

# Project Initiation Document (PID)

**Project Title:** Home Choice Tenants Support Pilot

**Date:** 26 January 2016

**Client/Sponsor:** Jackie Yates/Stephen Clarke

**Project Manager:** Paul Wilding

**Responsible Programme:** Organisation Development & Customer Service(ODCS)

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**Approvals:** 1. ODCS  
2.

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## 1 Background

A pilot has been proposed to trial a rent guarantee model for Home Choice customers, with a small number of customers being supported by the Housing Needs team following the model used by the Welfare Reform Team (WRT), with active support from that team.

The pilot was proposed due to an inequity in the way similar customers are treated depending on whether they receive a Discretionary Housing Payment(DHP) from the WRT, or a top-up payment from Housing Needs. DHP's are awarded with conditions attached, such as taking steps to find work, looking for cheaper accommodation, or getting personal finances under control. It is intended that they are awarded for short periods. Top-up payments do not have conditions, and although subject to review, tend to be awarded on an on-going basis.

Housing Needs customers in receipt of financial support had an average cost of £1,500 in 2014/15, although new starts were higher at £2,100. This cost is increasing due to the widening gap between market rents and the amount of Housing Benefit (called Local Housing Allowance) that can be paid for properties in the PRS. This currently averages £200 per month. With LHA rates frozen for the next four years, and demand for rental property increasing in Oxford, this gap will widen considerably over the coming years.

As of 30 September 2015 there were 208 customers pending referral to the Home Choice scheme, and 83 households in temporary accommodation for which the Council has a statutory homeless duty. 170 households are receiving top-up payments and there have been an average of 3 families in B&B accommodation at any one time during the year. Demand for support into the PRS is therefore high, and likely to remain high for a significant period.

The budget for Temporary Accommodation, Homelessness and Housing was overspent by £258k in 14/15, largely as a result of having to support customers in Bed & Breakfast accommodation and in the Home Choice scheme. In 15/16 it is forecast that this overspend will be £100k. One of the reasons for the reduced overspend is the reduction of new starts into the scheme. Supporting customers within the Home Choice scheme to become financially independent could significantly impact on both the overspend, and lead to an increase in new starts.

## 2 Project Objectives

### 2.1 Business Objectives

This pilot is intended to rollout the successful model of working in the Welfare Reform Team(WRT), to the Housing Needs Team. To meet the enormous Housing challenges faced in the city, private sector tenants need to be engaged with and helped to take responsibility for their situation. The Council cannot afford to indefinitely sustain tenancies in the private rented sector by meeting the growing disparity between benefit levels and market rents. The WRT have successfully supported customers affected by reductions in their benefit to move into work, or take other steps in order to sustain their tenancies without additional financial support from the Council.

The offer of a rent guarantee, under a new model (where the Council acts as managing agents), to landlords offering suitable property, in Oxford, to the scheme, at sub-market rates

is considered necessary to be able to continue to secure any access to the local private rented market for homeless / Home Choice customers.

Individual participants will therefore benefit from this pilot, and the Council will be able to support greater numbers of families at risk of homelessness into sustainable private rented accommodation.

## **2.2 Project Objectives**

The aim of the project is to support customers housed by the Council in private rented sector (PRS) property, and in receipt of contributions towards their rent, to become financially independent. This would be achieved mainly by supporting those tenants into employment, or increasing their earnings if they are already in employment. The project will be delivered to those tenants moving into accommodation provided by the Council under the proposed Rent Guarantee Model (RGM), and existing Home Choice tenants who migrate into the RGM when their top-up payment is due for renewal, where the landlord agrees to switch to this model.

The outcomes of the project would be that customers would benefit from improved outcomes as they would be supported to move into employment/ better paid employment, and/or remove barriers to employment such as problem debt, low level mental health issues or lack of appropriate skills. Landlords both inside and outside the rent guarantee model would gain confidence in that approach, increasing the potential pool of properties to the Council to make available in that scheme.

The project will operate as a pilot for the first two years, but the intention would be to maintain the operating model if it proves successful. As well as testing the viability of the Rent Guarantee Model it will measure impact in the following areas:

- The level of participant engagement in the project, both landlords and tenants
- The number of participants sustaining their tenancy independently (without a top-up) by the end of the project
- The number of out of work participants who move into work
- The number of in-work participants who increase the number of hours they work, or increase their earnings
- The number of participants who access training
- The number of participants who make progress following referral to support services (e.g. CAB for debt advice)

## **3 Project Scope and Exclusions**

Customers being placed into the PRS under the new rent guarantee model and those migrating to this model from the existing Home Choice scheme, will be in scope of this project, and the project will run for an initial two years. It is anticipated that there will be 40 new starts in the scheme for each year.

Customers in scope of the project will be assigned a caseworker, and have a needs assessment conducted when they are placed in a property. This will be used to determine the support required to enable the customer to become financially independent of the Council (this will usually be through entering employment, or by increasing earning for customers already in work). The support needs will determine the conditions that will be attached to the top-up payment they will receive to make up the difference between their Housing Benefit and amount of rent. The nature of the conditions will determine which external partners they will need to be referred to for support. The caseworker will agree these with the customer

along with any timescales, including a review of their conditions. It is proposed that the initial top-up payment is made for 6 months, with further top-ups being dependent on meeting the conditionality requirements.

Under the Rent Guarantee Model, Housing Needs will pay the rent to the landlord in advance. The tenant will receive their Housing Benefit paid directly to them, and they will be responsible for paying their rent back to the Council. This follows the same model as the Direct Payments Project in the Rents Team, and will apply the same level of safeguards in relation to vulnerability or arrears. Where a top-up payment ceases due to conditions not being met, the tenant will also need to pay this additional amount to their rent account. A solution will need to be developed in the Northgate system to allow the Rents Team to collect the rent owed by participants in the project and manage rent arrears.

A new caseworker resource will be required to support customers. To meet the Council's aim of extending the operating model of the Welfare Reform Team, this resource would be based within Housing Needs, but would be supported by the WRT. The aim of this role would be to support customers into employment, or to increase their earnings from employment. The caseworker would require an intensive period of training, for 6-8 weeks followed by on-going support from their manager (and from the WRT). A full time resource would be required, but ideally this would be split over more than one post in order to provide some resilience. Half an FTE would be required in the WRT to support the caseworker in Housing Needs. This role would undertake the initial training and on-going mentoring of the caseworker, reviewing arrangements with Home Choice and amending processes where necessary, identifying new partners for the new cohort of participants, managing the specialist support role (see below), providing resilience during periods of peak work for the caseworker, and monitoring and evaluating the pilot.

The cohort of participants represents a new area of work for the Council. It is expected that a large number will be in low paid work, and will require progression within work to be able to sustain their tenancy independently. To support this, a specialist support worker will need to be procured for 2 days a week for the latter 18 months of the project. The anticipated cost for the 18 months is £18,000.

There would also be a training requirement for the remainder of the Housing Needs and WRT teams (including managers) to ensure that they supported the approach of the project in their engagement with potential participants and in order to support staff working directly in the pilot. It will be important to sell placement in the rent guarantee scheme as a positive outcome (due to the difficulty in accessing the PRS), and to ensure that customer responsibility is built into conversations at each stage in the process.

## 4 Constraints

*Describe the constraints within which the project must operate.*

Constraint Title	Description
Resource availability	Transformation funding approved for pilot
Timescales	Pilot to run for two years
Cost	Transformation funding approved (see below)
Statutory requirements	Rent Guarantee Model must ensure Council doesn't create Assured Shorthold Tenancies
Other Programmes / Projects	N/A

## 5 Project Organisation and Corporate Governance

The Project Team will comprise the following:

Paul Wilding (Project Manager)

Housing Needs Lead (Fatheya Latif/David Rundle)

Welfare Reform Team Lead (James Pickering/Richard Wood)

Legal Services Lead (Lindsey Cane)

Rents Team Lead (Kevin Lacey)

Progress will be reported to the informal meeting groups, the Welfare Reform Officer Group and Financial Inclusion Members Group, and formally to the ODCS Programme Board

### 5.1 Authority

*[List the names of the persons/s accountable for the delivery of this project.]*

Name	Role	Signature	Date
Jackie Yates	Project Sponsor		
Stephen Clarke	Senior User		

### 5.2 Structure

*See separate document*

### 5.3 Roles and Responsibilities

Name	Role	Responsibility
<b>Core roles:</b>		
Jackie Yates	Project Board: Project sponsor	Overall responsibility for ensuring that the project meets its objectives and delivers the projected benefits.
N/A	Project Board: Senior supplier	Represents the supplier interests within the project and provides supplier resources.
Stephen Clarke	Project Board Senior user	Represents the Service area directly benefiting from the project.
Paul Wilding	Project Manager	Plans and delivers the project on a day to day basis and is responsible for ensuring the project delivers to time, budget and requirements.

### 5.4 Reporting

*See governance structure*

### 5.5 Risks, Assumption, Issues and Dependencies (RAID)

Staff don't buy into the new approach of supporting tenants, which would mean tenants are not supported effectively and are not able to sustain their tenancies independently	4	5	20	Use of workshop events to communicate reasons for change, led by managers. Staff to be included in discussions to agree new customer journeys.
Rent Guarantee Scheme is unattractive to landlords so insufficient properties are obtained for use in the pilot.	3	4	12	Seek professional advice in developing an attractive landlord offer
Rent Guarantee Scheme is incompatible with making intentionally homeless decisions in the event of non-compliance with conditions, meaning that there is no disincentive for non-compliance by tenants.	3	4	12	Seek advice from Legal in designing the scheme
Large increases in market rents during the pilot make the Rent Guarantee Scheme unattractive to landlords	4	3	12	Build in flexibility to the scheme to allow for increases in rent to landlords
Lack of resilience in caseworker resource if this job is undertaken by one person,	3	4	12	Split the support work across more than one role
Homelessness increases due to non-compliance with conditions	3	3	9	Ensure sufficient time is given to initial training
Losses from the rent guarantee scheme are greater than anticipated by the rent guarantee model	3	3	9	Ensure sufficient resource is allocated to the development of the model.
Positive outcomes not achieved for customers in low paid work	3	3	9	Develop a model for supporting people in work. Include resources for the delivery of specialist support to this group.

## 5.6 Change Control

To follow the corporate standard

## 5.7 Lessons Learned

Lessons learned will be captured in monthly highlight reports, and sourced from experiences of both staff and participants in the project. Formal reporting will be conducted quarterly, and made to the ODCS Board.

## 5.8 Project Closure

If the pilot is successful, the new way of working will become business as usual. At the end of the two year pilot a report will be made to the ODCS Board with a recommendation for next steps, which may include a request to close the project.

## 5.9 Project Tolerances

Tolerance	Level
<b>If additional budget required please refer to Finance</b>	<i>Transformation funding to be used.</i>
<b>Time tolerance is set at:</b>	<i>2018</i>
<b>Timescales for realisation of benefits are: See section 10</b>	<i>When, how and how much will the benefits of the project be realised.</i>

## 6 Approach

The project will be managed as set out in the separate governance structure document.

## 6.1 Procurement Route

Consideration will be given to procuring the specialist support required for helping people in-work to increase their hours or earnings. This will be based on customer insight gained during the first three-six months of operations. Alternatively this resource may be provided internally.

## 7 Options

The only option that has been considered is that outlined in Section Three.

## 8 Other Resource Requirements

Training time for Housing Needs and Welfare Reform Team staff, 1 day per member of staff.

## 9 Project Deliverables

Rent Guarantee Scheme (RGS) set up and operated in a viable and sustainable way, following detailed advice from the Rent Guarantee consultancy report, including marketing; the detail of the offer; removing internal barriers and deterrents to meeting landlord needs; effective rent management; effective operation as a managing agent, using an agreed agreement; operating within the tolerances of the financial model and budgets.

Amendments to Northgate Housing system to collect Rents Team to collect monies due from private sector tenants.

80 properties secured from private sector landlords for letting through the RGS.

80 tenant participant, as new starters or existing tenants renewing their tenancy.

Individual support pathways for each tenant participant

Quarterly learning reports to help determine whether pilot is viable

### 9.1 Acceptance Criteria

The project is a pilot and so the project will be completed after two years of delivery. The extent to which the project has met the outcomes outlined in section 2.2 will determine whether the approach will become business as usual. Evaluation will also be carried out to capture learning from the project.

## 10 Project Benefits

*List the key improvements the project is expected to bring about in the table below. Express these as far as possible in specific, measurable, achievable, realistic, and time-based terms. Any financial benefits should also be listed in section 5.1.*

Benefit	Baseline	2016/17 Target	2017/18 Target	2018/19 Target	2019/20 Target
Increase in tenants able to sustain their tenancy independently	<b>Baseline is zero as this is a brand new scheme</b>	8	12		
Increase in tenants supported to manage their debts	<b>As above</b>	20	20		

### 10.1 Project Dis-Benefits

*Please state any potential dis-benefits (negative side effects).*

## 10.2 Environmental / Social / Economic Impact

	Impact
<b>What is the likely environmental impact of this project?</b>	No Impact
<b>What is the likely economic impact?</b>	<i>25% of participants will enter sustainable work or increase earned income, and 80% of participants will engage in training and/or remove barriers to accessing employment</i>
<b>What is the likely social impact?</b>	<p><i>Activities undertaken by participants will bring opportunities for participants to engage with employers, support agencies, and potentially other participants. For those who move into work the social and health benefits are well documented .</i></p> <p><i>The RGM brings more landlords and suitable property for nominated homeless clients to access on a sustainable basis.</i></p>

## 10.3 Equalities Impact Assessment

*None required*



## 10.4 Costs

Funding:				
Project Costs		16/17	17/18*	Total
Consultant for RGM		£7,500.00		£7,500.00
HN Caseworker		£35,000.00	£35,700.00	£70,700.00
WRT Support		£17,500.00	£17,850.00	£35,350.00
In-work specialist support		£7,000.00	£14,280.00	£21,280.00
Income Officer (Rents)		£9,000.00	£18,360.00	£27,360.00
ICT costs to amend Northgate		£10,000.00		£10,000.00
				£172,190.00
*2% uplift for staff costs				

The additional costs associated with offering a rent guarantee to landlords is to be found from within existing Housing Needs/Home Choice budgets.

## 11 Project Plan – High Level Milestones

List the high level milestones for the project. Once approved, they will help measure progress and achievement towards the end goal and will be used as the high level baseline against which activities will be co-ordinated and planned in detail as the project progresses.

Milestone	Start	Finish
Establish Rent Guarantee Scheme	Jan 16	April 16
Amendments to Northgate Housing System	Jan 16	April 16
Recruit and train new caseworker	Feb 16	May 16
Advertise RGS and obtain properties	April 16	Ongoing
Quarterly learning reports	July 16	Ongoing
Procure specialist support	Oct 16	Oct 16

### 11.1 Quality Plan

Please outline the key actions that will ensure the project meets the customers' expectations and the acceptance criteria e.g. quality review meetings. Where relevant please also indicate specialist quality standards and processes from external parties involved.

Activity	Responsibility (person or organisation)	Resources Required (e.g. User representation/time)
Survey of landlords	Housing Needs	Time
Survey of tenants	Housing Needs	Time
Learning reports	Project Manager	Time

### Stakeholder map and communications

The purpose of this table is to define all parties with an interest in the project and the means and frequency of engaging them. Large projects can append a separate Communication Plan where necessary.

Stakeholder	Information/Interest Requirements from Project (two way)	Communication Channel	Date or Frequency	Responsible individual
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<b>Internal stakeholders</b>				
ODCS	Requires regular reports	Tabled reports	For each Board	Project Manager
Housing Needs	Information	Brief at Team meeting, Intranet	At each meeting	Housing Needs Rep
Welfare Reform Team	Information	Brief at Team meeting, Intranet	At each meeting	WRT Rep
Rents Team	Information	Brief at Team meeting, Intranet	At each meeting	Rents Team rep
Members	Information	FI Members Group, website	As required	Project Manager
Council Staff	Information	Council Matters, Intranet	Monthly	Project Manager
<b>External stakeholders</b>				
Landlords	Promotion of RGS, Information	Targeted advertising, newsletter for updates	Ongoing	Housing Needs Rep
Partners providing support (e.g. CAB)	Required to provide updates on customers, Information	121 meetings, stakeholder meetings, website	Quarterly	Housing Needs and WRT reps
Public	Information	Website	Monthly	Project Manager