


Cabinet 10 July 2024	 TOWER HAMLETS
Report of: Julie Lorraine, Deputy Chief Executive & Corporate Director – Resources	Classification: Unrestricted
Improving Our Homelessness Services Update	

Lead Member	Councillor Kabir Ahmed, Cabinet Member for Regeneration, Inclusive Development & Housebuilding
Originating Officer(s)	Ayesha Hakim Rahman, Acting Deputy Director of Strategy, Improvement & Transformation Nicola Klinger, Programme Lead - Housing
Wards affected	All wards
Key Decision?	No
Reason for Key Decision	N/A
Forward Plan Notice Published	N/A
Exempt information	N/A
Strategic Plan Priority / Outcome	Providing Homes for the Future Tackling the cost-of-living crisis Investing in public services

Special Circumstances justifying urgent consideration / Reasons for urgency

This report was published after the statutory publication deadline due to delays with internal consultation. It is important that this report is considered at this Cabinet meeting due to the Mayor asking for an update on the progress on key decisions taken by the Mayor in Cabinet on May 16 2024, concerning the Housing Options Service which is a key administration priority.

Executive Summary

The Tower Hamlets Housing Options Service faces a surge in demand with increasing case complexity. This strains service capacity, staff morale, and the ability to meet resident needs. Alongside the need to address the service challenges the council is committed to improving customer access and experience. This report outlines a comprehensive strategy to address current challenges and ensure the Housing Options Service can effectively deliver an enhanced service that meets the current and future needs of the residents of Tower Hamlets.

A comprehensive improvement programme, led by the Deputy CEO, is underway, addressing both immediate needs and long-term transformation. This comprises:

- A comprehensive independent review identifying key challenges and actionable solutions for service improvement (detailed findings and associated recommendations in Appendix 1);
- Focus on resident experience through extensive changes at the Residents' Hub;
- Addressing staff capacity through a multi-pronged approach, ensuring focused discussion with Trade Unions and staff to agree the effective allocation of 34 new posts; and
- Streamlining leadership to separate the operational and strategic functions for clearer and improved service delivery.

RECOMMENDATIONS:

The Mayor in Cabinet is recommended to note the progress made to improve our homelessness services.

1 REASONS FOR THE DECISIONS

- 1.1 This report updates progress on key decisions taken by the Mayor in Cabinet on May 16 2024, concerning the Housing Options Service.
- 1.2 This has resulted in:
 1. £1.93m additional revenue funding that has been approved to support service improvements.
 2. A comprehensive service review and redesign, including immediate staffing considerations.
 3. A focus on staff and residents to ensure a positive work environment and staff retention, as well as empathetic and dignified service delivery for residents.

4. Expanded service hours for residents' convenience
5. Monthly service transformation updates from the Deputy CEO to the Mayor's Advisory Board, the relevant portfolio holders, and to recognised Trade Unions, until the point at which required improvements are in place.

1.3 The above changes strive to:

- Empower staff to deliver exceptional services to residents;
- Optimise service delivery models; and
- Alleviate pressures from high workloads and resident demand.

2 ALTERNATIVE OPTIONS

2.1 This report provides a progress update on implementation of the decisions taken by the Mayor in Cabinet in May 2024.

3 DETAILS OF THE REPORT

3.1 Context

3.1.1 The national housing crisis is a significant issue impacting millions in the UK, disproportionately affecting London due to its proportion density, economic power, and specific housing market challenges. Tower Hamlets, in particular, faces acute pressures.

3.1.2 The Housing Options Service experiences a surge in demand, with case complexity also increasing. This strains their ability to:

- Deliver optimal service to residents;
- Address staff concerns; and
- Mitigate risks associated with fulfilling statutory service obligations

3.1.3 A 7% rise in the number of residents owed a homelessness duty by the council compared to the previous quarter, and a 9% increase year-on-year highlights the extend of increased demand. Caseload volume analysis in May revealed a significant increase, with some teams experiencing double their optimum workload.

3.1.4 A cultural issue and lack of trust between senior management and frontline staff was an additional concern. This perceived lack of support hinders the ability of staff to provide residents with the empathetic and dignified service they deserve.

3.1.5 This report highlights the work underway to address these challenges to ensure the Housing Options Service can effectively serve the residents of Tower Hamlets and fulfil its critical role.

3.2 Housing Options Service Independent Review

3.2.1 To address the identified challenges, the Deputy CEO commissioned a comprehensive and independent review led by the Corporate Strategy & Transformation Team. This extensive review aims to pinpoint key hurdles and deliver actionable recommendations for improvement across the Housing Options Service.

3.2.2 Staff engagement: The review prioritises staff input to ensure all recommendations are based on accurate findings. An impressive 89% of Housing Options staff, from frontline officers to senior leadership, participated in 16 in-depth feedback sessions. This high participation rate ensures the review reflects an accurate experience of those delivering vital services.

3.2.3 Focus on actionable solutions: The complete findings and recommendations of the independent review are detailed in **Appendix 1**. The core focus is on building service resilience, boosting capacity, and establishing strong foundations. This two-pronged approach prioritises immediate improvements for staff and residents, laying the groundwork for long-term, initiative-taking transformation.

3.2.4 Building a stronger future: By tackling immediate systematic challenges, the review paves the way for a continuously strengthening Housing Options Service. The Deputy CEO is fully committed to implementing the recommendations within the next 3 – 6 months, ensuring the service delivers outstanding and responsive support to the residents of this borough.

3.3 Ongoing Transformation

3.3.1 The Deputy CEO has led unwavering commitment to improvement through:

- 3x service engagement sessions, fostering open communication with staff across all levels
- A dedicated shadow day, gaining firsthand experience of service operations
- Weekly newsletters, providing regular updates on the improvement programme and opportunities for staff involvement

3.3.2 In parallel to the independent review, the Director of Customer Services is leading crucial changes at the Residents' Hub:

- Extended opening hours: Moving to 9am – 8pm Monday to Friday and 9am – 12pm Saturday
- Enhanced staffing: Ensuring adequate resources during expanded hours and out-of-office hours services, including a 24-hour virtual service provision
- Streamlined processes: Implementing a Qmatic queue management system and dedicated triage team to improve customer experience and service efficiency
- Resource optimisation: Realigning staff across front and back office functions to optimise telephony services
- Improved infrastructure: Introducing a new panic alarm system, additional desktop scanners, and addressing post system deficiencies
- Staff training and support: Providing training on SoftPhones and ensuring manager presence for better support

3.3.3 These ongoing initiatives address immediate needs while laying the foundation for long-term service excellence.

3.4 Addressing staffing challenges

3.4.1 Additional resources:

- 34 new roles approved: This critical investment addresses the urgent need to reduce service backlog. Initially these roles will be dedicated to backlog reduction before integrating seamlessly into the service to enable the Residents' Hub extended hours.
- Shortlisting and interviews for permanent roles run throughout July – September. At least 15 frontline positions will be filled by the end of July.
- Launching 1st July, a comprehensive recruitment campaign aims to attract top talent with a customer-centric and empathetic approach:
 - Targeted media outreach
 - Dedicated microsite
 - Local job fairs and online events
 - Application support

3.4.2 Internal roles: The roles of Head of Homeless and Service Improvement Practitioner were advertised internally and close on 3 July 2024. It is expected that appointment will be made by the end of July.

3.4.3 Staff retention: In recognising the value of existing staff, a review identified high numbers of fixed-term contracts. In line with the mayoral commitment to reduce temporary and fixed-term positions, consequently 45 fixed-term

contracts were made permanent, ensuring consistent service delivery through a more stable workforce. Changes were confirmed to staff on 18 June 2024.

- 3.4.4 These combined initiatives demonstrate a commitment to addressing staff capacity and building a strong-well-resourced Housing Options Service.

3.5 Housing & Regeneration Restructure

- 3.5.1 As previously outlined in the May 16 HR Committee and Cabinet reports, phase 2 of the Housing & Regeneration reorganisation is underway. This phase separates operational and strategic housing functions across three Directors:

- Director of Housing Options and Homelessness
- Director of Housing Strategy & Policy
- Director of Housing Management

- 3.5.2 This restructuring recognises the current scope for the Housing Director is too wide and streamlines leadership and fosters a clearer focus on each area. The current director's preference is to retain the Housing Strategy & Policy elements and an interim will be recruited to the new role of Director of Housing Options and Homelessness with immediate effect.

4. EQUALITIES IMPLICATIONS

- 4.1 Investing additional resources in the frontline will have a positive impact on vulnerable residents or groups who may be experience inequalities in housing by increasing the capacity and ability of services to provide a tailored and empathetic service to residents.
- 4.2 Increasing capacity and alleviating pressure on individuals and the service will support staff health and wellbeing and contribute all round to the improvements being sought within the Service Transformation Programme.
- 4.3 The Service Transformation Programme will work in line with the Workforce to Reflect the Community Strategy and Action Plan, in particular taking actions for more inclusive recruiting and development.

5 OTHER STATUTORY IMPLICATIONS

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:

- Best Value Implications,

- Consultations,
- Environmental (including air quality),
- Risk Management,
- Crime Reduction,
- Safeguarding.
- Data Protection / Privacy Impact Assessment.

- 5.2 The Homelessness Reduction Act (HRA) 2017 places a statutory duty on the Council to prevent homelessness (the Prevention Duty) and to give relief to those already homeless (the Relief Duty).
- 5.3 The Council has a statutory duty to take reasonable steps to prevent and relieve homelessness; Duty can be discharged through offer of a suitable home in the private rented sector (PRS).
- 5.4 S.188 interim accommodation duty – temporary accommodation duty to homeless families and vulnerable adults ('priority need' groups) with recourse.
- 5.5 S.193 full housing duty – owed to unintentionally homeless households with priority need. Duty can be discharged through offer of a suitable home in the private rented sector (PRS).
- 5.6 The Housing Act 1996 requires local authorities to have an allocation scheme. Within this they must give reasonable preference (i.e., give certain groups an advantage over other groups that have a lesser or no housing need), in their allocations policies to people with high levels of assessed housing need.
- 5.7 In keeping with our commitment to best value, the additional resources agreed in Cabinet in May 2024 secure immediate capacity improvement. This agile investment is not being done in isolation, in parallel we are currently considering options for further efficiencies in our supply chain and fast-tracking acquisitions to grow our own TA stock within the Housing Revenue Account as the cost of TA is the greatest single pressure the general fund currently faces.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 This report provides an update on the following Mayoral decisions taken in Cabinet on 16 May 2024 to improve our Homelessness services. There are financial implications emanating from these decisions. A total of £1.3m additional cost will be incurred following the conversion of 45 fixed term posts to permanent. It is proposed to utilise the Homelessness Prevention top up grant in 2024/25 to meet this cost.
- 6.2 A further £1.93m will be required to recruit to 34 additional posts to address and improve Housing options homelessness services. This will be met from the approved current year's revenue contingency budget. This budget is set aside to address critical risks such as Homelessness and to avoid any

additional cost pressures. Future ongoing costs will be accommodated within the Medium-Term Financial Strategy (MTFS) during the 2025-2026 budget setting, ensuring that this can be achieved without reliance on reserves or contingency budgets.

- 6.3 Extending the opening hours of the Residents Hub will also have a financial implication. The staffing requirement and therefore additional cost has not been calculated as yet and any growth requirement will also be considered as part of the budget setting process for 2025/26.

7 COMMENTS OF LEGAL SERVICES

- 7.1 The review of the current service may include potential changes to current terms and conditions relating to hours of work and shift patterns for existing staff.
- 7.2 The proposed improvements to the service will assist the Council in meeting its statutory obligations with regard to homeless assistance and with the increasing demands on the current service.
- 7.3 Any proposed changes to terms and conditions of existing employees must be implemented in line with the Council's Organisational Change process

Linked Reports, Appendices and Background Documents

Linked Report

- [Improving Our Homelessness Services \(Cabinet May 2024\)](#)

Appendices

- Appendix 1 – Housing Options Independent Review

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- NONE

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