

Classification: Public

Key Decision: No

Gravesham Borough Council

Report to: Housing Services Cabinet Committee

Date: 11 November 2024

Reporting officer: Katie Perry, Lettings Manager

Subject: GBC Lettings – annual update

Purpose and summary of report:

This report is to update Housing Services Cabinet Committee Management of the progress of GBC Lettings as it reaches its one-year anniversary. This report summarises the work that has been undertaken throughout the first year of operation and the next steps for the service.

Recommendations:

This report is for information only.

Key Implications:

Item	Implications
Legal	The council has statutory duties to prevent homelessness through the Homelessness Reduction Act 2017 and to provide temporary accommodation for people presenting as homeless under the Housing Act 1996. In discharging these duties, the Council has the power under the Local Government Act 1972 and the Localism Act 2011 to carry out activities directly ancillary to the discharge of duties, such as establishing a social lettings agency.
Finance and Value for Money	GBC Lettings was created to reduce the Temporary Accommodation spend. To date, GBC Lettings has created a net saving of £235,413.20 as of 8 th October 2024.
Balancing the Budget	1. Does this report form part of the balancing the budget delivery plan? No
	2. If yes to question a, when will the projected savings be recognised in the budget?
	3. If no to question a, should it form part of the plan? Yes, this initiative should be recognised within the Councils balancing the budget activity as GBC Lettings will ultimately impact spend on temporary accommodation and therefore reduces TA budget requirement in future years in the MTFP.

Corporate Plan	This report relates to Corporate Objective 02 - #ONECOMMUNITY
Climate Change	All homes are HHSRS checked and information regarding energy efficiency is given to landlords. In addition, GBC Lettings only considers properties that meet the Minimum Energy Efficiency Standards of an EPC E.

4. Introduction

- 4.1 The introduction of a Social Letting Agency was approved on 30 May 2023 by Cabinet. Following Cabinet decision to create a social lettings agency, a Lettings Manager was appointed in July 2023 to set up the agency and lead the service. GBC Lettings officially started operating in late October 2023, with the first property occupied on 9th November 2023.
- 4.2 The initial target set when creating the lettings agency was to procure and manage 20 properties in the first year. This target was set based on sector knowledge and benchmarking; whereby high street agencies would consider 20 new lettings per year as good performance. The target of 20 was achieved on 27th June 2024.
- 4.3 GBC Lettings is managed by a full time Lettings Manager, who is supported by two Property Managers.
- 4.4 The main aim of GBC Lettings was to reduce temporary accommodation expenditure, while finding an effective way to discharge the Council's homelessness duty into the private sector. This in turn reduces the reliance on social housing for households needing suitable settled accommodation locally.
- 4.5 GBC Lettings guarantees the landlord of the property rent on a monthly basis, while providing a minimum of four property visits per annum, a free gas safety check and service annually and a dedicated Property Manager to answer any queries within two working days. The service is chargeable at 5% + VAT of the monthly rent, and a £150.00 set up fee.

5. Financial impacts

- 5.1 As of 8th October 2024, 28 properties are being managed by the GBC Lettings team, with two more households due to move into properties within the next two weeks, that will take the total number of properties being managed by the team to 30. The households who have moved into these properties have either been taken directly out of temporary accommodation or were owed a prevention duty by the Council and would have been placed into temporary accommodation at some point.
- 5.2 The 28 properties managed by GBC Lettings are spread over 21 different landlords. The landlords working with GBC Lettings are interested in a more hands-off management service.
- 5.3 The cost of providing temporary accommodation has increased over the last few years. As of October 2024, the average stay in nightly paid accommodation is 34 weeks. The average cost to the Council for this 34-week period is £12,389.00.
- 5.4 Using the information in 2.3 of this report, the net savings to the temporary accommodation budget are estimated to be £235,413, based on activity between 9th November 2023 and 9th October 2024.

5.5 In the current financial year (2024/25) the saving is estimated to be £169,698.

6. Wider impacts

6.1 To date, GBC Lettings has not received any complaints about the service offered, either from the landlords we work with, or the tenants placed at the property. All landlords have been paid on or before the 1st of each month, a crucial part of our offer to landlords. The service has received several compliments and positive feedback from both landlords and tenants. This has also resulted in landlords recommending GBC Lettings to other landlords. The upshot of this is means recommendations have become the main source of new business for the service. Below are a few examples of the compliments the service has received:

6.2 *Landlord Compliment- I was struggling with what to do after failing to secure a tenancy for my two-bedroom house and I contacted Julia at GBC lettings and was delighted to say the service was excellent. They secured a tenant for me, and they moved in within 10 days! each step was clearly explained, and I have been guaranteed the market rent, guaranteed the support to fix things should they go wrong and indeed have a lovely tenant who is also very happy! well done and thank you.*

6.3 *Tenant Compliment- I would like all of you to know how grateful I am for the affordable accommodation you have provided for me and my children. It has provided us with piece of mind and allowed us to settle and start a new life. It made such a difference to our quality of life. I was able to start a new job knowing that our accommodation is secure, the children have grown in confidence having a place they can call home. We are all happy and can move on focusing on growing and improving our lives. The service you are providing is excellent with very good communication, kindness and understanding. I feel privileged and extremely lucky to be given this opportunity at what was a very difficult time in my life. Thank you for what you are doing at GBC Lettings.*

6.4 Households living in temporary accommodation can be impacted negatively in several ways, which can include deterioration of their mental health, children's health and accessing support networks. A total of 28 households have been given settled accommodation in the private sector, in turn reducing the number of households in temporary accommodation. These households have been able to plan for their future knowing they will not be moved again in the short to medium term.

6.5 The scheme has improved relations between the Council and private landlords in the borough. Historically it has been difficult for the Council to work with private landlords for a number of reasons, including a lack of attractive schemes and a generally negative perception of the Council by landlords. GBC Lettings has given landlords a viable option to work with the Council that offers security, something that previously has not been available. GBC Lettings is delivering on its promise to give back confidence to landlords in the private rented sector.

6.6 All properties visited by the GBC Lettings team are subject to an inspection based on the Housing Health and Safety Rating System (HHSRS). Following these inspections landlords are notified regarding any works that may need to be undertaken to ensure the property is up standard before it can be let.

6.7 A total of 9 properties have been refused by GBC Lettings to date due to the poor condition of the accommodation and hazards being present. GBC Lettings works alongside the Private Sector Housing team to improve standards in the private

rented sector, offering advice on works to be done, and the services of Rosherville Repairs and Maintenance Ltd.

6.8 The property managers at GBC Lettings work closely with Rosherville Repairs and Maintenance Ltd, being the preferred contractor for any repairs or pre tenancy work for their landlords. This gives an additional income stream to Rosherville, and ensures a good service for the landlord, as they can be confident in the quality of work being undertaken.

7. What's next for GBC Lettings

7.1 GBC Lettings is considering all options which includes the possibility to expand the service to include leasing options in the future.

7.2 GBC Lettings could also consider offering a let only service for landlords, which could suit some landlords who still wish to be involved in the management of their property. This option could run alongside the GBC Lettings management service but would need to be investigated into fully to ensure it is a competitive offer that would interest landlords.

8. Appendices

8.1 There are no appendices.

8.2 The following documents are to be published with the report: GBC Lettings – landlord information guide.

9. Background Documents

9.1 There are no background documents.

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Secondary Implications	
Risk Assessment	<p>What are the risks associated with the content of this report?</p> <p>No current risks as this is a ongoing service to the Council.</p>
Data Protection Impact Assessment	<p><i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i></p> <p>Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data?</p> <p>No</p> <p>If yes, you should complete a Data Protection Impact Assessment and/or seek advice from the Information Governance Team at gdpr@medway.gov.uk.</p>
Equality Impact Assessment	<p>Does the content of this paper have potential to cause adverse impact or discriminate against those with a protected characteristic?</p> <ul style="list-style-type: none"> • Age • Disability • Gender reassignment • Marriage and civil partnership • Pregnancy and maternity • Race • Religion or belief • Sex • Sexual orientation <p>No</p> <p>If yes, you need to complete an equality impact assessment</p> <p><i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered</i></p>
Other Considerations	<p>How will the content of report support or affect the following:</p> <p>Socio-economic impact: Click here to start typing</p> <p>Crime and Disorder: Click here to start typing</p> <p>Safeguarding Children & Adults: Click here to start typing</p>
Consultation & Engagement:	<p>Has there been any consultation or engagement, including future planned consultation/engagement, in relation to this paper?</p> <p>Click here and type Yes or No</p> <p>Please liaise with the Community Involvement team for assistance if required. community.involvement@gravesham.gov.uk</p>
Involvement of other services	<p>Have any other departments been involved or engaged with during the creation of the report:</p> <p>Digital & IT</p>

	Communications Finance HR Planning
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