

Lead Officer: Executive Directors of Place & People

Wards: All

Agenda Item: 6

Subject: - The Croydon Challenge and the reorganisation of housing services

1. Recommendation

- 1.1 The Panel is asked to note the changes to the structure of the council and the organisational implications for housing management services.

2. Summary

- 2.1 This report summarises changes to the structure of the council in response to the need to make savings of £100m by 2018, and specifically details how these changes will affect the way in which housing services will be managed. It also sets out the wider context for these changes, and the programme which the council has embarked on (Croydon Challenge) to enable us to modernise services and help achieve better outcomes for residents whilst making efficiency savings.

3. Background

- 3.1 For some time now, local authorities across the UK have been balancing an increased demand for services with reduced government funding. Croydon is no different. The borough is growing with more jobs, more homes and more investment than ever before.
- 3.2 With funding from the government declining and more residents' needs to serve, Croydon Council needs to save £100m by 2018. Or in other words, by 2018 the Council needs to deliver its services with only three-quarters of the current core budget.

4. How will the Council save the money?

- 4.1 To continue delivering the front line services which Croydon residents need and value, the Council will need to deliver them in more innovative and cost-effective ways. The Council has set up a programme of change called the Croydon Challenge. This programme will focus on making the council's services cheaper to run (for example, by reducing back office costs). However, we are committed to making services better for customers at the

same time by focusing on delivering services to the public that change people's lives for the better.

4.2 While we focus on managing this challenge, we are also campaigning for the government to give Croydon a grant that better reflects our residents' needs.

4.3 To date significant progress has been made on the Croydon Challenge with a number of savings identified for this financial year. Examples of the projects contributing to these savings and improvements in services are:

- the creation of a case by case approach to support vulnerable families and individual customers into better financial and housing situations
- a review of our council assets such as the buildings we own to ensure these are used in the best way possible and identifying where local groups can have greater use or even take on the management of some buildings.
- using technology, where appropriate and cost effective, to provide better and more timely information to our customers
- creating the Octavo partnership, a Mutual Trading Company that delivers services for schools that focus on improving educational outcomes.

4.4 One of the ways in which the council is looking to achieve its twin aims of making financial savings whilst achieving better outcomes for residents is through a major restructure of the council. The organisation has been reshaped into just three departments (**Place, People & Resources** - see structure chart Appendix A). The simpler structure will in itself provide savings but, more importantly, it recognises the links between different types of services whether because of shared objectives, shared roles in helping groups of customers, and similar skills.

4.5 **The Place Department** will consist of services which are about making Croydon a place where people want to live, visit, trade, invest and work. This is about developing and maintaining the kind of facilities needed by local people – schools, parks, leisure and cultural facilities, highways, safe streets and clean neighbourhoods. It is also about a thriving economy which enables businesses and employers to set up and thrive, and which provides decent, sustainable jobs. The provision of a good supply of decent homes is a vital part of this picture and a big focus for this department will be on building new homes (including new council homes), and on looking after and improving our own housing stock through an ongoing annual investment programme. The following housing services are now in this department:

- Asset management – collecting and assessing information about the housing stock and developing the long-term investment programme
- Planned maintenance and improvements – managing the major works contracts and ensuring that the investment plans are carried out
- Responsive repairs – running the day-to-day repairs service and managing the contract with Axis
- Housing strategy – developing the overall plans for housing services

- Resident involvement – facilitating engagement with residents on how housing services are run and seeking customer feedback
 - Environmental and anti-social behaviour enforcement
- 4.6 The benefits to the council of bringing these housing services together with other “place-making” services include the links we can make between managing all of the council’s assets (housing, parks, council buildings and so on) and getting the right balance between different investment needs (for example we need more homes, more school places and more job opportunities, and need to decide how we can best use the available land). The links also include ensuring that new homes are not built in isolation but take into account the additional facilities and infrastructure needed (roads and community centres for example) and that developments are part of wider regeneration plans such as for district centres.
- 4.7 Longer term, we will be allocating additional resources to regenerating our council estates. The annual investment plan currently includes a number of programmes, from modernising kitchens and bathroom, through renewing important components such as windows and boilers, to improving standards and facilities by improving energy efficiency and installing new door entry systems. From 2019/20, we plan to supplement this annual investment with a further £6m a year to help us tackle estate-wide needs. This could include a range of initiatives such as landscaping and access, security measures, overcladding of blocks of flats and insulation of solid wall housing, and general modernisation. This estate programme will sit within wider regeneration plans and work alongside the building of new council homes.
- 4.8 Jo Negrini is the executive director for place. With the exception of the enforcement function (which will be the responsibility of Andy Opie, the interim director of safety), the housing services listed above will fall under Stephen Tate, the interim director of district centres & regeneration.
- 4.9 **The People Department** brings together services which are providing personal or tailored advice and support to customers. The council recognises that, in order to achieve savings, we need to change our approach to customer services by helping people to help themselves. New technology and means of communication are enabling us to do this by allowing customers to interact with us through the internet by getting information from the website or by filling in forms, paying bills and rents etc online. By creating a greater level of self-sufficiency, we can devote more staff time on residents who are vulnerable and need more intensive support.
- 4.10 We think that this change to how we operate goes hand in hand with a more empowering approach which recognises that people want to live and manage as independently as possible. When it comes to housing, for example, people want to remain in their homes as long and as independently as possible. And when it comes to estates and neighbourhood, local communities want an active part in shaping these and making them a success. The aim of the people department is therefore very much about empowerment so that individuals can help themselves and their families, and

communities can contribute their collective efforts and skills to provide thriving neighbourhoods.

- 4.11 The following housing services are now in the people department:
- housing allocations, mobility (transfers and mutual exchanges) and lettings
 - tenancy management
 - caretaking
 - income – collecting rents and service charges and providing related advice
 - sustainable community services such as the All Ages initiative
 - homelessness
 - housing advice
- 4.12 Bringing these services together will enable the council to look at customer needs more holistically. A good example of this is the new gateway service which is under development. We know that many people are finding it harder to rent privately due to rising rents, with private landlords taking back properties from one set of tenants to let them instead to people who are in work, not claiming benefit and able to afford higher rents. Having employment is therefore really important for being able to afford housing but homelessness can be a barrier to finding and maintaining work – a vicious circle. Through the gateway approach, the council will provide a holistic service for families facing homelessness, a service that helps tackle the underlying causes of homelessness and builds resilience by providing support with household income/benefits, budgeting, and training and access to employment opportunities.
- 4.13 A similar approach has been taken to people who have been affected by different changes to welfare benefits. These have affected a large number of council tenants through either the benefit cap or the bedroom tax. By taking a holistic approach, staff have been able to provide each tenant with a range of advice appropriate to his or her circumstances – benefits, discretionary housing payments, budgeting, finding work and moving to smaller homes to avoid under-occupation.
- 4.14 Paul Greenhalgh is the executive director for people, and the housing services listed above fall under Leonard Asamoah, the interim director of housing needs.
- 4.15 Finally, the **Resources Department** will provide support to the place and people departments assisting them to achieve their targeted outcomes whilst continuing to set and shape the strategic aims of the council as a whole. This department will include human resources, IT, finance and democratic services.

5. Conclusion

- 5.1 The council is strongly committed to continuing to meet the needs of local residents and ensuring that they share in the benefits of the economic and physical regeneration which is so visible in the borough. Reductions in public sector funding will create significant challenges but we think that we can overcome these by modernising and reshaping services so that our efforts are focussed on the right outcomes for people. To some extent, this will involve helping people to help themselves rather than providing direct services. But it is also about streamlining services to get the best out of them, and tailoring them to address the needs of individuals.
- 5.2 Housing management services, whilst not subject to the same funding reductions which the general fund is, need to be part of the new approach because the provision of decent homes and estates, and sound housing advice, is closely tied up with other services such as job creation and employment advice. And, although the financial pressures are not as great, we owe it to tenants and leaseholders to provide the best value for money we can, and to take advantage of opportunities such as online services in order to achieve this.
- 5.3 Tenants and leaseholders should see no deterioration in the way in which their housing services are delivered. Hopefully, they will experience the benefits of our new structure and focussed approach and share in the outcomes for all residents.

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