



## Notice of meeting of

### Decision Session - Executive Member for Neighbourhoods and Housing.

**To:** Councillor Reid (Executive Member)

**Date:** Tuesday, 15 February 2011

**Time:** 4.00 pm

**Venue:** The Guildhall, York.

### AGENDA

#### Notice to Members- Calling In:

Members are reminded that, should they wish to call in any item on this agenda, notice must be given to Democracy Support Group by:

**10am on Monday 14<sup>th</sup> February 2011**, if an item is called in *before* a decision is taken, *or*

**4pm on Thursday 17<sup>th</sup> February 2011**, if an item is called in *after* a decision has been taken.

Items called in will be considered by the Scrutiny Management Committee.

#### **1. Declarations of Interest**

At this point Members are asked to declare any personal or prejudicial interests they may have in the business on this agenda.

## **2. Public Participation - Decision Session**

At this point in the meeting, members of the public who have registered their wish to speak at the meeting can do so. The deadline for registering is **5pm on Monday 14<sup>th</sup> February 2011.**

Written representations in respect of items on the agenda should be with the Democracy Officer by 5pm on **Friday 11<sup>th</sup> February 2011.**

Members of the public may speak on item on the agenda, an issue within the Executive Member's remit, or an item that has been published on the Information Log for the current session. There are no information reports for this session.

## **3. Review of the Yorhome Service. (Pages 3 - 8)**

This report provides the Executive Member a summary of the progress made in the development of the 'YorHome' social lettings agency and discusses the viability of continuing with the service.

## **4. Any other business which the Chair considers urgent under the Local Government Act 1972**

Democracy Officers:

Name: Laura Bootland

Contact Details:

- Telephone – (01904) 552062
- E-mail- [laura.bootland@york.gov.uk](mailto:laura.bootland@york.gov.uk)

For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details are set out above.

## About City of York Council Meetings

### Would you like to speak at this meeting?

If you would, you will need to:

- register by contacting the Democracy Officer (whose name and contact details can be found on the agenda for the meeting) **no later than 5.00 pm** on the last working day before the meeting;
- ensure that what you want to say speak relates to an item of business on the agenda or an issue which the committee has power to consider (speak to the Democracy Officer for advice on this);
- find out about the rules for public speaking from the Democracy Officer.

**A leaflet on public participation is available on the Council's website or from Democratic Services by telephoning York (01904) 551088**

### Further information about what's being discussed at this meeting

All the reports which Members will be considering are available for viewing online on the Council's website. Alternatively, copies of individual reports or the full agenda are available from Democratic Services. Contact the Democracy Officer whose name and contact details are given on the agenda for the meeting. **Please note a small charge may be made for full copies of the agenda requested to cover administration costs.**

### Access Arrangements

We will make every effort to make the meeting accessible to you. The meeting will usually be held in a wheelchair accessible venue with an induction hearing loop. We can provide the agenda or reports in large print, electronically (computer disk or by email), in Braille or on audio tape. Some formats will take longer than others so please give as much notice as possible (at least 48 hours for Braille or audio tape).

If you have any further access requirements such as parking close-by or a sign language interpreter then please let us know. Contact the Democracy Officer whose name and contact details are given on the order of business for the meeting.

Every effort will also be made to make information available in another language, either by providing translated information or an interpreter providing sufficient advance notice is given. Telephone York (01904) 551550 for this service.

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### **Holding the Executive to Account**

The majority of councillors are not appointed to the Executive (38 out of 47). Any 3 non-Executive councillors can 'call-in' an item of business from a published Executive (or Executive Member Decision Session) agenda. The Executive will still discuss the 'called in' business on the published date and will set out its views for consideration by a specially convened Scrutiny Management Committee (SMC). That SMC meeting will then make its recommendations to the next scheduled Executive meeting in the following week, where a final decision on the 'called-in' business will be made.

### **Scrutiny Committees**

The purpose of all scrutiny and ad-hoc scrutiny committees appointed by the Council is to:

- Monitor the performance and effectiveness of services;
- Review existing policies and assist in the development of new ones, as necessary; and
- Monitor best value continuous service improvement plans

### **Who Gets Agenda and Reports for our Meetings?**

- Councillors get copies of all agenda and reports for the committees to which they are appointed by the Council;
- Relevant Council Officers get copies of relevant agenda and reports for the committees which they report to;
- Public libraries get copies of **all** public agenda/reports.



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## Meeting of Executive member for Housing Services

15<sup>th</sup> February 2011

Report of the Director Communities and Neighbourhoods

### Review of the YorHome Service

#### Summary

1. This report provides a summary of the progress made in the development of the 'YorHome' social lettings agency and discusses the viability of continuing with the service.

#### Background

2. In May 2009 housing services were successful in a bid for LAA funding to develop a social lettings agency. The aim of the project was to create an agency which would let private rented accommodation to households that were either at risk of homelessness or were homeless. A large number of high street lettings agencies and/or individual landlords in York are reluctant to work with CYC housing, partly due to the high demand for rented accommodation in the city and the perceptions around unemployed and homeless people. By offering private landlords a comprehensive lettings service at competitive rates, the authority would be able to open up an area of housing supply that had proved difficult to access.
3. Due to delays in the recruitment process the YorHomes development worker was not in post until the beginning of October 2009. During the next three months a menu of services to landlords including comprehensive pre-tenancy checks, repairs service, gas certificates and energy efficiency certificates and tenancy management. At the same time the legalities and ICT issues were developed.
4. The number of homes that the scheme is managing has steadily increased and there are now 45 properties managed through YorHome's, generating a monthly income £2,060 or £24,720 per year. The size of the portfolio at present means that continuing with scheme with its current structure is not sustainable. Therefore options have been explored and this report sets out options that would enable the authority to maintain the scheme and move the projects forward to a point where it is self financing.

#### Options

5. Option one – Decide to wind the scheme up in March 2011.

6. Option two – Restructure the service and extend the scheme until 31<sup>st</sup> March 2012 with a review of progress in September 2011.

## **Analysis**

7. Option One – If the scheme is wound up this will restrict the options available to the Housing Options Team and could potentially increase the number of households going through the homelessness process and into temporary accommodation. There will be a missed opportunity in developing the scheme to provide a service that is more holistic and not just based on those in greatest need. It should be recognised that the scheme has been developed from a standing start in twelve months and has gone from nothing to managing 45 properties, this is a significant achievement.
8. Option Two – Despite the success of the scheme, it is clear that there have been a number of teething problems as might be expected with any new scheme. A specific issue that needs to be addressed is the administrative support that the scheme has required from our finance colleagues. Any sustainable scheme will require administrative support to ensure that it is viable. It is proposed that the scheme could develop incrementally growing to 50, 75 and then 100 homes which would result in it being self financing. When this is achieved we will need to consider the long term future of YorHome and its it desirable to explore a service that is offered to all rather than those in most need. This would be in keeping with the philosophy behind ‘housing options’.
9. It is proposed to restructure the current staffing responsibilities by:
  - a) Reducing the YorHome Development Worker post to 4 day per week from the existing 5 days.
  - b) The Homeless Support Team taking on management of the tenancies, freeing up time for the Development Worker to focus on increasing the business.
  - c) The Customer Services Assistants within the Housing team taking on the day to day administration of the service.
10. Implementing the above changes would enable the scheme to maintain its current rate, charging landlords an 8% management fee. If the scheme continues to charge at this rate and it is assumed that there are 50 properties at the start of 2011/12 and that the scheme may increase by a further 25 properties during the year this would generate an income of £30K on the fifty homes and a further £7.5K for the next twenty five, assuming for part year income.
11. This option maintains the attractive rate that has been successful in encouraging the landlords to participate in the scheme. There are concerns that any increase in the management fee will discourage landlords and some will decide to return to other agencies. The project would inevitably take longer to break even.

## **Corporate Priorities**

12. YorHome has been developed as part of the authority’s approach to meeting its priorities within the corporate strategy, under the umbrella of inclusive city and specifically the priority to reduce the number of households in temporary accommodation.



13. The homeless strategy 2008/13 has a clear objective within the strategic aim relating to access to accommodation that fits with development of YorHome.

*“Increase access to and quality of the private rented sector for homeless and potentially homeless households”*

## Implications

14. The implications arising from this report are:

- **Financial** - The financial implications identified in appendix one. We are currently projecting that at the end of the current financial year there will be a surplus of £10.5k. If this surplus is carried forward and the number of properties increased during 2011/12 it is projected that there will be a surplus to carry forward at the end of 2011/12 of £4.5k. By 2013/14 the income on 100 properties will sustain the development worker and administrative support making the scheme self financing.
- **Human Resources (HR)** If the option one is chosen it would be necessary to give the development worker one month notice. Option two has been discussed with the development worker and they have indicated that they would accept the post on a 4 day week
- **Equalities** None
- **Legal** None
- **Crime and Disorder** None
- **Information Technology (IT)** None
- **Property** none
- **Other** None

## Risk Management

15. The risks associated with choosing option two is that the number of properties achieved by the year end are not sufficient to break even. Equally if option one is chosen there is the risk that the authority would have to house more household through the temporary accommodation route which would have financial and human consequences

## Recommendations

16. The executive member is asked to approve options 2 to, restructure the service and extend the scheme until 31<sup>st</sup> March 2012 with a review of progress in September 2011 which would include exploring the opportunities to create a holistic service for all irrespective of housing need.

Reason: By maintaining the service the authority has an additional option in offer a comprehensive housing advice service. The service is vital in the authority's attempt to reduce the level of homelessness.

**Contact Details**

<b>Author:</b>		<b>Chief Officer Responsible for the report:</b>			
Tom Brittain Housing Operations Manager Tel: 01904 551262		Steve Waddington Assistant Director – Housing & Public Protection			
		<b>Report Approved</b>	<i>tick</i>	<b>Date</b>	29 <sup>th</sup> December 2010
			✓		
<b>Specialist Implications Officer(s)</b> <i>List information for all</i> Financial Jayne Close Principal Accountant - Housing Tel: 01904 554175					
<b>Wards Affected:</b> <i>List wards or tick box to indicate all</i>					<b>All</b> <i>tick</i>
					✓
<b>For further information please contact the author of the report</b>					

Appendix 1 Financial statement

8%	2010/11	2011/12	2012/13	2013/14	
	£	£	£	£	
	50	50>75	75>100	100	
	properties/5	properties/4	properties/4	properties/4	
	days	days	days+10hrs	days+10hrs	
			admin	admin	
<b>Expenditure</b>					
Salaries	£27,370	£23,254	£29,162	£29,162	
Travel	£900	£720	£720	£720	
Mobile Phone	£500	£400	£400	£400	
Advertising/Printing	£4,500	£3,600	£3,600	£3,600	
Incentive Fees	£8,000	£0	£0	£0	
Recharges	£0	£9,000	£9,000	£9,000	
Provision for Bad Debt-Rents	£5,000	£5,000	£5,000	£5,000	Landlord payments monitored closely to minimise bad debt
Provision for Bad Debt-Repairs	£500	£500	£500	£500	
Legal/Bailliff Fees	£1,500	£1,500	£1,500	£1,500	Max per eviction £300 but generally £50ish
	£48,270	£43,974	£49,882	£49,882	
<b>Fee Income</b>	<b>-£17,321</b>	<b>-£37,949</b>	<b>-£46,215</b>	<b>-£59,367</b>	
	<b>-£17,321</b>	<b>-£37,949</b>	<b>-£46,215</b>	<b>-£59,367</b>	
	£30,949	£6,024	£3,667	<b>-£9,485</b>	
LAA income/S2S funding b/fwd from 2009/10	<b>-£32,383</b>	£0	£0	£0	
In year LAA funding received	<b>-£9,150</b>	£0	£0	£0	
Surplus/deficitc/fwd		<b>-£10,584</b>	<b>-£4,559</b>	<b>-£892</b>	
	<b>-£10,584</b>	<b>-£4,559</b>	<b>-£892</b>	<b>-£10,377</b>	

#### Notes

##### **2011/12**

Based on development manager for 4 days and no admin support charged in  
Income calculated at 25 additional properties over 2011/12 increasing over the year at 8% fee income

##### **2012/13**

Based on development manager for 4 days + 10 hours admin support.  
Income calculated at 25 additional properties over the 75 at end of 2011/12 at 8% fee

##### **2013/14**

Based on development manager for 4 days + 10 hours admin support.  
Income calculated at 100 properties for the full year at 8%

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