

<b>Subject:</b>	<b><i>Meeting Decent Homes in Council Housing. Progress Report</i></b>		
<b>Date of Meeting:</b>	<b>22<sup>nd</sup> October 2009</b>		
<b>Report of:</b>	<b><i>Director of Adult Social Care &amp; Housing</i></b>		
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<b>Wards Affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 This report provides Adult Social Care & Housing Scrutiny Committee with an update on progress towards meeting the Decent Homes Standard in council housing.
- 1.2 Meeting the decent homes standard is key element of priorities within the current Corporate plan, Sustainable Community Strategy, Local Area Agreement and Housing Strategy.

**2. RECOMMENDATIONS:**

- 2.1 (1) That Adult Social Care & Housing Scrutiny Committee note the progress made towards meeting the Decent Homes Standard for council housing in Brighton & Hove.

**3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

- 3.1 The **Corporate Plan 2008-2011** for Brighton & Hove identifies 'Providing the homes that people need' as a key element of the priority to 'Protect the environment while growing the economy'. The Plan targets include improving the quality and availability of social housing. The measure of success for this is more council houses are classified as 'decent'.
- 3.2 The **Sustainable Community Strategy** for Brighton & Hove sets out priority areas for 'creating a city of opportunities'. The Local Area Agreement is organised around these key priority areas which include 'Improving Housing and Affordability'.

3.3 The council's ambitions expressed in the **Local Area Agreement** include support for Affordable Family Housing. Key to this is ensuring that families are housed in decent, affordable homes. This includes a commitment to work together to decrease the percentage of non-decent council homes. **National Indicator 158**, which relates to reducing the percentage of non-decent homes, is one of the key 35 indicators included in our Local Area Agreement (LAA). Delivering decent council homes is also integral to achievement of a range of other LAA priorities with quality and availability of suitable housing impacting on health, education employment, social networks and communities.

3.4 Improving council homes is also central to our **Housing Strategy 2009-2014** with improvement of housing quality a key strategic priority. Poor quality housing is known to have a detrimental effect on households' health, educational and emotional wellbeing. Our Housing Strategy will work to make sure that more residents are able to live in decent high quality homes that are able to meet their changing needs.

3.5 What is the Decent Homes Standard?

3.5.1 A decent home is one which is wind and weather tight, warm and has modern facilities. A decent home meets the following four criteria:

**a) It meets the current statutory minimum standard for housing**

Dwellings which fail to meet this criterion are those containing one or more hazards assessed as serious ('Category 1') under the HHSRS.

**b) It is in a reasonable state of repair.**

Dwellings which fail to meet this criterion are those where either:

- one or more of the key building components are old and, because of their condition, need replacing or major repair; or
- two or more of the other building components are old and, because of their condition, need replacing or major repair.

**c) It has reasonably modern facilities and services.**

Dwellings which fail to meet this criterion are those which lack three or more of the following:

- a reasonably modern kitchen (20 years old or less);
- a kitchen with adequate space and layout;
- a reasonably modern bathroom (30 years old or less);
- an appropriately located bathroom and WC;
- adequate insulation against external noise (where external noise is a problem); and
- adequate size and layout of common areas for blocks of flats.

A home lacking two or fewer of the above is still classed as decent, therefore it is not necessary to modernise kitchens and bathrooms if a home meets the remaining criteria.

**d) It provides a reasonable degree of thermal comfort**

This criterion requires dwellings to have both effective insulation and efficient heating. It should be noted that, whilst dwellings meeting criteria b, c and d are likely also to meet criterion a, some Category 1 hazards may remain to be addressed. For example, a dwelling meeting criterion d may still contain a Category 1 damp or cold hazard.

3.5.2 The standard applies to all social housing – *except leasehold and shared ownership properties*. *Social housing* includes sheltered housing and non-self contained or supported housing. The Standard does not apply to Care Homes providing nursing care and regulated by the Care Quality Commission.

3.5.3 Tenants voted against large scale voluntary stock transfer in February 2007, leaving the council with a shortfall in funding to meet the Government's Decent Homes Standard by 2010. At the end of 2006/7 55.9% of our properties were non decent.

3.6 Meeting the decent homes standard: Current Position

3.6.1 Following the outcome of the tenants' stock transfer ballot, officers reviewed strategic housing options to reflect the decision that the stock will be retained by the council and identify a strategy to fund the investment gap to achieve Decent Homes Standard and meet tenant aspirations for improvements to the stock.

Two key approaches have been followed:

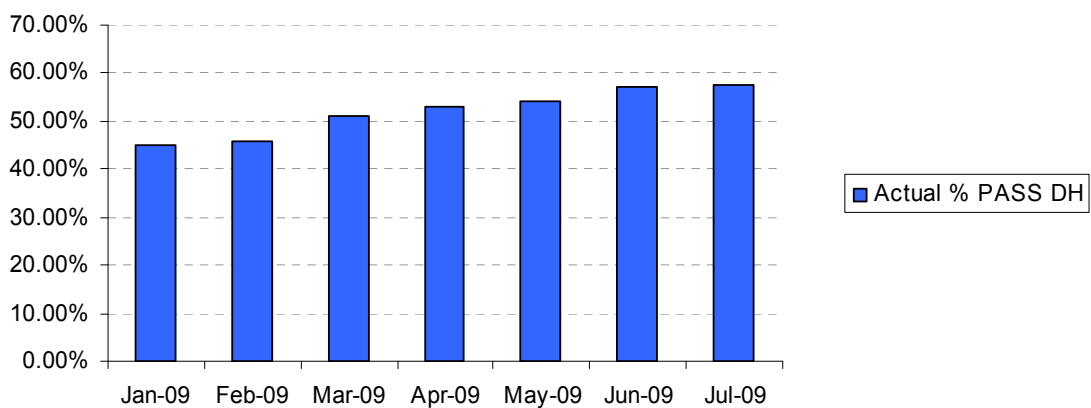
- A Procurement Strategy that would see the council enter into a long term partnership agreement for the maintenance and improvement of the council housing stock, reducing overheads and direct costs. The Procurement Strategy for the HRA stock was approved by Policy & Resources Committee on 3 April 2008, having been through Housing Management Consultative Committee and Housing Committee.
- An asset management plan, which could see the creation of a Local Delivery Vehicle that would sit outside the council to utilise HRA assets requiring reinvestment and not occupied by Secure Tenants leveraging in additional investment to improve the council housing stock.

3.7 Decent Homes Performance in 2009

3.7.1 Brighton & Hove is projecting a 9.4% reduction in the number of non-decent homes during 2009/10, which will result in a non decency level of 38.5% (61.5 decent).

Date	Actual % PASS DH	Predicted future % pass DH
01-Apr-08	43.35%	
31-Jan-09	45.19%	
28-Feb-09	45.80%	
31-Mar-09	51.11%	
28-Apr-09	52.87%	
31-May-09	53.95%	
30-Jun-09	57.16%	
31-Jul-09	57.62%	
31-Aug-09		58.75%
30-Sep-09		60.00%
31-Oct-09		61.25%
30-Nov-09		62.25%
31-Dec-09		63.25%
31-Jan-10		59.50%
28-Feb-10		60.50%
01-Apr-10		61.50%

**Actual % Decent Homes**



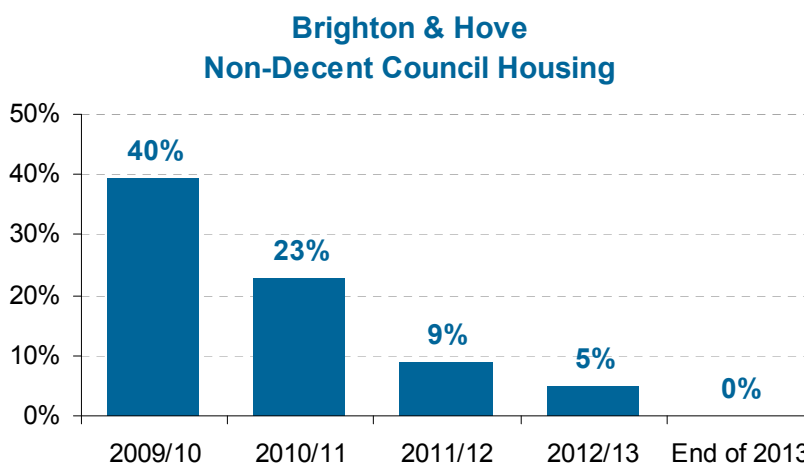
- 3.7.2 A number of programmes are underway to help us achieve decency and meet our targets during 2009/10. These include:
- A two year door replacement programme which will see the replacement of 6000 doors citywide
  - Installation of up to 400 new kitchens and 400 bathrooms during 2009/10
  - Replacing a minimum of 180 heating systems during 2009/10 focusing initially on old and inefficient boilers. This links to the kitchen and

bathroom replacement programme to ensure we identify replacements as work is undertaken

- Rewiring surveys in both common ways and individual properties. This will assist in energy efficiency through the upgrading of lighting and lighting controls
- Replacing shared bathrooms with self contained units in sheltered housing

### 3.8 Projections for meeting the Decent Homes Standard

3.8.1 Our projections for meeting the decent homes standard are detailed in the graph below:



3.8.2 The projected targets shown above assume that we invest the vast majority of capital spending on decency works whilst reducing responsive spending and we constantly update our stock data to ensure its accuracy. A stock condition survey to review 10% of our stock is underway for 2009/10. This will ensure the council has accurate, in depth knowledge which will enable us to target our resources effectively.

### 3.9 Benefits of 10 year Strategic Repairs Partnership for meeting Decent Homes

3.9.1 The Housing Procurement Strategy aims to obtain maximum efficiency from long term partnering agreements. Both capital and revenue works have been tendered as 10 year long term comprehensive partnering agreements. These will encompass capital repairs and improvements, responsive repairs and planned maintenance and associated works. In July 2009 Cabinet approved the appointment of Mears Ltd. From April 2010 the new partnering agreement to deliver the repairs and maintenance service will be in place and we will be in a strong position to deliver the remainder of the Decent Homes programme.

- 3.9.2 The key objectives of long-term partnering contracts are:
- Improved Value for Money: reduced unit repair and planned maintenance costs and consultancy fees delivering financial savings
  - Improving residents' homes: ensuring that the residents' homes are well maintained and meet the Brighton & Hove Standard (Decent Homes);
  - Improved service delivery: providing excellent customer service, getting repairs 'right first time' and demonstrating high levels of customer satisfaction;
  - Improved sustainability: a service which has minimal impact on the environment, and improves the energy efficiency and sustainability of the housing stock;
  - Community regeneration and added value: bringing additional benefits for local communities (e.g. apprenticeships and community initiatives) and supporting established local businesses.
- 3.9.3 The procurement of a 10 year strategic partnership for Housing Repairs, Refurbishment and Improvement will support the delivery of Decent Homes by 2014.
- 3.9.4 The strategic partnership with Mears Ltd enables the council to significantly reduce consultancy fees. For example by having one contractor, Mears will become very familiar with the council's stock by servicing all responsive repairs, voids and the majority of capital works. Mears will provide up to date information following visits to properties and maintaining all this information will enable the council & Mears to strategically assess future works liabilities, to identify the most efficient capital programmes, in short providing more works for the same budget.
- 3.9.5 The projected savings for capital works and consultancy using new contract rates within the partnership are £46 million over 30 years. This is £7 million more than anticipated in the HRA Business Plan 2009 -2038. The savings achieved from re roofing one property will for example enable the council to complete an additional bathroom.
- 3.9.6 Mear's commitment to continuous improvement and value for money evidenced during the evaluation should also enable the council to meet the HRA Business plan target reductions in responsive repair unit costs.
- 3.9.7 Savings made will be reinvested into Decent Homes work. The council has for example recently approved an additional £0.500 million investment with Mears, to accelerate the kitchens and bathrooms programme. The council is currently preparing a three year capital programme for agreement with Mears to ensure that the Decent Homes Standard is met by 2013.

### 3.10 Work outside the Decent Homes standard

3.10.1 Delivery of decent homes is a key priority, but this should not be an obstacle to landlords carrying out other work that falls outside the Decent Homes standard but achieves other local priorities such as improving the quality of the local area through environmental work to the estates, physical improvements to help design out crime or provision of disabled persons' adaptations.

3.10.2 The HRA Capital Programme budget has been set with the overall aim of 'achieving excellence in Housing Management', in accordance with the 30 year business plan and to maximise delivery of the core priorities in the new Housing Management Service Improvement Plan.

3.10.3 The capital programme responds to tenant priorities such as provision for the Estate Development Budget, energy efficiency, electrical works, sheltered accommodation improvements as well as urgent health and safety works and Decent Homes works such as kitchens, bathrooms and new doors.

3.10.4 The Planned Maintenance and Improvement Programme was increased to £19.913 million for 2009/10. This is the last planned programme before the long term partnering agreements commence in 2010 and it focuses on optimising value for money and, prioritising Decent Homes works and tenant priorities. Therefore, works in one or more of the following categories have been included in this programme:

- essential health and safety works
- proven demonstrable efficiencies ensuring value for money and increasing the level of decent homes
- tenant priority

3.10.5 This has resulted in a revised 2009/10 programme, which provides £9.460 million expenditure towards Decent Homes work enabling the council to increase the level of Decent homes to 60.5% by 31 March 2010 which means approximately 7,450 homes will be decent.

## 4. **CONSULTATION**

4.1 Tenant and Leaseholder involvement in delivering the decent homes programme has been key to ensure it reflects resident's expectations and aspirations. Examples of the impact of resident involvement include the following:

- The Asset Management Panel have been involved in setting the Brighton & Hove Standard which incorporates the requirements of the decent homes standard and also reflects local priorities.
- Residents selected the type of kitchen we are installing. A public display was held in June 2008 and over 200 residents attended and voted for the type of kitchen they would like to see as part of the Brighton & Hove Standard. Residents have also had the opportunity to view the

bathroom suite and doors that will be fitted as part of the replacement programme.

We are committed to keeping residents informed about our progress in meeting the standard and details of forthcoming decent homes programmes will be included in our quarterly resident magazine 'homing in' and on our website.

## **5. FINANCIAL & OTHER IMPLICATIONS:**

### **5.1 Financial Implications:**

The 2009/10 capital programme approved at Cabinet on 23 April 2009 included £9.460 million expenditure towards Decent Homes work with a further £0.500 million approved at Cabinet on 17 September enabling the council to accelerate the increase in level of decent homes.

*Finance Officer Consulted: Sue Chapman*

*Date: 06 October 2009*

### **5.2 Legal Implications:**

This report is for noting only and there are no specific legal implications arising from it.

*Lawyer Consulted: Liz Woodley*

*Date: 09 October 2009*

### **5.3 Equalities Implications:**

An equalities impact assessment of approval of Mears Ltd as the contractor for the repairs and refurbishment partnership has been carried out

### **5.4 Sustainability Implications:**

Meeting the decent homes standard and the investment programme for Council housing contributes to the improved energy efficiency of the Council's housing stock

### **5.5 Crime & Disorder Implications:**

None associated with this report.

### **5.6 Risk and Opportunity Management Implications:**

The council maintains a risk register highlighting risks and how they might be allayed for all aspects of the housing procurement strategy and the local delivery vehicle.

### **5.7 Corporate / Citywide Implications:**

## **SUPPORTING DOCUMENTATION**

None.