose not to have refurbishment work undertaken. Refusals are higher for kitchens and bathrooms (where it takes up to three weeks for installation and associated works), whereas window replacement is less invasive so there is a higher take-up rate. The working group were interested to learn that refusals also take place where a customer deems work not necessary. For example, where windows have been replaced improving insulation, there is reduced interest in receiving a

new boiler. WHG also explained that there are also instances where customers have carried out their own home improvements. WHG informed the working group that refusals rates tend to be highest amongst older people and that they already provide significant amounts of assistance to vulnerable residents to maximise uptake. WHG explained to the working group that further efforts and resources are being targeted to increase the take-up rate in these vulnerable groups, particularly of windows and boilers as part of the effort to improve “health and warmth”. The working group heard that WHG also return to customers who initially refused refurbishment to confirm whether that remained the position. The working group were interested to note that all homes offered refurbishment, whether accepted or refused, are considered by government to have technically met the DHS. WHG also pointed out that in some areas of the borough not all properties were of the same standard at transfer.

The working group shares WHG’s concerns as to those properties that had, for legitimate reasons, not received refurbishment to DHS and which may often be occupied by elderly tenants.

Major works: first 6 years

	Completed		Refused	
	homes	% of stock	homes	% offered
Kitchens	9718	52%	1085	10%
Bathrooms	9300	49%	1027	10%
Rewires	4784	25%	215	4%
Heating	8273	44%	186	2%
Windows	15353	81%	163	1%

- Kitchens and bathrooms most disruptive - higher rate
- Refusals higher for older people
- Target re-offers for heating and windows (health & warmth)
- Otherwise picked up when next void



The working group heard that all properties, meet the technical definition of DHS. WHG explained that work to ensure that the DHS is maintained includes staggered planned refurbishments reflecting latest survey information as well as the timescale of refurbishment that had taken place under council ownership where components were not all replaced at the same time.

Refurbishment of long-term void flats

WHG informed the working group that a local letting plan has been put in place for the newly refurbished flats at Tennyson Road in Willenhall which ensures that previously unlettable properties will be sustainable in the long term. The working group heard that the multi-million pound refurbishment included the demolition of eighteen one bedroom flats

which were no longer viable. WHG explained that these were replaced by an area for parking with CCTV surveillance.

Long term void properties in private ownership

WHG highlighted that in addition to their power of compulsory purchase, the Council had powers for Empty Dwelling Management Orders, and WHG could work with the Council in relation to these.

Long-term void flats above shops

WHG explained that in a number of specific instances an option appraisal is underway to determine the most suitable course of action for flats above shops. In respect of the issue of one flat in Sneyd Hall Road, Bloxwich, WHG explained that it was a long-term void, vacant since 2000, and required a significant amount of repair work. The working group were interested to hear that the problem initially arose as a consequence of a change in leasing arrangements, the shop and flat had historically fallen under one lease. Prior to Transfer from the Council, a lease for the shop-only was taken-up and the vacant flat was not separately re-registered on the system. Now the position had been identified, work was in hand to bring the flat back into use.

In response to query from WHG explained that they had been in contact with Beechdale Community Housing Association (BCHA) about a review of all flats and shops at Beechdale shopping precinct. They were not all in one ownership (shops were owned by the Council) and the flats had transferred to WHG despite them not having any other ownership in the area. Concern was raised that this issue had now been raised for several years, with no progress.

Both the working group and WHG agreed that the Beechdale shopping precinct is a blight on the local community and anti-social behaviour problems are being experienced in the flats above shops. A particular challenge exists given that the site is in the middle of an estate with a majority of properties transferred to another social landlord, Beechdale Community Housing Association (BCHA). The working group would like a solution to these problems identified and delivered.

Environmental programmes

WHG explained that a range of projects had been undertaken including: landscaping, off street parking, communal windows, painting, entrance paths. The working group were interested to note that the estimated spend, in the first 5 years was over £4 million with an estimated spend in 2008/09 (year 6) of £1.5 million. The working group heard that WHG's environment programmes include working with Tenant Board Members to identify environmental hotspots and priorities.

Garage Sites

The working group were interested to note that there are a total of two hundred and fifty garage sites within which a high number (30%) of garages are voids. WHG explained that a key concern is that there is a low take-up of available garages as sites are often not conveniently located for residents. WHG explained that a further issue is that some are not economically viable. For example, low rental income will not meet the cost of significant repairs e.g. a new door or roof. The working group were interested to hear that a review of garage sites had been undertaken and reported back to Local Trust Boards, including the condition of garages and possible future use of each site (e.g. investment into parking provision or development to provide sought-after types of accommodation e.g. bungalows for the elderly and family homes). WHG explained that this has already resulted in a number being demolished for safety reasons. Other sites have been turned into more secure parking while a number are either waiting or have been redeveloped. The working group were interested to learn that a newly appointed garage sites coordinator would oversee the management of garage sites in the future, covering meeting the requirements of the local market, developing a stable income stream, combating problems of anti-social behaviour where gating entrances to garage sites are left unlocked, as well as the improvement of sites. WHG explained that the results of the review of the garage sites, including action being taken in responding to identified challenges will be shared with the Council.

Car parking and garage sites

- Issues
 - High garage voids at transfer and now (30% today)
 - Garage rent levels do not support investment needed
 - Many garages not used for car parking (for many years)
 - Residents do not want parking on remote parking sites
 - Condition poor: low pre-transfer investment + asbestos
- Option appraised all garage sites; reports to Local Trusts



Off-Street Parking

WHG explained that there are a number of key challenges including resolving an absence of off-street parking. There is a particular issue in mix tenure estates where there is a majority of owner occupied properties. This

means there is a need for a partnership approach with the Council to achieving a solution.

WHG believe there is a limit to what they can achieve alone, as little funding is available. A potential strategic approach would be to tackle parking hot-spots, for example, in the Alumwell area where the absence of off-street parking has resulted in a high level of verge parking, with the problem further exacerbated by parking for the school. It might be possible to create off-road parking by properly adapting drives (cost up to £2,200 per home). However, this is not just an issue of cost but of high owner occupation together with a number of private landlords.

The working group considered these parking and garage issues to be a major residual problem. It would therefore be important to develop a joint approach with the Council and seek to resolve these issues and identify available funding.

Sustainability

The working group heard that work had also been undertaken to achieve zero carbon homes and meet the Code 6 sustainable design standard rating (the Codes range from 1 (lowest) to 6 (highest) against the building regulations minimum standards including in relation to energy conservation and materials used). WHG explained it supports the green agenda and that it forms part of its overall strategy. However, significant challenges exist in achieving green targets as substantial additional funding will be required. The working group were interested to hear that current action being taken includes Code 3 new homes with related costs of £8,000 per home with the aim of Code 4. WHG have proposed of a joint demonstration project with the Council to assess funding required for a scheme to reduce the carbon footprint in existing homes with the use of new technologies. WHG explained that they believe there are limited opportunities for future proofing, particularly given the significant costs involved, especially in relation to older homes. The working group heard that a challenge exists in convincing many customers that these improvements will mean that they can heat their homes etc more cheaply. Part of WHG's sustainability effort is work towards "homes for life", potentially enabling customers to remain in the same house effectively from "birth-death". For example, bathroom plumbing is arranged to support the replacement of a bath with a walk-in shower. While a closet in the hallway is wide enough to accommodate a buggy or a wheelchair.

Zero carbon homes and Code 6

- Home energy - zero net CO2 emission: heat, light, ventilation, appliances
- Challenges, recognised by all:
 - Difficult to achieve - needs additional funding
 - Shift to community, not individual, heating and energy generation
- Actions we are taking:
 - Go Green plans in place – business-wide green agenda
 - Code 3 new homes now (£8k cost per home) – aiming for Code 4
 - Design to increase rating (orientation; heating; insulation; new technology)
 - Explore new technologies in existing homes to reduce carbon footprint, via whole-house improvement schemes
 - Possible demonstration project to assess cost of provision, maintenance and implications for end-users
 - Work with utility suppliers to access CERPs tariff funding



WHG Repair Service

The working group were interested to hear that a repair service now operates consistently across the borough. An emergency service is available 24 hours a day with an average response time of 3 hours. WHG explained that it currently takes an average of 11 days for the completion of routine repair work, well ahead of the target of a calendar month. Over 70,000 repairs were completed each year. The working group learnt that in respect of Empty Homes, efficient repair work is undertaken to ensure homes are now re-let within an average 21 days (down from over 200 days at Transfer). WHG explained that the number of Empty Homes ready to let was at an historic low, circa 125. The overall figure for empty homes was higher and included properties awaiting demolition (63), those under review (26) and those where major works were underway. The number of homes awaiting demolition had decreased significantly as the demolition programme was nearing completion. The overall position was a significant reduction from 2000 empty homes at the point of the transfer.

The significant improvement in the services was noted by the working group. Some concerns were raised by Members as to a few specific repair issues, with delay and lack of effective communication identified as key issues. These comments were accepted by WHG as problems in a small number of cases, which they would address.

Measures of performance

- Repairs performance now in top quartile
 - Over 99% of all jobs completed in target time
 - Average wait for a routine repair 11 days
- Lowest arrears level since Transfer - just over 3%
- Empty homes
 - Time to re-let a home down to 21 days (exc. major repairs). Upper quartile and down from over 200 days at Transfer
 - Numbers at historic low of circa 125 (over 2000 at Transfer)
- Customer satisfaction at highest point since Transfer (more to go and aspirations rising)



Regeneration and Development

WHG explained that in terms of regeneration and development, a number of proposed projects have received or were seeking funding from the Visionary Investment Enhancing Walsall (VIEW) partnership with the Council. This includes the Brownhills Masterplan of new homes and infrastructure improvements. It is also hoped to attract funding into the borough for affordable homes. The working group heard that a Community Chest (CC) is also part of VIEW with the objective of supporting community regeneration activity in deprived areas. Voluntary groups can access up to £10,000 per project, with this opportunity promoted within local communities and on the website. In respect of applications quality and impact is more important than the number or range of actions addressed. Grants are then subject to CC criteria and an evaluation report.

The working group were informed that WHG and the Council had developed a strong relationship with the new Homes and Communities Agency (HCA), which had resulted in redevelopment the key projects in the Strategic Regeneration Framework being prioritised for redevelopment

Significant concerns were shared by WHG and the working group that recent demolition programmes had not progressed to the subsequent re-development stage, principally due to the change in macro-economic circumstances. The danger was that this would delay the provision of more social homes for rent. The working group's previous interim report had clearly recognised the need and demand for significant expansion in affordable homes within Walsall, and in particular of social housing for rent. It was felt that the Council and WHG needed to continue to work together on their leading role, and nurturing their strong relationship with the HCA, to achieve this aspiration.

Rent and rent increases

The working group were interested to hear that significant progress has been made to reduce the disparity between current and target rents. Target rents are based on a government formula, as is progress towards them and there are deadlines for reaching targets. WHG explained that some rents have already reached target rent levels and in future their increases will be below the maximum annual increase which is $RPI + 0.5\% + £2$ per week. RPI is based on the preceding September figures. This provides an explanation for media reported rent rises of up to 10%. WHG does not have discretion over the increases or the period by which it should reach target rents. They explained to the working group that government had not allowed housing associations to phase the latest increases over two years, to reduce the impact on customers. The working group heard that the latest rent increases have only resulted in twenty customer complaints. However, WHG recognised that the issue of affordability and the arrears income team provide guidance to customers.

Rents after first years

- ✓ *“Can’t guarantee future rents, but in line with Government policy”*
- Government Policy, which we implement is:
 - Target rent/property calculated using a formula
 - To be achieved by 2012, but negotiated more time
 - Since Transfer, new customers lettings made at Target rent : annual increase $RPI + 0.5\%$ each year
- From April 2008:
 - Transfer customers still below Target: maximum annual increase $RPI + 0.5\% + £2 / wk$
 - Transfer customers at Target: annual increase $RPI + 0.5\%$



Service charges

The working group heard that in respect of service charges WHG are currently operating at a loss. WHG explained that activity includes consultation undertaken with customers to establish, for example, willingness to pay for a higher standard of cleaning e.g. £1 per week. Other activity includes the phased introduction of a fixed service charge, following consultation with customers, which will change in line with costs. WHG explained that they had maintained a key commitment made to customers at Transfer which was, "Existing service charges and any new service charges to Transfer tenants would be covered by your 5 year guarantee". This was supplemented with, "Any increase in your total rent and service charge would be no more than inflation + 1.5% during this period";

Service charges

- ✓ *"No profit would be made from service charges"*
- ✓ *"Existing service charges and any new service charges to Transfer tenants would be covered by your 5 year rent guarantee."*
- ✓ *"Any increase in your total rent and service charge would be no more than inflation plus one and a half per cent during this period."*



Tenancy Succession Policy

The working group heard that WHG operate a tenancy succession policy in line with their legal responsibilities. This includes succession for immediate family following death of the tenant although certain criteria do apply. WHG explained that limitations include the no under-occupation rule and no right to succession in other circumstances (e.g. tenant going into care). WHG have discretion to grant a new tenancy (but without succession rights) on a needs basis i.e. if other occupants are threatened with homelessness;

Anti-social behaviour (ASB) and prosecutions:

Damage to homes and cost recovery

WHG explained that during 2008/09, 273 tenants or former tenants were recharged a total of £32,199 for damage to homes with a total collected of £18,286 (56%). The working group noted that during 2008 there were 2,108

reported cases against the RESPECT agenda (the Government's initiative for tackling ASB and its causes).

Anti-social behaviour cases

RESPECT agenda: reported cases 2008/09	
Alcohol Related	25
Domestic Violence/Abuse	23
Drugs/Substance Misuse/Drug Dealing	78
Garden Nuisance	157
Hate Related Incidents	13
Litter/Rubbish/Fly Tipping	295
Misuse of Communal Areas	188
Noise	553
Nuisance from Vehicles	94
Pets and Animal Nuisance	136
Physical Violence	20
Prostitution/Sexual Acts/Kerb Crawling	4
Vandalism and Damage to Property	214
Verbal Abuse/Harassment/Intimidation/Threat Behaviour	308



Prosecutions

WHG explained that during 2008/09 there were 8 prosecutions. The working group heard that there was an issue of a community perception that little action is being taken regarding a number of problem families, but it was often the case that work was ongoing on a confidential basis. Difficulties in undertaking prosecutions include the reluctance of witnesses to attend court and WHG as now established a successful witness support programme. WHG has recruited community champions who are aware of local ASB issues which helps ensure that resources are targeted. For example, a range of activities are provided for young people including football and art supervised by "positive role models".

Anti-social behaviour prosecutions

- Prosecutions are only a small % of the number of cases we deal with

	2003	2004	2005	2006	2007	2008	2009
Possessions	9	15	9	9	18	13	5
ASBOs	0	2	6	4	5	3	1
Injunctions	0	4	1	2	3	7	2

- 2108 reported cases over last 12 months against the Respect Agenda categories give best indication of the work volumes we handle



The working group acknowledged that this issue is beyond that of physical regeneration from transfer to a range of social issues beyond the scope solely of WHG. The working group and WHG felt that more positive impact could be made with greater communication and coordination between Members, Cabinet and WHG. There was agreement between the working group and WHG that a more robust neighbourhood management approach is required in some key geographical areas.

Conclusion

The working group agreed that the overall picture was positive, with acknowledgment from WHG that continuing their strong vision for the future was vital

Decent Homes Standard

The working group noted particular concerns about properties which had, for legitimate reasons, not received refurbishment to DHS, which may often be occupied by elderly tenants. It would be important to identify an appropriate solution to address these concerns.

Long term void flats

The working group noted particular concerns regarding specific issues of blight and anti-social behaviour from vacant flats above shops. This includes the Beechdale Estate and Sneyd Hall Road. It is vital that an appropriate solution to these issues is found.

Parking and garage sites

The working group considered parking and garage issues to be a major residual problem. It would therefore be important for WHG to develop a joint approach with the Council and seek to resolve these issues and identify available funding.

WHG Repair Service

Against the background of an improved repairs service, the working group emphasised the importance of resolving a few specific repair issues, where delay and lack of effective communication were factors.

Community engagement and Neighbourhood Management

Whilst recognising progress the working group also emphasised that there remains a challenge for WHG to further develop and enhance their models of community and tenant engagement, working with other partners in the Walsall to improve community engagement in the borough and to assist in tackling key issues including anti-social behaviour.

The working group also highlighted the importance of improving communication and coordination between Members, Cabinet and WHG and the need for a more robust approach to neighbourhood management.

Redevelopment and refurbishment

Whilst the working group recognised the progress made in respect of the refurbishment programme, the need and demand for significant expansion in affordable homes continues within Walsall, and in particular for social housing for rent. It was felt that the Council and WHG needed to continue to work together on their leading role, and nurturing their strong relationship with the HCA, to achieve this aspiration.

Recommendations

Therefore it is recommended approaches are developed to identify solutions to a number of key issues (some of which will benefit from a cross-organisational neighbourhood management), including:

- i. increasing uptake of decent homes heating and warmth packages by elderly residents;
- ii. tackling long-term voids in some specific flats over shops ;
- iii. problems of limited off-road parking in mixed tenure areas;
- iv. entrenched anti-social behaviour, often exacerbated by the above issues;
- v. working with other partners to improve community engagement in the borough
- vi. Meeting demand for social housing for rent within the borough.

Signed



Councillor Tim Oliver

Chair Social Care and Inclusion Scrutiny and Performance Panel, Lead Member, Affordable Housing Working Group

Working Group Terms of Reference

Work Group Name:	Access to Housing
Panel:	HSCI and Regeneration
Municipal Year:	2007/08
Lead Member:	Cllr Oliver
Lead Officer:	Sue Byard
Support Officer:	Colin Teasdale
Membership:	Cllr Oliver Cllr Coughlan Cllr D Pitt Cllr I Shires

1.	Context
	<p>Why has this work group been set up? Consider the main drivers behind it</p> <p>To research the current situation of demand, access and affordability of housing.</p>
2.	Objectives
	<p>What do you want it to achieve? It is important to have clearly defined outcomes at the start to give the working group direction and ensure it adds</p>

	<p>value.</p> <p>To analyse and make recommendations on the housing issues within the context of the regeneration of the borough.</p>
3.	Scope
	<p>What should be included and excluded?</p> <p>Strategic Regeneration Framework (SRF)</p> <p>Overview of regional and sub-regional work and funding streams</p> <p>Provision of new housing- SPD etc.</p> <p>Access to existing housing and tenures</p> <p>NRA</p>
4.	Who else will you want to take part?
	<p>Think about who else, other than lead officers and members, it would be useful to include either as part of the working group or to bring information at specific points. For example- partners, stakeholders, other authorities.</p> <p>To include appropriate partners, including on a 'one-off' basis (such Shelter, Housing Corporation, Walsall RSLs, WRC.)</p>
5.	Timescales & Reporting Schedule
	<p>Needs to be completed within the same municipal year and so should be able to report to full panel by the last meeting at the latest but consider the subject- is there anything else that it may need to tie into (e.g. academic or financial year or to coincide with national/sub-regional developments)</p> <p>How often will update be provided to full panel?</p> <p>To report back to last panel of the year on 20 March 2008, schedule to be arranged once membership is confirmed.</p>
6.	Risk factors
	<p>Are there any obstacles that can be predicted? For example, is it dependent on other organisations outside your control and duty to co-operate. Identifying these factors early should help minimise their impact.</p> <p>N/A</p>