

RECOVERY COMMITTEE

Date of Meeting	Thursday 5 th August, 2021
Report Subject	Housing and Assets Portfolio Recovery Business Plan
Cabinet Member	Collective Cabinet
Report Author	Chief Executive and Chief Officer Housing and Assets
Type of Report	Strategic

EXECUTIVE SUMMARY

Portfolio Recovery Business Plans were developed for exiting the first response phase to the pandemic in 2020.

This Committee will oversee the Recovery Business Plans for all five service portfolios in sequence. Presented today is the Housing and Assets Portfolio Recovery Business Plan.

Each plan covers the following:

- Scope and Purpose
- Key Personnel and Roles and Responsibilities
- Business Continuity Plan – Recovery Planning
- Resource Management
- Performance Management
- Risk Management
- Communications and Engagement
- Forward Planning

Highlighted Risk Areas

- **Rental Income** continues to be impacted by the pandemic and when furlough and other protections end the situation worsens.
- **Homelessness presentations** increase as current protections around evictions and furlough end and landlords take measures to commence and follow through on stalled evictions.
- **Raw material supplies** shortages lead to increased costs, programme delays and increased cases of contractual disputes.

RECOMMENDATIONS

1	To review the Housing and Assets Portfolio Recovery Business Plan summary for assurance, and to refer any further and specific risk management work to the respective Overview and Scrutiny Committees as is necessary.
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REPORT DETAILS

1.00	EXPLAINING THE PORTFOLIO RECOVERY BUSINESS PLAN
1.01	<p>Service portfolios have been working to Portfolio Recovery Business Plans following the response phase to the pandemic emergency situation. Recovery is a natural transition from the response phase which lasted from mid-March until the end of July 2020, and again from the end of December until April 2021.</p> <p>The plans are built upon risk management actions and performance management objectives.</p>
1.02	<p>The recovery objectives, performance targets, risks and issues have been reviewed and updated. The following sections are being shared with the Recovery Committee for assurance.</p>
1.03	<p><u>Recovery Objectives</u></p> <p><u>Service Delivery</u></p> <ul style="list-style-type: none">• To move from emergency only to wider planned and capital programmed works Services reinstated with new methods of working, risk assessments, PPE and reassurance to customers.• To move from the response phase which requires accommodation for all rough sleepers and establish settled housing options for those owed duties We continue to receive requests for support and presentations to the Homeless Team from tenants within the Private Rented Sector. We are closely monitoring levels of service demand and continue to deliver support and refer to other agencies through the Support Gateway. Delays with court proceedings and extended notice periods (six months) provide an opportunity to engage with landlords and tenants to stabilise tenancies at risk of failure. <p>Welsh Government have announced that the extension of powers enacted under the Coronavirus Act 2020 relating to evictions ended on the 30 June 2021, in this context evictions can now proceed. In terms of notice periods (Notice of Seeking Possession [NOSP]) these were also to end on 30 June 2021, however will now be extended by a further six months to the 30 September 2021. This</p>

means that a six month notice period will apply to notices issued on or after 24 July 2020 (except in cases of anti-social behavior).

Additional Funding announced for the Tenant Hardship Grant which is available to renters in the private sector who have accrued arrears and are at risk of homelessness during the Covid period.

- **Understand and map out the potential impact of Covid-19 so that appropriate plans can be developed to try and meet future housing and support needs for those households at increased risk of homelessness**

An additional award of £1.87m has been confirmed by Welsh Government for 2021-22 onwards taking the allocation to approx. £7.83m. Whilst the additional funding is very positive, it does present some challenges in regards to recruitment and commissioning of services, as we increase capacity to meet future demands for housing and homelessness services.

- **Seek to recover rent which has been deferred due to rent holiday**

We have not extended the rent deferral period for our tenants beyond the first quarter of 2020/21 and tenants are regularly being contacted to invite them to continue with monthly or quarterly payments and agree a repayment plan.

- **Move to a position where we do not need to provide for shielded customers**

The Well-Fed enterprise have now launched the meals on wheels service Well Fed at Home. We are now delivering and promoting full price food boxes to Flintshire residents.

Residents who are struggling to purchase food are referred to Well-Fed to discuss the meals we offer as a more sustainable food option for them. Dependent on their circumstances we are able to offer either a fully subsidised/partially subsidised food box for a period of time while we provide them with relevant support.

- **Deal effectively with tenancy enforcement matters and provide assurance to local communities**

Welsh Government have announced that the extension of powers enacted under the Coronavirus Act 2020 relating to evictions ended on the 30 June 2021, in this context evictions can now proceed. In terms of notice periods (Notice of Seeking Possession [NOSP] these were also to end on 30 June 2021, however will now be extended by a further six months to the 30 September 2021. This means that a six month notice period will apply to notices issued on or after 24 July 2020 (except in cases of anti-social behaviour).

The Courts are dealing with an extensive number of backlogged cases which will obviously impact on progress of our cases should they progress to Court.

	<ul style="list-style-type: none"> • Commencement of the new build housing programme All “live” SHARP schemes are now completed. Delays have meant some schemes have not progressed as quickly as anticipated and has resulted in construction work not commencing on site as planned. Welsh Government are advised of progress at regular intervals in order to protect the grant position. • Increase current capacity of trades on site to complete schemes already on site On site work now commenced following site operating procedures in line with Government guidance. • Commence recovery of overpaid Housing Benefit. Recovery has commenced. • Reinstate the Disabled Facilities Grant function in line with legislative requirements Reinstated with risk assessments being carried out prior to work commencing which includes assessment of the client, option for client to have work put on hold, increase in vaccinations and PPE assisting reinstatement of service. • To deliver capital programme to time, budget and quality Capital schemes are progressing as planned and no contractors have gone into administration. All schemes are progressing as planned, under controlled risk based methodology. • The recovery of domestic housing rent Recovery measures and processes continue with intensive support provided to ensure recovery and tenancies remain in-tact rather than evict which is always a last resort.
1.04	<p><u>Performance Targets</u></p> <ul style="list-style-type: none"> • The review of current working practices and their modification to reflect new working practices Current working practices continue to be reviewed, working from home arrangements in place, building risk assessments reviewed and updated for those working from the office via a rota system. Individual risk assessments and on site risk assessments to reflect new methods of working. • To ensure PPE remains available to deliver front line services Regular updates on availability of PPE through managed stores with close monitoring of supply of PPE to maintain stock levels, no evidence of concern. • Monitor capital programmes and their delivery and potential impacts on spend We are now seeing evidence that the market is starting to overheat with some material price increases already feeding into our supply chains, steel, timber, cement products and plater are all moving.

	<p>Areas of particular concern are lift companies, heating installation suppliers, some specialist electronic companies and some raw materials i.e. plaster, timber, steel, these currently have long lead in times and significant increasing price increases and volatility. The situation is currently under review due to wider international impacts due to the Pandemic including raw material supply and issues with major congestion in the Pearl River Delta at Yantain Port in eastern Shenzhan.</p>
1.05	<p><u>Risk Management</u></p> <p><u>The following recovery risks have been closed:</u></p> <ul style="list-style-type: none"> • Increase costs and reputational damage due to inability to complete Welsh Housing Quality Standard (WHQS) by 2020 Risk is now closed due to 12 months extension on WHQS completion. <p><u>The following risks are still open and are being actively managed:</u></p> <ul style="list-style-type: none"> • Increasing rent arrears and impact on the Housing Revenue Account (HRA) Business Plan Risk Rating: RED, Risk Trend: No Change Welsh Government have announced that the extension of powers enacted under the Coronavirus Act 2020 relating to evictions ended on the 30 June 2021, in this context evictions can now proceed. In terms of notice periods (Notice of Seeking Possession [NOSP]) these were also to end on 30 June 2021, however will now be extended by a further six months to the 30 September 2021. This means that a six month notice period will apply to notices issued on or after 24 July 2020 (except in cases of anti-social behavior). This will continue to place further pressure on the HRA Business Plan. • Demand on resources and budgets to complete work backlog of inspections and follow on works caused by carrying out essential repairs only Risk Rating: GREEN, Risk Trend: Green reducing Current risk decreased as services resumed with new methods of working practices. • Rent loss and backlog of voids caused by delayed house moves Risk Rating: YELLOW Risk Trend: No Change We are continuing to work through voids (empty properties) and the risk, however, we are noting, as detailed already in this report that material shortages are starting to feed through and these are likely to have a detrimental impact on our turnaround time. <p>We will now place this risk on monitor with a view to increasing its risk profile to AMBER at the next review.</p>

- Increases in Homelessness impacts on workforce capacity increased risk of legal challenge and budgets (Discretionary Housing Payments, and Spend to Save Prevention Funds)**
 Risk Rating: AMBER Risk Trend: No Change
 Additional Funding announced for the Tenant Hardship Grant which is available to renters in the private sector who have accrued arrears and are at risk of homelessness during the Covid period.
 Additional funding from Welsh Government through Housing Support Grant for 2021-2022 onwards (extra £1.87m) will enabling the service to increase staffing capacity and other commissioned support services. Recruitment for new posts commenced in Q1, but the benefit of this will not likely be felt until quarter two 2021/22 onwards when people are in post and additional services commence.
- Impact on income due to an increase level of voids within our commercial and industrial estate**
 Risk Rating: GREEN, Risk Trend: No Change
 There has not been an extended rent deferral period for our tenants beyond the first quarter of 202/21 payment plans put in place when necessary to support our commercial tenants.
- Reduced house delivery and increased cost ability to spend allocated grant impacts negatively resulting in Welsh Government Clawback**
 Risk Rating; AMBER, Risk Trend: No Change
 Welsh Government advised of progress at regular intervals in order to protect grant position.
- Services remain out of use for longer period suppliers' failure and availability of equipment/materials**
 Risk Rating: AMBER Risk Trend: Increasing
 Risk Rating increased from yellow to amber to reflect concerns around materials and supplies shortages leading to delays and increased costs.
- Weak Performance and reputational damage as development programmes are slow to commence (DFG)**
 Risk Rating: RED; Risk Trend: No Change
 Contractors utilised by the service are also being utilised by other Local Authorities. An action plan has been devised to expedite the delivery of this work but this will inevitably mean that performance is likely to fall short of anticipated target levels.
- People not having suitably safe and adapted accommodation due to the delay of service reinstatement. Quality of life issues customers and reputational damage (DFG)**
 Risk rating: RED; Risk Trend: No Change
 Urgent cases are still being reviewed jointly by Occupational Therapist and DFG team to assess risk in delivery of adaptation vs. deterioration of customers' health. Cases identified as being critical/essential will be risk assessed, priorities and approval gained to conduct the work subject to contractors/material availability.

	<ul style="list-style-type: none"> • Property access and restrictions prevent routine and obligatory inspections. Risk Rating: GREEN; Risk Trend: GREEN decreasing Routine and obligatory inspections have resumed with appropriate risk assessment and PPE.
1.06	<p><u>Issue Management</u></p> <p>Covid: Increase in workforce being pinged by NHS app requiring to self-isolate – revert back to emergency service. Awaiting further guidance from Welsh Government.</p>

2.00	RESOURCE IMPLICATIONS
2.01	None specifically.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT														
3.01	<p>This report specifically covers recovery from the pandemic emergency situation and is based upon a framework of risk management.</p> <p>Ways of Working (Sustainable Development) Principles Impact</p> <table border="1"> <tr> <td>Long-term</td> <td rowspan="5">Throughout all Portfolio Recovery Business Plans there are demonstrable actions and activities which relate to all of the Sustainable Development Principles.</td> </tr> <tr> <td>Prevention</td> </tr> <tr> <td>Integration</td> </tr> <tr> <td>Collaboration</td> </tr> <tr> <td>Involvement</td> </tr> </table> <p>Well-being Goals Impact</p> <table border="1"> <tr> <td>Prosperous Wales</td> <td rowspan="7">Throughout all Portfolio Recovery Business Plans there are demonstrable actions and activities which relate to all of the Well-being Goal.</td> </tr> <tr> <td>Resilient Wales</td> </tr> <tr> <td>Healthier Wales</td> </tr> <tr> <td>More equal Wales</td> </tr> <tr> <td>Cohesive Wales</td> </tr> <tr> <td>Vibrant Wales</td> </tr> <tr> <td>Globally responsible Wales</td> </tr> </table>	Long-term	Throughout all Portfolio Recovery Business Plans there are demonstrable actions and activities which relate to all of the Sustainable Development Principles.	Prevention	Integration	Collaboration	Involvement	Prosperous Wales	Throughout all Portfolio Recovery Business Plans there are demonstrable actions and activities which relate to all of the Well-being Goal.	Resilient Wales	Healthier Wales	More equal Wales	Cohesive Wales	Vibrant Wales	Globally responsible Wales
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4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	The plans have been developed with wide consultation with officers within and across portfolios.

5.00	APPENDICES
5.01	None.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None.

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Jay Davies Telephone: 01352 702744 E-mail: jay.davies@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
	<p>Risk Management: the process of identifying risks, evaluating their potential consequences (impact) and managing them. The aim is to reduce the frequency (likelihood) of risk events occurring (wherever this is possible) and minimise the severity of their consequences (impact) if they occur. Threats are managed by a process of controlling, transferring or retaining the risk. Opportunities are managed by identifying strategies to maximise the opportunity or reward for the organisation.</p>