

Thanet District Council

The Future of the Council's Landlord Service

Overview and Scrutiny Panel
20 February 2020



The Council as a Landlord

We are committed to:

- Being a high quality landlord
- Providing safe secure and well maintained homes
- Prioritising resident health and safety
- Funding improvements to council homes and building new homes through our HRA Business Plan
- Taking control of the service to ensure that these commitments are delivered

Our Homes and tenants:

- We own around 3,400 homes of which approximately 400 are leasehold
- These are mostly houses (51%), medium to high-rise flats (42%) and low-rise flats (7%)
- Around 26% of tenants are aged 60 or over, and
- We estimate that nearly half may have a disability or vulnerability.

Why are we bringing the Landlord Service back in-house?

Cabinet Agreed a preferred option to bring the service back in house on 17 October 2019, subject to consultation with tenants and leaseholders.

This was because of:

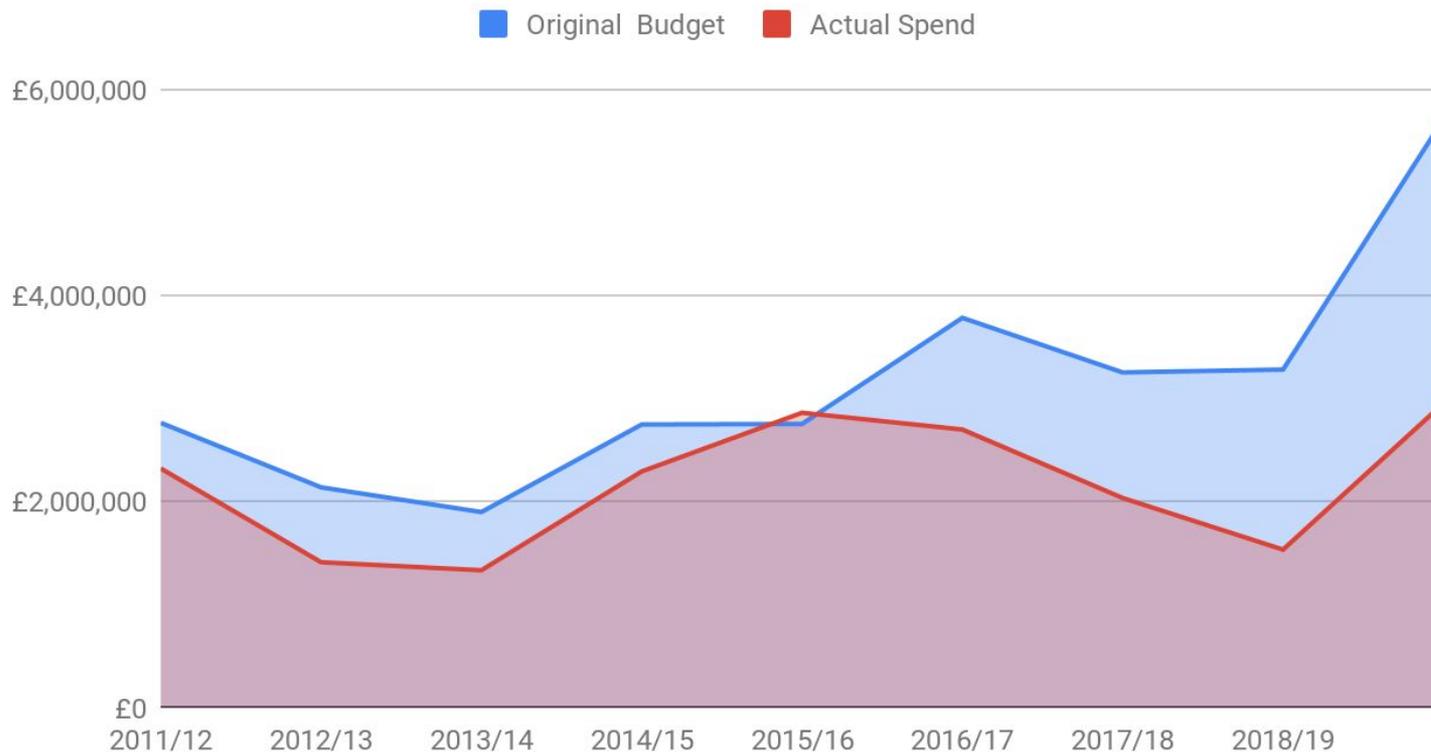
- Long term and increasing failures to deliver the council's capital programme
- Failure to deliver improvements set out in the Improvement Plan agreed in January 2019
- Significant failures to comply with statutory health and safety requirements

And more recently, our own consultants concluding that the East Kent Housing model is fundamentally broken.

Cabinet considered the outcome of the consultation on 17 February 2020 and agreed to implement the preferred option.

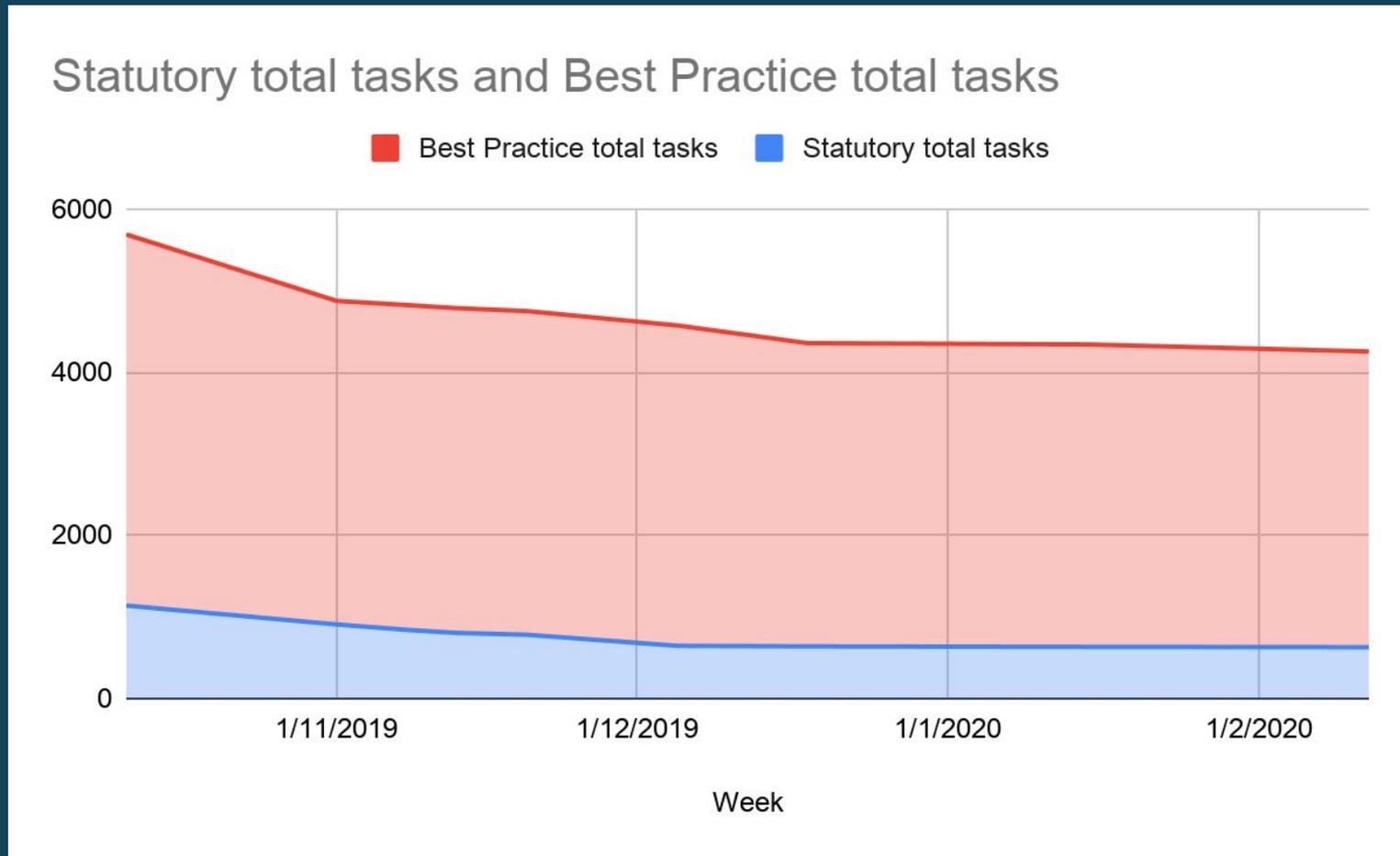
Capital Spend against budget 2011-2020

Original Budget and Actual Spend



Health and Safety Compliance

Statutory and Best Practice tasks outstanding



As a result, we have:

- Commissioned an independent review and additional quality audit work focused on health and safety
- Provided additional resources to support recovery and improvement
- Worked with the Regulator for Social Housing to develop an Unilateral Undertaking (our commitment to deliver an agreed and detailed action plan for recovery)
- Taken immediate control of the East Kent Housing Board and appointed a new Interim Chief Executive
- Completed consultation with residents
- Agreed to bring the service back in house

Consultation

Of 427 Thanet responses, 81% agreed or strongly agreed with the proposal:

	All Respondents	Tenants and Leaseholders
strongly agree	257 (60%)	243 (60%)
Tend to agree	91 (21%)	88 (22%)
Neither agree nor disagree	37 (9%)	35 (9%)
Tend to disagree	12 (3%)	11 (3%)
Strongly disagree	28 (7%)	25 (6%)

Top 2 comments:

- The council knows its own housing stock: 111 comments
- Lack of communication from East Kent Housing: 100 comments

Next Steps:

- Discussion at the Overview and Scrutiny Panel on 20 February 2020
- Establishment of a Cabinet Advisory Group (March 2020)
- Establish Senior Officer Project Board
- 1 year transition period with a long-stop date of 31 March 2021
- On-going scrutiny of performance during the transition period

Also, we will work with officers of the council and EKH to:

- Identification of workstreams, such as
 - Staff arrangements, including TUPE obligations
 - Information technology and data
 - Communications
 - Housing Management, including resident involvement
 - Asset management, including responsive repairs, capital programme and health and safety compliance
 - Customer Services
 - Governance, legal and financial implications, including pensions and the winding up of the company
- Develop detailed workstream plans and timescales

Key Risks:

Bringing the landlord service back in house will require a major change programme. Key risks include:

Staffing risks:

- Losing key skills as a result of staff leaving EKH.
- Not being able to recruit to resulting vacancies.

Performance risks:

- Performance dips during the change process.
- Impacts on the timescale for the recovery of full Health and Safety compliance.
- Impacts on procurement and contract management arrangements.

Cost Risks:

- New service may increase costs over time (although currently assumed cost neutral).
- Transition costs may exceed budget provision.

Reputational Risks:

- Impact on council reputation as a service provider of preference.

Detailed risk analysis annexed to the Cabinet report from 17/2/20.

Opportunities:

Bringing the service back in house also offers a number of opportunities, such as:

- Greater control and scrutiny of the service
- Opportunities to enhance resident involvement in local decision making
- Easier and more streamlined decision making and accountability
- Focus on Thanet properties and residents
- Potential for more local service provision and more local procurement and contracting
- Greater integration with other council services. (eg. customer services, capital programme monitoring, service charges calculations etc).

Any Questions:

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