



Public Document Pack Housing and Community Overview and Scrutiny Agenda

Scrutiny making a positive difference: Member led and independent, Overview & Scrutiny Committee promote service improvements, influence policy development & hold Executive to account for the benefit of the Community of Dacorum

Wednesday 9 September 2020 at 6.30 pm

Microsoft Teams - Microsoft Teams

The Councillors listed below are requested to attend the above meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Membership

Councillor Adeleke (Vice-Chairman)
Councillor Mrs Bassadone
Councillor England
Councillor Imarni (Chairman)
Councillor Mahmood
Councillor Pringle
Councillor Arslan

Councillor Durrant
Councillor Johnson
Councillor Oguchi
Councillor Hollinghurst
Councillor Barry
Councillor Freedman

For further information, please contact Corporate and Democratic Support

AGENDA

10. HOUSING HOUSEMARK COVID IMPACT (Pages 2 - 11)

Report to follow.

Agenda Item 10



Report for:	Housing and Community Overview and Scrutiny Committee
Date of meeting:	9th September 2020
Part:	1
If Part II, reason:	

Title of report:	Housing Housemark COVID-19 Impact
Contact:	Cllr Margaret Griffith, Portfolio Holder for Housing Authors: Fiona Williamson, Assistant Director (Housing) Layna Warden, Group Manager (Tenants and Leaseholders)
Purpose of report:	To provide benchmark information on the impact of COVID-19 across the social housing sector
Recommendations	That members consider the report and comment as appropriate
Period for post policy/project review	Not required
Corporate objectives:	Affordable Housing Building Community Capacity Modern and efficient council
Implications:	<u>Financial</u> All areas of the service are subject to Monthly Budget Monitoring Meetings with the HRA Financial Accountant. Budget Reporting is quarterly to Housing and Communities Overview and Scrutiny Committee. <u>Value for money</u> The Housing Service and associated costs are reviewed annually through Housemark who are a National benchmarking organisation. Value for money is one of the key elements that assessed in the benchmarking review.

Risk implications	We have a legal obligation to follow national guidance and this has been considered to ensure legislation and best practice are upheld.
Equalities Implications	Community Impact Assessments are developed whenever there is a requirement to change or create a new policy or procedure or significant change to service delivery.
Health and safety Implications	Housing policies, procedures and contracts build in a requirement that all health and safety requirements are met and any higher risk matters are included in our risk register, which identifies specific mitigating actions.
Consultees:	Mark Gaynor – Corporate Director, Housing and Regeneration Fiona Williamson – Assistant Director, Housing Jason Grace – Group Manager Property and Place Natasha Beresford – Group Manager, Strategic Housing David Barrett – Group Manager, Housing Development Ada Terry – Strategy, Improvement and Engagement Team Leader
Background papers:	
Glossary of acronyms and any other abbreviations used in this report:	DBC – Dacorum Borough Council ASB – Anti-social Behaviour

1. Introduction

- 1.1. The Corona virus pandemic has resulted in unprecedented changes to working practices in Housing. In response Housemark, the benchmarking organisation, put together a COVID-19 data collection exercise to gather evidence on how landlords are continuing to operate in a new environment. Since March 2020, Dacorum Borough Council (DBC) Housing service have been completing these returns.
- 1.2. This report presents the July report from Housemark, which contains insight to how the social housing sector has been impacted by COVID-19 and the changes to services that have been made to adapt to the challenges. Additionally, it benchmarks the position of Dacorum Housing service through monthly data reports and while direct comparisons with some Housing Providers cannot be made, this report highlights the current position nationally in relation to the Impact of COVID-19.

2. Background

- 2.1. The Dacorum Borough Council (DBC) housing service values the importance of analysing data and using insight and knowledge to drive forward performance. HouseMark is jointly owned by the Chartered Institute of Housing and the National Housing Federation and our membership allows us to benchmark our performance against Local Authorities and Housing Associations.
- 2.2. Annual costs and performance figures are provided to HouseMark who use the data to provide a yearly report. This sets out how Dacorum are performing in a number of areas and identifies the value for money the housing team is providing. The evidence from these reports allow us to identify areas of improvement and engage with tenants to understand how to further develop services.

3. Housemark Monthly Covid reports

- 3.1. COVID-19 has had a huge impact on tenants and their ability to maintain good financial, emotional and physical wellbeing. Since March 2020 we have made significant changes to protect the health of staff and tenants which has involved making considerable changes in line with government guidance. An adjustment to normal services were made in particular with all staff working from home where their role allowed it, implementing an 'everyone in' policy for anyone at risk of homelessness, stopping all but essential visits from officers and cancelling all major works and non-emergency repairs.

- 3.2. To understand the current impact and forecast what the future repercussions might be, HouseMark started a monthly data collection for all Housing Associations and stock retaining Local Authorities. The Housing Service provided information from the first month collected so that up to date details could be shared with the Incident Management Team and inform decisions when having to react quickly to the pandemic and government guidance.
- 3.3. Monthly reports have been received for the past 4 months. The latest of these is from July 2020 and provides an analysis of the impact across over 150 other housing providers. This allows DBC to benchmark against the sector in a number of areas like gas safety, ASB, lettings, repairs and rent arrears. An executive summary of the June and July reports are attached at Appendix 1 and 2. The below details a number of areas and compares the performance of DBC against the average set out in the HouseMark reports.

3.4. Staffing

- 3.5. In June the Housing service had 54% of staff working and in contact with other staff and residents through home visits, site inspections and working in communal areas. This figure is higher than the average reported by HouseMark which was 35%, likely due to the internal cleaning service and large number of Sheltered schemes, where communal cleaning and fire checks need to be completed in person for residents safety.
- 3.6. A further 43% of Housing staff were solely working from home and self-isolating. The sickness levels of housing staff has also reduced over the past 3 months and was below the average reported across other providers at only 1.8%. DBC was able to re-deploy staff across the council to make use of the skills and experience of those who could no longer carry out their normal role. There was no need to use the governments furlough scheme unlike a number of Housing Associations. The average percentage of housing staff not working across the sector in June was 6%.

3.7. Gas Safety

- 3.8. DBC have an exceptional record in ensuring that gas safety inspections are completed. This matches the industry average pre-Covid of 99.9%. With tenants and staff safety a high priority, the Housing team have been quick to adapt procedures to the changing environment and continue to monitor the gas safety position regularly.
- 3.9. Compliance across housing providers dipped to 89.6% in May but increased slightly to 92.9% in June following the publication of government guidance around visiting homes for repairs and urgent safety works. Due to the hard work of the team and contractor Sun Realm in quickly assessing the risks, identifying homes due an inspection and putting measures in place to reassure tenants, in June the gas safety compliance for DBC was 99.04% with only 7 gas safety inspection outstanding.

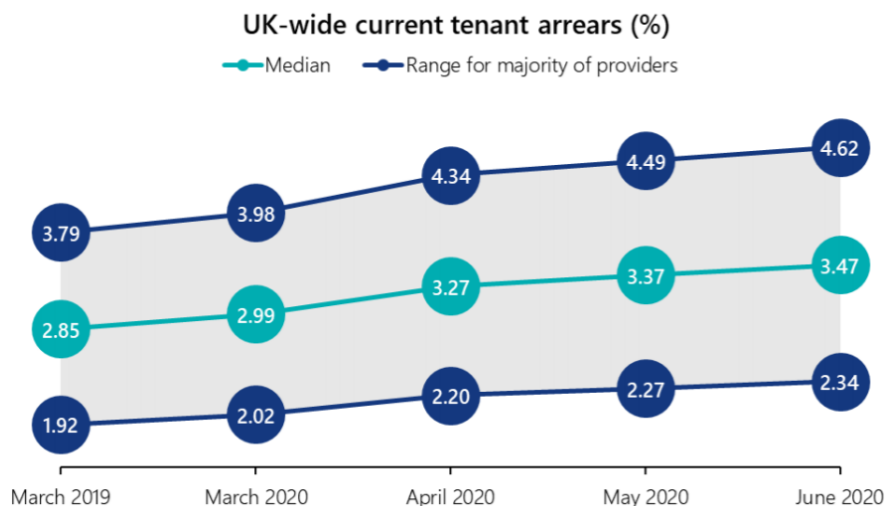
3.10. Repairs

3.11. Landlords have continued to deliver emergency repairs to tenants over the duration of the pandemic with the average of 90% attended to and made safe. It is positive to report that 100% of the 141 emergency repairs were completed for Dacorum tenants in June 2020 putting the service considerably above the national average.

3.12. With the lockdown introduced in March, any non-emergency repairs were stopped. In June DBC had 959 non-emergency repairs reported to Osborne. Across the housing sector the number of repairs reported in June increased by 60% showing the expectation of tenants in wanting services to re-start. The number of repairs reported in Dacorum increased again in July by a further 24% leaving a considerable backlog outstanding. This will likely affect satisfaction with repairs over the coming months and could have an impact on the number of emergency repairs when non-urgent issues start to escalate.

3.13. Rent Arrears

3.14. Reduced working hours and increasing unemployment is likely to have a long-term negative impact on the ability of tenants to pay rent. Across the sector arrears have increased by almost 20% since the start of the pandemic. In line with the below chart, in Dacorum the amount has increased from 3.19% in March 2020 to 4.01% in June 2020.



3.15. Sector-wide figures show a great deal of variation between landlords and the effect is felt most where the landlord has comparatively more tenants claiming Universal Credit (UC). The number of UC claimants in Dacorum has increased by 257% when comparing the pre and post 16th March figures. The most significant increase of tenants moving to UC was 255 new claims in March however in July the increase was only 47 returning back to pre-covid

levels. It is expected this may increase again when the Governments Furlough scheme ends and the minimum five-week wait for payment will contribute to rent arrears, especially with 1923 DBC tenants now in receipt of UC.

3.16. A number of steps have been taken by the Rent and Income Team to prevent arrears from escalating. This has included prioritising any new UC claims, increasing the number of calls to tenants and offering reassurances that while tenants work with us we will not take legal action.

3.17. The number of tenants who owe over £1000 has increased by 33%, however many of these have arrangements in place and are regularly keeping in touch with their Income Officer. The recent extension to the suspension of possession claims and new notice period of 6 months before cases can be submitted to court, will reassure tenants but will likely increase this percentage. Steps will be taken to continue to offer support and information to those struggling to pay their rent and it is positive to note that a number of tenants who are self-employed recently cleared their rent arrears when received grants provided through local and national schemes.

3.18. Lettings

3.19. Lockdown restrictions on non-essential lettings has had a dramatic impact on the sector. Across April and May, national lettings activity was only a quarter of what it would normally have been. Once the freeze was lifted in mid-May on average lettings across the sector increased to almost 80% of what it normally would have been. In Dacorum the prompt action to reduce void loss and house residents in urgent housing need meant that 31 allocations were completed in June and 29 in July.

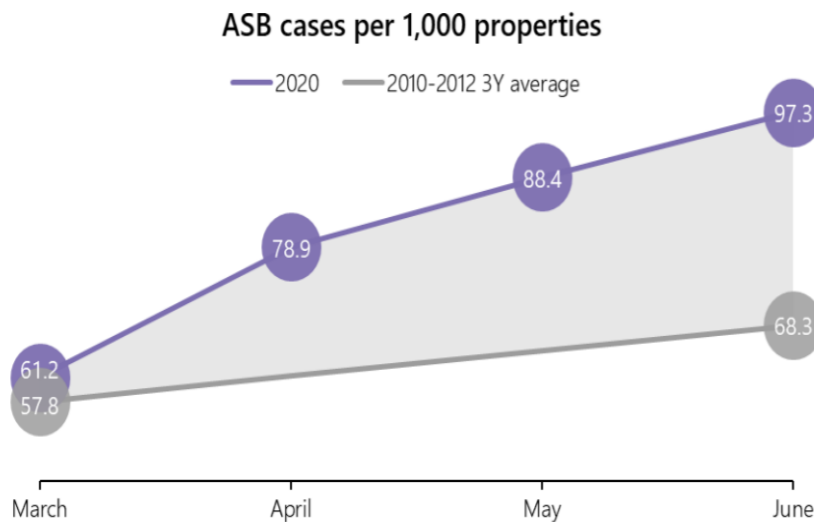
3.20. An additional pressure has been the commitment to adopt the 'Everyone in' approach to prevent homelessness and support rough sleepers. DBC had a 283.6% increase in households placed into temporary accommodation for Q1 of 2020 and a 70.6% increase in the same period for households approaching in housing difficulty. Handover of a new Temporary Accommodation block last month was helpful, but a need to move those from B&B or Temporary Accommodation has put additional pressure on the ability to house transferring tenants and those on the housing register.

3.21. Social distancing and virus control measures mean that key to key times will continue to be longer than average and the backlog will remain for some months to come. As a result, HouseMark predicts void loss will peak at the end of September - costing the sector almost £25m in lost income. At Dacorum the empty homes team continues to work with our contractors to overcome a number of challenges to get properties ready to let to meet the local housing need. Despite delays because of the closure of building sites, two new sites will be completed by the end of September and will considerably help the backlog of lettings and opportunity to house those in highest need.

3.22. Anti-social Behaviour

3.23. From historic data Anti-social Behaviour (ASB) cases tend to increase as the weather gets warmer and in particular over school holidays with more open windows and people outside causing noise to travel. With the lockdown introduced in March, the number of ASB cases involving council tenants increased nationally by 28% in April and a further 10% in May. Across Dacorum ASB cases rose by 44% compared to 2019, however this figure also included non-council tenants since the corporate team moved to Housing in January.

3.24. The below chart provides the average of housing providers over the period from March to June 2020. In Dacorum there were 68.6 ASB cases in March 2019 which is above the average when compared with housing providers across UK. However the impact of COVID-19 has been less significant as cases increased from 76.3 in March 2020 to 81.9 in June 2020.



3.25. While cases have increased, having the ASB officers sitting alongside the Housing Officers has ensured that resources could be managed so that all residents reporting ASB received a response to their call, email or website request within one working day. This includes in May when 44 new cases were received ensuring that a prompt response and support was provided.

3.26. While partners such as the Police have reported a decrease in crime with residents being home, reports of drug related issues and domestic abuse have risen. Increased support has been put in place for those experiencing domestic abuse and with the lockdown drug related issues are easier to spot leading to an increase in successful police raids and the ability for DBC to take enforcement action.

Reports of low-level nuisance such as parking issues, boundary disputes and household noise has considerably increased with more tenants being at

home, and the website has been updated to provide more information to support tenants to resolve these matters and consider options like mediation.

4. Conclusion

- 4.1. This reports highlight how the sector has been hit with been a number of significant challenges since March when lockdown was introduced. Where legislation has changed DBC have adapted to this and continued to identify how core services can be provided whilst keeping staff and tenants safe. Steps have been taken to identify the number of tenants affected financially by COVID-19 as well as those who have health concerns and were considered to be vulnerable or in the highest risk group and required to Shield. This information has been combined with the data requested by HouseMark to identify the current impact and also future repercussions on DBC.
- 4.2. Reviewing the June and July reports from HouseMark there are areas where Dacorum has continued to maintain high standards for example through Gas Safety inspections, maintaining rent arrears levels and preventing increases of ASB cases. The service has adapted to pressure such as the increase of UC cases, and it is helpful to compare with other providers to understand how Dacorum could be adversely affected. There is also significant risk to rental income through high void loss and while concerning, this is felt across the sector and may provide opportunities for partnership working to identify solutions.
- 4.3. It is important that our membership to organisations like HouseMark continue to provide value for money and allow the Housing Service to benchmark against other organisations and identify areas to improve performance. The monthly Covid reports provided by HouseMark have been included as part of the annual membership and have given a framework by which to collect vital information each month to identify the current and future impact of COVID-19 on the core business.

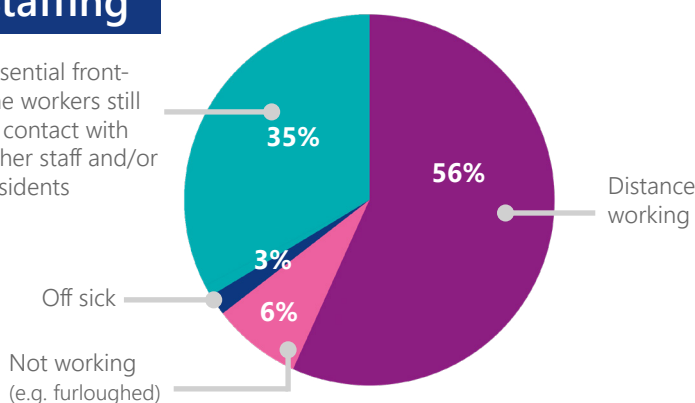
COVID-19 Impact Monitoring Executive Summary

July 2020

Accessing real time data to make evidence-based decisions has never been more crucial. As landlords shift focus from managing the crisis to restarting and reimagining services, we are starting to see the emerging shape of the sector's 'new normal'. Our COVID-19 Impact Assessment monthly analysis is the only report to cover the UK sector-wide. This is the fourth in our series, with data up to the end of June 2020. We have found that the demand for data and the desire to understand impact to make decisions has continued unabated with over 150 participants again this month.

Staffing

Essential front-line workers still in contact with other staff and/or residents



The number of staff well but not working (e.g. due to furlough) halved over June as 77% of landlords brought staff back to work. As a result, nine out of ten sector staff were back working in June, with 56% of all staff continuing to work virtually. This signals a fundamental change in how and where we work. Overnight channel shift has led to significant changes in behaviour for organisations, employees and customers.

Service delivery

75%

A staggering 75% of landlords are planning to take a different approach to service delivery in the new normal with only 8% electing for business as usual.

Gas Safety

In May landlords reported an average of 89% of gas safety certificates renewed within target. Although as renewals are spread through the year, overall compliance remained above 99%. In June this position had improved to 93%, showing clear signs of recovery. Two thirds of landlords reported in-month figures of 95% or above.



Tenant satisfaction

Over half (57%) of landlords reported that satisfaction had moved in a positive direction since March.

A bounce in satisfaction is not uncommon in times of national crises however figures may also have been influenced by certain services being suspended as well as the phenomenal efforts landlords made to get in touch with their tenants and check on their well-being.

57%

Repairs



The number of reported non-emergency repairs doubled over June as landlords resume full service – with landlords completing 62% of those reported.

Anti-social behaviour

↑ 10%

increase in reports of anti-social behaviour between May and June

ASB has increased by 60% since March when lockdown measures were first introduced.

Arrears

↑ 2.9% increase in arrears

Arrears increased a further 2.9% in June and now sits at 3.47% of total rent - this suggests that the majority of the sector is now over the first peak in arrears, however we expect there to be another spike when the Government's job retention scheme ends in October.

Lettings

The number of lettings doubled in June over the month bringing them close to March levels.

There are now 50,000 properties empty but available to let in the sector (twice as many as we would expect to see) - this equates to almost £5m in lost income for every week these properties are un-tenanted.

COVID-19 Impact Monitoring Executive Summary

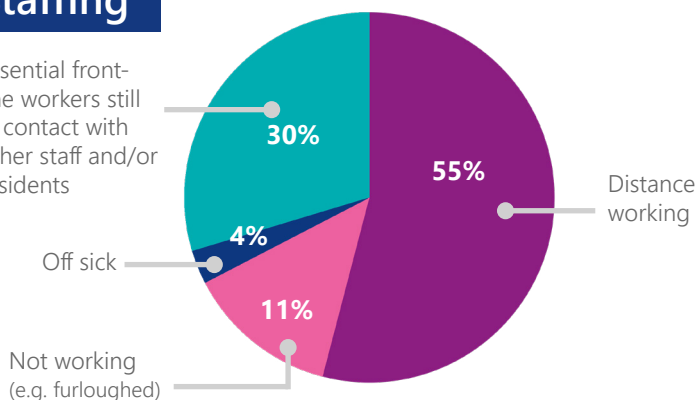
June 2020

COVID-19 has had an unprecedented impact on our society, economy and personal lives, and the social housing sector is no exception. Social landlords provide a critical front-line service to many of the most vulnerable people in society and have had to rapidly adapt to a crisis that could not have been foreseen only a few months ago. Good data has never been more important. Whether it's about identifying vulnerable tenants to provide better support, or forecasting the impact of arrears and rent lost due to vacant homes, landlords are seeking out the data that will help them make the right decisions now and for the future.

HouseMark is delivering a series of solutions to help landlords quantify the impact of COVID-19, forecast the future and take action. The first step is to assess the impact of COVID-19 on key operational areas. This is the summary of findings of our third impact report and shows data relating to the month of May.

Staffing

Essential front-line workers still in contact with other staff and/or residents



By the end of May sickness absence levels had returned to normal and the proportion of staff furloughed or not-working dropped by 22% as landlords start to resume services. However, an estimated 22,500 social housing sector staff were still not working by the end of May.

Repairs



70% of landlords expect to have resumed a full responsive repairs service and major works by the end of July

Whilst emergency repairs performance has remained strong throughout the pandemic, non-emergency repairs are only now beginning to show signs of recovery. Landlords reported 75 non-emergency repairs per 1,000 properties in May, up from 58 in April but well below the normal monthly average of 220. We estimate the backlog to be 1.5 million jobs at the end of May.

Anti-social behaviour

↑43%

increase in reports of anti-social behaviour since March 2020

In part this is due to seasonal peaks in ASB expected during warmer weather, but UK-wide the pandemic and resulting confinement has created an additional 200 ASB cases per day. This increase in workload combined with a reduction in ASB spend of over 14% in the last five years creates a perfect storm for front-line teams dealing with anti-social behaviour.

Arrears

↑3.3% increase in arrears

Arrears increased a further 3.3% in May, much lower than the increase seen in March (5%) and April (10%). By the end of the month, average sector arrears stood at 3.37%, up from 3.27% in April. This lower than expected increase in May masks significant variation within individual landlords. Concerns remain of further increases once the government's job retention scheme ends.

Gas Safety

89.6% of gas safety checks due in May were completed within target, down from 91.2% in April.

As safety checks are generally spread throughout the year, overall gas safety compliance across all properties remains above 99%. However, it's clear that landlords are finding it harder to complete gas safety checks as performance against their own targets is down 1.6% from last month. Access to homes continues to be a significant challenge during lockdown.



Lettings

Lettings activity recovered 82% in May compared to the previous month, but still remains at only a third of the level that would normally be expected at this time of year.

This prolonged slowdown in lettings activity is building up a challenging picture on void loss. Without significant focus from landlords to swiftly re-start standard void works and let empty homes quickly, we forecast an average end of year void loss position of 2.31% of the annual rent due, compared to the 1.13% we would have expected without the pandemic.