

14<sup>th</sup> April 2014

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Public

## **SHROPSHIRE HOMEPOINT : CONSOLIDATION OF HOUSING SERVICES TO FACILITATE FUTURE COMMISSIONING**

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### **1. Summary**

- 1.1 The (draft) Shropshire Commissioning Strategy aims to facilitate holistic remodelling and transformation of the way we do things, to improve outcomes for customers and to drive down net budget requirements. It is recognised within this Strategy that in order to achieve this, the Council will redesign existing service structures, maximising opportunities to build on synergies rather than pulling out discrete service areas and viewing them in isolation.
- 1.2 The Council's Housing Health and Well-Being Services are currently under review in the broader context of achieving over-arching corporate outcomes, particularly in relation to outcomes for vulnerable people, health and well-being and economic development. Access to appropriate sustainable housing underpins the achievement of the outcomes, in terms of: ensuring an adequate supply of affordable housing options and informing future development and locality regeneration; customer understanding of the range of housing options available to them; access to a range of housing types and tenures; prevention of homelessness; and ensuring living conditions support health and well-being.
- 1.3 Shropshire HomePoint is central to the delivery of a redesigned approach to making best use of existing housing stock across all tenures, enabling customers to better understand and pursue the housing options most appropriate to their circumstances and household needs, across all tenures.
- 1.4 Shropshire HomePoint currently holds the Shropshire Affordable Housing Register (waiting list) and administers the Council's choice based letting scheme. Shropshire Council has commissioned and implemented a new IT delivery system for Shropshire HomePoint with significantly enhanced functionality, which both improves the service delivered to customers and extends the relevance of Shropshire HomePoint to new markets. Shropshire HomePoint currently generates income from social landlords of c£95,000pa. This is predicted to increase as a result of a new offer available to private-sector housing providers, made possible by the new more integrated approach. The new IT system also adds considerably to the efficiency of casework management within the Housing Options team, and will further enable a broad range of housing information and advice to be accessed directly by customers in a meaningful and coherent way.

- 1.5 Shropshire HomePoint is currently operated as a choice-based letting scheme only through a formal partnership with Shropshire Housing Group (SHG), the service and staff being located at the SHG offices in Craven Arms. This formal partnership is being dissolved from 31<sup>st</sup> May 2014. Shropshire HomePoint is moving forward as a more holistic 'one-stop' Housing information and advice service as the Council as well as operating the countywide choice based letting scheme. Shropshire HomePoint and the development and delivery of Shropshire HomePoint will in future be undertaken in consultation with a wider, multi-agency partnership framework, however the Council is now the primary commissioner.
- 1.6 It is therefore proposed to relocate the Shropshire HomePoint function from SHG in Craven Arms, into the Council. This will move the new holistic approach from being located within an external social landlord body to being integrated within the Housing Options service within Housing Health and Well-being. This will in turn enable the transformation process within the council to take full advantage of the range of functions which can be delivered and outcomes which can be met through the new Shropshire HomePoint approach.
- 1.7 Three staff currently employed by SHG to deliver Shropshire HomePoint are eligible for TUPE into the Council and would join the Council within the Housing Options service.

## 2. Recommendations

- 2.1 It is recommended that approval be given to relocate and bring in-house Shropshire HomePoint, the service to be based within the Housing Options Team (Housing Health and Well-Being) with effect from 1<sup>st</sup> June 2014.
- 2.2 It is further recommended to integrate Shropshire HomePoint with the overarching review of Housing Health and Well-Being Services in the context of the Council's (draft) Commissioning Strategy.
- 2.3 In recognition of the TUPE obligations with respect to three staff members, and to ensure retention of expertise and continuity of service, it is recommended transfer of Shropshire HomePoint into the Housing Options service (Housing Health and Well-Being) is undertaken with full acceptance of relevant TUPE obligations and entitlements.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

- 3.1 **Equalities** The new Shropshire Affordable Housing Allocation Policy and Scheme aims to balance targeting affordable housing resources towards those most in need with the development of sustainable communities. An Equality Impact Assessment has also been produced for this Policy and Scheme.
- 3.2 The new Housing Options approach, supported by the new customer-focussed IT facility, extends access to housing advice and information and more effectively enables customers to 'self-help' as well as to continue to access specialised and statutory assistance as required.
- 3.3 **Environmental Impact:** The delivery of the Shropshire Affordable Housing Allocation Policy and Scheme does not have environmental impacts

- 3.4 **Consultation:** The Shropshire Affordable Housing Allocation Policy and Scheme has been consulted both through the development process and through public consultation
- 3.5 **Risk:** The new Shropshire Affordable Housing Allocation Policy and Scheme is compliant with regulatory guidance.

#### **4. Financial Implications**

- 4.1 Maintaining Shropshire HomePoint under the existing arrangements and at the current staffing level, located in Craven Arms has an average annual operational cost to the Council of c£70,000 - £90,000 net of income. The actual cost over recent years has been significantly impacted by problems with the existing IT system.
- 4.2 The average annual operational cost to the Council of bringing Shropshire in-house located within the Housing Options service (Housing Health and Well-Being) is projected to be c£45,000 net of income, assuming transfer under TUPE of existing relevant Shropshire HomePoint staff . As income from private sector sources increases, the draw on Council funding will reduce.
- 4.3 The financial plan for Shropshire HomePoint operating within the Council assumes a core staff team of one Team Manager and three Advisory staff with more general duties being absorbed within the overall Housing Health and Well-Being service. Of the core team, one Adviser is already a Council employee, seconded to Shropshire HomePoint. The other three are existing officers where TUPE applies.

#### **5. Background**

- 5.1 Shropshire HomePoint was initially formed in June 2009, following the creation of the Unitary Authority, as a means of delivering a Countywide Affordable Housing Allocation Policy and Scheme and of holding a Countywide Housing Register (waiting list for social housing).
- 5.2 At this time, only South Shropshire Housing Association (Shropshire Housing Group/SHG) had operated a choice-based letting scheme. Shropshire Council entered into a formal partnership agreement with SHG to the effect that SHG would host and deliver Shropshire HomePoint on a shared cost basis. Shropshire HomePoint was, and remains, located in the SHG offices in Craven Arms.
- 5.3 The Shropshire Affordable Housing Allocation Policy and Scheme underwent a fundamental review during 2011/12, driven largely by legislative changes arising from the Localism Act 2011 and impending Welfare Reform
- 5.4 More local concerns included the necessity to make better use of existing adapted housing stock in the context of reducing funding for Disabled Facilities Grants, and the increased reliance on the privately rented sector to meet the needs of vulnerable people through homelessness prevention.
- 5.5 The new Shropshire Affordable Housing Allocation Policy and Scheme was adopted by Cabinet at its meeting on 17<sup>th</sup> April 2013. This new Scheme departed in some significant degree from the then existing Scheme and required a new IT system to deliver it. This new system has been commissioned and implemented by the Council (from 26<sup>th</sup> March 2014).

- 5.6 From 1<sup>st</sup> April 2013, the Council began to meet the full cost operating costs (net of income) of Shropshire HomePoint, having arrived at an agreement with SHG that SHG would be unlikely to continue to deliver Shropshire HomePoint much beyond 31<sup>st</sup> March 2014.
- 5.7 The development of the new Shropshire Affordable Housing Allocation Policy and Scheme along with the commissioning of the new IT system provided an opportunity to comprehensively review the role of Shropshire Homepoint in the delivery of wider corporate outcomes, and also to enhance the extent to which customers were able to take control of and responsibility for pursuing those housing options most appropriate to their needs and aspirations.
- 5.8 It was further recognised that there was duplication of effort (and therefore expense) in maintaining two separate IT systems and approaches to managing casework as both Shropshire HomePoint and the Council's Housing Options Services were maintaining and serving two separate IT systems.
- 5.9 It was also recognised that the synergies for Shropshire HomePoint lay with the Council's Housing Options and Homelessness services, with the adaptations (DFG) service and also with Housing services tackling poor property condition and fuel poverty, in other words with services which could directly address the household circumstances which were driving up housing need. Locating Shropshire HomePoint within an external landlord function created an incongruity which by its nature increased costs and frustrated delivery of more holistic outcomes.

## **6. Transitional Arrangements**

- 6.1 The new Shropshire Housing Allocation Policy and Scheme, new IT system and integrated case management software was implemented on 26<sup>th</sup> March 2014. To minimise disruption to the Shropshire HomePoint team and to enable them to focus on implementation, formal discussions concerning transfer of the service to the Council have to date been deferred.
- 6.2 The Partnership Agreement with SHG is continuing on a month by month basis beyond 31<sup>st</sup> March 2014, with a target date for TUPE transfer of staff, and so final ending of the Partnership Agreement, of 1<sup>st</sup> June 2014.
- 6.3 During this interim period, all existing service arrangements remain in place, to ensure minimal impact for service users and to facilitate a smooth transition to the Council, subject to agreement of the recommendations above.

## **7. Conclusion**

- 7.1 The HomePoint service provides a significant improvement over the previous system and will support the re-design to make the best use of existing housing stock. This will result in an improved response as well as providing customers with increased choice as a result of the wide range of housing options that will be available to them.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information):**

**Key Decision: Yes**

**Included within Forward Plan: Yes**

**If a Key Decision and not included in the Forward Plan have the General Exception or Special Urgency Procedures been complied with: Not applicable**

**Name and Portfolio of Executive Member responsible for this area of responsibility:**

Cllr Malcolm Price

**Local Member: All**

**Appendices: Nil**

**Declaration of Interest**

- I have no interest to declare in respect of this report

Signed ..... Date .....  
NAME: .....  
PORTFOLIO HOLDER FOR: .....

- I have to declare an interest in respect of this report

Signed ..... Date .....  
NAME: .....  
PORTFOLIO HOLDER FOR: .....

(Note: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter.)

For the reasons set out in the report, I agree the recommendation(s) in the report entitled .....

Signed .....  
Portfolio Holder for .....  
Date .....

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and pro-forma is returned to Democratic Services for processing.

Additional comment : .....  
.....  
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Note: If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, Head of Legal and Democratic Services, Chief Executive and the Head of Finance, Governance and Assurance (S151 Officer) and, if there are staffing implications the Head of Human Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Portfolio Holder: Your decision will now be published and communicated to all Members of Council. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication.