

Mayor Jason Perry
Croydon Council
Town Hall
Katharine St
Croydon CR0 1NX

December 2022

Dear Jason

REPORT OF THE INDEPENDENT HOUSING IMPROVEMENT BOARD

I enclose the second report of the housing improvement board, which we are providing to inform the Cabinet discussion on the paper *Update on the Housing Transformation Programme* on 7 December.

In summary, we **support** both recommendations in the paper.

As you know, at our September meeting, we were very concerned that nearly 18 months had passed since the appalling conditions of some properties in Regina Road, and wider problems with the housing service, had become apparent, yet almost nothing tangible had happened to address its obvious massive shortcomings. We are, however, very encouraged that, since then, there has, at long last, been real and tangible progress on a number of fronts. The Transformation Programme is also a massive step forward from the previous improvement plan in its focus on tenants and residents, and the thoroughness of its analysis.

The task ahead, in our view, is now:

- To continue to strengthen the programme. The most important ways this needs to happen are to develop metrics, targets and interim milestones to incentivise and track progress; and to ensure that the revised housing revenue account business plan which is being prepared for your approval next year and the transformation programme are consistent with each other.
- To put the change set out in the programme into practice. Promising starts have been made on some aspects, but getting to a housing service performing in line with sector norms, let alone the higher standard we would all like to see, will take several years of focus and hard work.

It is vitally important that housing improvement is managed as one of the council's highest corporate priorities, not pigeonholed as a housing service issue alone. The experience of tenants and residents on estates is shaped not just by the performance of the housing service, but by environmental services and other parts of the council. Systems and cultural issues in the housing service, including the treatment of tenants and residents, poor financial management, lack of good performance data and poor contract management, mirror wider weaknesses in the council as a whole. The service's historic and current poor performance has an enormous impact on tenants and residents, and on the council's corporate reputation.

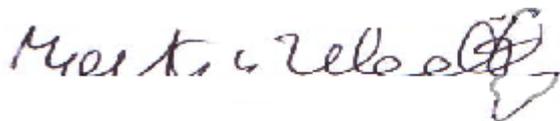
I would like to thank my fellow board members for their insight and hard work; all councillors, tenants and other members of the public who have shared their views with us; and council officers, especially Susmita

Housing Improvement Board

Sen, Lara Ashley, Velvet Dibley, and the tenant involvement team, for their assistance in our work. My fellow board members and I are also very grateful for the personal interest and engagement you and Lynne Hale have shown since you took office earlier this year.

This letter and the accompanying paper will be placed on the board's web page, and I am copying it to all members of the Cabinet and Shadow Cabinet, and to Tony McCardle (Improvement and Assurance Panel).

Yours sincerely

A handwritten signature in black ink, appearing to read "Martin Wheatley". The signature is written in a cursive style with a large, stylized initial 'M'.

Martin Wheatley
Chair, Independent Housing Improvement Board

INDEPENDENT REPORT TO MAYOR AND CABINET

ON

HOUSING TRANSFORMATION PROGRAMME

Abigail Ashford
Ishia Beckford
Yaw Boateng
Phil Brookes
Les Parry
Cllr Darren Rodwell
Eloise Shepherd
Martin Wheatley

It is now over 18 months since the first ITV News report about the shocking and unacceptable state of properties in Regina Road, and the appalling treatment tenants had experienced over a long period. Shortly after that, the independent report by ARK set out clearly what had gone wrong in Regina Road and across the housing service and made recommendations for improvement.

In our report to the previous Cabinet, in March this year, we expressed our disappointment both at the almost complete lack of any tangible improvements in the experience of tenants and residents over the previous 12 months, and that the council had not been able to produce a stronger plan for improvement, despite the ARK report setting out clearly the main requirements. The previous Cabinet agreed with our view that the previous plan required substantial improvement, and asked for that to be put in hand.

Since then, the political leadership of the council has changed, and the new, permanent, corporate director has taken up post. The purpose of this short report is to comment on the extent to which the service is beginning to improve, and on the Housing Transformation Programme which officers have prepared for discussion on 7 December.

Tangible improvement since May 2022

Putting in place permanent Corporate Director leadership for the housing service was an absolutely necessary precondition for improvement. The Corporate Director has determinedly investigated the key issues, and made some important leadership appointments to strengthen the service's ability to make early improvements and plan the fundamental transformation which the service requires. The Mayor, Deputy Mayor and Deputy Cabinet Member for Contract Management have been closely involved with the service and engaging with tenants and residents, and us.

Both political and officer leadership are clear about the seriousness and extent of the failings which need to be addressed over a significant period of time, but have also brought about important and welcome earlier changes. We particularly welcome the adoption of the Resident Charter, agreement to a process involving residents to determine the future of the Regina Road estate, and the management of the complex and sensitive re-procurement of the repairs service, which is proceeding smoothly so far.

Temporary accommodation is outside our formal remit, but we also commend the handling of the fire at Sycamore House and the rapid re-housing of the evacuated tenants. Strong political and officer leadership was evident in this process too, including that void properties (see below) can be turned around rapidly with the right focus and co-operation across the service.

Housing transformation programme

In addition to our formal, public, meetings, we have supported the development of the transformation by taking part in meetings with officers on the workstreams, and attending consultation events with tenants and residents. In its coverage, realism, thoroughness and emphasis on co-production with tenants and residents, the programme is a very significant improvement on the March 2022 plan.

It is, however, as officers freely admit, work in progress. The definitions of workstreams and their component projects need to be improved. Performance measures and targets need to be developed further, especially interim milestones. This will require not just continued focus and careful planning by the housing service, but engagement by the council as a whole.

Our headline comments on each workstream are set out in the attached table. We would single out five particularly vital components:

1. The development of a manageable number of key performance indicators, based on reliable data and reliably portraying performance over time.
2. The repairs re-procurement has started well, sticking to timetable and with strong tenant and resident involvement. But the selection of suppliers and the management of the handover from Axis will need to be managed very carefully to avoid the obvious high risks.
3. The rapid completion of the asset survey and the development of an asset plan. Failing to maintain an understanding of the state of housing assets was one of the main reasons for the service failing.
4. Taking account of the asset position, and the income and cost pressures arising from the below-inflation rent increases and inflationary cost pressures, obtaining assurance that the HRA business plan can be viable and taking the tough decisions which will be necessary.
5. Effective identification and management of risk is a vital part of any effective programme. The risk component of the programme needs to be developed as a matter of urgency.

HOUSING TRANSFORMATION PROGRAMME: HOUSING IMPROVEMENT BOARD COMMENTS

Workstream	Board comments
Vision, Direction & Transformation Plan for Housing Directorate	Support proposals. The absence of clear vision and direction was one of our main concerns about the March 2022 plan.
Governance and information management	Strong governance is the single most vital requirement for bringing about improvement and then maintaining high standards of operational and financial management. The programme correctly recognises that the roles and interactions of executive, scrutiny and frontline politicians, officers in the service and corporately, and involved tenants and residents need to be carefully redesigned. Reducing the current excessive numbers of KPIs to a smaller number of reliable and useful measures which can support all elements of governance should be a priority for completion over winter 2022-23. The completion of a properly functioning councillor casework system is vital and needs to be added to this workstream. 2.6-8 are housekeeping tasks of a different nature from the strategically important projects 2.1-5 and belong elsewhere in the programme.
Customer excellence	A project overhauling customer and councillor complaints needs to be added to this workstream. Its objectives should be to ensure timely and useful responses, and ensuring complaints become one source of management information.
Long-term Home and Neighbourhood Planning & Investment	See above on asset understanding and planning.
Asset compliance	See our general comments on targets and timescales.
Maintaining our homes	See above on repairs performance. Void times averaging 130 days, five times the sector norm, deprive families in desperate need of good homes and drain money from the business plan. It is essential that by the end of the first quarter of 2023, clear targets are set for newly arising voids. We would suggest the sector median by end 2024, and top quartile by end 2025. The project on damp and mould should be given more priority and clear timescales: we suggest the completion of a clear diagnostic review by spring 2023, based on the guidance issued by London Councils.
People and organisational development	This workstream needs to place more emphasis on retention of the existing staff and in view of the capacity issues facing the sector, should consider what enhanced role technology can play in streamlining the reporting and administrative functions.
Managing our housing needs	VCS partners play a vital part in ensuring that people in housing need navigate council and benefits processes. This workstream needs to consider how that can be maintained in the face of current funding constraints.