



infrastructure

public estates and housing division

fo-rheynn steatyn as theiys theayagh

Isle of Man Government



Housing Review Outcomes Report 2013-2019



**Isle of Man
Government**

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Foreword

During the period 2010-13 significant work was undertaken with the aim of better understanding the present and future needs and requirements for Affordable Housing across the Island. The outcomes of this work culminated with the Policy Recommendations Report (**GD056/13**), approved by Tynwald in November 2013.

As a number of years have passed since approval of those recommendations and mindful of the ever changing landscape with regards to housing, I feel the timing is appropriate both to revisit the premise for the existing recommendations and to develop a new strategy which will consider the Island's housing requirements for the next five years and beyond.

The purpose of this report is to detail the progress made towards the policy recommendations contained within the 2013 document and to reflect upon the impact its outputs have had both for users and providers of the service.

Whilst it is acknowledged that Government led the initiative, very little could have been achieved without the assistance and support shown by Local Authorities, including non-housing providers, and I would like to place on record my thanks and appreciation to them.

Hon Ray Harmer, MHK
Minister for Infrastructure

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ANNEX 1 - Outputs from the Housing Review

1.0 Introduction

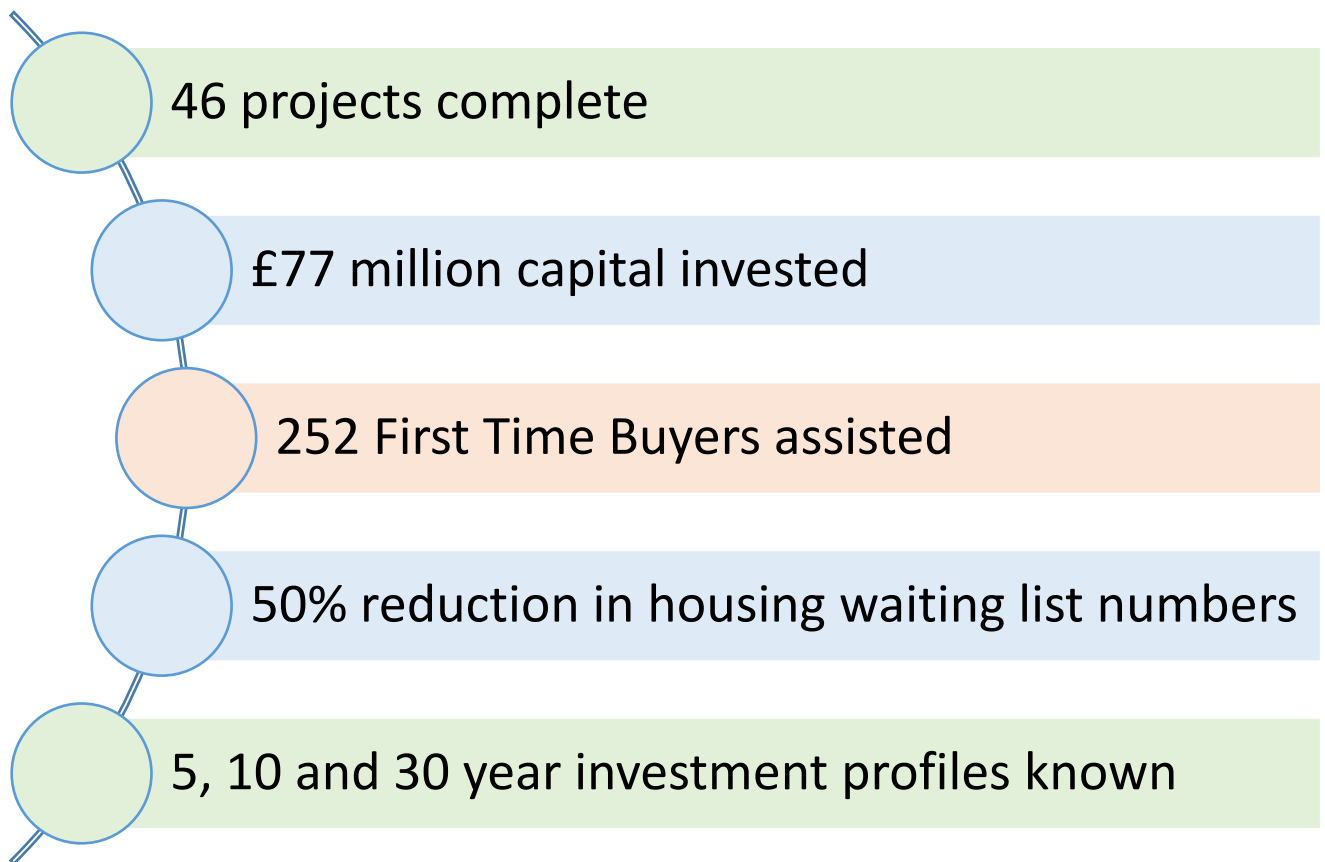
1.1 In November 2013 Tynwald approved 25 policy recommendations brought forward by the Minister for the Department of Social Care. The scope of the policy recommendations was to consider all elements of Affordable Housing; however, in the main focussed upon public sector rental provision. The broad themes identified by the recommendations were:

- *[To consider] the roles and responsibilities of those involved in delivery of public sector housing;*
- *[To consider the] operational delivery of housing services and ensuring that delivery is targeted to meet the changing needs of the Island's population;*
- *[To] address the issue of providing a sustainable mechanism for first time buyers to secure their first homes; and*
- *[To] in the long term ensure that central Government is well placed to determine what levels of investment are required and how these will be prioritised. At the same time recognising the importance of providing a level of certainty about what public sector housing is likely to cost the tax payer going forward.*

1.2 In the intervening period many of the policy recommendations have been fully implemented and many have now become business as usual. To do so has required a partnership approach between central and local government in order to better understand the challenges, needs and wants that each has, in order to improve the service offering in terms of consistency and sustainability.

1.3 Within this administration, housing outcomes are found within the Programme for Government, under the theme of an 'Inclusive and Caring Island', which has the aim of ensuring 'we have accessible and affordable housing which meets our social and economic needs'. Now in its third year there is an action to 'Bring forward a 'high level, all Island strategy for affordable housing, with a five-year action plan', which provides a natural break point for the Housing Review 2013-19. This report is its conclusion.

2.0 Headline Figures



3.0 Housing Review Design

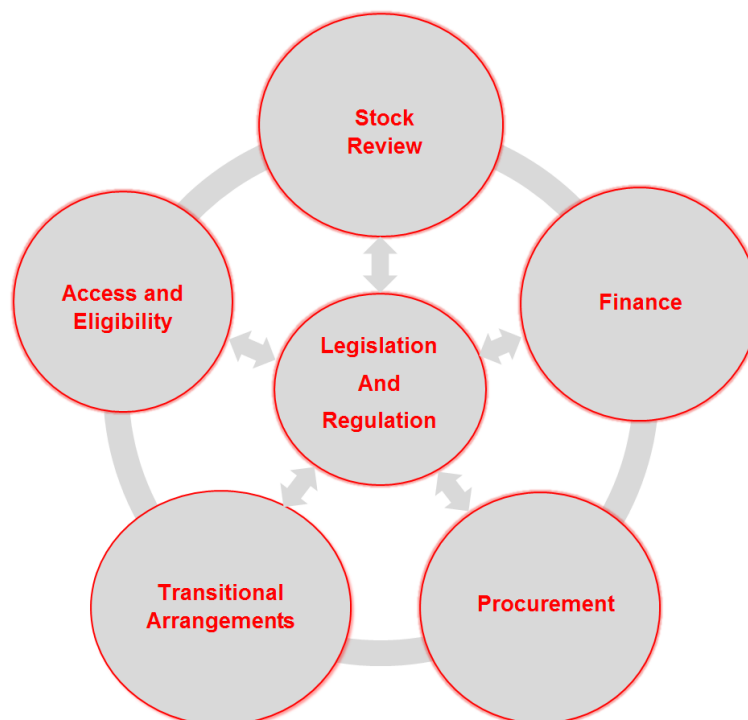
3.1 The housing review policy recommendations were derived from a number of sources, including:

- The suite of independent consultant reports which considered affordable housing in a wider context,
- The results of a comprehensive and wide-ranging public consultation exercise, and
- A series of stakeholder workshops and discussions.

Together, this information formed the basis for the DSC recommendations paper.

3.2 During 2014, the 25 policy recommendations approved by Tynwald were developed into a programme for delivery.

3.3 It was acknowledged early in this process that no one theme could be delivered in isolation of the other, hence the interlocking network. Local Authorities were therefore requested to consider six broad themes (as indicated below).



- 3.4 Given the complexity and scope of work ahead, the design of the delivery plan continued into 2015, meaning that, though some tasks are underway, they are not due to complete until 2021, whilst others were well advanced, even before the design work was complete.
- 3.5 Good project governance has played a part in the successful delivery of the 46 projects delivered to date, with each being subject to rigorous scrutiny, delivered within best practice project management techniques and methodologies.
- 3.6 The passage of time and advancement in technology has meant that since 2014 a further 3 projects have been added to the portfolio and they are significant. Namely, the stock efficiency pilot schemes and air tightness testing pilots, and the procurement of a future state ICT platform for housing, which compliments the earlier project to introduce, for the first time, a cloud-based shared platform whereby the shared housing waiting lists, but also standards and procedure notes are hosted and available to all authorised users of the system within those local authorities who wish to use it.
- 3.7 Effective communication has also been, from the outset, perceived to be integral to the design and spirit of reform. As such presentations, updates and face to face discussion with interested parties have been a constant throughout. This being additional to wider public consultation for more significant reform, such as those for access and eligibility and home adaptations.
- 3.8 The result has been that the policy recommendations have embedded into all aspects of housing reform and yet the Housing Review has remained robust and adaptable enough to mould to the policy directives of 4 Ministers and 5 Members for Housing since 2013.
- 3.9 Perhaps most importantly, despite an extremely challenging and ambitious programme of work with a near total reliance on partnership working and though not universally acknowledged or accepted, the review has delivered significant and positive reform. Indicated at **Annex 1**

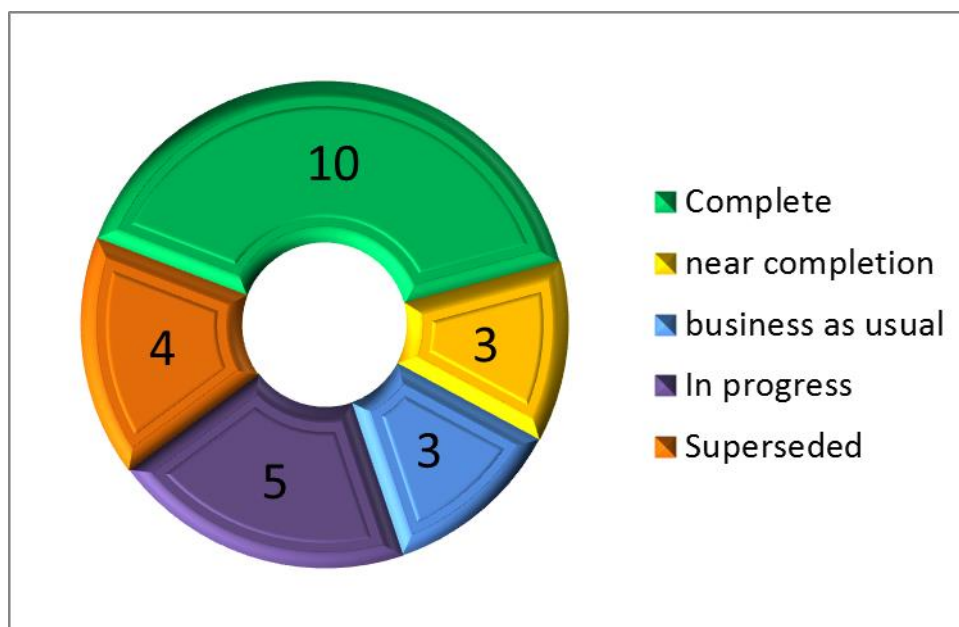
4.0 Housing Review Delivery

4.1 The housing reform agenda by its nature is not binary and the original recommendations recognised this. There can be no set order for delivery and nor can there be an assertion that a policy recommendation which has been delivered will not require revisiting and refinement at some future point. Fundamentally, the challenge for housing providers, regardless of who they are, and for the review has been, and still remains:

"Balancing affordability and meeting the needs of the tenant with the cost of operating the service, when there is and always will be a requirement for significant and ongoing investment in the stock."

4.2 That being said, there has been tangible delivery and during the period 2013-19 no less than 46 projects have been delivered, and equally importantly embedded, whilst a further 17 are progressing.

4.3 In terms of a hard measure of the success in respect of the 25 policy recommendations, the graphic below provides an overview:



4.4 As can be seen 52% of the recommendations have been achieved or adopted as Business as Usual, whilst a further 12% are due to complete within six months. Of the remainder, 20% of the recommendations can be achieved, ultimately becoming adopted as Business as Usual

and only 16% of the recommendations made in 2013 have been usurped by the passage of time and revised ways of working.

- 4.5 The 25 policy recommendations are represented in the table which follows. A number of objectives cannot be completed, such as Policy Recommendation 1, which can only ever become Business as Usual. Whilst other recommendations have been acted upon they are, however, subject to long-term pilot schemes, such as Recommendations 9 and 24.

Policy Recommendation	Status
<p>1 <i>A customer-centred and proactive approach should be developed based on the experience and requirements of tenants as opposed to the current reactive service; to include Tenants' involvement, shared best practice, clear service standards, comprehensive performance management framework, robust complaints process, benchmarking quality and cost, improved void management.</i></p>	<p>In progress</p>
<p>2 <i>The DSC's (DOI's) responsibility will be to ensure that there is sufficient capacity and capability within the public sector to meet the public sector housing needs from a national perspective. The DSC (DOI) will be the commissioner of housing to ensure that this is provided to the right quality and at the right cost for Tenants and the public purse. This will be discharged through the following functions:-</i></p> <ul style="list-style-type: none"> • <i>Setting housing strategy and policy,</i> • <i>Determining funding and agreed priorities</i> • <i>Legislator and regulatory role</i> • <i>Managing the wider affordable housing market including: working with partners across Government, the private and third sectors to champion the supply of new homes; determining and commissioning new affordable housing products to meet need across the Island; regulating the Island's private rented sector; developing and managing schemes to assist homeowners.</i> <p><i>2a) Determining criteria for access to Public Sector Housing and Affordable Housing Options;</i></p> <p><i>2b) Identifying commissioning capacity within the market for the growing specialist housing provision</i></p> <p><i>2c) Assessment of Strategic Housing Need</i></p> <p><i>2d) Setting and monitoring overall Public Sector Housing rent policy.</i></p> <p><i>2e) Develop and monitor property standards</i></p>	<p>Now adopted as business as usual</p>
<p>3 <i>DSC (DOI) responsibility / Functions - Funding role including;</i></p> <ul style="list-style-type: none"> • <i>agreement with Treasury on a funding plan for public sector housing covering the housing deficiency payments, the new funding for Major works and New Build,</i> • <i>agreement of investment plans and funding with housing bodies,</i> • <i>monitoring spending and outputs against investment plans</i> 	<p>Complete</p>

<p>4 DSC (DOI) responsibility / Functions - Regulatory Role including;</p> <ul style="list-style-type: none"> • agreement of a regulatory Framework for the Housing Bodies including Governance, Service Delivery, Financial Management and Development, • Monitoring and auditing performance against this regulatory Framework, • Identifying and progressing the Legislative requirements for the Sector. 	<p>In progress</p>
<p>5 Strategic lead across the affordable Housing Sector including: working with partners across Government, the private and third sectors to champion the supply of new homes; determining and commissioning of new affordable housing products to meet need across the Island; regulating the Island's private rented sector; developing and managing schemes to assist homeowners, determining housing standards.</p>	<p>Now adopted as business as usual</p>
<p>6 Public Sector Housing (including that owned currently by the Government, existing Housing Authorities and existing Sheltered Housing Authorities) will be managed by a small number of regional Housing Bodies.</p>	<p>Policy Recommendation Superseded</p>
<p>7 Housing Bodies Responsibilities/Functions to include:</p> <p>7a)</p> <ul style="list-style-type: none"> • Allocations and Lettings • Rent Collection • Housing Management • Maintenance Management • Performance Reporting • Implementation of Housing Policy <p>7b) Housing Bodies will work together with Local Authorities in their current structure or under a revised structure to deliver high quality and cost effective services through joint procurement practices.</p> <p>7c) Housing Bodies will work together, sharing expertise and developing specialisms in order to deliver a high quality and cost effective housing service across the Island to meet changing need.</p>	<p>Now adopted as business as usual</p>

<p>8</p>	<p><i>Each Housing body should have its own Board of Management to include representation from Commissioners/Councillors within its Boundary.</i></p>	<p>Policy Recommendation Superseded</p>
<p>9</p>	<p><i>The legal ownership of the housing stock will remain with existing Housing Authorities including Sheltered housing and DSC (DOI). The operational management service will be delivered via a contractual arrangement with Housing Bodies</i></p>	<p>In progress</p>
<p>10</p>	<p><i>Income and debt for the stock will be pooled by regional area and housing bodies will be working within operational targets set by DSC (DOI).</i></p>	<p>Policy Recommendation Superseded</p>
<p>11</p>	<p><i>An Island wide approach to commissioning and procuring older persons housing support services will be undertaken.</i></p>	<p>Near completion</p>
<p>12</p>	<p><i>An Island wide Sheltered Housing and Elderly Persons Housing asset review will be undertaken to assess future financial investment requirements and current provision vs. demand.</i></p>	<p>Complete</p>
<p>13</p>	<p><i>A review of all types of existing Sheltered and Elderly Persons Housing provision will be undertaken, following on from the asset review recommendations. This will assess which existing accommodation could be re-modelled into the following specific categories:</i></p> <ul style="list-style-type: none"> <i>• Housing Only,</i> <i>• Sheltered Housing with Limited Support,</i> <i>• Sheltered Housing with Enhanced Support.</i> 	<p>Complete</p>
<p>14</p>	<p><i>Review the current role of wardens and Scheme Managers across all locations where Sheltered Housing is publically provided.</i></p>	<p>Complete</p>
<p>15</p>	<p><i>Assess and review criteria for eligibility and allocation for Public Sector Housing to more efficiently target those in housing need. To include; shared waiting list and application process, shared eligibility criteria and access priorities.</i></p> <p><i>15a) Residency on the Island - remaining at 10 years. This will help prevent individuals seeking to retire to the Island and quickly applying for public Housing.</i></p> <p><i>15b) Allocation criteria will be reviewed to include: Housing Need, physical/medical conditions and financial circumstances.</i></p>	<p>Complete</p>

<p>16 <i>A review of rents and service charges will be undertaken and will include: a standard method for calculating, managing and charging service charges and rents more reflective of the true cost of the service.</i></p>	<p>Near completion</p>
<p>17 <i>DSC (DOI) to explore the feasibility of developing alternative approaches to the provision of older persons housing in particular the development of Extra Care, including: identifying demand, testing potential market provision and subsidy implications and assessing support service costs.</i></p>	<p>In progress</p>
<p>18 <i>DSC (DOI) to further explore the procurement opportunities to enable regional housing bodies to achieve the objectives of DSC (DOI) recommendation 7b to include capital and revenue investment.</i></p>	<p>Policy Recommendation Superseded</p>
<p>19 <i>To complete the process of compiling the stock investment requirements and then have this independently validated. Based on the outcomes from this, a decision can be taken on whether a full independent stock condition survey is required.</i></p>	<p>Complete</p>
<p>20 <i>Update the new build design guide</i></p>	<p>Complete</p>
<p>21 <i>Encourage design and build development opportunities</i></p>	<p>Complete</p>
<p>22 <i>Develop an Island wide standard schedule of rates to improve job pricing consistency and transparency.</i></p>	<p>Near completion</p>
<p>23 <i>Replace the House Purchase Assistance Scheme ('HPAS') with a Shared Equity Scheme.</i></p>	<p>Complete</p>
<p>24 <i>Explore the feasibility of rent to buy and mid rent schemes including the opportunity for establishing such schemes in partnership with private developers.</i></p>	<p>In progress</p>
<p>25 <i>Explore the details and appropriateness of selective sales, in the Manx economic context, taking into account location, suitability and demand of current public sector housing stock to rationalise and make best use of assets to meet housing need.</i></p>	<p>Complete</p>

5.0 Conclusions and Closing

- 5.1 The policy recommendations agreed by Tynwald in 2013 have proven to be the catalyst for wide-ranging reform of the affordable housing sector which in itself accounts for one fifth of the Island's housing stock.
- 5.2 In terms of proven delivery and given the nature and complexity of the reform, with an almost total reliance on partnership working, the total of 46 projects successfully achieved can be considered a success.
- 5.3 At an operational level, since 2002, there has been a housing managers meeting at which matters are discussed, but now, as a result of the review, there are also forums specifically for older persons housing providers and for maintenance managers, in which the topics for discussion are met by consensus of housing professionals who are well placed to recommend, sometimes, radical reform of the service and together, they are delivering Island-wide reform and improved best practice and so perhaps a regional platform is not the best structure for this.
- 5.4 That does not preclude the formation of regional management structures for political oversight and indeed this is the concept of the regional steering groups and latterly of the regional updates and pilot for formation of a regional housing group, and should there be the political will and legislative provision, there is also the mechanism in place to transition stock under management agreements. However it should be noted that due to complexities with legislation and in particular the landlord and tenant relationship, it is unlikely that full transition can occur easily.
- 5.5 In recent times there has been significant legislative change in housing management and provision arising from such as the General Data Protection Regulations, designed to ensure data is recorded, managed and shared appropriately and the Equality Act which means that decision-making is more quantifiable both of which are laudable aims and both of which bring their own challenges.
- 5.6 Likewise a focus on housing need and an increasingly ageing demographic is also bringing new challenges, far beyond the construct of public housing being little more than a letting agency. The sector is and continues to respond to the changing need, such that

ultimately affordable housing performance should perhaps not be measured in terms of the number of objectives met off a plan but in terms of its societal value in the round.

- 5.7 The broad themes of the Housing Review recommendations were about increasing knowledge of the sector, of the way it operates and from that, to develop a financially sustainable housing model. In this regard, the review has delivered. Where once very little was understood about the housing deficiency, how it was made up and how it was funded, now not only is it fully understood, it is forecasted and it is regulated. Whilst the stock condition surveys have not only provided a realistic mid and long-term investment plan, they have also provided a useful insight into suitability for adaptations and thermal efficiencies, and from this, the investment priorities, both of which were unknowns in 2013.
- 5.8 Whoever delivers public sector housing in the future, there can be no doubt that it will be delivered on what continues to be an increasingly consistent and sustainable footing and one which has refocused provision very much onto those who most need it. From these foundations new policy will be formed, one which assumes that now the industry knowledge is available the focus should be more on those that it serves, with an increased emphasis on our customer, widening of housing choice and provision of appropriate support for those who need it.

