



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
10 July 2018
Agenda Item 14

Key Decision - No

Ward(s) Affected: Adur District wards with Council housing

Supporting our Residents - Operational Management of Adur Homes

Report by the Director for Communities

1. Purpose

- 1.1 This report requests Member approval for the creation of and funding for an Adur District Council Housing Operations Manager to support the day to day delivery of the housing management and maintenance service for tenants and leaseholders and to deliver a service improvement plan.

2. Recommendations

- 2.1 The Joint Strategic Committee is asked to approve the creation of the post of Housing Operations Manager and associated annual budget requirement which will be funded from the HRA Revenue Reserve in 2018/19 (£16,490) and 2019/20 (£51,260) .

3. Context

- 3.1 Adur District Council housing service is a multi million pound operation collecting a revenue income of around £13m and spending this same amount on services for tenants and leaseholders. In addition the service commissions some £5m annually on capital projects to improve and maintain the fabric of the housing stock. The service has been through challenging times over recent years both financially and operationally not least of which is the pressure created by the annual 1% rent reduction.
- 3.2 The Head of Service covers both Adur and Worthing Councils' strategic housing functions and for Adur this also includes responsibility for the Council housing stock.
- 3.3 The Council has committed to making housing a priority through both its Housing Strategy and pledges within Platforms for our Places. Adur District Council is firmly committed to supporting investment in; its Council Housing stock, in the development of new homes, the residents who live in its homes and the services provided by the housing teams.
- 3.4 Since appointment in 2017, the Head of Service has undertaken a review of service delivery and there are a number of change programmes underway, for example a large scale project to improve how we engage with our residents and manage our responsive repairs programme. As part of this review the Head of Service, together with the Director and ADC Executive Member have identified a gap in the team, which would make a measurable difference to the service's ability to continue to progress change and implement improvements.

4. Issues for consideration

- 4.1 The Adur District Council housing service requires a dedicated Operational Manager who can concentrate full time on the day to day delivery of the main front line housing management, leasehold and repairs services as well as deliver audit and other action plans.
- 4.2 The post holder will be responsible for the day to day management of the front line teams and the managers of those work streams and service areas. The post holder will support the Head of Housing to deliver ambitious improvement plans.

4.3 Although the financial environment for the Housing Revenue Account is extremely challenging being able to proactively support and deliver change will present an investment in the future of the service. At present the management and leadership resource available is often limited to responding to issues, as opposed to creating and delivering the strategy that our Councils have adopted. It is therefore agreed that this post is essential to the continued progress of the Adur District Council housing service and to allow the Head of Service to be freed up to work on the delivery of more strategic work such as major new policies, housing developments, the delivery of the capital programme and developing joint working relationships with strategic partners.

5. Engagement and Communication

5.1 The ADC Executive Member for Customer Services has been fully consulted throughout the development of this proposal.

5.2 The Head of Service, ADC Executive Member and the Director will be meeting with representatives from the Adur Consultative Forum to outline the proposal and to discuss the thinking behind it. At least one tenant representative will be involved in the recruitment to the post.

5.3 The relevant housing services team managers are aware of the proposal.

6. Financial Implications

6.1 The budget requirement for the proposed post is £81,260 including on-costs, travel, and associated expenses which can be broken down as follows:

	2018/19 (Part year) £	2019/20 Full year £
Salary cost (Grade 11 post)	45,620	79,760
Travel costs	290	500
Other supplies and stationery	580	1,000
Total cost	46,490	81,260

6.2 Existing staff budgets which are currently surplus to requirements and are proposed to contribute to the funding of the Operational Manager post total £30,000 and include:

- Administration Officer and Systems Support Officer additional hours no longer required - £12,000.
- Cleaning staff budgets (now TUPE'd into cleaning contractor) - £18,000.

Consequently, the net cost to the Council will be £16,490 in 2018/19 and £51,260 in 2019/20 which is not currently budgeted for.

6.3 The HRA has the following reserves as at the 31st March 2018:

	£'000
Housing Account Revenue Reserve	1,939
Business Improvement Reserve	109
New Development and Acquisitions Reserve	1,761
Discretionary Assistance Fund	116
	3,925

6.4 Over the next 5 - 6 years the Council will be reliant on the reserves to support the budget whilst it addresses a further 1% rent reduction in 2019/20 and the legacy of the previous 3 years lost income. Members are reminded that the cumulative impact of 4 years of rent restriction is an overall loss of income to the HRA of £1.9m

	Budget 2016/17	Budget 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21
	£'000	£'000	£'000	£'000	£'000
Impact of 1% reduction for 4 years					
Income with 1% decrease	-12,246	-12,183	-11,992	-11,872	-12,228
Income with inflationary increase (CPI + 1%)	-12,519	-12,845	-13,359	-13,760	-14,172
Income lost due to rental limitation	273	662	1,367	1,888	1,944

6.5 The HRA is expected to make substantial losses over the next few years as a result of the rental income limitation combined with the urgent need to invest in existing property. The 30-year plan identifies the following expected use of reserves:

	Budget 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2019/20	Forecast 2020/21
	£'000	£'000	£'000	£'000	£'000
Planned use of reserves	734	1,016	714	395	129
Cumulative use of reserves	734	1,750	2,464	2,829	2,958

The addition of the post to the establishment will increase the financial pressures upon the HRA, however the benefit of the creation of the post will be to accelerate the transformation programme within Housing and identify future savings to reduce the on-going financial pressures.

7. Legal Implications

- 7.1 Section 112 Local Government Act 1972 imposes a duty upon the Council to appoint such Officers as they think necessary for the proper discharge by the Council or another Council of its functions. Such Officers shall hold office on such reasonable terms and conditions, including conditions as to remuneration as the Council appointing them think fit.
- 7.2 Paragraph 2.6.30 of the Scheme of Officer Delegations delegates staffing matters, including recruitment, to the Head of Service responsible for the function.
- 7.3 The Councils operate a Job Evaluation process; this post has been evaluated by a panel as being a grade 11 post on the Council's pay and grading scheme.

Background Papers

Platforms for our Places

Housing Strategy 2017 - 2021

Housing Revenue Account - Budget 2018/19. Report to the Adur Executive dated 6th February 2018

Adur District Council - Draft Statement of Accounts 2017/18

Officer Contact Details:-

Cally Antill

Head of Housing

cally.antill@adur-worthing.gov.uk

Sarah Gobey

Head of Finance

sarah.gobey@adur-worthing.gov.uk

Sustainability & Risk Assessment

1. Economic

- Matter considered and no issues identified

2. Social

2.1 Social Value

- This post will enhance the delivery of services to a group of residents many of whom have less life chances than others

2.2 Equality Issues

- Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

- Matter considered and no issues identified.

2.4 Human Rights Issues

- Matter considered and no issues identified.

3. Environmental

- Matter considered and no issues identified.

4. Governance

- This proposal will assist the council with delivery of its Housing Strategy and commitments set out within Platforms for our Places