

**To: Deputy Leader and Members of the Resources Board  
(Councillors L Smith, Johnston, Bowden, Butcher,  
N Dirveiks, Forwood, Fowler, Fox, Lea, Moore, Payne,  
Smitten, Y Stanley and Winter)  
For the information of other Members of the Council**

**For general enquiries please contact Emma  
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**For enquiries about specific reports please  
contact the Officer named in the reports.**

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## **RESOURCES BOARD AGENDA**

**24 MAY 2010**

The Resources Board will meet in the Chamber at The Council House, South Street, Atherstone, Warwickshire on Monday, 24 May 2010 at 6.30 pm.

### **AGENDA**

- 1 Evacuation Procedure.**
- 2 Apologies for Absence / Members away on official Council business.**
- 3 Declarations of Personal or Prejudicial Interests.**  
(Any personal interests arising from the membership of Warwickshire County Council of Councillors Fowler, and Lea, and membership of various Parish Councils of Councillors Butcher, Smitten and Y Stanley (Polesworth), Fox (Shustoke) and Moore (Baddesley Ensor), are deemed to be declared at this meeting).

- 4 **Request for discussion of En Bloc items.**

## **PART A – ITEMS FOR DISCUSSION AND DECISION (WHITE PAPERS)**

- 5 **Street Naming and Numbering – Introduction of Charges** – Report of the Assistant Director (Corporate Services)

### **Summary**

This report propose the introduction of charges for the processing of requests submitted to the Street Naming and Numbering service provided by the Authority.

The Contact Officer for this report is Andy Cooper (719432).

- 6 **Housing Finance Reform** – Report of the Director of Resources

### **Summary**

This report summarises the Government's latest consultation document setting out detailed plans for reforming council housing finance. It identifies the initial implications for North Warwickshire and the further work that will need to be done around the proposals.

The Contact Officer for this report is Chris Brewer (719259).

## **PART B – ITEMS FOR EN BLOC DECISIONS (YELLOW PAPERS)**

- 7 **Members' Allowances Out-Turn for 2009/10** – Report of the Director of Resources

### **Summary**

The purpose of this report is to advise Members of the allowances paid for 2009/10. The Council also has a duty to publish the amounts paid to Members under the Members' Allowance Scheme.

The Contact Officer for this report is Jackie Marshall (719379).

## **PART C – EXEMPT INFORMATION (GOLD PAPERS)**

### **8 Exclusion of the Public and Press**

#### **Recommendation:**

**That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.**

### **9 Progress Report – Housing Direct Works – Report of the Assistant Director (Housing)**

The Contact Officer for this report is Angela Coates (719369).

### **10 Community Support Control Centre Supervisor Post – Report of the Assistant Director (Housing)**

The Contact Officer for this report is Angela Coates (719369).

### **11 Proposed Replacement of EHO Post with Food Safety Officer – Report of the Assistant Chief Executive**

The Contact Officer for this report is Stephen Whiles (719326).

### **12 Computer Server Room Location – Report of the Assistant Director (Corporate Services) to follow**

The Contact Officer for this report is Linda Bird (719327).

### **13 Limes Development - Report of the Assistant Director (Streetscape) to follow**

The Contact Officer for this report is Richard Dobbs (719440).

JERRY HUTCHINSON  
Chief Executive

## **Agenda Item No 5**

### **Resources Board**

**24 May 2010**

#### **Report of the Assistant Director (Corporate Services)**

#### **Introduction of Charges for Street Naming and Numbering**

### **1 Summary**

- 1.1 This report proposes the introduction of charges for the processing of requests submitted to the Street Naming and Numbering service provided by the Authority.

#### **Recommendation to the Board**

**That the Board approves the introduction of charges for the Street Naming and Numbering service and the scale of charges identified in Section 5.1.1.**

### **2 Introduction**

- 2.1 The Council is the only organisation with authority to name and number streets and properties within the Borough.
- 2.2 There is a statutory responsibility to process requests for naming and numbering of new streets and properties. We also process requests for re-naming, re-numbering, adding of house names and confirmation of addresses.
- 2.3 Unlike a number of neighbouring Councils, this Council currently provides all of these services free of charge.
- 2.4 The street naming and numbering function also plays a crucial part in the maintenance of our local land and property gazetteer which is used as the key source of address data by the Council.

### **3 Background**

- 3.1 Sections 17, 18, 19 and 20 of The Public Health Act 1925 give the powers to the Local Authority to name / number properties and streets.
- 3.2 Under the Local Government Act 2003 Local Authorities have the power to charge for discretionary services, provided these charges do not exceed the cost of providing that service.
- 3.3 There is a considerable amount of staff time spent on street naming and numbering activities, and since we have a requirement to provide the service

we propose the introduction of a scale of charges to recover some of the costs of provision.

3.4 The process involves consultation including with developers, with local Councillors, and then with Royal Mail to obtain post codes; after this numerous internal departments and external bodies are notified.

3.5 We have reviewed the level of charges made by a number of local authorities and propose a scale of charge which is consistent with those made by others. If approved these charges would be put in place from the 1 June for all new requests.

## 4 Report Implications

### 4.1 Finance and Value for Money Implications

4.1.1 Below is the suggested scale of charges, with a comparison of charges from other Local Authorities.

LA	Add Name	Address Anomaly	New Development (per plot)	Re-Name / Number	Name a New Street	Re-name an existing street	Amend Dev Layout	Commercial Property
NWBC	£50	£25	£100 per dev up to 10 plots. £12.5 per additional plot.	£50	£100	On Application	£25 per plot	£25 per unit
NBBC			£105 up to 10 add £10.50 per additional plot		£105	£310		
Rugby DC	£25			£25				
Warwick DC	£51			£51				
Lichfield DC	£50		£150 up to 25 add £10 per additional plot	£50	£150	£300 + £20 per property	£25 per affected plot	£75 per unit
Birmingham			£33.50 in total up to 5 plots £67 in total over 5 plots		£465			
NW Leicester			£130 up to 5 add £15 per additional plot	£25		£250	£50 admin + £25 per affected plot	
Chorley	£25		£25 1 to 5 £20 6 to 10 £15 11 to 50 £10 50+	£25	£100	£100 + £25 per property	£25 per affected plot	
Hertsmere	£50		Varies between £2 and £10 depending on number of plots	£50		On application		
Harlow	£51		£122.40 up to 5 £255 6 to 19 £306 20 up	£76.50	£357	£357	£91.80 per plot	£158.10 per zone £86.70 per unit

4.1.2 The charge for re-naming of an existing street would be upon application and would depend on the number of households involved, and whether existing signage needed to be replaced.

4.1.3 Based on last year the proposed charges would have generated an income of approximately £2,750 toward the cost of providing the street naming and numbering service.

#### 4.2 Safer Communities Implications

4.2.1 Failure to carry out street naming and numbering could prove problematic to the emergency services, if an address is unrecognised, especially with Fire and Rescue services use of the National Land and Property Gazetteer.

#### 4.3 Legal and Human Rights Implications

4.3.1 We have a duty to provide elements of this service.

#### 4.4 Links to Council's Priorities

4.4.1 The implementation of charges for this service will help the Council in its priority to maintain a balanced budget and make the best use of its resources.

The Contact Officer for this report is Andy Cooper (719432).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

**Agenda Item No 6**

**Resources Board**

**24 May 2010**

**Report of the  
Director of Resources**

**Housing Finance Reform**

**1 Summary**

- 1.1 This report summarises the Government's latest consultation document setting out detailed plans for reforming council housing finance. It identifies the initial implications for North Warwickshire and the further work that will need to be done around the proposals.

**Recommendation to the Board**

- a That the proposals relating to Housing Finance Reform are noted;**
- b That a Members' Seminar is held in mid-June on the proposals; and**
- c That a detailed response be considered by Executive Board and Full Council on 28 June 2010.**

**2 Consultation**

**2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members**

- 2.1.1 The Portfolio Holders and Shadow Portfolio Holders for Housing and Resources have been sent a copy of this report and any comments from them will be reported at the meeting.

**3 Introduction**

- 3.1 On 25 March 2010 the Housing Minister published a second consultation document relating to reforming Council housing finance. A copy of the consultation can be found at:  
[www.communities.gov.uk/housing/decenthomes/councilhousingfinance/](http://www.communities.gov.uk/housing/decenthomes/councilhousingfinance/)

... 3.2 The consultations' questions can be found at Appendix A.

- 3.3 The consultation period ends on 6 July 2010.

#### **4. The Proposals**

- 4.1 The proposal is that in order to end the present subsidy/negative subsidy system, authorities will either pay a one-off capital sum to the Government, or have their borrowing reduced by a given amount. The amount of debt a Council will be required to take on will be in accordance with the Tenanted Market Value (TMV) of the stock. The TMV is a method of valuing housing stock by valuing the future income and expenditure needs.
- 4.2 In calculating the TMV, the CLG have made the following assumptions:
- Landlords will be required to follow national social rent policy and rents will converge with other social rents by 2015/16
  - A national increase of 27% in the Major Repairs Allowance
  - An increase in management and maintenance allowances
- 4.3 The self-financing model identifies a sustainable level of debt for each local authority based on the above assumptions around income and expenditure. This debt is compared to an authority's assumed debt level in the subsidy system and the difference is the amount a local authority is required to pay.
- 4.4 The self-financing model does not take account of any capital receipts in valuing the stock. The proposal is to allow authorities to retain all their housing receipts from HRA disposals, provided that 75% of those receipts are used for affordable housing and regeneration projects. The remaining 25% may be used for any capital purpose. This represents a transfer of funds from central to local government and would therefore reduce the resources for centrally funded housing programmes. Some expenditure currently supported by capital grant would have to be financed from an authority's own housing receipts.

#### **5 Financial Accounting & Regulatory Framework**

- 5.1 The Government proposes that all Council landlords should maintain a Council housing balance sheet that sets out the assets and liabilities of the Housing Revenue Account.
- 5.2 Under present rules, new borrowing taken for housing purposes can have a financial impact on the general fund. The consultation paper proposes that new debt for housing or general fund purposes should be earmarked to the HRA or General Fund, so that the full costs of this debt are met by the service taking it out.
- 5.3 The paper also proposes that existing debt, which is currently pooled, should be split between the HRA and General Fund, either by earmarking specific loans or by fixing the interest rate recharged to the HRA at the rate of interest prevailing at the time of the self- financing.



- 5.4 The Government is proposing that authorities will have some flexibility in how surpluses generated through self-financing are used. It will be for individual authorities to balance investment in major repairs and repayment of debt.
- 5.5 Government is concerned that any surpluses generated could be used to fund additional borrowing rather than repay existing debt and the impact this could have on national fiscal policies. They are, therefore, proposing a cap on borrowing for each authority at the self-financing debt level.
- 5.6 The Government believes that the settlement will allow Councils to start to pay off debt from year 1, creating an amount of borrowing headroom up to the opening level of debt, which could be used to fund new supply, which, when combined with Social Housing Grant, would provide capacity to deliver a substantial new build programme.
- 5.7 The consultation is asking all local authorities to indicate the level of new build they could deliver.
- 5.8 After a local authority has moved to self-financing, it will be in a position to make its own assessment of the benefits of a transfer of housing stock to a registered provider. No Government financial support would be made available to clear debt or provide grant support through gap funding.

## **6 The HRA Ring-Fence**

- 6.1 The Government are proposing a series of principles to enable local authorities to decide whether services should be paid for through the HRA or General Fund;
- Housing services that a landlord is required to provide through statutory obligations or by the TSA should be paid for through the HRA.
  - Some defined services should be paid for through the general fund, e.g. housing advisory services, a proportion of the administration of the common housing register and other strategic housing functions.

## **7 A Full and Final Settlement**

- 7.1 The aim is to achieve a one-off, full and final settlement. There should be no assumption of transfer back to Government if an authority misjudges its business plan.
- 7.2 However, there could be changes to policies which have an impact on the income of local authorities or require additional costs to be incurred. In such cases, Government would consider the consequences for Council landlords and deal with them as separate transactions.

## **8 Implementing Reform**

8.1 The consultation paper provides the information local authorities need to decide whether they would wish to proceed and implement this new system. If there is agreement, Government proposes to work towards voluntary implementation from 2011/12, if not voluntary and primary legislation is needed, then this could be during 2012/13

## 9 Proposals for North Warwickshire

### 9.1 Increase in Allowances

	%
9.1.1 Management and Maintenance	2.6
Major repairs allowance	36.4
Overall increase	12.7

	7% Discount Rate £000	6.5% Discount Rate £000
Proposed Debt	58,358	61,203
Assumed existing debt	3,417	3,417
Payment	54,941	57,785

### 9.2 Initial Comments on the Proposals

9.2.1 Clearly these proposals are complex and require a significant amount of work before an informed judgement can be made.

9.2.2 Despite the increased provision for repair and maintenance, these figures are still notional and may not reflect an accurate picture of the authority's actual repair and maintenance stock investment needs. It will, therefore, be necessary to update the Council's 30 year business plan with actual repair and maintenance and investment figures to determine whether this level of debt would be sustainable.

9.2.3 It will also be necessary to carry out work to establish whether any of the proposals have implications for the General Fund, particularly around proposals relating to the HRA ring fence.

9.2.4 Carry out a sensitivity analysis of the Council's business plan to assess the impact of change in interest rates, investment needs and timing.

9.2.5 Check the accuracy of data in the CLG model, which calculates the level of debt to be taken on.

9.2.6 Consider the size of any new build programme that could be delivered based on the 7% discount rate.

9.2.7 Undertake consultation with tenant groups.

9.2.8 The proposals in this consultation paper have significant implications, not only for the HRA, but also potentially for the corporate finances of the authority and the General Fund. It is not therefore an issue that falls solely within the purview of the Resources Board and is of such significance that the whole Council may wish to have the opportunity to comment.

9.2.9 It is therefore proposed to hold a seminar for all Members during mid-June covering the detailed issues around these proposals and to take a detailed report on the implications, together with a response to the consultation paper, to the Executive Board on 28 June 2010, followed by a Special Council Meeting on the same evening.

## 10 Report Implications

### 10.1 Finance and Value for Money Implications

10.1.1 The authority would have to take on an additional £54m-£58m of debt, depending on the discount rate used, which would need to be financed from the HRA. A future report will identify whether this is sustainable, together with the potential impact on the General Fund.

10.1.2 The proposal to reduce the resources available for centrally funded housing programmes and replace them with current pooled capital receipts could have implications for this authority's ability to fund these works if the value of pooled receipts does not equate to the reduction in government grant.

### 10.2 Environment and Sustainability Implications

10.2.1 As indicated above the environment and sustainability implications of the proposals will need to be assessed as part of the detailed considerations.

The Contact Officer for this report is Chris Brewer (719259).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
1	DCLG	Consultation Paper	

Consultation Questions

1. What are your views on the proposed methodology for assessing income and spending needs under self-financing and for valuing each council's business?
2. What are your views on the proposals for the financial, regulatory and accounting framework for self-financing?
3. How much new supply could this settlement enable you to deliver, if combined with social housing grant?
4. Do you favour a self-financing system for council housing or the continuation of a nationally redistributive subsidy system?
5. Would you wish to proceed to early voluntary implementation of self-financing on the basis of the methodology and principles proposed in this document? Would you be ready to implement self-financing in 2011-12? If not, how much time do you think is required to prepare for implementation?
6. If you favour self-financing, but do not wish to proceed on the basis of the proposals in this document, what are your reasons?

**Agenda Item No 7**

**Resources Board**

**24 May 2010**

**Report of the Assistant Director (Finance and Human Resources)**

**Members' Allowances Out-turn for 2009/10**

**1 Summary**

- 1.1 The purpose of this report is to advise Members of the allowances paid for 2009/10. The Council also has a duty to publish the amounts paid to Members under the Members' Allowance Scheme.

**Recommendation to the Board**

**That the report be noted.**

**2 Consultation**

**2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members**

- 2.1.1 None.

**3 Report**

**3.1 Out-turn for 2009/10**

- 3.1.1 The cost of Members' Allowances paid in 2009/10 was £240,340. A breakdown of these costs is shown at Appendix A. There were no claims in respect of Dependents'/ Carers' Allowance.

**4 Report Implications**

**4.1 Finance and Value for Money Implications**

- 4.1.1 Provision was made in the cost of Democratic Processes.

**4.2 Legal and Human Rights Implications**

- 4.2.1 The Authority is obliged to publish details of the total sum paid to each Member in respect of each of the following:-  
Basic Allowance  
Special Responsibility Allowance  
Dependents'/Carers' Allowance  
Travel and Subsistence and  
Co-optees' Allowance.

4.2.2 This is a requirement under the Local Authorities (Members' Allowances) (England) Regulations 2003.

The Contact Officer for this report is Jackie Marshall| (719379).

### **Background Papers**

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

<b>Background Paper No</b>	<b>Author</b>	<b>Nature of Background Paper</b>	<b>Date</b>

## MEMBERS' ALLOWANCES PAID 2009/10

## APPENDIX A

Name	Initials	Basic Allowance £	Special Responsibility £	Travel £	Subsistence £	Total £
Bowden	J	4941.96	1,745.04			6,687.00
Butcher	D	4941.96	1,745.04	170.57		6,857.57
Davis	MC	4941.96		84.14		5,026.10
Dirveiks	LE	4941.96				4,941.96
Dirveiks	N	5178.02				5,178.02
Forward	A	4941.96				4,941.96
Fowler	PJ	4941.96	589.39	103.31		5,634.66
Fox	C	4941.96	1,745.04	830.53		7,517.53
Freer	LE	4941.96	1,538.64			6,480.60
Gordon	DR	4941.96		196.79		5,138.75
Hayfield	CC	4941.96	10,986.96	590.78	63.92	16,583.62
Jenkins	RM	4941.96				4,941.96
Johnston	K	4941.96	1,745.04	122.77	33.79	6,843.56
Lea	J	4941.96	1,745.04			6,687.00
Lewis	A	4941.96		80.58	151.35	5,173.89
May	MC	4941.96	4,600.01	396.72	6.50	9,945.19
Moore	JS	4941.96	1,745.04	156.86		6,843.86
Morson	PF	4941.96	472.18			5,414.14
Moss	BP	4941.96		739.40	57.55	5,738.91
Moss	MC	4941.96		211.57	22.52	5,176.05
Orton ***			293.04			293.04
Payne	RV	4941.96	1,745.04	446.76		7,133.76
Phillips	H	4941.96	4,656.96	579.39	41.90	10,220.21
Pickard	DN	4941.96				4,941.96
Sherratt	GJ	4941.96	1,745.04	641.55		7,328.55
Simpson	MC	4941.96	4,983.00			9,924.96
Smith	LJ	4941.96	4,983.00	2,777.19	205.92	12,908.07
Smitten	WC	4941.96	1,745.04			6,687.00
Stanley	ME	4941.96		26.44		4,968.40
Stanley	Y	4941.96		14.09		4,956.05
Swann	ST	4941.96	4,868.45	525.53		10,335.94
Sweet	R	4941.96	1,745.04	106.38	11.00	6,804.38
Welby	T	4941.96				4,941.96
Winter	JG	4941.96		380.63	239.81	5,562.40
Wykes	TV	4941.96	1,538.64	158.52		6,639.12
Zgraja	H	4941.96				4,941.96
TOTAL		173,204.66	56,960.67	9,340.50	834.26	240,340.09

\*\*\* Chairman of Standards Committee (not an elected Member) -Co-optee Allowance