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**REPORT FOR: CABINET**

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<b>Date of Meeting:</b>	8 December 2016
<b>Subject:</b>	Response to Scrutiny's Review Challenge Panel on Homelessness
<b>Key Decision:</b>	No
<b>Responsible Officer:</b>	Lynne Pennington, Divisional Director of Housing Services
<b>Portfolio Holder:</b>	Councillor Glen Hearnden, Portfolio Holder for Housing and Employment
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	No
<b>Wards affected:</b>	All Wards
<b>Enclosures:</b>	Homelessness Drivers and Land and Supply Issues in Harrow- A report by the Homelessness Scrutiny Review Challenge Panel October 2016

## **Section 1 – Summary and Recommendations**

This report provides responses to the recommendations from the 'Homelessness Drivers and Land & Supply Issues in Harrow' report by the Homelessness Scrutiny Review Challenge Panel in October 2016.

### **Recommendations:**

Cabinet is requested to:

- Note the recommendations of the Scrutiny Review Challenge Panel
- Agree the proposed actions in response to the recommendations as set out in this report.

### **Reason: (For recommendations)**

The recommendations and responses are based on the outcome of the Scrutiny Review Challenge Panel exercise.

## **Section 2 – Report**

### **Introductory paragraph**

The scope of the Scrutiny Review Challenge Panel was:

1. To understand the drivers of homelessness in Harrow.
2. To examine whether the solutions currently being implemented effectively address these drivers
3. To scrutinise the local supply, land and site issues.

### **Options considered**

The following options were considered by the Challenge Panel:

1. Linking employment and training opportunities with homelessness prevention;
2. Increasing density to improve housing supply;
3. Reviewing all potential land assets to increase housing supply;
4. Maximising the supply of affordable housing via Planning policy;
5. Reviewing financial options to support the council directly contributing to increasing housing supply;
6. Lobbying to minimise the impact of new legislation and highlight Harrow's need for affordable housing.

The table below sets out the recommendations relating to these and the council's response.

## Background

A Scrutiny Review Challenge Panel on Homelessness was held on 12 October 2016. The outcome report was submitted to Overview & Scrutiny on 8 November and to Cabinet on 17 November 2016.

Other recent exercises focusing on homelessness include a roundtable discussion on 23 February 2016, a CSB Challenge Panel on 25 May 2016 and a Deep Dive Review on 17 August 2016. A Homelessness Task Force is taking forward a combined action plan arising from these exercises and will report early in the new calendar year.

## Current situation

This report is a response to the recommendations in the report from the Scrutiny Review Challenge Panel on Homelessness.

## Responses to the recommendations arising from the Scrutiny Review Challenge Panel on Homelessness

No.	Recommendation	Response
1	To request that officers provide clarity on what plans there are to build more quality housing; high density, high rise (similar to the Harrow on the Hill development)	<p>Over the course of the next 5-10 years, the Borough will receive significant levels of investment in housing– a substantial proportion of the £1.75bn of investment in the Harrow and Wealdstone area will be directed towards housing. Officers consider that high quality design is central to Building a Better Harrow. Developing a reputation for design quality in Harrow will raise ambition and attract talent, improving the quality of architecture across the Borough, and the quality of life for Harrow residents and workers.</p> <p>The Council is promoting and managing design quality in a number of ways; in 2015, the Council's first Head of Design and Regeneration was appointed; a long-standing agreement with the GLA provides an Urban Design Officer with design expertise to secure high quality development and; a Harrow Design Review Panel is being established to provide independent external advice on applications. These measures enable the council to insist upon high quality and challenge substandard development. These measures have already yielded tangible results – the planning permissions at College Road and Gayton Road car park are examples of high quality, high density schemes.</p> <p>High quality, high density mixed use and housing schemes are being developed by the Harrow Regeneration Unit at the existing Civic Centre site (Poets Corner), Leisure Centre (Byron Quarter) and</p>

		<p>Vaughan Road car park with planning submissions expected in 2017. Schemes by Origin Housing at Palmerston Road and Cumberland Hotel are either in the planning system or expected shortly. TfL are considering options for the redevelopment of the Harrow-on-the-Hill underground and bus station complex to provide improved access and high quality, high density housing. Land Securities/L&amp;Q will begin to develop the Kodak Alaris site for high quality, high density housing and applications are expected in 2017/18 for these sites.</p> <p>Within Housing Regeneration the council is committed to increasing the supply of high quality higher density housing on sites within its ownership. Each site will be developed taking into account its individual characteristics and ability to take an increased density. For example the planning application for the Grange Farm regeneration project significantly increases the existing density with a range of different types and height of buildings which reflect the different characteristics across the site in relation to neighbouring housing.</p> <p><b>Action:</b> To continue maximising high quality higher density housing taking into account individual site characteristics.</p>
2	<p>To request that clarity be provided as to the financing of the Council's housing portfolio expansion and to investigate whether this Council could borrow General Fund housing revenue to act as a funding stream</p>	<p>The council currently has two streams of new development.</p> <p>The first is within the Housing Revenue Account (HRA), and is largely comprised of infill development of small sites of spare land and disused or underused garage sites. This stream is constrained by the availability of development funding within the HRA, which has significantly reduced as a result of the requirement to reduce social rents by 1% per annum for a 4-year period. A December 2015 Cabinet report highlighted the significant increases in tender prices over recent years, and that the cost of building the approved programme would be higher than the original approved budget. We are currently reviewing the programme to assess how many new homes can be provided within the approved HRA budget, and the options for completing the programme. General fund borrowing could be an option for completing an extended infill programme as well as extending the property purchase initiative.</p> <p>The second stream is within the General Fund and is part of the Council's overall regeneration activity. This will entail building new housing for rent and sale and is likely to be funded from a combination of new General Fund borrowing (probably from the Public</p>

		Works Loans Board) and capital receipts from the sale of some newly-built assets to help cross-subsidise the overall development, including delivery of a significant amount of new affordable housing.
3	To request that the Leader of the Council raises with London Councils, concerns around the Homelessness Reduction Bill and the impact this will have locally if implemented	<p>Key issues and concerns regarding the Homelessness Reduction Bill will be raised with the Leader at the next monthly meeting. A range of possible financial impacts will be modelled in partnership with other councils, but it may take 6 months before sufficient clarity about the detail and impact of the Bill enables reasonable forecasting.</p> <p><b>Action:</b> The Leader will lobby London Councils. Report back on modelling of the likely impact on homelessness in Harrow, demand for the housing needs service and the financial impact of the proposed new statutory duties once completed.</p>
4	To request that officers be instructed to investigate options around utilisation of green belt land and allotments; and rationalise where you could develop housing in green belt areas and swap land elsewhere	<p>Officers investigate all options to increase the supply of housing – there are planning restrictions on the use of green belt land and allotment land which combined with other lengthy statutory legal processes mean that these will always be long term options. The government is due to publish a Housing White Paper this year which will focus on increasing housing supply – at this time we do not know if this will allow for some opportunities to be taken forward which are currently restricted.</p> <p><b>Action:</b> Review all council land assets for potential to increase housing supply. Report back on Housing White Paper when published.</p>
5	To request that officers advise as to the work being undertaken with families on low incomes, whether there is close working between departments working with families at risk of homelessness, and how effective this is	<p>For 2016/17 the council has secured funding to support households on low wages to increase their skills and wages. The performance for this financial year from the DCLG's Transformation Challenge Award Skills Escalator is as follows:</p> <ul style="list-style-type: none"> <li>• 35 residents provided with independent Information Advice and Guidance</li> <li>• 17 residents entering training</li> <li>• 12 residents increasing their earnings.</li> </ul> <p>Please note this is based on Q1 performance and there has been a change in staff with the broker role vacant from July-October.</p> <p>Harrow's Together with Families programme has referred 45 people, of which 12 have entered employment, 7 are now volunteering and 3 are in training.</p>

The council's Xcite employment programme is closely working with Housing. The Xcite programme has been featured in Homing In, the quarterly magazine for council tenants and leaseholders. Housing officers refer their clients to Xcite. Housing rent statements sent to council tenants have also advertised Xcite. Information about Xcite is included on key housing leaflets and web pages. Xcite has attended a range of housing events, including the summer housing fair for council tenants and leaseholders and recent residents meetings at the civic centre and in the community.

The Revenue and Benefits Service provides Xcite with list of Housing Benefit claimants affected by the Benefit Cap. As of September 2016 there were 175 households affected by the benefit cap in Harrow (as per the Economic Dashboard). Unemployed residents that secure employment are not subject to the Benefit Cap. In this financial year Xcite has supported 159 people into work, of which 117 were claiming Housing Benefit and/or Council Tax Support. 5 of these cases were direct referrals from Housing.

The Xcite project has seconded a worker to Central and North West London (CNWL) NHS Foundation Trust to support residents with complex mental health problems into work and a target of supporting 12 residents into work has been achieved.

Economic Development has worked with Home Group and Jobcentre Plus to secure money from the DWP Community Fund to provide ESOL training and support residents into employment and self-employment. The "In the Mix" project has only recently begun and it has engaged 91 residents, supported 5 into work, 2 into pre-apprenticeship training, 52 into ESOL provision and 14 into business start-up training.

In practice every council department is contributing towards the creation of job opportunities through procurement processes and application of social value criteria in the tender processes.

**Action:** The West London Alliance (WLA) has secured new ESF funds for the Skills Escalator. Contract to be signed with lead borough. Programme to be launched to relevant council services. Promotion to community and voluntary sector and Registered Providers (RPs). Continue to embed joint working with Housing Needs. Xcite to attend

		Housing events.
6	To request that officers provide data on the correlations between up-skilling the workforce, incomes, households on benefits and housing supply	In September 2016 the Housing Benefit caseload was 16,000 households (as per the Economic Dashboard). There are circa 91,000 households (DCLG Household Estimates) in Harrow so approximately 18% claim housing benefit. There are between 23-25% of Harrow residents in low paid jobs (ONS Annual Survey of Hours and Earnings 2011 – 2013).
7	To request that Cabinet and officers ensure that the maximum amount of affordable housing under planning policy is achieved	<p>The Planning and Housing teams work closely together to ensure that the maximum viable proportion of affordable housing is negotiated under planning policy. Financial viability assessments are required for all relevant planning applications and are independently scrutinised to ensure the maximum amount is provided – however this is much less than the policy target of 40% due to financial viability. Clawback mechanisms are considered in legal agreements so that any uplift in financial viability during the life of the development can be captured.</p> <p><b>Action:</b> Current robust approach to continue. Appropriate clawback mechanisms to be included in all legal agreements where possible.</p>
8	To request that the Leader of the Council enters discussions with the Mayor of London on housing supply issues, highlighting that average wages in Harrow are low, so the Council has to ensure access to a supply of genuinely affordable housing	<p>Officers meet regularly with colleagues in the GLA and brief them on Harrow's specific requirements for affordable housing. Housing supply issues are discussed in Housing Zone Board meetings.</p> <p><b>Action:</b> Discussions to continue with the GLA highlighting Harrow's specific circumstances to maximise funding opportunities for increasing the supply of affordable housing.</p>
9	To request that consideration be given to the resourcing of the housing needs and housing regeneration teams in the event that these teams require extra resources in order to maintain and build on progress to date, particularly on homelessness prevention	<p>As a result of the CSB Challenge Panel on Homelessness Demand CSB agreed extra staffing provision for Housing Needs and recruitment is underway.</p> <p>The Housing Regeneration team has increased its resources to ensure delivery of current development programmes. However it has proved difficult to recruit suitably skilled and experienced staff on the grades agreed through the job evaluation process.</p> <p><b>Action:</b> Resource levels in both teams to be kept under review and increased where proved necessary. Continue current recruitment process.</p>

10	To request that clarity be provided as to the impact of the additional resources in the housing needs team approved by the Corporate Strategic Board	Once all the additional staff are recruited, separate monitoring for these posts will be carried out in order to demonstrate the impact on performance (homelessness prevented or relieved) and the savings generated, as a result of the additional resources agreed by CSB. This will be reported using a dashboard.
11	To request that Cabinet make representations to the Government concerning the impact on the Council's finances of the changes to the treatment of the Temporary Accommodation Management Fee.	<p>Officers have responded to consultation regarding the government's proposal to change the subsidy given for temporary accommodation and accommodation used for homelessness prevention. The West London Housing Partnership has been actively involved in the consultation.</p> <p>Action: The Leader will lobby London Councils for the details of the new formula to be released as soon as possible and/or once the details of the new scheme are confirmed and the likely impact on Harrow has been modelled.</p>

## Conclusion

The members of the Scrutiny Challenge Panel scrutinised the work of the Housing Needs and Housing Regenerations teams and challenged officers. Panel members made recommendations to which officers have responded above and subject to Cabinet approval of the actions noted, officers will now action these, where appropriate. Additional resources and staffing in Housing Needs and Housing Regeneration are not required at this time, above what has already agreed with CSB. Performance in relation to the additional resources and staff already agreed will be monitored and reported.

## Performance Issues

There are no specific performance issues relating to this report but performance in relation to the additional resources and staff already agreed will be monitored and reported.

## Environmental Implications

There are no specific environmental issues relating to this report.

## Risk Management Implications

The recommendations and responses contained in this report do not have any risk implications at this time, although it is noted that the Homelessness service is included on the Community Directorate risk register and is currently rated A2.

Risk included on Directorate risk register? Yes  
 Separate risk register in place? No



## Legal Implications

The recommendations and responses contained in this report do not give rise to any specific legal implications at this time.

## Financial Implications

The recommendations and responses contained in this report do not have any financial implications at this time.

## Equalities implications / Public Sector Equality Duty

It is considered that there are no specific implications arising from the recommendations in this report on equalities, or as a result of the Public Sector Equality Duty, although it is considered that generally the impact on protected groups would be positive. Equalities impact will be considered separately for actions or proposals that develop out of the actions recommended in this report.

## Council Priorities

The Council's vision:

### Working Together to Make a Difference for Harrow

The Scrutiny Challenge Panel on Homelessness incorporates the administration's following priorities:

- Making a difference for the vulnerable
- Making a difference for families.

## Section 3 - Statutory Officer Clearance

Name: Dave Roberts	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 14 November 2016		
Name: Baljeet Virdee	<input checked="" type="checkbox"/>	Monitoring Officer
Date: 14 November 2016		

<b>Ward Councillors notified:</b>	<b>NO, as it impacts on all Wards</b>

<b>EqIA carried out:</b>	<b>NO</b>
<b>EqIA cleared by:</b>	An EqIA is not required because this report is responding to the recommendations of the Scrutiny Challenge Panel on Homelessness and is not proposing any changes at this time.

## **Section 4 - Contact Details and Background Papers**

**Contact:** Meghan Zinkewich-Peotti, Housing Strategy Project Manager, 020 8424 1346, [meghan.zinkewich-peotti@harrow.gov.uk](mailto:meghan.zinkewich-peotti@harrow.gov.uk)

### **Background Papers:**

The Homelessness Scrutiny Review Challenge Panel report submitted to 17 November 2016 meeting of Cabinet

<http://moderngov:8080/ieListDocuments.aspx?CId=249&MId=62839&Ver=4>

Homelessness pressures were recently discussed at Overview & Scrutiny in June and the papers can be found here:

<http://moderngov:8080/ieListDocuments.aspx?CId=276&MId=62886&Ver=4>

Housing finances were discussed at Performance & Finance in September and the papers can be found here:

<http://moderngov:8080/ieListDocuments.aspx?CId=817&MId=62965&Ver=4>

<b>Call-In Waived by the Chair of Overview and Scrutiny Committee</b>	<b>NOT APPLICABLE</b>  <i>[Call-in applies]</i>
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