

Overview Scrutiny Committee

Thursday, 8 June 2023

7.30 pm

Present:

Jordan Meade (Chair)
Karina O'Malley (Vice-Chair)

Councillors: Ejaz Aslam
Deborah Croxton
Emma Elliot
Jo Hart
Leslie Hills
Daniel Adewale King
Gavin Larkins

Note: Cllr Jenny Wallace was also in attendance.

Daniel Killian	Director (Housing Services)
Victoria May	Service Manager (Housing Options)
Chloe Taylor	Committee Services Officer (Minutes)

1. Apologies for absence

An apology for absence was received from Cllr Rana (Cllr Hart substituted).

2. To sign the minutes of the previous meeting

The minutes of the meeting of the Overview Scrutiny Committee held on Thursday 17 November 2022 were agreed and signed by the Chair.

3. Declarations of Interest

Cllr Ejaz Aslam declared an interest in Item 5. Call ins: Item 6 – Formation of a Social Lettings Agency as he was a private landlord.

4. Call ins - Item called in from the Cabinet meeting of 30 May 2023; Item 6 - Formation of a Social Lettings Agency (SLA)

The Overview Scrutiny Committee were presented with a report that was taken to Cabinet and provided an overview of the rationale to create a not-for-profit Social Lettings Agency (SLA) in Gravesham. This included the employment of a Letting's Manager to lead the project and deliver the agency.

The Director (Housing Services) and the Service Manager (Housing Options) highlighted the following key points:

- As a Local Authority, Gravesham Borough Council (GBC) has a statutory

responsibility to provide temporary accommodation.

- There has been a significant increase in those accessing the service, which has resulted in financial pressure with a sum of £1.8m being spent last year on temporary accommodation.
- Housing Services have struggled to access the private housing sector, and have been looking at ways to reduce the impact to the Council and provide a better outcome for those in temporary accommodation.
- In 2022/23, Housing Services had over 1900 presentations from households requesting a service as they are in threat of being homeless and there are over 200 households in temporary accommodation.
- Private renting was increasing in cost, making it harder for residents to access. There are considerable gaps between the market rent and the local housing allowance leaving large top ups to find for households dependent on welfare benefits.
- A Temporary Accommodation Policy was introduced, and a charge is placed for temporary accommodation, and this is not provided for free.
- It is deemed sensible for GBC to step into the private housing market, there are already landlords who are interested in working with Gravesham, and they have a wholly owned private company that provide housing repairs to help support working in this sector.
- Two existing members of staff would be used to fulfil a role under the Social Lettings Agency, and they would require one new Lettings Manager post to recruit for the Social Lettings Agency that will move this service forward and manage the agency.
- A new system had been identified that is used in the marketplace that allows effective communication and can hold documents to ensure regulatory compliance.
- Rosherville will be the recommended contractor for repair work however landlords can select their own providers.
- Within the first year, they will aim to secure 20 properties – starting small to do it right and expand when necessary.
- Initially, they will aim to work with landlords who hold a portfolio of properties to provide tenants with a meaningful housing option.

Cllr Jenny Wallace addressed the committee and advised this was a win-win situation for both residents and landlords, as well as saving the Council money with little output. It was estimated that the Social Lettings Agency (SLA) could generate approximately £300k worth of savings in its first year, and consequently help with the temporary accommodation shortfall. With the Renters Reform Bill, they have seen an increase in landlords leaving the market, but the SLA provides them with an option to hand their property over to be managed by the SLA and with guaranteed rent and may encourage them to continuing being a landlord.

The Director (Housing Services) and the Service Manager (Housing Options) fielded questions from Members and explained the following:

- A worse case scenario for the SLA would be if they were unable to procure 20 properties and encourage landlords to work with them. However, Housing Services regularly receive phone calls from landlords wanting to hand over their property, but there were currently no incentives to offer. With the SLA, they could give these landlords an option. In addition, they believed they may have already found the landlords they would be looking to work with within the first year.
- The majority of individuals placed in temporary accommodation were not nuisance residents and had fallen on hard time and simply required additional support with housing. If a tenant was becoming difficult, Housing Services had experience in

dealing with it and had the skills required to offer support.

- As an organisation, such as GBC has good connections to external support agencies such as the Rough Sleeping Partnership and North Kent Mind. Whilst there would be a cost to the Council if a property was damaged, this risk would be mitigated with thorough robust tenancy checks prior to a tenancy agreement and regular inspections throughout the tenancy carried out by officers.
- Through research and reaching out to two SLAs, a risk assessment would be undertaken to identify the right tenant.
- The report was clear in highlighting homelessness as a local issue as well as national.
- In 2022, a total of £1.8m was spent on temporary accommodation, and they were on track to spend a similar amount in 2023 if nothing was done.
- The SLA will be reviewed annually, and this will look at the resources required to deliver the service.
- Landlords will be required to meet the property standards, including compliance documentation.
- The report refers to households. A family of more than one can be considered as one singular housing need. It refers to the composition of family, and not always an individual. Households term is commonly used with local authority housing departments.
- The identification of suitable properties was not contracted out to Rosherville as it was being done in house so they can enforce the housing standards. This ensured that properties were free of category one hazards, hold gas and electricity safety certificates, and were free of damp and mould. This was a process that was currently carried out for temporary accommodation.
- Whilst Empty Homes was a responsibility of the Housing Services, it was a completely different and separate service, and therefore they would not be utilising council tax data supplied to the Empty Homes team as per legislation to target landlords to work with the Social Lettings Agency.
- The two existing members of staff who would be carrying out work under the SLA were already responsible for contacting landlords in the private sector. With the Social Lettings Agency in operation, it would provide them with an offer to enhance what they currently do. Homeless prevention work would form part of the Housing Options Officer role as this is stipulated under the Homelessness Reduction Act.
- The Director (Housing Services) and the Service Manager (Housing Options) were confident that this would not cause additional pressure on staff or cause a dissatisfaction with the current service.
- Rosherville was the recommended contractor, but this did not mean the landlord had to use them. The Director (Housing Services) was confident they had the adequate resources to maintain the desired 20 properties.
- Households on the Social Housing Register were those who had a home, but were identified as having a housing need. The SLA was for just for those households that were homeless and in temporary accommodation funded by the Housing department
- In order to measure the success of the SLA, Key Performance Indicators (KPIs) will be created and monitored. KPI's will measure things such as tenancy sustainment rates, temporary accommodation usage, tenancy turnover, void times and savings on the general fund.
- The Director (Housing Services) agreed to take an annual report to Cabinet on the SLA.
- Work had been completed with two organisations who operate a Social Lettings Agency. This has formed a model basis of what could happen within the next few years.

- Advice had been received from a consultant and a local authority who operated their own SLA using the same model. The Director (Housing Services) agreed to reflect this in any future reports.
- The Renters Reform Bill was considered a positive, for both landlords and residents. There were still routes for landlords to evict tenants if necessary, and GBC can offer advice and channels for landlords. At present, there was no concerns that the Bill would cause a negative impact.
- The new post would be advertised internally and externally using HR shared services and not an agency.
- The job description was written and evaluation by HR and this determined the salary. Officers had no influence on the outcome of this.
- The first year of the SLA would be focused on taking current residents out of temporary accommodation. The promotion of the agency would be focused on the engagement with landlords.
- Whilst it wasn't a specific aim of the SLA, they would be able to provide the landlord with information regarding what's available in the form of grants to meet sustainability standards, making it cheaper to run for both the landlord and the tenant.

The Committee noted the report and asked Cllr Wallace to take on board the comments raised when decision making in the future. All members were in agreement, subject to an annual report taken to Cabinet.

5. Any other business which by reason of special circumstances the Chair is of the opinion should be considered as a matter of urgency.

Whilst the matter wasn't urgent, the Chair encouraged members of the committee to think about topics for a scrutiny review and to bring these suggestions back to the next committee.

Close of meeting

The meeting ended at 8.50pm