

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

For the information of other Members of the Council

For general enquiries please contact Emma
Humphreys/Amanda Tonks on 01827 719221 or
via email – emmahumphreys@northwarks.gov.uk
or amandatonks@northwarks.gov.uk.

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

This document can be made available in large
print and electronic accessible formats if
requested.

RESOURCES BOARD AGENDA

26 OCTOBER 2009

The Resources Board will meet in the Chamber at The Council House,
South Street, Atherstone, Warwickshire on Monday, 26 October 2009,
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) 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 **Electronic Services Update and Plans for Increasing Use** – Report of the Assistant Director (Corporate Services)

Summary

This report gives an update on the use of the Council's Website and those services we delivery on-line via the Internet. The report also provides information on how we plan to increase and improve the use of the website for those services that can be most effectively provided on-line.

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

- 6 **Empty Private Sector Homes – Enforcement and Intervention Protocol Update** - Report of the Assistant Chief Executive and Solicitor to the Council

Summary

This report described measures which can be used to encourage the occupation or marketing of empty homes.

The Contact Officer for this report is David Baxendale (719322).

- 7 **Building Council Properties** – Report of the Assistant Director (Housing)

Summary

Following the Resources Board recommendations at their meetings in July and September this year about bidding for Social Housing Grant to build Council properties this report updates the Board on progress so far.

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

- 8 **Capital Programme 2009/2010 – Period Ending September 2009** – Report of the Assistant Director of Finance

Summary

The report updates Members on the progress of the 2009/10 capital programme in terms of both expenditure and outcomes.

The Contact Officer for this report is Sara Haslam (719489).

- 9 **Homelessness and Housing Advice Service** – Report of the Assistant Director (Housing)

Summary

This report updates Members on the work of the Housing Pre Tenancy Team (homelessness and allocations), the impact of the economic climate on the service, and requests an additional member of staff to enable the service to be extended and improved.

The Contact Officer for this report is Helen Hughes (719494).

- 10 **Consultation on Reforming Council Housing Finance** – Report of the Director of Resources – (Report to follow).

Summary

This report attaches a proposed response to the above consultation paper for endorsement by the Board.

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

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

- 11 **Capital Prudential Indicators 2008/09 Out-Turn** – Report of the Assistant Director (Finance)

Summary

This report updates Members on the outturn of the capital related prudential indicators for 2008/09.

The Contact Officer for this report is Sara Haslam (719489).

- 12 **Prosecution Outcome – Housing Act 2004 Improvement Notice** - Report of the Assistant Chief Executive and Solicitor to the Council

Summary

In accordance with protocol, results of prosecutions are reported to the appropriate service Board. This report describes the outcome of a prosecution of a private sector landlord under the Housing Act 2004 for failure to comply with an Improvement Notice.

The Contact Officer for this report is Robert Watson (719305).

- 13 **Revised Housing Allocations Policy** – Report of the Assistant Director (Housing)

Summary

This report presents a revised property allocations policy to Members for consideration and comment.

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

- Budgetary Control Report 2009/2010 – Period Ended 30 September 2009** – Report of the Assistant Director (Finance and Human Resources)

Summary

The report covers revenue expenditure and income for the period from 1 April 2009 to 30 September 2009. The 2009/2010 budget and the actual position for the period, compared with the estimate at that date, are given, together with an estimate of the out-turn position for services reporting to this Board.

The Contact Officer for this report is Nigel Lane (719371).

- 14 **Consolidated Budgetary Control Report 2009/2010 – Period Ended 30 September 2009** – Report of the Assistant Director (Finance and Human Resources)

Summary

The report covers total Council General Fund revenue expenditure and income for the period from 1 April 2009 to 30 September 2009.

The Contact Officer for this report is Nigel Lane (719371).

- 15 **Consolidated Budgetary Control Report 2009/2010 - Period Ended 30 September 2009** – Report of the Assistant Director (Finance and Human Resources)

Summary

The report covers total Council General Fund revenue expenditure and income for the period from 1 April 2009 to 30 September 2009.

The Contact Officer for this report is Nigel Lane (719371).

- 16 **Housing Revenue Account Budgetary Control Report 2009/2010 Period Ended 30 September 2009** – Report of the Assistant Director (Finance and Human Resources)

Summary

The report covers total Housing Revenue Fund revenue expenditure and income for the period from 1 April to 30 September 2009.

The Contact Officer for this report is Nigel Lane (719371).

PART C EXEMPT INFORMATION (GOLD PAPERS)

17 **Exclusion of the Public and Press**

Recommended:

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.

18 **Phoenix Yard, Atherstone** – Report of the Corporate Property Officer

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

19 **Sale of Land off Rectory Road/Bournebrook View, Arley** – Report of the Assistant Director (Housing)

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

20 **Request to Cross Land at Owen Square, Atherstone** – Report of the Assistant Director (Housing)

The Contact Officer for this report is Maureen Abbott (719312).

21 **Proposed Structure Change in the Finance and Human Resources Division** – Report of the Assistant Director (Finance and Human Resources)

The Contact Officer for this report is Sue Garner (719374).

22 **Land Sales** – Report of the Corporate Property Officer

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

JERRY HUTCHINSON
Chief Executive

Agenda Item No 5

Resources Board

26 October 2009

Report of the Assistant Director (Corporate Services)

Electronic Services Update and Plans for increasing use.

1 Summary

- 1.1 This report gives an update on the use of the Council's Website and those services we delivery on-line via the Internet. The report also provides information on how we plan to increase and improve the use of the website for those services that can be most effectively provided on-line

Recommendation to the Board

That the report is noted.

2 Report

- 2.1 Each year this Board receives an update on the use of the Council's website and how information and services are being provided directly to the public through "self-service" over the Internet. Section 4 of this report gives this update information.
- 2.2 Given the need for efficiencies, which could save staff and customers time and in turn the Council costs; this report also outlines work we have planned to encourage customers to move away from costly, resource intensive and time consuming ways of accessing services to using the website. This work will build on the trend of increasing use of on-line services.
- 2.3 It is recognised that the website is not and may never be the most appropriate way to deliver our more complex or personalised services. We also need to ensure we do not exclude people from services or disadvantage them unduly due to their lack of access or skills. However, mindful of this, the website can and should be the first point of call for information and for the completion of standard service request. Section 5 of this report gives information on the benefits we can get from people to changing how they use our services and our plans for moving them to self-service via the internet and for monitoring their satisfaction with this move.

3 Electronic Service Provision

3.1 The Council's Website.

- 3.1.1 In 2004/05 the Council's website had an average of 2,750 visitors per month, this rose to 10,344 by 2006/07 and in 2008/09 we had a monthly average of 22,009 visitors who accessed over 2.5 million pages a month. This level of use should impact on demand for information provided in paper format or via the phone. For example if 10% of our website visitors decided to call us to find out the information they need it could, based on a call length of 2 minutes, add over 70 hours of work

into the Contact Centre.

3.1.2 The Council's website aims to contain information on all the services provided by the Borough and links to services provided by the County Council and other organisations. Citizens should be able to get answers to all their "information" type service requests and also apply for the majority of services on-line. The most frequently accessed sections are News, Jobs, Sport and Leisure and Refuse and Recycling and popular pages include:

- Benefits Advice
- Swimming Pool Times
- Discretionary Housing Payments
- Jobs
- Recycling leaflet
- Guidance for Householder Developments

3.1.3 The demand for information from the website is in part cyclical e.g. play schemes during school holidays, but we have to be flexible, able to anticipate people's needs and respond to one off events for example:

- School closure information came in to the top 10 during the snow in February 2009.
- Advice on paying bills featured in December 2008.
- Information on the location of tips and dumps was popular in August 2008.

3.1.4 The website is heavily used as a source of information by staff within the Council. The next most popular way for people to arrive at our website is through a search engine such a Google.

3.2 On-line Planning

3.2.1 Access to the basic details of all planning applications back to 1960 is provided via the Planning web pages, as are details of listed buildings and the majority of planning decision notices. Statutory consultees and members of the public are able to view applications over the Internet and make comments electronically.

- 01/04/07 to 31/03/08 we received 263 comments received via public access
- 01/04/08 to 31/03/09 we received 298 comments received via public access
- 01/04/09 to 07/10/09 we received 173 comments via public access

3.2.2 People are also able to submit planning applications electronically using the Planning Portal. The number of applications being submitted electronically is increasing. Applications received electronically provide efficiencies for example by removing the need to scan the application for public display via Public Access.

- 01/04/07 to 31/03/08 8.75% of applications were received via the planning portal
- 01/04/08 to 31/03/09 30.37% of applications were received via the planning portal.
- 01/04/09 to 07/10/09 29.51% of applications were received via planning portal

3.2.3 We expected the uptake of electronic submissions to continue to increase during 2009/10 due to the new application form and through promotion of the on-line service.

3.2.4 People and companies can search our Local Land Charges information via NLIS (National Land Information System). Despite the impact of the downturn in the housing market on the number of searches the proportion done on-line has

increased:

- 287 Full Searches for period 1 April 2007 to 31 March 2008 = 42% of total full searches
- 59 Full Searches for period 1 April 2008 to 31 March 2009 = 45% of total full searches
- 63 Full Searches for period 1 April 2009 to 07 October 2009 = 36% of total full searches

3.3 Leisure Booking On-line System

3.3.1 The on-line booking facilities provided for our Leisure Services are proving to be very popular. The table below shows the numbers of bookings for the main sports and how these have increased over the last 2 years. Atherstone Leisure Centre went live during the 2008/09 year and as such their figures will be available next year

	Arley			Coleshill			Polesworth		
	07/08	08/09	Increase	07/08	08/09	Increase	07/08	08/09	Increase
Badminton	84	183	118%	228	718	215%	95	354	273%
Fitness Suite		195			52			468	
Squash	87	93	7%	823	1506	83%	633	1090	72%
Totals	171	471		1051	2276		728	1912	

3.3.2 National figures¹ based on research in Local Government indicate that it costs on average £6.56 to do a single service transaction face to face compared with an average of £3.22 on the phone and £0.27 online. Using these average figures the 4659 online bookings taken in 2008/09 equates to a cost of £1,258 using the web compared with an indicative cost of £30,563 for providing this service face to face or £15,000 via the telephone, giving an efficiency saving of between £14,000 and £29,000.

3.4 Payments

3.4.1 The number of payments made electronically is something we have measured for a number of years and can be seen in the table below.

Method of Payment	2003/04	2004/05	2005/06	2007/08	2008/09	Increase 07 to 08/09
Web Payments	360	800	1,200	1,800	2,200	22%
Telephone Payments	3,100	8,500	10,500	10,500	11,300	7.5%
Face to Face Payments (excl Leisure)	3,100	2,500	1,000	900	1,200	38%
Bank Automated Clearing System	218,000	245,000	255,000	263,000	280,900	6.8%

3.4.2 The trend is towards payment via electronic methods such as the web and telephone using debit and credit cards. These and BACS payment are cost effective, convenient and secure methods of payment for customers and the Council and as such we will continue to promote and encourage their use. However, we need to be mindful that we are not excluding or disadvantaging people who are unable to make payments in these ways.

¹ Source Socitm Insight December 2008

3.5 **New On-line Services**

3.5.1 The last 12 months has seen the introduction of new on-line services including:-

- Housing Choice Based Letting – The “Uchoose” on-line service has gone live. It allows people to see the properties available to rent and they can express an interest in them.
- Customer Satisfaction – The “GovMetric” system enables us to collect and act on our customers views of our services including the information we have on the website. We will be using the feedback to improve the services we provide.
- Specific Web Sites – We have developed specifically branded web sites to support the work of the Branching Out Bus (BOB) and Wellness Matters.
- Social Networking – We now use Twitter and Facebook to make people aware of our news and information and to engage with specific customers such as young people.
- Licences - We are working to implement the EU Services Directive which will give us access to nationally agreed and government provided on-line forms for applications to complete for a range of licences and permits.

3.5.2 The use and impact of these services will be included in this report next year.

4 **Increasing the use of Electronic Services**

4.1 As can be seen from some of the information included in Section 3 on-line services can deliver efficiencies for the Council by moving service provision from more costly and resource intensive channels such as paper information, face to face and the telephone to self-service via the Internet and the Council’s Website. Over time these efficiencies should become sufficiently significant to enable us to achieve cash savings or avoid additional costs if demand for services increases.

4.2 Getting citizens and customers to change how they use services is not a simple or quick process. They need to be convinced that there is a benefit to them from self-service and they must be confident that they are getting a good, secure and reliable service.

4.3 There has been a significant amount of research done into migrating customers to web self-service, this is often known as “channel migration”. This research and good practice advice has been used to help us develop a programme of work which will focus on moving customers to the website for 10 of the Council’s most frequent information/service requests. This information has been obtained by working with the Contact Centre Manager and we will continue to work with her and Service Managers to try to ensure that service quality and customer satisfaction is maintained.

4.4 The 10 services chosen as our priority for the next 12 months include:-

- Replacement Bins and Bags
- Council Tax Change of Address/ Circumstance
- Fly tipping
- Job Vacancies
- Dog Warden
- Missed Bin Collection
- Streetscape Reporting
- Bulky Collections
- General Enquiries* to be broken down
- Pest Control Request

4.5 Some elements of these services may not be able to be made self-service, but these will be identified as we review the processes and improve the information and forms on the website.

4.6 The payment process cuts across a number of services and as such we will separately investigate the feasibility of increasing the number of electronic payments and reducing debtor accounts by moving to prepayment.

4.7 Other activities we plan to do as part of this project include:

- Get a better understanding of our own costs of providing service via the different channels.
- Measure and monitor the number of transactions we have for each service and each channel i.e. how many missed bins are reported via phone, face to face and the website.
- Use the Council's Experian Customer Insight Information to:-
 - Ensure we are communicating with people in the ways they prefer.
 - To find out if customers are actually willing and able to use electronic services e.g. do they already use e-banking, on-line shopping etc.
 - To promote changes to on-line services effectively.
- Use GovMetric to help us improve services based on direct feedback from customers and to measure how satisfied they are with on-line services.
- Calculate efficiencies achieved through moving services and customers to on-line services.

5 Report Implications

5.1 Finance and Value for Money Implications

5.1.1 There are no financial implications arising directly from this report. However, it is anticipated that increasing the use of on-line services will deliver efficiencies.

5.2 Environment and Sustainability Implications

5.2.1 Providing information and services on-line enables people to access them without having to travel to a Council building.

5.3 Equalities Implications

5.3.1 We aim to continue to make our website compliant with accessibility standards. The website contains functionality to make it more easily readable for people with visual impairments and can be read out to people using "Browse Aloud" software.

5.4 Links to Council's Priorities

- 5.4.1 The website is an important way for customers to gain information and to access on-line services, such as Leisure bookings and Planning applications. Its ongoing development supports commitments made in the Council's Customer Access Strategy. The provision of services via the web can be more cost effective than providing paper information or delivering services face to face or over the telephone.

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

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

26 October 2009

Report of the Assistant Chief Executive and Solicitor to the Council

Empty Private Sector Homes – Enforcement and Intervention Protocol Update

1 Summary

- 1.1 This report described measures which can be used to encourage the occupation or marketing of empty homes.

Recommendation to the Board

That the protocol is accepted and applied in the context of available resources and priorities.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Councillors Johnston and Winter, Portfolio and Shadow Portfolio Holders for Housing, have been consulted along with the Housing Portfolio Group. Their responses, if any, will be reported to the Board.

3 Introduction

- 3.1 Members received a report (background paper 1) on empty homes in January, from which one outcome, recommendation d, required a review and report back on an 'empty homes enforcement protocol' via the Housing Portfolio Group.

- ... 3.2 The protocol attached at Appendix A was discussed and agreed in principle, for onward reporting to the Resources Board.

- 3.3 The situation with regard to private sector empty homes has been and remains fluid, as it is dominated by financial circumstances and the property market. Numbers of 'long term' (over six months) vacant homes went up and fell back again, but not to their original level. There remain many homes which are either on the market for sale or rent, or else are being kept off the market empty presumably until prices recover. Other homes remain empty for various reasons such as the need for expensive repairs, or as second homes, holiday homes, investments, or whose owners cannot be contacted or fail to respond. Some owners cannot be identified.

- 3.4 The draft protocol details the kind of measures the Council can apply, if it has the resources (funding, staff time and skills) and the will to do so. Those measures go beyond the traditional view of enforcement to include other interventions such as

partnership working, information, buying and leasing. Generally, they can be grouped into;

- a those which the Council may do (non enforcement)
- b those which the Council can do (enforcement)
- c those which the Council must do (enforcement)

The above options have been grouped as a 'traffic light' system, detailed and explained in the appendix.

- 3.5 Two of the three staff who were actively delivering this project have left the Council recently and have not currently been replaced, pending review. Accordingly, priorities have been re-examined and work redistributed. Members will be aware of the recommendations of the environmental health service review and the potential implications for private sector housing work. In the context of currently available resources and priorities, it is proposed that the remaining staff focus on group c (enforcement – must do), and undertake whatever measures in groups a and b are viable, with emphasis on reactive work i.e. complaint/request led with community impact.

4 Report Implications

4.1 Finance and Value for Money Implications

- 4.1.1 Positive in regard to focus on mandatory activity, regulatory consistency and the generation of Council Tax revenue, plus expenditure on repairs in the local economy and the preservation of assets.

4.2 Safer Communities Implications

- 4.2.1 Positive if it brings any empty homes back into use.

4.3 Legal and Human Rights Implications

- 4.3.1 Positive in providing transparency in respect of the Councils activities.

4.4 Environment and Sustainability Implications

- 4.4.1 Positive in making better use of existing resources and assets.

4.5 Human Resources Implications

- 4.5.1 Neutral – no additional staff or re-grades. May develop staff skills and experience with focused work.

4.6 Risk Management Implications

- 4.6.1 A risk management matrix / assessment has been drafted and is attached to this report.

4.7 Links to Council's Priorities

- 4.7.1 Links to improving the environment and housing, and best use of resources, and indirectly tackling the fear of crime and anti-social behaviour.

The Contact Officer for this report is David Baxendale (719322).

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	ACE	Board report – Resources, agenda item 7	12.1.2009

Empty Property 'Enforcement' and Intervention Protocol

The first matter to recognise in any empty property strategy or individual decision about intervention is what we are trying to achieve. The Borough Council recognises that there are an increasing number of empty homes in the area, due to several causes and combinations. There are good reasons to reduce the number of vacant homes, especially those long-term vacant.

Empty homes are a wasted resource, both financially and in terms of housing stock provision whilst other people remain homeless or in overcrowded or unsatisfactory situations. Getting empty homes occupied reduces property deterioration and associated crime, and increases Council Tax revenue whilst reducing development pressures elsewhere. However, there needs to be a level of property vacancy for the housing market to function, and some properties will be uneconomical to return to use in the current climate.

It is recognised that some properties will have been vacant for short periods and for genuine reasons (e.g. probate), whilst others have been empty for longer periods and for no apparently good reason. It is also recognised that some empty properties will be in good or average condition and almost immediately habitable, whilst others will be in poor condition and may need investment to make habitable or saleable.

It is recognised that some owners will be known or able to find and some will not, and that some owners will be willing to engage and others will resist or ignore attempts to get the property occupied or 'to market'.

It is recognised that some properties will come to the Council's attention because of community complaints and the impact on neighbours, whilst others may be found through proactive and reactive programmes such as visits to properties which have been exempt Council Tax for 6+ months.

The Council's responses to each of the various above combinations may range from doing nothing, through informal contact and persuasion, through offers of grants, loans, finding and managing tenants (lease agreements), and various enforcement measures up to and including compulsory purchase, enforced sale and Empty Dwelling Management Orders.

This paper describes those intervention options and proposes a set of flexible criteria to address them. Options may be discretionary (non enforcement), discretionary (enforcement), or mandatory (enforcement). Some options and legislation may have multiple properties e.g. mandatory and discretionary enforcement. See *'traffic light system'* note towards end of final page.

Step 1: Information*

To keep the project manageable, it is proposed to investigate only those properties empty for 6+ months unless there are valid community concerns about the impact of any problems on the neighbours or wider area.

Knowledge about an empty property may come from a local resident or representative. Key facts to establish are-

- The address of the empty property
- Any details of ownership
- Is the property advertised for sale or rent (and who with)
- How long, approximately, has the property been vacant and why?
- What is the general condition of the property?
- Are there any specific problems or risks such as vandalism, arson, penetrating dampness, structural instability, squatters, vermin etc?

- Details of the complainant(s) including contact information
- Any extant enforcement action by the Council including other departments such as Planning / Building Control
- Interests from the Fire Service or Police
- Land registry search details

Information may also come from the owner of a property they cannot sell or rent, or may be gathered by enquiries to Council Tax etc.

Each property should generate a 'file' which may be maintained on the TRIM system and/or paper as determined by operational needs.

The lead officer for the subject is the EH Manager, and for each specific property will be the staff to whom the task is allocated. Progress on a property by property basis will be via monthly 1:1 and quarterly reports to Portfolio group and annual to Board.

There is no specifically identified budget for this activity, save for any Decent Homes funding which can be utilised to bring non decent homes back into occupation by vulnerable households.

Step 2: Dialogue*

Dialogue can only be undertaken if an owner or their agent or representative (including lenders for repossessed properties and the official receiver for bankrupts) can be identified. However, dialogue should also be maintained with the complainants, if any, and neighbours impacted upon.

For properties with no known owner etc. or no other address to communicate with, letters and notices can be left at the vacant premises unless the letter box is sealed (or none present), and may be posted onto the premises door(s) if vital and if it would not compromise the security of the premises by drawing unwanted attention to it.

When an owner etc. is known, the initial letter should seek to confirm and develop the key facts as described above, to put the Council's case for bringing empty homes back into occupation or to the market, and to ask "is there anything the Council can do to assist you with bringing this empty property back into occupation or to market?".

Responses received, if any, will assist with the next phase.

**Information and dialogue can be both discretionary and mandatory, the latter if it involves a requirement to investigate a nuisance complaint or matter leading to mandatory enforcement, or mandatory consultation as part of an enforcement process.*

Step 3: Generate and evaluate options against agreed criteria

Options may range from;

<<discretionary non-enforcement>>

- Do nothing
- Informal contact (verbal and/or written), perhaps with review programmed in for 6-12 months
- Financial assistance and tenancy management options >

Some Councils will offer to purchase empty homes either directly or via an Registered Social Landlord (RSL), for refurbishment and onward sale or rent. Clearly this requires a start-up budget and staffing to manage the process, but is cheaper and quicker than a CPO.

Most Council's will work with a Home Improvement Agency (HIA), and owners who want to renovate, sell or rent a property and have funds but not the time or skills, may be offered HIA support to achieve this. The cost of that support may be recovered in full, discounted or waived.

Some Councils may underwrite private loans where, for example, a major lender will only loan 80% LTV (loan to value) and a purchaser requires more funding to complete

renovations. This option requires sufficient equity to return the Council's investment and carries some risk.

Some Councils offer grants, loans and a variety of equity release products (directly or indirectly), utilising Houseproud and/or Kick-Start funding (NWBC is not yet engaged in either scheme).

Some Councils can offer a Private Sector Leasing agreement - on a short term to provide non-secure occupancies, not tenancies.

Some Councils offer 'find a tenant' schemes, matching people who need homes with people who need tenants. These can be supported by rent / bond deposit schemes.

Revocation of Council Tax discount - Empty homes currently enjoy a discount of at least 50% on Council Tax (more if uninhabitable), which is discretionary relief the Council can choose to apply or not.

- **Publicity**

Name & Shame - publicising details of cases** has been suggested in order to shame owners into acting, but counter-arguments of human rights intrusions (right to privacy and property etc., no undue persecution) have also been raised. ***publication can relate to enforcement cases – some information may be in the public domain as a result of Court outcomes.*

The Council can also publicise its activities generally (policy) and/or specifically in relation to particular properties which can be anonymised to avoid the above Human Rights issues.

<<discretionary enforcement - powers>>

Town & Country Planning Act 1990 - section 215 deals with properties 'detrimental to the amenities of the area'. This power is used more often in some areas than others.

Building Act 1984 - powers under sections 77-79 to deal with 'ruinous and dilapidated buildings and neglected sites', to require repair or demolition. Powers under section 59*** and elsewhere deal with defective or inadequate drainage including guttering, and section 76 with 'premises prejudicial to health or a nuisance'. ****section 59 is mandatory – a duty to enforce. Other sections are discretionary – powers.*

Local Government (Misc. Provisions) Act 1982, section 29 - the Council can require insecure buildings to be made secure.

Enforced sale - a variety of actions resulting in financial charges upon property can trigger the enforced sale process if unpaid.

Empty Dwelling Management Orders (Interim and Final) can be applied to properties which meet certain criteria, though these are complex to undertake and have not yet proven themselves widely popular. HOWEVER, the threat of this action or others may produce a result without needing to see the action through.

Compulsory Purchase Orders (CPOs) - usually as a final resort, again a lengthy and complex process with compensation and legal costs which is rarely undertaken except in extreme circumstances.

<<mandatory enforcement - duties>>

The Housing Acts of 1985 and 2004 give a range of options to require the repair, closure and demolition of property. Whilst primarily for the protection of occupiers, these powers can be used to prevent unsafe occupation by e.g. closure, and carry financial penalties for non compliance.

The Environmental Protection Act 1990, sections 79-81, gives similar nuisance powers to the BA1984 above, but less urgent. Section 82 allows any person to take a private nuisance action via the magistrates Court, with a lower burden of proof.

The Prevention of Damage by Pests Act 1949 – sections 2 and 4 require or allow the Council to secure the removal and destruction of rodent infestations.

Various provisions under the Public Health Acts 1936 and 1961***, and the Refuse Disposal Amenity Act 1978 and Environmental Protection Act 1990 etc. allow or require the Council to get rid of fly tipped and abandoned items (but with limitations, and only if/when expenses

can be recovered) and deal with the cleansing of filthy and verminous premises. ****relevant provisions in the 1961 PHA and 1990 EPA are discretionary powers, not duties.*

Step 4: Implement chosen option(s)

Clearly there are many options available and various factors which might exclude or point towards particular options.

It is suggested that for each case, the above list and any other available powers, duties and opportunities, are considered and **graded*** as to their appropriateness. If one measure is tried and does not succeed, the matter can escalate to the next appropriate measure. These choices and decisions would have to be recorded for audit and legal purposes, in order to demonstrate compliance with the Council's enforcement policy. Measures would have to be seen to be consistent, fair and proportional, and carried out within reasonable timescales as well as being value for money.

The grading approach can entail both simple pass/fail decisions (e.g. option 1 **MUST** be done but option 4 **CANNOT** be done), and can apply relative values of one option over another. Details would have to be agreed between the operational staff and their manager.

The above options have been generally grouped into the three broad categories, which can be considered as a traffic light system. Green for discretionary non enforcement, yellow for discretionary enforcement and red for mandatory enforcement.

David Baxendale, Environmental Health Manager

Worked example(s) - for discussion & 'training' purposes

123 High Street, Anytown, vacant for 11 months as owner inherited from deceased parent's estate. House for sale but no offers.

12 New Street, Anyvillage, vacant for 12 years with no known owner, overgrown garden, deteriorating structure, windows, doors and roof etc. and impacting on neighbour's house.

29 Old Road, Anywhere, vacant for 18 months, owner would rent but cannot afford basic repairs, decor and heating/insulation upgrade.

Risk Management Form

NORTH WARWICKSHIRE BOROUGH COUNCIL

Regulatory Division

Cost Centre or Service – Empty private sector homes, enforcement and interventions

Risk Ref	Risk: Title/Description	Consequence	Likelihood (5 = high, 1 = low)	Impact (5 = high, 1 = low)	Gross Risk Rating	Responsible Officer	Existing Control Procedures	Likelihood (5 = high, 1 = low)	Impact (5 = high, 1 = low)	Net Risk Rating
	<p>Risk of failure to act.</p> <p>Risk of taking wrong action(s).</p> <p>Risk of taking action(s) wrongly.</p>	<p>Vacant property left – possible impacts to neighbours property & health etc., community (crime), arson.</p> <p>Possible challenge (appeal), loss of prosecution, claim against Council or inability to recover costs, reputational damage, ombudsman.</p>	5	2	10	EHM (Domestic)	Staff selection for appointment, induction and ongoing professional training, supervision, restricted signatures to enforcement notices, enforcement action reviews by EHM / legal before summons. Public liability and Officials' indemnity insurances.	1	2	2
Risk Ref	Options for additional / replacement control procedure						Cost Resources	Likelihood (5 = high, 1 = low)	Impact (5 = high, 1 = low)	Net Risk Rating
	Further training, closer supervision, internal/external systems audit plus possible peer review.						Yes – staff time, training costs, time and costs of audit / peer review	1	1	1

Completed By: David Baxendale

Date: 3/9/2009

Agenda Item No 7

Resources Board

26 October 2009

Report of the Assistant Director (Housing)

Building Council Properties

1 Summary

- 1.1 Following the Resources Board recommendations at their meetings in July and September this year about bidding for Social Housing Grant to build Council properties, this report updates the Board on progress so far.

Recommendation to the Board

- a That the progress of the project to bid for Social Housing Grant to build Council properties be noted; and**
- b That the funding required to carry out the work of the project up to making the bid for Grant be approved.**

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 The Housing Portfolio Holder Group has considered the changes which are enabling Local Authorities to build their own properties, has welcomed them and requested that the Council takes up the opportunity to build its own properties providing it is financially viable for it to do so.
- 2.1.2 Local Ward Members have been fully consulted about the land proposed for development outlined in this report. The Ward Members for the areas which will have small developments are supportive of the plans.

3 Background

- 3.1 The Council has decided to bid for Social Housing Grant in the October round of the Government's Local Authority new build programme. In order to do so the Housing Division has appointed architects to develop plans for four sites across the Borough and is working in partnership with Waterloo Housing Association to understand the build requirements of each site in order to make a bid for Grant by 30 October 2009.
- 3.2 Members might be interested to note that in the July round of bidding a wide range of developments were considered by the Homes and Communities Agency and attracted grant. A list of those approved has been placed in the Group Offices for information. In the West Midlands only Sandwell and Birmingham attracted grant. It is hoped that a rural bid such as ours should attract favourable consideration.

4 Project Progress

- 4.1 The Housing Division has made progress against all of the actions agreed by the Resources Board.
- 4.2 The Planning Board will consider an application for the four sites at Kingsbury (6 houses), Arley (6 houses), Fillongley (4 houses) and Water Orton (9 bungalows) at its meeting on 19 October 2009. If the developments are approved the Housing Division will complete the necessary processes to bid for Social Housing Grant from the Homes and Communities Agency.
- 4.3 It is crucial for the bid for Grant that costs to develop each scheme are accurately assessed. In order to do this the Housing Division has acted to understand each site in detail and to be able to state as clearly as possible how the properties will be developed to ensure good design and good sustainability features. In order to do this detailed site investigations are being undertaken and an Employers Agent has been appointed to evaluate the costs of the design and build schemes proposed.

5 **Next Steps**

- 5.1 The Resources Board has understood from the beginning of this project that being able to indicate that we can deliver the sites proposed within the Homes and Communities Agency's timescale is also crucial to bid success. Schemes have to be on site by March 2010 and to be delivered by April 2010. In order to do this the next stage for the Housing Division will be to act to appoint contractors to carry out the work if we are advised in December 2009 whether we are successful. It is proposed that tenders will go out in mid November 2009 and be returned just before Christmas. The expertise of Waterloo Housing Association and the Employers Agent will be used to draw up the specification and evaluate it with the Assistant Director (Housing) and the Maintenance Manager overseeing the process.
- 5.2 As soon as the bid is made the Housing Division will apply to the Homes and Communities Agency to request that the properties concerned are not included in the housing subsidy system.

6 **Report Implications**

6.1 **Finance and Value for Money Implications**

- 6.1.1 As a landlord of housing stock, the Council is subject to the Government financial regulations which govern how that stock is financed – the Housing Subsidy System. It is also subject to the regulations about how it can use any capital receipts. These regulations are still currently in place but the Housing Subsidy System is being reviewed and if the Council decided to build its own stock, an exception can be requested to remove any new build properties from the current regulations for revenue and capital income
- 6.1.2 The initial estimate of build costs of the four sites identified is £2.477 million. The Council will be applying for Social Housing grant towards these costs of £1.349 million, a **54.47% level** of funding. The balance of £1.128 million would be funded by prudential borrowing at an estimated cost of £68,900 per year over the 30 year plan. These figures are provisional and therefore may change prior to submission of the application however the submission will request a level of grant funding which will at least be cost neutral to the HRA over the period of the business plan.
- 6.1.3 In addition to the borrowing costs there are other expenditure and income streams. A 30 year business plan has been drafted which pulls all of these together, with the

plan showing that in the first year there would be a deficit of £16,700 between the total cost and expected rental income. This includes the loss of garage rental income from the sites used for the new build. The deficit is predicted to then reduce to £15,400 in the second year. This reduction in the deficit continues until year 16 of the 30 year plan. The remaining 14 years of the plan show a steady increase in surpluses, so over the 30 year plan breakeven will be achieved. The early predicted deficits will have to be funded through the use of HRA balances.

- 6.1.4 If the Council were offered a lower level of grant funding, there would be an additional annual cost of £1,500 for each 1% of Social Housing Grant, amounting to a total cost of £45,000 over the 30 year plan.
- 6.1.5 In order to ensure that cost predictions for the schemes are accurate and that sufficient grant is applied for to fund them a number of actions have been taken. These include those set out in previous reports such as site examination work but now need to include expertise from a structural engineer and sustainable homes code assessor to ensure that what we are planning to build is also accurately costed.
- 6.1.6 At the last Resources Board it was agreed that a sum of up to £40,000 would be required to fund work up to bidding for grant. Due to the additional work required in paragraph 6.1.5 this sum is now estimated at just over £50,000. In advance of agreement to these costs by the Resources Board the Director of Resources in consultation with the Chair of the Resources Board has approved a budget of up to £50,000 to cover immediate and necessary commitment to expenditure. If the bid is successful all of this expenditure will be included in the total costs requesting grant aid.
- 6.1.7 Both Waterloo Housing Association and the Employers Agent are currently working at risk for the Council. If the bid is successful their current and future fees will be covered by the grant awarded. If the Council is not successful the Employers Agent's expenditure for work carried out up to the bid being made will have to be covered. It is estimated that their reasonable costs up to that point would be in the region of £13,500.
- 6.1.8 When the Council uses its own land to build new properties, there is no capital receipt by way of a land sale. However, it may be that the land in question would not be attractive to developers and therefore it is an opportunity to use it to build and add to the Council's assets. Only one of the garage sites was included as a potential capital receipt in the capital programme reported to the Executive Board in February.
- 6.1.9 The site at George Road Water Orton was identified for development and was expected to be sold on the open market for £105,000. This receipt was included in the available capital resources used to fund the approved capital programme. The loss of this receipt, together with other changes to estimated resources, will reduce the Council's ability to fund the full capital programme. The potential to delay some schemes will need to be considered.

6.2 **Safer Communities Implications**

- 6.2.1 A secure by design assessment has been undertaken on all of the sites to be developed. The recommendations will be acted upon as the project proceeds.
- 6.2.2 On three out of the four sites it is expected that the developments will put an end to some persistent anti social behaviour that the garage sites have attracted over many years.

6.3 **Legal and Human Rights Implications**

- 6.3.1 The Housing and Regeneration Act 2008 enables a new financial regulatory system to be introduced for Local Authority housing. Some of the changes have been brought in immediately and others will be introduced by future statutory instruments.
- 6.3.2 When the Council decides what route to take with regard to providing the development build there will be contractual implications.
- 6.3.3 The Council would have to give one week's notice to end garage tenancies to make way for a development. As part of the process, garage tenants would be given more notice than one week of the Council's intentions.
- 6.3.4 The appointment of a development agent requires a formal legal agreement setting out each party's responsibilities.

6.4 Environment and Sustainability Implications

- 6.4.1 Properties which receive Homes and Communities Agency funding will be expected to be built to a high standard and to the Agency's Code Level 4 for sustainability. The Lifetimes Homes standard is part of this criteria and will be applied to all of the properties developed. The potential new build programme for North Warwickshire if successful will help deliver the aims of the North Warwickshire Sustainable Community Strategy by providing much needed affordable housing and contributing towards sustainable communities.

6.5 Risk Management Implications

- 6.5.1 There are risks attached to any proposal to create a new housing development – these include deliverability and costs. These risks should be minimised by working with an experienced development partner who will act to anticipate development costs before a bid is made and to keep the project on time and within budget as it moves forward.
- 6.5.2 The Homes and Communities bidding rounds are likely to be oversubscribed. There is a risk that officers' time and the Council's funds will be spent in preparing a bid that is not successful. However if planning consent is granted for the developments the Council could decide to bid for grant again or work with a Housing Association to take the developments forward.

6.6 Links to Council's Priorities

- 6.6.1 One of the Council's corporate policies is to increase the number of affordable homes to the Borough. Building Council properties could assist with meeting this priority.

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

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 8

Resources Board

26 October 2009

Report of the Assistant Director (Finance and Human Resources)

Capital Programme 2009/10 – Period Ending September 2009

1 Summary

- 1.1 The report updates Members on the progress of the 2009/10 Capital Programme in terms of both expenditure and outcomes.

Recommendation to the Board

- a That the Board notes the progress made against the capital budget;**
- b That the Board agrees to the virement of £30,000 from the private sector Decent Homes budget to the Disabled Facility Budget; and**
- c That the reduction of capital schemes is noted which has eased the financial pressure around capital funding.**

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Councillors Bowden and Butcher have been informally consulted and any response will be verbally updated at the meeting.

3 Introduction

- 3.1 The Executive Board approved the Council's Capital Programme of £7,041,680 for 2009/10 in February 2009. At the Resources Board in November, it was agreed that £5,000 of the Community Support Lifeline budget for 2009/10 could be used in 2008/09 and, as such, the budget has been reduced accordingly.

- 3.2 At the Executive Board on 29 June, it was agreed to carry forward 2008/09 budgets not spent in the year, totalling £677,700, into 2009/10 and the Resources Board in July agreed to an additional amount of £48,000 for Disabled Facility Adaptations. This gives a total approved capital programme for 2009/10 of £7,762,380.

4 Budget Profiling

- 4.1 To ensure that the Capital Programme projects are completed in a manageable time frame, a schedule of works is arranged by each budget holder and each of the schemes are timetabled for completion throughout the

year. This schedule then feeds through to the budget profiling exercise, which identified that there are a number of capital schemes which were not due to have started by the end of September. The table below indicates the breakdown:

	£
Schemes not due to have started before end of September 2009	311,600
Schemes due to have started before end of September 2009	7,450,780
TOTAL	7,762,380

5 Schemes Not Yet Started in September

5.1 The total value of the projects not yet started is £311,600 (4% of the 2009/10 Capital Programme). The particular schemes are shown in Appendix A.
...

5.2 Those housing capital projects not yet started are the aerial works which relates to various blocks of flats and will be carried out later in the year, at the same time as windows are replaced, to minimize disruption for the tenants. The chimney stack work will be undertaken by the in-house DSO for completion before the end of the financial year.

5.3 Testing on the electrical system at the Council Offices is due to begin shortly and the necessary improvement works will then go ahead. The glulam beams at the swimming pool are programmed for November and the Information Services Division is starting to plan the implementation of the new operating system which will upgrade the IT structure on which the TASK financial system and FLARE environmental systems run.

5.4 Work has now started in partnership with Waterloo Housing Association to utilise the Eco House budget to install ground source heating pumps in the houses that are being refurbished at Hilltop, Arley and we are awaiting invoices for the first tranche of works. The Home Improvement Agency invoice is usually received right at the end of the financial year.

6 Schemes already started in September 2009

6.1 Those schemes that were planned to start by the end of September 2009 total £7,450,780 (96% of the 2009/10 Capital programme) and are shown in Appendix B. The expenditure expected to date was £4,168,875, but actual spend or committed was £4,328,799; which is £159,924 ahead of profile. Any variations to profiled budget and pertinent details of the expenditure to date are detailed in the following paragraphs.
...

7 Housing Schemes

7.1 The approved budget for housing schemes is £6,031,060 and in the programme presented to the Executive Board in February, the allocation of this budget between schemes was included. Since then however, as the programme and costings has been firmed up with the contractor (Lovells), the split between schemes has changed slightly, whilst the overall total has stayed the same. The appendices attached reflect the revised allocation of budgets.

- 7.2 In terms of the works carried out, because of the complex nature of the housing capital programme, officers are working closely with Lovells to ensure that the programme is completed on time and within budget. Based on the first year of the contract and works so far this year, the progress made and the value for money are both favourable. Works carried out to date this year include the provision of completed kitchens to around 162 properties, new doors to 784 houses, new windows to over 140 houses and insulation at 33 properties. The latest customer satisfaction surveys carried out on the residents who have had their houses improved as part of the Lovell's partnership show that around 95% said they were either satisfied or very satisfied with the work carried out. Although the appendix shows some spending ahead of profile on a number of the work streams, this is just because they are progressing more quickly than originally anticipated but is not expected to result in an overall over-spend at the year end

8 **General Fund Schemes**

- 8.1 The Disability Discrimination Act budget is to be used to make publicly accessible buildings compliant with the legislation. Members will be aware of the uncertainty of the long-term viability of several municipal buildings and, as such, this budget should only be used where it will offer value for money. However, there is currently a review of several Council owned buildings and, as the findings of these reviews are established, the Asset Management Group will consider a programme of works, where necessary, to utilise this budget.
- 8.2 The final play area in the 3 year programme has now been completed at Atherstone with a positive response from local residents, and improvements to the electrical systems at various council owned buildings have been carried out. The costs paid over to the Warwickshire Direct Partnership to date are in relation to redundancy and retirement costs of the project team which has allowed us to reduce the WDP budgets in the future.
- 8.3 A UV filtration system has been purchased to improve the quality of water in the swimming pool and is being funded from a Government capital grant awarded to us for taking part in the free swimming initiative for the under 16s and over 60s. The leisure equipment spend is mainly in relation to new equipment purchased for the newly refurbished gym at Arley. There is funding on the balance sheet of £22,000 to offset these purchases, leaving the balance of the budget to purchase equipment for the rest of the year.
- 8.4 The costs against the Accommodation Project relate to various surveys and consultants fees which have been necessary in developing the options appraisals and the ICT spend is essentially in relation to the 2nd year payment of a three year contract to upgrade the Microsoft license, continued work on the Electronic Document Management System (EDRMS) and the purchase of new servers.
- 8.5 The work at Brindley Close on an unadopted road will mean that the County Council will adopt it and take over any future maintenance responsibilities.
- 8.6 Tenant removal expenses relate to the development at Hill Top, Arley and although there is currently an under-spend, this is just a timing issue which should correct itself as the year progresses.

8.7 The Disabled Facility Grant spend to date has contributed to improvements at 22 separate private properties in the Borough and the Decent Homes Standard has assisted 29 properties. Although the appendix shows that these budgets are behind the profile, this is just because it is difficult to predict when clients will submit claim forms.

9 Private Sector Housing Grants

9.1 In relation to the Disabled Facility Budget, a report was brought to this board in July detailing the increasing demand on this budget and it was agreed that it would be increased by £48,000. This is due to a combination of greater volume of claims and the rising costs of various schemes.

9.2 It was also noted in this report that this increase in budget may not be sufficient to maintain waiting times of below 6 months, the council standard, and that it may be necessary to vire £30,000 from the Private Sector Decent Homes Standard budget. This has been made possible by negotiating with a local landlord to reduce our input into an improvement scheme without the project being aborted.

9.3 As the last few months have progressed, it is becoming increasingly clear that demand has not yet reached a plateau and that further budget will be required. As such, this board is requested to agree to vire the £30,000 budget to protect the DFG waiting list.

10 Funding of the Capital Programme

10.1 A report was brought to this Board last September that identified the impact that the decline in the economy was having on the approved capital programme. The general reduction in land values was expected to lead to a potential funding short fall in the programme.

10.2 To cover this shortfall, the report identified a range of schemes that totalled £1,637,000 that could be deleted or deferred until after 2010/11 to balance the programme. These schemes were as follows:

Scheme	Value
Garages	£480,000
Previously declined boilers	£70,000
Aerials	£40,000
Community Centres	£200,000
Contingencies	£200,000
Chimney and Roof Works	£380,000
Electrics	£100,000
Wall insulation	£167,000
TOTAL	£1,637,000

10.3 The current position is that of the £3.445 million resources originally identified for use between 2008 and 2011, it is expected that only £1.840 million will be achieved in this time frame. Most land sales have been deferred until the market picks up in the next 3 or 4 years but the decision has been made to sell some land now at a lower price, where not doing so would be detrimental to social and community based schemes, such as that at Rectory Cottages in Arley.

10.4 The action identified in the September report is still needed and schemes amounting to £1.637 million have been put on hold. This ensures that the currently approved capital programme is fully funded. Further work is needed to update the next three year capital programme, in terms of both spending requirements and available resources, so this position is likely to change.

11 Finance and Value for Money Implications

11.1 Of the total capital programme, schemes to the value of £311,600 were not due to have been started by September 2009. Of the remaining £7,450,780 capital programme, £4,168,875 was profiled to be spent and £4,328,799 has actually been spent or committed, leaving a current over-spend of £159,924. However, this level of spend just indicates that the work, primarily the Decent Homes schemes, are progressing more quickly than originally anticipated and will not result in an overall over-spend at the year end.

11.2 Safer Communities Implications

11.2.1 Included within the capital programme is an allocation to secure properties to prevent domestic burglaries through a scheme supported by the North Warwickshire Community Safety Partnership.

11.3 Environment and Sustainability Implications

11.3.1 Expenditure incurred as part of the Council's Capital Programme enables the Council to continue to improve and deliver a range of services to the people of North Warwickshire. The implementation of the capital programme will lead to improvements in the quality of life for the communities of North Warwickshire.

11.4 Risk Management

11.4.1 Failure to make reasonable adjustments to ensure our buildings and facilities are accessible could expose the Council to potential litigation and risks damage to its reputation.

11.5 Equalities Implications

11.5.1 The Council is required to ensure that as far as it is reasonably practicable, it has taken appropriate steps to ensure compliance with the provisions of the DDA. Failure to do so could result in limiting access to services provided from our buildings and facilities by disabled people.

The Contact Officer for this report is Sara Haslam (719489).

Background Papers

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

Background Paper	Author	Nature of Background Paper	Date

Capital Programme 2009/10

Schemes not planned to have started before the end of September 2009

Expenditure Proposals	2009/10 Original Budget	Comments
HRA Assets		
Aerials	16,000	This work is programmed for completion in December
Chimney Stacks	24,000	The work is programmed for completion before the end of March
HRA TOTAL	40,000	
GENERAL FUND Assets		
The Council House Electrical Installation	30,000	Testing to begin shortly, followed by improvement works by the end of the year
Glulam Beams	100,000	Works due to begin in November
Operating System Upgrade	30,000	Planned implementation for later in the year
Eco House	100,000	Works have begun at the site and invoices are expected shortly
Home Improvement Agency	11,600	The invoice is usually not received until the end of the financial year
Total	311,600	

Capital Programme 2009/10
Schemes planned to have started before the end of September 2009

Appendix B

Expenditure Proposals	2009/10 Approved Budget	Profiled Budget	Committed as at end Sept 09	Actuals as at end Sep 09	TOTAL as at end Sep 09	Variance to profiled budget
HRA Assets						
Kitchens and Bathrooms	1,006,010	558,894		735,365	735,365	176,471
Bathrooms	465,780	258,767		229,558	229,558	(29,209)
Windows	331,720	184,289		133,907	133,907	(50,382)
Doors	901,650	500,917		592,560	592,560	91,643
Picadilly	625,210	347,339		474,190	474,190	126,851
Walls/Insulation	229,160	127,311		190,375	190,375	63,064
Heating	93,190	51,772		80,773	80,773	29,001
Electrics	100,000	55,556		69,636	69,636	14,080
External Works	15,000	8,333		1,685	1,685	(6,648)
Housing Staffing	178,000	89,000		90,955	90,955	1,955
Disabled Facility Adaptations (C/H)	175,000	97,222		143,028	143,028	45,806
Disabled Facility Adaptations (C/H) Lovells	94,000	52,222		60,000	60,000	7,778
Community Centres	82,880	46,044		35,660	35,660	(10,384)
Door Entry Scheme	90,000	50,000		47,154	47,154	(2,846)
Asbestos	50,000	27,778		35,921	35,921	8,143
Flat Roofing	870,000	483,333		345,333	345,333	(138,000)
Pitched Roofing	27,000	15,000		20,747	20,747	5,747
New housebuild programme	0	-		9,261	9,261	9,261
Prelims	369,150	205,083		205,778	205,778	695
Profit and Overheads and pain/gain	327,310	181,839		195,209	195,209	13,370
HRA TOTAL	6,031,060	3,340,700	-	3,697,095	3,697,095	356,395
GENERAL FUND Assets						
DDA	144,220	2,000		2,134	2,134	134
Renewal of Play Areas	58,390	58,390	11,893	50,107	62,000	3,610
Other Council Electrical Installations	15,000	7,500		13,060	13,060	5,560
Warwickshire Direct Partnership	35,000	25,000		25,161	25,161	161
Replace CCTV system	85,000	85,000	1,839	2,771	4,610	(80,390)
Leisure Equipment	22,760	22,760	6,461	24,860	31,321	8,561
UV System at Pool (Free Swim Grant Funded)	0	-		18,000	18,000	18,000
Accommodation Project	58,200	58,200	40,335	9,892	50,227	(7,973)
Branching Out Bus	0	-	1,254	1,760	3,014	3,014
ICT Contact Centre	25,500	25,500	2,365	20,864	23,229	(2,271)
ICT Infrastructure Development	20,000	15,000	5,886	10,991	16,877	1,877
ICT hardware & software purchase	40,000	40,000	10,450	28,848	39,298	(702)
Academy Server Replacement	20,000	20,000	18,325	-	18,325	(1,675)
EDRMS	12,000	12,000	11,700	-	11,700	(300)
Capital Asset Software	0	-		3,607	3,607	3,607

Schemes planned to have started before the end of September 2009

Expenditure Proposals	2009/10 Approved Budget	Profiled Budget	Committed as at end Sept 09	Actuals as at end Sep 09	TOTAL as at end Sep 09	Variance to profiled budget
Capital Salaries - Management	54,000	27,000		27,120	27,120	120
Tenants Removal Expenses	47,400	23,700		11,607	11,607	(12,093)
Decent Homes Assistance-Temp Officer	30,000	15,000		14,752	14,752	(248)
Decent Homes (Private Sector)	242,400	121,200		62,041	62,041	(59,159)
Unadopted Road at Brindley Close, Atherstone	15,000	15,000		15,000	15,000	-
Home Saftey Check Scheme	8,000	8,000		7,211	7,211	(789)
	0	-			-	-
Disabled Facilities Grants-Private Sector	479,850	239,925		164,402	164,402	(75,523)
Comm Supp - Lifelines	7,000	7,000		7,008	7,008	8
Total	7,450,780	4,168,875	110,508	4,218,291	4,328,799	159,924

Agenda Item No 9

Resources Board

26 October 2009

**Report of the
Assistant Director (Housing)**

**Homelessness & Housing Advice
Service**

1 Summary

- 1.1 This report updates Members on the work of the Housing Pre Tenancy Team (homelessness and allocations), the impact of the economic climate on the service, and requests an additional member of staff to enable the service to be extended and improved.

Recommendation to the Board

- a That the current service provided by the Pre Tenancy Team and the impact of the current economic climate is noted;**
- b That an additional temporary 12 month fixed term post of Homelessness Support Officer is agreed to be funded from the additional grant from Communities and Local Government (CLG); and**
- c That Members note that there will be no impact on the General Fund as the proposed new post will be funded entirely from government grant that they have made available to Local Authorities to support the development of actions to tackle the threat of repossession across all tenures.**

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 The Housing Portfolio Holder and Shadow Portfolio Holder have been sent a copy of this report and asked for their comments.

3 Background

3.1 National Context

- 3.1.1 The majority of local authorities including North Warwickshire are already operating successful homelessness prevention services and these have made a significant difference to prevent repossessions and evictions. Nationally, prevention services have played an integral part in the fall since 2003 of over 60% in the number of households being accepted as homeless.

- 3.1.2 The Government want local authorities to extend their prevention services and to offer where appropriate loans to prevent repossessions and evictions (by way of

helping with legal fees or property payments), which are at risk of increasing as a result of the recession. Therefore, they have made additional money available, as a one off payment for 2009/10 in addition to the Homelessness Programme Grant (Homelessness Revenue Grant, Section 31 of the Local Government Act 2003).

- 3.1.3 Although the additional funding has not been specifically identified for one prevention service over another, it is important to ensure that this supports the maximum number of households in need of financial assistance, enabling them to stay in their homes. It is indicated that help could include the provision of small loans to assist homeowners struggling with mortgage costs or to help tenants in the social or private rented sectors who are struggling with their rental payments in the current climate and face eviction.
- 3.1.4 Given the depth of the recession, the logical conclusion is that more people will approach the local authority seeking housing help. At the same time there are many others who will be affected but may be reluctant to seek help or unaware of the services available. The impact may not be seen immediately in higher levels of homelessness but undoubtedly more people will face difficulties paying for their home.
- 3.1.5 Mortgage repossession claims issued rose by 4% up to 142,626 across the country, the highest levels seen since 1992. Mortgage repossession orders also went up, to 114,296, an increase of 19%, the highest levels since 1992. From the data released by the Council of Mortgage Lenders, properties taken into repossession went up to approximately 42,000 during 2008, the highest levels since 1996 but nowhere near levels experienced during the height of the last recession when levels reached over 75,000 in 1991.
- 3.1.6 In respect of landlord repossessions claims, during 2008 these increased by only 1% up to 148,040. Landlord possession orders made went up during the same period by 5% to 112,294.
- 3.1.7 Despite increased repossession activity in Courts across England, this has not as yet made a significant impact on the numbers of homeless households. Acceptances across England during 2008 were at 57,000 a reduction of 14% compared to the previous year and a 60% reduction on the levels experienced in 2003. This is due to the excellent efforts focused around local authority homeless prevention and housing options services. Building on these firm foundations can significantly reduce the homelessness impacts of the recession.
- 3.1.8 However, with unemployment levels still increasing more people are experiencing a reduction in wages, a reduction in hours worked, or redundancy. More households will struggle to pay their rent and mortgage therefore it will be more important than ever that local authorities have a targeted plan for supporting people who are affected.

3.2 **Local Context**

- 3.2.1 During 2008 in Warwickshire there were 625 Landlord possession claims leading to orders made, a 1% reduction compared with 2007. There were 30 orders made, a 24% reduction on the previous year. From April 08 to April 09, there were 33 repossessions in North Warwickshire, many of whom contacted the Housing Division for assistance with re-housing. Since April 09 there has been a further 12 cases reported.

- 3.2.2 On average, the Homelessness and Advice Officer is receiving about 50 contacts each month experiencing a range of housing difficulties the most common of which being non-violent relationship breakdown (average 10 per month) and being asked to leave by family/friends (average 10 per month). Rent arrear and repossessions average 4 per month and we have experienced an increase in domestic abuse cases which average 4 per month.
- 3.2.3 Since April 2009, 167 people received housing options advice compared with 111 the previous year. Although this number of customers is an increase it is viewed positively because it means the Homelessness and Advice Officer has the opportunity to give advice at an early stage of difficulty and provide options to prevent an application being made. This is reflected in the comparison between the numbers of homelessness applications made over the same period in the last two years. 20 homeless applications were made during April to August 2009. This compares with 31 homeless applications in the same period the previous year.

4 Current Service

- 4.1 The Council has one Homelessness & Advice Officer who is responsible for the delivery of homelessness responsibilities. Proactive work to develop prevention services is undertaken as time allows and dependent on caseload levels. There is a concern in addressing future service delivery that if the number of people requesting housing advice continues to rise that prevention work will suffer and there will be an increase in homelessness applications which results in more pressure on vacancies. Preventative services are critical at time of reducing vacancies and a slow down in the provision of affordable homes.
- 4.2 Applicants receive housing options advice and are provide with the range of housing options available to them. The advice is tailored to their housing circumstances and includes information about private rented accommodation (including assistance with rent deposit) and homeownership options as well as information about council and housing association accommodation in the area. Tenancy, debt advice, and other support services are provided directly or by referring to the appropriate agencies.
- 4.3 Where the applicant is homeless or threatened with homeless, they are interviewed by the Homelessness & Advice Officer so that support can be provided and the homelessness prevented if at all possible. Where this is not possible and the applicant is accepted as homeless under homeless legislation, the Council have a duty to provide re-housing. The Homelessness & Advice Officer ensures that the Council's homelessness responsibilities are fulfilled and supports the applicant either by working to prevent the homelessness or re-housing where we have a responsibility to re-house.
- 4.4 The cases managed by the Homelessness & Advice Officer tend to be complex and time-consuming. Although cases vary, the initial interview will take at least an hour and there will be follow up work required afterwards. Often applicants will be seen on two or three occasions.
- 4.5 The main aim of the service is to prevent the homelessness occurring and the Council have implemented various initiatives to support this approach including:
- Mediation services - with private landlords to prevent evictions and with family and friends to negotiate staying at the property for longer
 - Citizens Advice Bureau mortgage rescue and money advice services – North Warwickshire provide funding to facilitate this work

- Mortgage Rescue Scheme – to enable people to stay in their homes
- Court Desks – at Tamworth and Nuneaton
- Rent Deposit Schemes – to enable people to secure private rented accommodation
- Credit Unions – can offer help with opening credit union account, possibly bank account loans after saving and budgeting advice

5 **Proposal to Improve Service Capacity**

5.1 The grant funding is concerned with ensuring each Local Authority is able to implement robust preventative services. The guidance suggests that some of the funding could be used directly to assist customers. In North Warwickshire it is proposed that some of the funding is used to ensure that our capacity to provide preventative services is sustained as well as using some of the funding directly for customers where appropriate.

5.2 The Homelessness and Advice Officer is currently handling an increasing case load which is directly connected to the current economic climate. This work needs attention and priority and therefore there is a risk that preventative services that have been so successful not being developed at a time when they are of critical importance to being able to assist customers.

5.3 In view of the current economic climate and continuing housing market issues the Government has provided additional funding to develop existing homelessness prevention plans and in order to achieve this, an additional post to support the Homelessness and Advice Officer is proposed. This will enable the Homelessness and Advice Officer to sustain a balance between case work and focusing on taking forward the prevention plans detailed in the Homeless Strategy Action Plan (attached at Appendix A).

...

5.4 The proposed post of Homeless Support Officer will assist with case work by making general enquiries under the direction of the Homelessness and Advice Officer, producing statistical returns and administering initiatives such as the rent deposit scheme and development of the Private Landlords Forum.

5.5 The post has been evaluated at Scale 5 within the salary scale £17,840 – £18,650. It is proposed that this will be a 12 month fixed term contract.

6 **Conclusion**

6.1 The Government is supporting Local Authorities to act to ensure where possible homelessness because of the current economic climate is prevented. A time limited grant has been provided in order to prevent homelessness and tackle the treat of repossession across all tenures. Sustaining the capacity of the Homelessness and Advice Officer to act to provide preventative services is crucial to this work in North Warwickshire. The creation of the additional post of Homelessness Support Officer will assist in achieving these aims and deliver the Councils Homelessness Strategy Action Plan.

6.2 Much work has already taken place to develop the service and prevent homelessness in the Borough. The new post will create capacity within the team to develop this work further and drive forward solutions to tackling homelessness.

7 Report Implications

7.1 Finance and Value for Money Implications

7.1.1 The post will be entirely funded from the grant provided for the purposes set out in this report. The grant for North Warwickshire is £28,500 for this financial year.

7.1.2 Using the grant funding in the way described in this report will ensure residents of North Warwickshire who find themselves in housing crisis are able to access help quickly and have a number of options available to assist them.

7.2 Sustainability Implications

7.2.1 The Governments focus is on preventing homelessness and repossessions. Achieving this will have a positive affect on communities, increase consumer confidence and house prices.

7.3 Human Resources Implications

7.3.1 If approved the new post will be advertised in during November, with recruitment in December 2009.

7.3.2 The job description for the post has been evaluated and approved by Corporate Management Team.

7.4 Equalities Implications

7.4.1 An enhanced homelessness service will assist with improved accessibility of the service to our customers. It will also assist with achieving more cohesive communities by focusing on enabling people to stay in their homes.

7.5 Risk Management Implications

7.5.1 If the Council does not utilise the funding positively it risks not being able to deliver the government objectives for reducing homeless and repossessions. It also runs the risk of not delivering its own strategies for preventing homelessness in the Borough.

The Contact Officer for this report is Helen Hughes, Principal Housing Management Officer (719494).

Background Papers

Background Paper No	Author	Nature of Background Paper	Date

Objective	Actions	Target date	Resource	Responsible Officer	Progress Report
1. Use delivery of choice based lettings for social housing stock to provide information and choice across all tenures	1.1 Undertake 6 month review following implementation of CBL in North Warwickshire	Mar 10	North Warwickshire and South Staffordshire Sub-region	HH	
	1.2 Implement Common Allocations Policy	Mar 10	In-house	HH	
	1.3 Participate in TSA Local Standard Pilot developing a toolkit and service standards for vulnerable persons	Oct 09 – Jul 10	In-house Homezone Living TSA pilot grant	HH	
2. Improve take-up of rent deposit scheme	2.1 Review Rent Deposit Scheme to ensure accessibility is maximised	Jan 10	In-house	MR	
	2.3 Fund more Rent Deposit cases	On-going	Homelessness Revenue Grant	MR	
	2.4 Market and raise awareness of the scheme (produce leaflet/update website)	Jan 10	Landlords Forum Accommodation Forum Homelessness Revenue Grant	MR	

3. To improve the knowledge of vulnerability, housing difficulty and homelessness in the Borough	3.1 Hold monthly Homelessness Summit meetings to review homelessness and housing advice data	On-going	In-house	AC	
	3.2 Undertake two Housing Needs Snapshot Surveys a year	Sept 09 & Feb 10	In-house	MR	
	3.3 Produce Six monthly reports to the Accommodation Forum to track trends and agree action with the Accommodation Forum	Sept 09 & Feb 10	In-house	MR	
4. Research the housing options utilised and outcomes of those options	4.1 Report to be produced every 6 months to reflect activity	Sept 09 & Feb 10	In-house	MR/TW	
	4.2 Annual review of which options should continue to have funding, where funding will be discontinued and new options to be funded	Jan 10	In-house Homelessness Revenue Grant	AC/HH	
5. Ensure there are sufficient support services available to meet housing need and improve awareness of current support provision	5.1 Actively engage in the Supporting People Strategic Review	On-going	Supporting People Housing Strategy & Development Officer	HH/AC	
	5.2 Continue to promote awareness of services through Accommodation Forum	On-going	Accommodation Forum	HH/MR	

6. Provide wide range of options for people suffering domestic abuse	6.1 Use needs information and reports from Warwickshire Domestic Violence Support Service to review current provision and ensure services are aligned with need. This will include whether supporting people provision is being fully utilised in the area	Mar 10	Warwick Domestic Violence Support Homelessness & Advice Officer Service Supporting People	HH/AC	
	6.2 Following review, produce report for consideration by the Accommodation Forum and the Crime and Disorder Reduction Partnership in order to consider service options and funding. (To include sanctuary scheme, outreach service and floating support)	Apr 10	Accommodation Forum Homelessness & Advice Officer Domestic Abuse Co-ordinator (WCC)	HH	
7. Ensure good information is easily available for people in the private rented sector about housing options	7.1 Develop a leaflet to direct people to information and advice if they find themselves in a situation that may lead to homelessness, for example, debt and arrears	Dec 10	Accommodation Forum Homelessness Grant	MR	
8. Increase service to people with debt problems	8.1 Review use of branch out bus for housing and homelessness advice	Dec 10	In-house/Partner Agencies	HH	
	8.2 Proactively work with building societies and banks to explore issues around repossession and explore preventative interventions. (This will include considering the appointment of an advocate for people facing legal action)	Dec 10	Housing Options Team CAB Building societies and banks	HH/MR	

	8.3 Maximise the use of the Government Mortgage Rescue Scheme for appropriate residents who fit the criteria for help under it (produce leaflet and send to target audience)	Dec 10	In-house Homelessness Grant	MR	
9. Reduce homelessness created due to tenancy evictions	9.1 Develop pre-eviction protocols with Tenancy Services team and partner RSL's with the emphasis on support and prevention	Mar 10	In-house Homelessness Grant	HH	
	9.2 Review income recovery procedures to ensure there is an emphasis on sustaining the tenancy with eviction being used only as a last resort	Mar 10	In-house Homelessness Grant	HH	
10. Develop mediation services to help prevent homelessness	10.1 Record instances where mediation service has been utilised	On-going	In-house	MR	
	10.2 Promote mediation services available	Oct 09	In-house	MR	
11. Improve outcomes for young people by enhanced partnership working	11.1 Implement Young Persons Protocol	On-going	In house Appropriate Agencies	TW/MR	
12. Improve outcomes for households in housing difficulty through partnership working	12.1 Ensure on going monitoring of agreed protocols	On-going	In house Appropriate Agencies	HH	

13. Improve accessibility of services	13.1 Undertake consultation with existing user forums and community groups to discover barriers to accessing services, what works well and report on findings and agree actions. This will include underrepresented groups such as people with learning or physical difficulties, mental health issues and the Black, Minority and Ethnic community	Mar 10	Accommodation Forum User Forums and Community Groups	MR & TW	
	13.2 Raise awareness of services by talking to groups and ensuring service information is widely available	Mar 10	Homelessness Revenue Grant	HR & MR	
	13.3 Monitor outcomes from Doorway pilot project for outreach work for young people. Report on outcomes to influence further service developments	Feb 10	Doorway Homelessness Revenue Grant	HH	
	13.4 Consider use of BOB (Branch Out Bus) to provide outreach services to customers	Jan 10	In-house Homelessness Revenue Grant	HH/MR	

14. Inform all agencies and public to services in the area	14.1 Review all homelessness advice literature available to the public	Dec 09	In-house	MR	
	14.2 Ensure homelessness advice literature is easily accessible to the public and available on the Council's website, One Stop Shop and Branch Out Bus	Dec 09	In-house	MR	
15. Improve awareness in the Council of services for people in housing need	15.1 Ensure all relevant departments are aware of services available for people in housing need	On-going	In-house	MR	
16. Develop a better understanding of the private landlord market and improve service to private landlords and private tenants	16.1 Continue Private Landlord's Forum and research ways to improve including Best Practice and feedback from Landlords	On-going	Homelessness Revenue Grant	HH/MR	
	16.2 Pool knowledge of private landlords in the area	Mar 10	All relevant Council departments Accommodation Forum	MR	
	16.3 Provide training on tenancy agreements/possession proceedings to Private Landlords	Nov 09	Homelessness Revenue Grant	HH	

	16.4 Consult with private tenants about the service	Mar 10	Accommodation Forum Homelessness Revenue Grant	MR	
17. To ensure the provision of a range of affordable housing options to meet housing need in North Warwickshire	Work with the Community Housing Theme Group: 17.1 To promote and deliver the need for affordable housing within North Warwickshire by working in a rural context	On-going	Community Housing Theme Group Accommodation Forum	PR/AC	
	17.2 To develop a five year development timetable that looks at areas of land where we would like to develop affordable housing	On-going	Community Housing Theme Group Accommodation Forum	PR/AC	
	17.3 To look at area action plans which will take into account the infrastructure of the wards where development takes place to ensure that it is the most appropriate option	On-going	Community Housing Theme Group Accommodation Forum	PR/AC	

<p>18. Improve and enhance current stock to ensure that it is fit for purpose</p>	<p>18.1 Work with the Community Housing Theme Group to investigate the issue of empty homes to ascertain whether there is a problem within the borough and how to create savings and ensure value for money</p>	<p>On – going</p>	<p>Community Housing Theme Group Accommodation Forum</p>	<p>PR/AC</p>	
<p>19. Work with Nuneaton and Bedworth Borough Council and Warwickshire County Council to provide supported accommodation for young people and people suffering domestic abuse</p>	<p>19.1 Work with Nuneaton and Bedworth Borough Council and Warwickshire County Council to provide supported accommodation for young people and people suffering domestic abuse</p>	<p>Nov 09</p>	<p>Accommodation Forum Nuneaton and Bedworth Borough Council Supporting People Warwickshire County Council Core Strategy Group</p>	<p>PR/AC</p>	

The targets for the Homelessness Strategy Action Plan are in the Pre-Tenancy Work Plan

Agenda Item No 10

Resources Board

26 October 2009

**Report of the
Director of Resources**

**Consultation on Reforming
Council Housing Finance**

1 Summary

- 1.1 This report attaches a proposed response to the above consultation paper for endorsement by the Board.

<p>Recommendation to the Board</p> <p>That the response be agreed.</p>

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Councillor Johnston and Winter have been consulted.

3 Introduction

- ... 3.1 The Board at its September meeting received a report on the above consultation paper (Appendix A).

- 3.2 A copy of the consultation paper can be viewed at:
www.communities.gov.uk/publications/housing/councilhousingconsultation

- ... 3.3 Attached at Appendix B is a proposed response to the consultation for Members consideration.

- 3.4 Replies to the consultation are required by 27 October 2009.

4 Report Implications

4.1 Finance and Value for Money Implications

- 4.1.1 As per original report.

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

Equality Impact Assessment Summary Sheet

Please complete the following table summarised from the equality impact assessment form. This should be completed and attached to relevant Board reports.

Name of Policy Procedure/Service	
Officer Responsible for assessment	

Does this policy /procedure /service have any differential impact on the following equality groups /people

- (a) Is there a positive impact on any of the equality target groups or contribute to promoting equal opportunities and improve relations or:
- (b) could there be a negative impact on any of the equality target groups i.e. disadvantage them in any way

Equality Group	Positive impact	Negative impact	Reasons/Comments
Racial			
Gender			
Disabled people			
Gay, Lesbian and Bisexual people			
Older/Younger people			
Religion and Beliefs			
People having dependents caring responsibilities			
People having an offending past			
Transgender people			

If you have answered **No** to any of the above please give your reasons below

Please indicate if you believe that this document

Should proceed to further Impact assessment

Needs no further action

Risk Management Form

**NORTH WARWICKSHIRE
BOROUGH COUNCIL**

Division

Cost Centre or Service

Risk Ref	Risk: Title/Description	Consequence	Likelihood (5 = high, 1 = low)	Impact (5 = high, 1 = low)	Gross Risk Rating	Responsible Officer	Existing Control Procedures	Likelihood(5 = high, 1 = low)	Impact (5 = high, 1 = low)	Net Risk Rating
Risk Ref	Options for additional / replacement control procedure						Cost Resources	Likelihood (5 = high, 1 = low)	Impact (5 = high, 1 = low)	Net Risk Rating

Completed By:

Date:

Agenda Item No 9

Resources Board

7 September 2009

**Report of the
Director of Resources**

**Consultation on Reforming
Council Housing Finance**

1 Summary

- 1.1 The Government has produced a consultation paper on reforming Council Housing finance. The document can be viewed at:
www.communities.gov.uk/publications/housing/councilhousingconsultation

Replies to the consultation are due by 27 October 2009. This report summarises the consultation for Members' information. A list of questions relating to this consultation is attached at Appendix A. A response will be brought to the Board on 26 October 2009 for approval.

Recommendation to the Board

The Board notes the proposals for reforming Council Housing Finance and indicates any issues it would like to be included in the response.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Councillors Johnston and Winter have been consulted.

3 The Current Housing Revenue Account (HRA)

- 3.1 The HRA is a ring-fenced account and income and expenditure to the account is covered by statute and Government guidance. The purpose of the ring-fence is to ensure there is no cross subsidy between the HRA and the General Fund. However, the system was established 20 years ago, when many services and facilities on estates were then provided solely for Council tenants, but are now available to mixed tenure households living on these estates.

4 HRA Subsidy System

- 4.1 The Government makes notional calculations of how much income and expenditure each Authority should have. If assumed spending is greater than assumed income, then the Government pays the Authority subsidy. Where it is less, the Authority pays the surplus to the Government. In North Warwickshire's case this amounts to £3,312,020 in 2009/10.
- 4.2 The subsidy position is not influenced by the relative efficiency of different landlords, nor does it give an incentive for local choice on rent levels. It is assumed that all Councils will set rent levels in line with Government policy.
- 4.3 The consultation paper summarises the problem with the current system as follows:-

- the fairness of the system depends on the accuracy of the assumptions it makes about spending needs in over 200 Councils. It is difficult to manage this information nationally
- over time, the balance of deficit and surplus authorities has changed. The system is now roughly in balance nationally but three quarters of Councils pay notional surpluses into the system, with only a quarter receiving subsidy
- the requirement for many Authorities to contribute from their rent income back to Central Government for redistribution to other areas is particularly unpopular – especially now it is projected that the national system as a whole will begin to move back into surplus
- the annual nature of the process, and the volatility this brings, militates against longer term planning by Councils. Currently there are annual changes in allowances, rents and borrowing allocations at short notice
- pursuit of fairness within the system has led to increasing complexity and less transparency, with lots of subtle adjustments to reflect local circumstances. This has made the system hard to understand and its outcomes sometimes unpredictable. The assumptions it makes about rent levels are also highly complex
- local responsibility and accountability is weak and the system adds a great deal of operational detail into what should be a strategic relationship between Council landlords and Central Government

5 Costs and Standards of Council Housing in Future

5.1 The Government has commissioned research into a number of areas of the current system.

5.2 Management and Maintenance

5.2.1 Each Authority is given a Management and Maintenance Allowance for its stock. Research on the level of allowances drew the following conclusions:

- the need to spend on management and maintenance at a national level is about 5% higher than current allowances. However, further work is needed to understand how this is distributed at a Local Authority level
- around 40% of management costs are spent on what were traditionally “non-core” services, eg initiatives to tackle anti-social behaviour or services to help tenants into work
- there is a lack of transparency in the treatment of the administration of the maintenance function within the allowance methodology. Even allowing for differential treatment between authorities, it is estimated that expenditure on management exceeds allowances by about 8% and on maintenance by about 3%
- The Government has concluded that provision nationally for management and maintenance needs to increase by 5% above current levels and that this level of

need should be assumed in the financial provision for whichever model is taken forward. However, further work is needed to understand how this is distributed at the local level

These conclusions are significant in that, unless rents are to be increased, they would require an increase in Government funding for Council housing.

5.3 Major Repairs Allowance (MRA)

5.3.1 This allowance was introduced in 2001-02 as a new allowance paid through HRA subsidy to help Authorities maintain the value of their stock. It is based on the average cost over a 30 year period of replacing individual building components, as they reach the end of their useful lives.

5.3.2 A review of the MRA by Building Research Establishment concluded that the MRA needed to be increased by 24%. This increased level of funding would allow for ongoing maintenance and replacement of all elements that comprise the Decent Home Standard. However, the consultation paper also recognises that after 2010 there will be a backlog that requires capital grant separate from the MRA. This backlog relates to elements that are time-expired but still in good order and amounts to £6 billion.

5.4 Core and Non-Core Services

5.4.1 The consultation paper finds that Local Authority landlords have been extending their activities beyond traditional core landlord functions into non-core services, eg tackling anti-social behaviour, debt and employment advice. Only a proportion of these non-core costs are paid from service charges or the general fund so a significant part is being met by rents.

5.4.2 For this reason the Government would prefer to establish a series of principles to enable Local Authorities to decide whether the service should be paid for through the HRA or the General Fund.

5.4.3 The principles they propose are that:

- there should be a separate Local Authority landlord account that records all landlord income and expenditure (both capital and revenue) and the transfer of resources between the HRA and the General Fund
- housing services that a landlord is required to provide should be paid through the HRA
- some defined services should be paid for from the General Fund, eg housing advisory services, administration of a common housing register and other strategic housing functions
- any requirements placed on landlords should either arise as statutory obligations or through standards set by the TSA as a cross-domain regulator of social housing or be directly funded. When TSA sets standards (whether or not it is the subject of a direction by the Secretary of State), it will need to take into account the consequences for tenants, for new supply and for public expenditure
- standards should build in tenant choice and influence

- the costs of meeting TSA standards should fall on the HRA

Beyond these standards, if there is ambiguity as to whether a particular cost should fall on the HRA, the test should be “who benefits?” If services are provided for everyone or as part of a general obligation, the costs should fall to the General Fund. If the cost of a service can be seen to be of wider benefit than solely to tenants or leaseholders of properties within the HRA, that cost should be divided between the HRA and the General Fund according to a local agreement.

5.4.4 These proposals would strengthen the HRA ring-fence but may move costs from the HRA to the General Fund.

5.4.5 The consultation asks whether we agree with the principles for the operation of the ring-fence and whether there are any concerns about the consequences.

5.5 **Standards**

5.5.1 The consultation paper confirms the Government’s commitment to the Decent Homes Standard and proposes additional funding for lifts and common areas. Backlogs will be dealt with by capital grant. Again this is a commitment to increased expenditure. The paper also suggests that Councils could fund improvements in energy performance through private capital grant, energy savings or contributions from tenants arising from lower energy bills.

5.5.2 The paper asks whether there are any issues about committing additional funding for lifts and common parts and, in particular, around funding any backlog through capital grant and ongoing maintenance through the HRA.

5.6 **Leaseholder Service Charges**

5.6.1 The paper proposes to allow Local Authorities to set up sinking funds for works to leaseholders’ stock.

5.6.2 The above section on Costs and Standards proposes a significant increase in spending on Council housing, which is at odds with the need to reduce future public sector spending. However, securing Government recognition of the inadequacy of current HRA budgets and capital programmes represents a significant achievement.

6 **Options for Fundamental Reform of the System**

6.1 Two options are proposed:-

- Improvements to the current system
- Self-financing option

6.2 In both options the Government indicates it is unwilling to write off the existing housing debt of £18 billion.

7 Improvements to the Current System

- 7.1 The volatility of annual subsidy determinations makes it difficult to plan long term. This could be addressed by moving to three or five year periods. However, there would be a risk of increased volatility at the end of each three to five year period. To reduce the need for redistribution between Authorities, the Government proposes it could either allocate existing housing debt across Authorities in proportion to the value of their stock or, alternatively debt could be taken over by Government and cost recharged to each Council in proportion to stock values.

8 Self-Financing

- 8.1 Under this option, each Authority would keep the money raised locally from rents and use it to run their stock. A one-off reallocation of debt would take place to put all Councils in a position where they could support their stock from their rental income in future, based on the tenanted market value of the stock. Each Council would produce a 30 year business plan, the value of the stock would be calculated from the present value of the cash flows in the business plan and debt would be adjusted to reflect the value of its stock. This would involve a capital payment either to or from Government.
- 8.2 The paper recognises that moving to self-financing could result in a significant increase in prudential borrowing by using surpluses to fund it. This would be a concern to Government if not controlled. The paper raises the question of whether there would need to be restrictions on any new borrowing financed from these surpluses.
- 8.3 The government clearly does not want the freedoms and flexibilities offered by self-financing to extend to Authorities using efficiency gains to fund additional prudential borrowing.

9 Capital Receipts

- 9.1 The consultation paper proposes that Councils would be able to retain all their capital receipts. However, Councils would be required to invest a proportion of their receipts in new housing supply or regeneration, amounting to 75% of Right to Buy receipts.

10 Implementing Reform

- 10.1 Depending on the outcome of consultation, the Government would wish to move quickly to have a self-financing option up and running. The Government hopes to set out terms for the self-financing option by Spring 2010. However, they do not think it practical to conduct negotiations on terms with individual Local Authorities, so the proposal could only work if all stock-owning authorities accepted the terms. If this did not happen, then legislation would be required to achieve a national settlement which would be implemented by 2012/13

11 Conclusions

- 11.1 This consultation paper is potentially good news for Local Authority Housing Services and their tenants. Not only does it propose the introduction of self-financing but it proposes doing this on the basis of increased funding for housing revenue accounts. This increased funding will be aimed at management costs, maintenance costs, major repairs and achieving and exceeding the Decent Homes Standard.

- 11.2 The proposed mechanism is a one-off redistribution of housing revenue account debt. This would be done by assessing each Authority's capacity to raise income and its need to spend and therefore its capacity to fund debt. On the whole, negative subsidy authorities with low (or no) debt would find their debt increased. there is also a proposal to introduce capital grants to fund investment.
- 11.3 There are a large number of complex technical matters to address, not least of which is how the increased levels of expenditure are to be calculated at an individual authority level. This could have a significant effect on the geographical distribution of debt and resources following self-financing. The Government's proposals for controlling Local Authority borrowing after self-financing will also require close examination, as this implies a departure from the principles of "prudential borrowing."
- 11.4 The consultation paper does not address the question of social rent policy but this is clearly an important part of the picture for Local Authorities and their tenants. With self-financing any increases in rents would be retained locally so policy on social rents becomes even more important to Local Authorities.
- 11.5 The implementation of self-financing will also take place in the context of the Comprehensive Spending Review of 2010. It is generally accepted that this could result in reductions in expenditure. Therefore proposals to increase allowances and the introduction of capital grants for backlog expenditure seem at odds with this.

12 Report Implications

12.1 Finance and Value for Money Implications

- 12.1.1 It is too early at this stage to say what the financial implications for this Authority are. This will only become clearer when more detailed proposals are produced. However, as a negative subsidy authority, the Council will end up taking over a proportion of debt.
- 12.1.2 Proposals to review the HRA ring fence could have implications for the General Fund if costs currently charged to the HRA have to fall on the General Fund.
- 12.1.3 The Council would be able to keep all RTB receipts. However, 75% of these would have to be spent on new housing supply or regeneration.

12.2 Safer Communities Implications

- 12.2.1 The report highlights the contribution Housing Management departments make to help reduce crime and disorder with initiatives to tackle anti social behaviour. This is a positive thing and is part of a wider estates management role that contributes towards making local communities safer.

12.3 Environment and Sustainability Implications

- 12.3.1 The financial implications arising from any proposed changes to the Council Housing finance will have sustainability implications. These will have to be considered when the firm proposals are finalised. The taking over a proportion of debt will have to be planned and budgeted for accordingly.

12.4 Equalities Implications

- 12.4.1 The financial implications arising from any proposed changes to the Council Housing finance may have equality implications. These will have to be considered when the firm proposals are finalised. Any changes which potentially increase council house rents disproportionately may have adverse impact on some vulnerable communities.

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

North Warwickshire Borough Council

Directorate of Resources

The Council House
South Street
Atherstone
North Warwickshire CV9 1DE

DX : 23956 Atherstone

Switchboard : (01827) 715341

Fax : (01827) 719412

E Mail : chrisbrewer@northwarks.gov.uk

Website: www.northwarks.gov.uk

Chris Brewer CPFA

Director of Resources

Direct Dial : (01827) 719259

Your ref :

Our ref : PJW/CJB/Reform CHF

Date : 19 October 2009

Review of Council Housing Finance
Communities & Local Government
Zone 1/19
Eland House
Bressenden Place
London
SW1E 5DM

Dear Sir

Reform of Council Housing Finance

North Warwickshire Borough Council is pleased to submit its comments to the above consultation paper.

The Council welcomes the overall objectives of the review, which is to develop a sustainable, long term system for financing council housing that is consistent with wider housing policy and fair to both tenant and taxpayer.

Whilst the Council supports many of the proposals outlined in the consultation paper, we will not be able to give a definite view until more detail is given regarding how the proposals will be implemented. However, it is imperative that whatever is finally proposed is not only fair to Council tenants, but also has neutral impact on the Council's General Fund.

Core and Non Core Services

The Council supports the principle of the HRA ring-fence and is supportive of the principles set out in paragraph 3.28 of the consultation. The Council believes that costs incurred as a landlord that would cease if the Council ceased to be a landlord should be charged to the HRA. If the ring-fence is to be tightened and this results in costs which were previously justifiably charged to the HRA being transferred to the General Fund, then it is important that adequate additional funding is given to authorities to support these costs. This funding should not be via the general grant system, but should be a specific grant.

cont'd.....

-1-

However, there are issues where costs “leak” from the HRA to the General Fund and it is important that these are addressed also. An example of this is the item 8 CRI calculation, which can result in costs over and above the costs of new borrowing falling on the General Fund.

Standards and Funding

The Council supports the proposal for additional funding for lifts and common parts and also the principle of capital grant to fund decent homes backlog. We look forward to seeing details of how such grant would be allocated.

We have major concerns about the proposal in 3.34 to require tenants who benefit from lower energy bills as a result of capital works to contribute through a “pay as you save” mechanism. We do not feel such a proposal would be administratively feasible, nor do we feel it equitable, as we have not required tenants who have benefited from improved energy measures via the decent homes programme to contribute.

Leaseholders

We support the proposal to amend HRA rules so that sinking funds are expressly allowed, however, we would not support an obligation to operate a sinking fund. We would want to approach this after consultation with our leaseholders and we recognise that this may not be their preferred approach. In addition, many leases do not allow for the provision of sinking funds.

System Reform

The Council does not support the option of improving the current system. The proposals would not remove potential volatility from the system and therefore would not enable long term financial planning.

The Council does support, in principle, the self funding option, but would need to see further details of how it would work in practice before giving a definite view.

We do question why the Government cannot write off all or part of the existing housing debt, as there has been a precedent for this with some stock transfers. However, if debt is not to be written off, then it is important that no more than the current debt within the system is allocated amongst Councils, and not a larger sum should Council’s business plans show that this could be supported. Any debt should therefore be distributed amongst authorities according to their relative proportion of the total TMV of the total housing stock.

In arriving at the TMV of the housing stock it is important that key assumptions are set nationally, so that business plans are prepared on a consistent basis. In addition, the Government will need to ensure that mechanisms are in place to ensure stock condition surveys are realistic and are not inflated to depress the TMV.

If debt redistribution is to be achieved through a process of receipts and payments via a central pool, then authorities paying into the pool would need to have the discretion how they initially financed this, whether from external borrowing or internal resources.

It will be important to ensure that the taking on of debt by an authority does not impact on its General Fund.

cont’d.....

-2-

North Warwickshire has a negative housing capital financing requirement (CFR), but an overall positive CFR. Under the current rules, not all the costs of new housing borrowing would fall on the HRA and some costs would fall on the General Fund, which it cannot sustain. In the first year, because the recharge to the HRA is based on the mid year credit ceiling, the impact on the General Fund could be several hundred thousand pounds. There therefore needs to be a mechanism for accounting for any new debt that avoids these impacts or specific reimbursement to authorities to cover any additional General Fund costs, any support for additional costs should not go through the RSG system.

The Council does not support the proposal at 4.28 to be able to reopen the debt settlement at a later date. This would be an obstacle to long term planning. This should be a once and for all settlement based on existing criteria. Should these criteria change and additional cost pressures are brought on housing authorities as a result of changes to rent policy or housing standards, then these should be met via specific revenue or capital grants.

Borrowing

We are concerned at the proposal to implement more strict controls on borrowing for HRA purposes than apply at present. This would go against the principles of the prudential code, which enables an authority to borrow subject to affordability. The imposition of controls would not fit with the claimed intention of the consultation to achieve devolved responsibility for local authorities. It would restrict authorities' abilities to maintain/improve homes above the decency standard, to undertake environmental improvements and to deliver new affordable housing.

Capital Receipts

We support the proposal to end the pooling of capital receipts and agree that the additional 75% should be re-invested in housing. However, we would want to ensure that these additional receipts could also be used for private sector housing and disabled facility grants (DFGs), demand for which is increasing. At the same time, it is important that the existing level of support from Government for DFGs does not reduce.

We also believe that allowance should be made in the HRA for disabled adaptations to Council housing stock.

Yours faithfully

Chris Brewer
Director of Resources

Agenda Item No 11

Resources Board

26 October 2009

Report of the Assistant Director (Finance and Human Resources)

Capital Prudential Indicators - 2008/09 Outturn

1 Summary

- 1.1 This report updates Members on the outturn of the capital related prudential indicators for 2008/09.

Recommendation to the Board

That the outturn of capital related prudential indicators for 2008/09 are noted.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Councillors Bowden and Butcher have been informally consulted and any response will be verbally updated at the meeting.

3 Introduction

- 3.1 When the 3 -Year Capital Programme is reported to the Executive Board in February each year, a set of prudential indicators are included. With the introduction of the Local Government Act 2003 there was a change in the capital finance system for Local Authorities, and a prudential framework for capital investment was established. Under this system, Councils are free to determine the affordability of their capital investment proposals and of any borrowing required to finance those proposals. However, the Government still retains powers to limit and control capital investment by Councils.
- 3.2 A prudential code was developed which requires the Council to consider the affordability of its proposals, their prudence and sustainability, value for money, asset management planning, practicality and service objectives
- 3.3 The Council is required to set and review regularly a range of indicators that have been developed as part of the Code, which will be used to support capital investment decision-making. In February 2008, the prudential indicators for 2008/09 were reported to the Executive Board as part of the 3-Year Capital programme and the aim of this report is to update members on the outturn for the year.

4 Prudential Indicators

4.1 Treasury Management Indicators

4.1.1 The Code requires six sets of indicators be set. The outcome of two sets of indicators have already been reported to the Resources Board in July within the Treasury Management 2008/09 report. These are:

- External Debt Indicators (the Authorised Limit for Borrowing and the Operational Boundary); and
- Treasury Management Indicators.

4.2 Capital Expenditure Indicators

4.2.1 The Council is required to make a reasonable estimate of the capital expenditure it plans to incur. The table below shows the estimated and the actual position for 2008/09.

4.2.3 The actual spend in 2008/09 was lower than expected when the budget was reviewed in February. This is because some schemes did not progress fully in the year and others where actual invoices will be paid in 2009/10. A report brought to the Executive Board in June 2009 explained these differences in detail.

	Original 2008/09 £000	Revised 2008/09 £000	Actual 2008/09 £000
General Fund	899	1,636	939
Housing Revenue Account	5,750	6,583	6,386
Total	6,649	8,219	7,325

4.3 Capital Financing Requirement Indicators

4.3.1 These indicators measure the Council's underlying need to borrow to fund capital expenditure, which is the normal level of borrowing expected. The actual capital financing requirement as at 31 March 2009 is compared to that estimated.

	Original 2008/09 £000	Revised 2008/09 £000	Actual 2008/09 £000
General Fund	15,331	11,878	11,017
Housing Revenue Account	(9,347)	(5,791)	(4,451)
Total	5,984	6,087	6,566

4.3.2 The table shows that there was a greater need to borrow at the end of the year from the original and revised estimates. This is in fact a temporary situation in that there was a large creditor at the end of the year, which was not expected. The temporary borrowing assumed to cover this expenditure will disappear when the creditor is paid in 2009/10.

4.4 Capital Financing Cost Indicators

4.4.1 An indicator of affordability is the estimated ratio of financing costs to the net revenue stream in percentage terms. If the ratio is increasing rapidly over time, then a larger proportion of revenue resources are being taken up by financing costs, which could be used to fund direct service delivery. This indicator is

calculated for both the General Fund and the Housing Revenue Account, and these are shown below.

	Original 2008/09 %	Revised 2008/09 %	Actual 2008/09 %
General Fund	(3.35)	(6.01)	(6.35)
Housing Revenue Account	(1.91)	(2.29)	(0.81)

4.4.2 This shows that the council received more investment income in 2008/09 than originally expected in the general fund with the opposite effect in the HRA. This is the effect of the actual funding of the capital programme, which used a greater proportion of HRA earmarked reserves than the estimates (thereby reducing the balances on which interest could be gained). The change in funding approach was undertaken to ensure our remaining capital funding is as flexible as possible.

4.5 Incremental Impact Indicators

4.5.1 A further indication of affordability is the estimate of the incremental impact on Council Tax and Housing Rents, over and above the capital financing decisions that have previously been taken by the Council. These are shown in the tables below.

General Fund	Forecast 2008/09 £	Actual 2008/09 £
Council Tax at Band D	4.18	1.54

Housing Revenue Account	Forecast 2008/09 £	Actual 2008/09 £
Average Weekly Rent	0.41	0.51

4.5.2 The greatest difference in the incremental impact is in relation to the general fund. As mentioned above, increased use of earmarked reserves to fund the housing capital programme had an impact on the Housing Revenue Account. However this led to some benefit to the General Fund, due to the reduction in interest paid to the HRA.

5 Report Implications

5.1 Value for Money and Financial Implications

5.1.2 The financial implications that these performance indicators show have been reflected in the various end of year financial reports taken to the Executive Board for approval in June.

The Contact Officer for this report is Sara Haslam (719489).

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 12

Resources Board

26 October 2009

Report of the Assistant Chief Executive and Solicitor to the Council

Prosecution Outcome – Housing Act 2004 Improvement Notice

1 Summary

- 1.1 In accordance with protocol, results of prosecutions are reported to the appropriate service Board. This report describes the outcome of a prosecution of a private sector Landlord under the Housing Act 2004 for failure to comply with an Improvement Notice.

Recommendation to the Board

That the report is noted.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Councillors Johnston and Winter, Portfolio and Shadow Portfolio holders for Housing have been notified and consulted on this matter. Their responses, if any, will be reported at the meeting.

3 Report

- 3.1 Environmental Health received a call to visit from 192 Green Lane, Birchmoor, as Social Services were concerned for the elderly tenant and his brother. The property had no heating and was generally in bad condition. On inspection, it was noted that the only functioning heat source which was a solid fuel fire was inoperable as the chimney breast had sheared off the wall within the attic space meaning smoke would fill the room. The property also had no heating to any other room meaning the occupants, who suffered from emphysema, were suffering with cold all winter. The chimney breast collapsed in October.
- 3.2 The Landlord refused to carry out any works and an Improvement Notice was issued on 11 November 2008. As the Landlord failed to comply with the notice, the Council repaired the chimney breast 'in default' to make it structurally safe in January 2009 and later installed gas central heating. The Landlord, Alyson Porter, pleaded with the Court she had no money, despite doubling the rent in February, and that she had just divorced.
- 3.3 Mrs Porter attended Court on 14 September 2009, pleaded guilty and the following sentence was imposed: £150 fine; £15 victim surcharge; £84.30 contribution towards investigation costs; £250 contribution towards legal costs. A collection order was made for a total amount of £499.30.

3.4 The Magistrates took account of the fact that the Defendant pleaded guilty at the first opportunity and expressed remorse. Her stated dire financial position was also considered.

4 **Report Implications**

4.1 **Finance and Value for Money Implications**

4.1.1 The Council is recovering its investigation and legal costs in performing this statutory function, but does not receive the fine income. An invoice for the works carried out 'in default' will be raised and pursued in the normal manner when remaining works to an access path have been completed.

4.2 **Legal and Human Rights Implications**

4.2.1 The residents human rights to live in dignity have been protected.

4.3 **Environment and Sustainability Implications**

4.3.1 The property is more robust and easier to heat affordably.

4.4 **Human Resources Implications**

4.4.1 As the first prosecution of it's kind in a considerable time, the case provided a valuable learning opportunity for staff.

4.5 **Links to Council's Priorities**

4.5.1 Improving housing, tackling crime and health inequalities.

The Contact Officer for this report is Robert Watson (719305).

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
None.			

Agenda Item No 13

Resources Board

26 October 2009

Report of the Assistant Director (Housing)

Revised Housing Allocations Policy

1 Summary

- 1.1 This report presents a revised property allocations policy to Members for consideration and comment.

Recommendation to the Board

That the revised housing allocations policy be adopted and implemented from March 2010.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 The Housing Portfolio Holder Group has considered the revised allocations policy in full at two of its meetings. Amendments were made to the document in response to feedback from the Group and following those amendments the revised policy document is supported.

3 Introduction

- 3.1 The Council's allocations policy was last revised in 2003 in response to the Homelessness Act 2002. The policy has served the Council well in that time but over the last 2 years experience of working the housing register and the allocation of properties from the priority need categories have indicated that the policy needs to be reviewed.
- 3.2 In general terms the policy is not subtle enough to address the different levels of housing need that applicants have. This can mean that people who have no housing need are re-housed before people who have more housing need. At a time of good supply of vacancies this does not cause a problem because the available stock can enable both applicants in housing need and those with no housing need to be re-housed. Unfortunately we are not currently in that position.
- 3.3 Knowing that the Council's allocations policy required revision the Housing Division has taken the lead in the Choice Based Lettings partnership in developing a common allocations policy for the landlords to adopt. Nuneaton and Bedworth Borough Council and Lichfield District Council have adopted the new policy and Cannock Chase intend to do so in the new year. The policy has been reviewed and adjusted in accordance with legal advice.
- 3.4 Whilst we have taken the lead in developing a common policy because the Council's current policy needs revising a decision was made, based on the experience of other landlords, not to introduce the new procedures around Choice Based Lettings at the same time as a new policy because of the confusion it would cause to customers.

The new Choice Based Lettings went live in North Warwickshire in September this year so it is now timely to present the revised allocations policy to the Resources Board for consideration.

4 The Current Allocations Policy

- 4.1 The current allocations policy has been placed in the Group offices for information.
- 4.2 The Council's current policy has four bands – A for emergency cases, B for urgent cases, C for people with no housing need but with a local connection and D for people with no local connection. The level of need required for an applicant to move into categories A or B is currently set at a very high level. This means that very few applicants are re-housed from category A or B. Most applicants are re-housed from category C.
- 4.3 At the moment category C effectively captures everyone with a local connection with either a medium or low level of housing need or no housing need. There is no adjustment that staff can make within the policy for different levels of need.
- 4.4 Once an application has been assessed it is placed in the appropriate category – usually 'C' and when a property becomes vacant which is appropriate for their needs and in their area of choice they are considered for the property in strict date order of registration on the Housing Register. The idea of using a registration date as a way of deciding who is allocated a property is built on the premise that everything else about the applications you are deciding between is equal.
- 4.5 The Housing Division has discovered over the last few years that simply using date order in the higher priority categories distorts who gets re-housed first and does not reflect housing need. For example someone could have been registered on the list for 20 years and in that time they might not have any housing need at all (so they are in the 'C' category) and then they are assessed as having a higher level of need because of a change of circumstances. At the moment they would move into the A or B category and retain their application date. This means that if a property becomes available they could be re-housed before someone who has been struggling in the same circumstances but for a longer time because they have an earlier registration date. In these circumstances registration date is not a good method of choosing who is allocated a property.

5 Framework for Allocation Policies and Prevalent Issues in North Warwickshire

- 5.1 Every Local Authority has to design its Allocations Policy within the legal framework set out in the Housing Act 1996 and Homelessness Act 2002. This includes the sort of priority cases we must reflect in our policy. These are:
- Applicants who are homeless. This includes applicants where there is a statutory duty to re-house as well as applicants who are intentionally homeless and those who do are not in priority need.
 - Applicants occupying unsanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions
 - Applicants who need to move on medical or welfare grounds, including grounds relating to disability
 - Applicants who need to move to a particular locality in the district of the housing authority, where failure to meet that need would cause hardship (to themselves or to others)
- 5.2 The legal framework also enables local priorities to be met. It states that the scheme may provide for other factors, other than those set out in section (2) of the Housing Act 1996 in determining which categories of customers are to be

given preference for an allocation of accommodation within the scheme, providing they do not dominate the scheme at the expense over those listed in the statutory preference categories as listed in 167(2). This includes our option to have criteria that reflects local connection.

5.3 An Allocations Policy must be able to give every applicant the opportunity to have an assessment and be awarded a priority need category which reflects their housing needs. The Council's current Allocations Policy does not do this and the proposed revised version seeks to address this issue by providing for more priority need categories and allowing for an effective date to be used rather than a registration date when applicants move into a higher need category.

5.4 Case study examples have been considered in developing the new policy and shared with the Housing Portfolio Holder Group as part of the process of deciding how best to reflect housing need.

6 Revised Policy

6.1 The revised Policy draft is attached at Appendix A for consideration and is recommended to the Resources Board for adoption.

6.2 The document which is attached provides a lot of information for applicants. The Housing Portfolio Holder Group has requested that a shortened version be available for customers and this will be developed if the new policy is adopted. The pages most relevant to this report are 14 to 20. These set out the essence of how applications would be assessed in accordance with the revised policy.

6.3 The main differences are:

- The inclusion of a cumulative need category (Band 1+) for those applicants who are assessed as homeless and also have other housing needs
- The inclusion of different levels of priority for applicants with medical, welfare, social and hardship issues – high, medium and low.
- A more generous assessment of overcrowding with different levels of priority awarded
- Priority effective dates used for applicants moving into priority categories rather than registration dates
- Inclusion of a high priority category for applicants under occupying a Council property (in order to make better use of the Council's own stock)
- Inclusion of the facility to create a local lettings policy for new build schemes which would ensure that the development is sustainable.

6.4 It is proposed that the Council retains its local connection criteria. This means that applicants who are in housing need and who have a local connection to the Borough will be considered as a priority for the Council's stock.

7 Consultation and Implementation

- 7.1 As well as full consideration by the Housing Portfolio Holder Group the revised allocations policy has been considered by the Borough Wide Tenants Forum. Representatives of the Forum who were part of a working group which considered the policy once amendments had been made by the Housing Portfolio Holder Group commended the changes.
- 7.2 If the Resources Board decide to accept the recommendation to adopt the new policy it will be implemented in February and March 2010 after 6 full months of the Choice Based Lettings being in place.

8 Report Implications

8.1 Finance and Value for Money Implications

- 8.1.1 There will be a cost to publishing the new policy and undertaking the work to implement the policy for every applicant. It is expected that these costs will be within current budgets.

8.2 Legal and Human Rights Implications

- 8.2.1 Every Local Authority is expected to have a published allocations policy in place which it uses to allocate its properties. The policy has to accord with the criteria set out in the Homelessness Act 2002 and the relevant guidance published by the Communities and Local Government. The revised allocations policy has been subject to scrutiny by a Barrister who is an expert in this area of law and has been judged to be fit for purpose.

8.3 Equalities Implications

- 8.3.1 It is important that housing allocations policies give equal opportunity to all applicants for housing and that nothing in the policy discriminates against either groups or individuals. An equality impact assessment has been undertaken for this policy to ensure this is the case.

8.4 Environment and Sustainability Implications

- 8.4.1 The revisions to the Housing Allocations Policy will support the delivery of sustainable communities by providing more scope for specific consideration of applicants needs. This will compliment the aim of continuing to provide a range of affordable housing options, including social and private rented and low cost ownership schemes, to meet a range of housing needs.

8.5 Safer Communities Implications

- 8.5.1 The Allocations Policy enables a robust response to cases of Homelessness as a result of domestic abuse. This helps prevent cases of repeat victimisation.

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

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

Equality Impact Assessment Summary Sheet

Please complete the following table summarised from the equality impact assessment form. This should be completed and attached to relevant Board reports.

Name of Policy Procedure/Service	Housing Allocations Policy
Officer Responsible for assessment	Paul Roberts

Does this policy /procedure /service have any differential impact on the following equality groups /people

- (a) Is there a positive impact on any of the equality target groups or contribute to promoting equal opportunities and improve relations or:
- (b) could there be a negative impact on any of the equality target groups i.e. disadvantage them in any way

Equality Group	Positive impact	Negative impact	Reasons/Comments
Racial	Yes		Gives equal opportunity & does not discriminate
Gender	Yes		Gives equal opportunity & does not discriminate
Disabled people	Yes		Gives equal opportunity & does not discriminate
Gay, Lesbian and Bisexual people	Yes		Gives equal opportunity & does not discriminate
Older/Younger people	Yes		Gives equal opportunity & does not discriminate
Religion and Beliefs	Yes		Gives equal opportunity & does not discriminate
People having dependents caring responsibilities	Yes		Gives equal opportunity & does not discriminate
People having an offending past	Yes		Gives equal opportunity & does not discriminate
Transgender people	Yes		Gives equal opportunity & does not discriminate

DRAFT UChoose Common Lettings Policy



Southern Staffordshire & Northern Warwickshire Sub-Regional Choice Based Lettings Partnership

If you would like this document in another language or format, or if you require the services of an interpreter, please contact us.

یہ دستاویز اگر آپ کو کسی دیگر زبان یا دیگر شکل میں درکار ہو، یا اگر آپ کو ترجمان کی خدمات چاہئیں تو برائے مہربانی ہم سے رابطہ کیجئے۔

Urdu

本文件可以翻譯為另一語文版本，或製作成另一格式，如有此需要，或需要傳譯員的協助，請與我們聯絡。

Cantonese

જો તમને આ દસ્તાવેજ બીજી ભાષા અથવા રચનામાં જોઈતો હોય, અથવા જો તમને ઇન્ટરપ્રિટરની સેવાઓ જોઈતી હોય તો, કૃપા કરી અમારો સંપર્ક સાધો.

Gujarati

Jeżeli chcieliby Państwo otrzymać ten dokument w innym języku lub w innym formacie albo jeżeli potrzebna jest pomoc tłumacza, to prosimy o kontakt z nami.

Polish

Section One
The Common Lettings Policy

Page

Background	5
Key aims and objectives	6
Equality and fairness	6
Charitable Status	7

Section Two
The Common Housing Register

Page

Introduction	7
Who can apply	8
Eligibility	8
Local Connection	9
Joint applications	9
Multiple applications	9
Transferring tenants	9
Applications from Elected Members, Board Members and employees	9 10
How to apply	10
Advice, support and information	10
Home visits	10
Changes in circumstances	10
Annual reviews	10
Cancelling applications	11
Withholding information/providing false information	11
Reviews	11
UChoose Partnership Board	11
Making a complaint	12

Section Three
Assessing Housing Need

Page

Reasonable preference groups	13
Reduced preference	13
The banding system	14
Cumulative need	15
Band 1+	15
Band 1	15
Band 2	16
Band 3	16
Band 4	17
Homeless applicants	17
Medical grounds	18
Welfare grounds	18
Hardship grounds	19

Overcrowding	20
Serious harassment and violence	20
Disrepair	20
Succession & left in occupation	21

Section Four
UChoose

Page

Introduction	22
Advertising properties	22
Adapted properties for customers with disabilities	22
Local lettings policies	23
Affordable housing developments	23
The expression of interest process	23
Support for vulnerable customers	23
Expression of interest for the statutorily homeless	24
Short-listing	24
Viewing properties and receiving offers	24
Feedback on results	25
Nominations	25
Best use of stock	25
Future development of the scheme	25

Appendices

Page

Appendix 1 – Contact Details	26
Appendix 2 – Policy on Unacceptable Behaviour	27
Appendix 3 – Local Connection Criteria	29

Section One

The Common Lettings Policy

Background

UChoose is a partnership which has been formed to provide a choice based lettings system of allocating properties. It has been designed to improve access to affordable rented properties across areas in southern Staffordshire and northern Warwickshire. All of the partners share a housing register so that applicants just have to complete one application form and the system enables applicants to express an interest for properties advertised by the UChoose partners.

By offering more choice to you we hope to build more settled communities and give you more say in where you are housed. UChoose is a simple, straightforward way of letting homes and is more open and transparent. Visit us at **[www. UChoosehomes.co.uk](http://www.UChoosehomes.co.uk)**.

All properties are let in accordance with a published lettings policy. Some of the partners are using the policy which is described in this booklet. Some of the partners are using a separate policy. The following organisations are members of the partnership and the description includes their level of participation:

The following partners are using the Common Lettings Policy described in this booklet:

- Lichfield District Council & Homezone Living
- Nuneaton and Bedworth District Council
- Waterloo Housing Association
- Sanctuary Housing Association

The following partners will advertise their vacancies using the UChoose website but will be using their own lettings policy. These policies are available on the UChoose website.

- Cannock Chase Council
- North Warwickshire Borough Council
- South Staffordshire Council & South Staffordshire Housing Association
- East Staffordshire Borough Council & Trent and Dove Housing

In addition Housing Associations which have properties to let in the Lichfield, Nuneaton and Bedworth, North Warwickshire and Cannock areas will be advertised with UChoose using the lettings policy relevant to that area

Some landlords have local connection criteria as part of their lettings policy. When this is the case the property will clearly be labelled when it is advertised. Local connection criteria for properties in a particular district are described at the end of this booklet.

Key Aims and Objectives

The overall aim of the lettings policy is to ensure that all social housing within the partnership is allocated fairly and objectively to those in the greatest housing need, having regard to any legislative requirements and Codes of Guidance issued by the Communities and Local Government department and The Housing Corporation.

This policy has been developed with a view to meeting the following principles and key objectives:

- To operate an allocations system that offers realistic, informed choice for all.
- To improve local, regional and national mobility and to encourage balanced and sustainable communities.
- To ensure that every application is dealt with fairly and consistently irrespective of race, disability, gender, sexual orientation, religion and belief and age.
- To operate a choice based lettings system that is simple, easy to understand, transparent, open and fair.
- To give appropriate priority to customers who fall within the Housing Act “Reasonable Preference” categories.
- To empower customers by giving them more opportunity to express choice and preferences about where they want to live whilst having regard to the availability of housing resources and the high demand for housing.
- To assist those customers who are vulnerable in accessing the scheme.

Equality and Fairness

The Partnership will ensure its policies and practices are non-discriminatory and will promote equal opportunity by preventing and eliminating discrimination on the grounds of race, disability, gender, sexual orientation, religion and belief and age. The scheme will be accessible, responsive and sensitive to the diverse needs of individuals. The Partnership’s aim is to create an environment where equality and diversity is at the heart of everything they do.

The impact of the policy will be monitored, to ensure that it promotes equality of opportunity to individuals and minority groups. In order to achieve this, all customers will be asked to provide details of their ethnic origin and any other demographic information when they apply to join the Register.

The Partnership will ensure all potential customers have equality of information about the service and equal opportunity to apply, express an interest in and receive offers of accommodation. We will do this by:

- Advertising the service widely in a variety of accessible media.
- Providing practical assistance to those who may have difficulty in understanding the requirements of the system.

- Providing practical assistance, in the customers preferred way, where the customer may have difficulty completing an application.
- Providing tailored assistance to those who may have difficulty expressing an interest in properties, including expressing an interest on their behalf, if that is necessary.
- Monitoring the profile of those who are applying and expressing an interest in properties to ensure that minority and hard to reach groups are actively engaged in the service.

UChoose and Charitable Status

Homezone Living and Trent and Dove Housing Association are charitable organisations. This means that before they grant a tenancy to an applicant they ensure the applicant meets the criteria set out as part of their charitable status.

If the property you are expressing an interest in is owned by Homezone Living or Trent and Dove Housing Association their charitable status means that before an applicant is offered a home they may be asked for further information about their circumstances. An applicant may also be refused a tenancy by a charitable landlord if they do not meet the criterion which applies to their charitable status. The criteria includes people who are in receipt of welfare benefits or have a low income, older people, people with disabilities, those who have a long term physical or mental illness or people in other recognised charitable need.

Please read this policy subject to this information.

Section Two The Common Housing Register

Introduction

The Common Housing Register is a single list of all the customers across the sub-region who have been accepted onto the lettings scheme. It includes new customers and existing social housing tenants wishing to transfer. Customers who apply to join the Register need only apply once to be considered for vacancies across the whole of the partnership area or can elect to be considered in specific districts.

Who can apply?

We operate an open housing register, which, subject to eligibility or exclusion policies, means that anyone aged 16 or over can apply to be placed on the register.

Eligibility

Ineligible due to Immigration Status.

Some people travelling to the United Kingdom from abroad are not entitled to social housing on the basis of their status as detailed in Section 160A of the Housing Act 1996 as amended.

Where a Registration form indicates that this may be an issue, checks will be made to confirm the eligibility status of an applicant.

If you are not sure if this section applies to you please contact us and we will advise you. If you are subject to this section we have no duty to offer you a home but we will offer you advice on your other housing options.

Anyone arriving from abroad or subject to immigration control who wishes to apply for housing must seek advice from one of the partner organisations. Such customers should provide their passports and/or other relevant information to confirm immigration status.

Exclusion from the List due to Unacceptable Behaviour

Applications may not be accepted from persons guilty of unacceptable behaviour serious enough to make them unsuitable to be a tenant, or where a member of the applicant's household guilty of such behaviour. Please see Appendix 2 – Policy on Unacceptable Behaviour (page 27) for further information.

Under Section 160A (7) of the Housing Act 1996, any customer (or a member of their household) at the time that their application is considered who is guilty of unacceptable behaviour serious enough to make him/her unsuitable to be a tenant, can be deemed ineligible for an allocation which means they will not be accepted on the housing register.

Unacceptable behaviour is that which, had the applicant been a tenant of one of the landlords in the UChoose partnership at the time of the behaviour, would have entitled that landlord to an outright possession order.

Examples of such behaviour are:

- Behaviour that causes or is likely to cause nuisance or annoyance to others.
- Using a property for illegal or immoral purposes.
- Violence or threatening behaviour towards employees

All applicants who have been found ineligible will be provided with written notification of the decision and the reasons for it. They also have a right to request a review of that decision and will be encouraged to submit any new information about their application.

Local Connection

Some landlords within the UChoose partnership use local connection criteria as part of their allocations procedure. The partners who apply local connection criteria are:

- Lichfield District Council & Homezone Living – connection to Lichfield District
- Cannock Chase District Council – connection within the Cannock Chase District
- North Warwickshire Borough Council – connection to North Warwickshire Borough

Please see Appendix 3 – Local Connection Criteria (page 29) for more details.

Joint Applications

Joint applications will be accepted, provided both customers are eligible, aged 16 or over and intend to occupy the property together as their only or main home.

Multiple Applications

Multiple applications will not be allowed. If multiple applications do exist, the application which is a true reflection of the customers' circumstances will be kept open. Any other applications will be cancelled.

Transfers & Management Moves

Existing social housing tenants can apply to move and will have their priority assessed in the same way as other customers. However, some transfer moves are exempt from the requirements of Part 6 of the Housing Act 1996 and will be dealt with separately. This includes assignment or succession by a relative. Mutual exchanges are advertised through 'Homeswapper'. A link to this website will be provided on the UChoose homepage or details of the scheme can be sent to customers on request.

In certain circumstances a landlord may approach their Tenant to initiate a move to a different property. This may be in order to make better use of their stock. In these cases the property concerned will be allocated outside of the lettings scheme but will still be advertised on the UChoose website.

Applications from Elected Members, Board Members and Employees

Applications can be accepted from employees, elected members, board members and their close relatives, provided they are eligible to apply and subject to the rules in Schedule 1 of Housing Act 1996. Customers must disclose any such relationship at the time of application.

How to apply

An application can be made by completing a housing application and providing the information requested. There are different ways to complete the housing application

including on the website, www.UChoosehomes.co.uk or by telephone (please see Appendix 1 – Contact Details, page 26.) The registration of an application may be delayed or cancelled if the information requested is not provided.

The purpose of the application form is to correctly identify the housing priority for each customer, which is expressed as a priority banding. Once an application has been registered customers will receive a copy of the lettings policy guide and be notified of:

- The date of registration (date the application is received).
- The priority banding awarded.
- The Username and Password for the web site.
- Application reference (for expressing an interest in properties).
- The right to appeal against the decision on their priority banding.
- The nominated lead landlord for their application

Advice, Support and Information

A Lettings Policy guide is made available to all customers and support will be offered to customers needing assistance.

Home Visits

Home visits may be carried out to assess some applications where appropriate.

Changes in Circumstances

Applicants who move to a new address or whose circumstances change after they have been accepted onto the housing register (e.g. someone joining or leaving their household) should immediately contact the Partnership (usually their lead landlord) to notify them of the change.

If the change of circumstances affects the customer's priority banding they will be informed in writing of the outcome of the reassessment.

Annual Renewal

Every year, on the anniversary of a customer's registration date, an annual renewal letter will be sent to the customer asking if they wish to stay on the housing register and if there has been any change in their circumstances. If no reply is received within 28 days the application will be cancelled. If a customer is known to be vulnerable every effort will be made to contact them, either by telephone, visiting them at home or contacting a relevant support agency to confirm whether they wish to remain on the register.

Cancelling Applications

Applications will only be cancelled in the following circumstances:

- A request has been received from the customer (or their advocate) in writing.
- There is no reply to the annual review and any reminder letters.
- The customer has been re-housed by any of the Scheme's partners
- Notification has been received from an executor or personal representative that the customer is deceased and s/he was the sole applicant.
- It is discovered that the customer has given false or misleading information in their application.
- Evidence is obtained that the applicant is no longer eligible.
- If information requested remains outstanding after reminders.

Applicants will be informed of the reason(s) why their application has been cancelled and informed of their right to request a review of the decision (see section on Reviews below).

Deliberately Withholding Information or Providing False Information

It is a criminal offence (punishable by a fine of up to £5,000) if an applicant gives false information or withholds information related to their housing application.

Possession proceedings can be instigated if a tenancy was obtained by giving false information.

Reviews

Applicants have the right to request a review against decisions made in the allocation process.

The customer's request for a review of the decision should be made within 21 days of the decision being made. The customer should provide supporting evidence if necessary and explain why they require a review of the original decision.

An independent senior officer from the organisation making the decision for the application will carry out reviews. The officer will not have been involved in the original decision. The officer will consider the evidence provided and decide whether to overturn or support the original decision. The customer will be informed within 21 days of receipt of the request for a review. The reply will contain the decision made, the reasons for the decision and the facts taken into account when making the decision.

UChoose Partnership Board

Future developments and alterations to this Common Lettings Policy, or the overall scheme, will be decided by the UChoose Partnership Board, which will consist of senior managers from each of the participating organisations. The Common Lettings Policy will be reviewed annually.

Making a Complaint

All customers who make a complaint will be treated fairly and objectively. A written reply to any complaint received will be sent out within the timescales set out in each partner organisation's complaints policy. Copies of these can be obtained from the individual partners (Please see Appendix 1 – Contact Details, page 26)

If the customer has gone through the complaints procedure and remains dissatisfied, they can write to the Housing Ombudsman (Registered Social Landlord tenants) or the Local Government Ombudsman or apply for a judicial review (social housing tenants and other customers).

Assessing Housing Need

Reasonable Preference Groups

Applications will be assessed under this policy, to ensure that those in greatest housing need are given preference for an allocation of accommodation. Landlords within the partnership give reasonable preference to customers as set out in s167 (2) of the Housing Act 1996 and the Homelessness Act 2002. These are:

- Applicants who are homeless. This includes applicants where there is a statutory duty to re-house as well as applicants who are intentionally homeless and those who do are not in priority need.
- Applicants occupying unsanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions
- Applicants who need to move on medical or welfare grounds, including grounds relating to disability
- Applicants who need to move to a particular locality in the district of the housing authority, where failure to meet that need would cause hardship (to themselves or to others)

In addition, section 167(2) gives housing authorities the power to frame their allocation schemes to give additional preference to particular descriptions of customers who fall within the reasonable preference categories and who have particularly urgent housing needs.

To ensure that local priorities are met, the scheme may provide for other factors, other than those set out in section (2) of the Housing Act 1996 in determining which categories of customers are to be given preference for an allocation of accommodation within the scheme, providing they do not dominate the scheme at the expense over those listed in the statutory preference categories as listed in 167(2).

Reduced Preference

The Common Lettings Policy intends to ensure that those with the greatest housing need are re-housed more quickly. However in certain circumstances applicants will have their priority within the lettings scheme reduced. This could be because of their behaviour, their lack of a local connection to a local authority area or because of their financial circumstances.

Where priority is reduced because an applicant does not have a local connection to one of the areas in the partnership (see Appendix 3 - Local Connection Criteria, p29) the consequences of the reduced preference are identified for each area at Appendix 3 - Local Connection Criteria.

Where applicants are assessed as having the financial resources available to the applicant to meet their housing costs (for example by being able to secure alternative accommodation at market rent or to buy a home) they may have their priority reduced.

In some circumstances applicants may be assessed as deliberately worsening their housing circumstances in order to improve their housing priority. These cases will be investigated and re-assessed where appropriate which may include a reduced priority banding. For example, if a household were in privately rented accommodation with no overcrowding issues and then gave that tenancy up to move in with relatives where they are overcrowded, their band priority will be assessed as though they were still occupying the privately rented accommodation. Applicants will be notified of this decision and advised of the right to request a review of this decision.

In assessing an applicant's priority at the time of their application we will take into account behaviour that relates to their suitability to be a tenant. In certain circumstances an applicant may not be considered for an allocation of accommodation until the behaviour is improved. An applicant will be told what the behaviour is and how it should be remedied and their application will be monitored. Whilst applicants will be placed in the priority need category which reflects their housing need and will be able to express an interest in properties their behaviour will have the effect of preventing them from being offered a property until it is resolved as advised. The behaviour will be such that it either reflects the applicant's unsuitability to become a tenant or that a current tenancy is not being conducted in a satisfactory manner. The behaviour may include rent arrears or breach of tenancy obligations or minor anti social behaviour. The applicant will be given written notification about the decision and how they can act to remedy the situation as well as a timescale for a review.

We will also take into account circumstances in which an applicants' past or current behaviour is serious enough to make them unsuitable to be tenant at the time of their application. Where an applicant's behaviour has, or could have, resulted in an outright possession order being obtained against them, the application will be either deemed ineligible for an allocation and therefore excluded from the Common Housing Register or given no priority preference within the policy. No priority preference means the application will not be placed in priority Band 1, 2 or 3 even if the applicant's circumstances would normally mean they would be placed in an urgent or high band. Their application will be placed into Band 4. Applicants will be advised in writing about their status and the facts on which the assessment had been made and when a new assessment of the application will be made. Applicants can ask for a review of this decision.

The Banding System

Partners using this allocations policy will have a priority banding system based on housing need. The partner agency will use the policy to assess the housing need of housing applicants and will advise them which band reflects their need most appropriately.

There will also be prioritisation of applicants within specific bands. All applications will be given an application date. Within each band there will be prioritisation using the date that the applicant is placed within the band awarded to their application.

Cumulative Need

If an Applicant (or one or more members of their household, as applicable) has more than one housing need (cumulative need) within the band in which they have been placed, their case will be assessed to see whether the application should be given additional priority and placed in a higher band.

Examples would be where applications are assessed as having a need within the allocations scheme under two or more categories in Band 2 they will move to Band 1 or two or more categories in Band 3 will move to Band 2 or two or more categories in Band 3 will move to Band 2.

Band 1+

Applicants in the following circumstances will be placed in the highest priority band (Band 1+):

Applicants assessed as statutory homeless who are owed a full housing duty and who also display exceptional cumulative housing needs where the needs in question were not specifically related to their homelessness application.

Band 1

Applicants in the following circumstances are deemed to have an urgent need for re-housing:

Applicants assessed as statutorily homeless who are owed a full housing duty. (Please see page 17)

Applicants in properties that are assessed as having a lack of facilities or that are subject to statutory Prohibition or Demolition Orders in accordance with legislation and statutory regulations. This would also include situations where the condition of property occupied is seriously detrimental to the health of any of the household and the defects to the property cannot be readily remedied. (Please see page 20)

Applicants with a high need for alternative accommodation on the grounds of significant social/ welfare need including issues of vulnerability. (Please see page 18)

Where applicants are unable to continue to occupy their current accommodation due to a high medical need or disability. (Please see page 18)

Applicants who cannot continue to live in their current home because of serious harassment or violence. (Please see page 20)

Applicants with a need to move to a particular locality where significant hardship would be caused if they did not move. (Please see page 19)

Applicants who are overcrowded because their present home is short of at least 3 bedrooms. (Please see page 18)

Applicants who are in short term supported housing and are required to move on to alternative accommodation urgently. Confirmation about these circumstances will be required from the organisation providing the supported accommodation.

Band 2

Applicants in the following circumstances will be placed in priority Band 2:

Applicants who are assessed as homeless or threatened with homelessness but where there is no statutory duty to obtain housing. (Please see 17)

Applicants with a medium need for alternative accommodation on the grounds of serious social/ welfare need including issues of vulnerability. (Please see page 18)

Applicants with a medium medical need who have been assessed as requiring suitable alternative accommodation because their medical condition and/ or disability is having a significant detrimental affect on their ability to live independently at home. (Please see page 18)

Applicants who are overcrowded because their present home is short of at least 2 bedrooms. (Please see page 20)

Applicants of UChoose social landlords who are under occupying their current accommodation by two or more bedrooms.

Applicants with a medium need to move to a particular locality where serious hardship would be caused if they did not move. (Please see page 19)

Applicants who are sharing facilities with more than one household, this could include sharing the bathroom or kitchen.

Applicants who are in Armed Forces accommodation and who lived in a particular District or Borough partnership area before they joined up will be placed in this category six months before discharge and vacation of service accommodation is required.

Band 3

Applicants in the following circumstances will be placed in priority Band 3:

Applicants living in a property that has minor disrepair and/or in poor condition but is not a risk to health or safety.

Applicants with a low medical need or disability where a move to more suitable alternative accommodation would improve their health (Please see page 18)

Applicants who have a low housing need on welfare grounds will be placed in Band 3. (Please see page 18)

Applicants who are overcrowded because their present home is short of 1 bedroom.

Applicants who are currently adequately housed but who want to live independently

Band 4

Applicants in the following circumstances will be placed in priority Band 4:

Applicants who have no identified housing need or who have the financial resources and ability to find their own housing solutions.

Further Information about Categories

Homeless Applicants

Local Authorities within the Partnership have a legal duty under Part VII of the Housing Act 1996 (as amended by the Homelessness Act 2002) to ensure that homeless applicants owed a full housing duty under s.193 (2) are provided with suitable accommodation. Applicants meeting this criteria will have received a letter from the relevant Authority making the decision confirming that they have a duty to assist the applicant to obtain housing. Homeless applicants to whom the full duty is owed will be placed in Band 1.

As Band 1 is effectively the highest priority band for most customers and all those within it are considered to be in high levels of relative need, it is not considered possible or necessary to accord any further priority to such homeless customers. Such customers are, by virtue the s193 (2) duty, provided with accommodation suitable to their needs. However where a homeless customer exhibits an exceptional cumulative need, they may be placed in Band 1+.

Homeless applicants are awarded priority within the allocations scheme because of their urgent need to be re-housed. For this reason homeless applicants will be placed in Band 1+ or Band 1 for a period of 2 months from the date of the decision on their application after which there will be a review of the priority awarded to their application which could result in their application being placed in a lower band. (See page 24 below)

Applicants who are assessed as homeless or threatened with homelessness in accordance with the Housing Act 1996 (as amended by the Homelessness Act 2002) and there is no statutory duty to obtain housing will be placed in Band 2.

We will work with all applicants who are homeless or threatened with homelessness to provide them with assistance and options appropriate to their circumstances.

Medical Grounds

In these circumstances evidence would be required to support the case.

Priority may be awarded on medical grounds if information received indicates a move will benefit the health of the customer or their household.

When determining the level of medical need a customer has we will consider whether the provision of adaptations will assist with improving their housing circumstances.

High

Where applicants are unable to continue to occupy their current accommodation due to a high medical need or disability. These customers will be placed in Band 1.

Examples would include:

- A wheelchair user occupies a home where facilities are upstairs and therefore inaccessible
- An applicant is due to be discharged from hospital and their current accommodation is totally unsuitable
- A referral has been received from a mental health professional stating that the current housing be having a severe effect on an applicant's mental well being
- Any applicant who needs to move to suitable adapted accommodation because of serious injury, medical condition or disability which they, or a member of their household, has sustained as a result of service in the Armed Forces.

Medium

Applicants with a medium medical need who have been assessed as requiring suitable alternative accommodation because their medical condition and/ or disability is having a significant detrimental affect on their ability to live independently at home.

Low

Applicants who have been assessed as having a low medical need or a disability where a move to suitable alternative accommodation would improve their health will be placed in Band 3.

Welfare Grounds

In these circumstances evidence would be required to support the case.

Applicants with care or support needs, or other social needs (including financial hardship) may need to move to alternative accommodation on welfare grounds

High

Those applicants needing to move urgently on welfare grounds will be placed in Band 1. Priority of this level will only be awarded if the current situation is so significant it will have a serious impact on the well being of the applicants.

Examples would include:

- Parents forced to live apart (where they have previously lived together) except where it could reasonably be expected for both parents to live in either of the homes that they occupy.
- Child separated from parents (where they have previously lived together) where the child cannot occupy the current home of the parent, and that they will live as a family unit if suitable accommodation is allocated.
- Applicants with a high degree of vulnerability and their housing situation is having a detrimental effect on their quality of life.

Medium

Applicants who have a medium housing need on welfare grounds will be placed in Band 2.

Examples would include:

- Applicants who need to move to receive care or support
- Applicants who need to move as part of an agreed support plan to re-integrate them into the community

Low

Applicants who have a low housing need on welfare grounds will be placed in Band 3.

Hardship Grounds

In these circumstances evidence would be required to support the case.

Applicants may need to move to a specific locality in order to give or receive care, to be able to access specialised medical treatment or to take up particular education, employment or training opportunities in a particular local authority district.

High

Those applicants needing to move urgently on hardship grounds will be placed in Band 1. Priority at this level will only be awarded if the current situation is so significant that it will cause significant hardship to the applicant or to others.

Examples would include:

- An applicant needing to move to a particular area to take up employment and if they did not significant financial hardship would be caused.
- An applicant needing to move to be closer to a vulnerable relative where there is no alternative solution and not to do so would cause significant hardship.

Medium

Applicants with a medium housing need to move to a specific locality on hardship grounds will be placed in Band 2.

Examples would include:

- Applicants who need to move and if they did not do so they would not be able to take up an educational opportunity
- Applicants who need to move to a particular area provide support and not to do so would cause personal hardship.

Overcrowding

Only children permanently residing with the main applicant are included. (Living permanently would mean that children must spend at least 50% of the time with the main applicant) In these circumstances evidence would be required to support the case and this may include a home visit in order to make an assessment.

For the purpose of assessing overcrowding the following criteria will be used:

- The main applicant and a household member living permanently with the main applicant will be considered as couple if the latter has a relationship of – Husband or Wife or Partner
- A separate bedroom will be allotted to each couple and also to each individual person within the household.
- An expected child is included from 6 months prior to the expected date of birth.
- A couple may be allotted a bedroom each where medical reasons dictate.

We reserve for ourselves the discretion to modify the above criteria and not apply them rigidly particularly where that would result in unfairness to the particular applicant or other applicants generally. In particular in certain circumstances the size of the bedrooms in a property and the relationship between those sharing a bedroom will be taken into account as well as the sex of the children when carrying out an overcrowding/bedroom shortage assessment.

Serious Harassment or Violence

In these circumstances evidence would be required to support the case and an investigation will be carried out in conjunction with other agencies as appropriate.

Examples would include:

- An applicant suffering domestic abuse from a partner, former partner or relative with whom they currently reside and for whom the use of an injunction or other form of legal action may not be appropriate.
- An applicant suffering serious harassment and legal remedies are not working or are inappropriate. Harassment implies a degree of deliberate intent with some underlying motive and can be distinguished from neighbour disputes or nuisance.

Disrepair

Applicants who are required to leave their homes as a result of an emergency Prohibition Order served in relation to the premises under the Housing Act 2004 will be placed in Band 1

Customers living in unsafe or unsanitary housing conditions (as defined by the Housing Health and Safety Rating System (HHSRS)) and there is a high risk of harm will be placed in Band 1.

Succession and Left in Occupation

When a tenant has succeeded to a tenancy but the property is more extensive than they need they may be asked to move to more suitable accommodation. These transfer applicants will be placed in priority Band 2 because they are under occupying their current accommodation.

Two reasonable offers may be made. If they are not accepted possession may be sought through the County Court

When an applicant does not have a right to succeed to a tenancy but is left in occupation on the death of the tenant their landlord may consider whether the applicant:
Has been living with the tenant for a year before the tenants' death

OR

Has been looking after the tenant for a substantial period of time (for example 12 months or more)

OR

Has accepted responsibility for the tenants' dependants

Depending on the applicant's circumstances the landlord concerned may consider granting a tenancy to the remaining person or persons. This could be either in the same home or in suitable alternative accommodation. The landlord concerned may have to be satisfied that this is a priority when viewed in the context of other demands on the housing stock and the housing needs in the area and the banding allocated gives sufficient priority within the allocation scheme. The banding would be in accordance with the applicant's circumstances.

If the applicant is to be allocated another property one reasonable offer may only be made. If that is refused possession may be sought through the County Court.

Section Four UChoose Advertising

Introduction

We will work to assist and support all customers through the process of applying for and expressing an interest in UChoose Choice Based Lettings Scheme. Choice Based Lettings enables customers to express an interest in advertised properties. The successful customer will be decided in line with this allocations policy.

Advertising Properties

The Partnership will advertise all vacant properties as part of the scheme. If there is an occasions when a property cannot be advertised feedback will be given to customers on the website.

Adverts will be clearly labelled to show the property features, local neighbourhood information and the types of household that can show an interest in the property.

There will sometimes be other restrictions in the advert. Expressions of interest from customers will only count if they can match the requirements in the advert.

Adapted Properties for Customers with Disabilities

Accessible properties are homes which have been designed for or significantly adapted to meet the needs of customers with physical or sensory disabilities.

Customers with an assessed need for accessible accommodation will be given priority for that type of accommodation over others in the same band rating without that need and the property advert will make that clear. The advert will also describe the accessible features together with local neighbourhood information to help customers choose whether to express an interest in that property or not.

In selecting a customer for an accessible property from the short-list of qualifying customers, the full circumstances of each case will be considered when deciding who will be offered the property. In some circumstances priority may be given outside of date order, if the vacancy is particularly suitable for the needs of a customer.

Customers in this category can also express an interest in properties, which do not have accessible features. However if they are short listed during the selection stage the partner landlord will assess whether it is reasonable and practicable for the property to be adapted, the customer will be considered for the property on the same basis as the other customers who have submitted an expression of interest.

Local Lettings Policies

From time to time we may agree a local lettings policy for specific areas or developments to reflect local circumstances. Any such policy will be published and have regard to considerations such as the social mix, density, age and community stability. Any such policy will be time limited but during that time properties may be let to applicants outside the normal rules for priority and banding included in this policy.

Affordable Housing Developments

Affordable housing will be advertised through the scheme. When new housing developments are built within rural areas planning restrictions may state that those customers wishing to apply must have a direct local connection to that specific rural area (local lettings policies). When advertised through UChoose properties will be clearly labelled with the eligibility criteria.

Expressing an Interest in a Property

Available properties will be advertised weekly.

Customers can express an interest via telephone, email, the UChoose website, text message or visit any one of the Partnership offices in order to express an interest on advertised properties. Advice and support will be provided to customers who need it, to ensure they are able to use the scheme to express an interest in properties.

Support for Vulnerable Customers

The Partnership will ensure vulnerable people are able to access the scheme. When a vulnerable customer is identified every effort will be made to assist and support them through the process. Some customers will require or request support and assistance with accessing information about available properties, expressing an interest and making a decision about an offered property. In all cases the level and type of support will be decided on an individual basis. However in some cases the Partnership may have to use specialist staff to express an interest on their behalf.

A number of measures will be put in place to ensure that vulnerable customers are not disadvantaged for example through:

- Providing appropriate advice and assistance
- Providing information in other formats
- Partnership working with support agencies
- Translating key documents
- Ensuring appropriate support is available for customers using the system

The partnership would like people whatever their background or presumed ability to become active participants in the choice based lettings process. However we recognise in

limited circumstances it may be necessary to place certain vulnerable people outside of the choice based lettings process and to allocate properties to them.

Statutorily Homeless Households Expressing an Interest

Customers accepted as homeless and owed a 'full housing' duty can express an interest in properties of their choice across the sub-region for a period of 2 months from the date of the decision letter. If a customer does not express an interest in available properties, or express an interest on unsuitable properties, or unreasonably restricts their choice during this period, the Authority to which the customer has applied will express an interest on behalf of the customer for a 'suitable' property. If the customer is subsequently offered this accommodation and refuses it the homelessness duty may be discharged, thereby removing their priority on the Common Housing Register from Band 1+ or Band 1. If customers are expressing an interest in suitable properties but have been unsuccessful the 2 months will be extended.

Short Listing

Expressions of interest will be placed in the order of priority e.g. Band 1+, then Band 1, then Band 2, then Band 3, then Band 4. The date that an application was placed in their most current category (the 'effective' date) will also be used to prioritise applications.

If two or more customers within the same band have expressed an interest in the same property for which they qualify, their application date or the date they entered their current band will be used to determine the higher priority. If the band date is the same, whichever customer expressed an interest in the property first will be successful.

Where properties are targeted at specific customers, they will be given priority for that type of accommodation e.g. accessible accommodation for customers with disabilities or new build properties where certain eligibility rules apply under special Planning requirements. (Section 106 agreements)

If a customer is ranked first for more than one property and provided the eligibility criteria are met, they will be contacted to make a decision about which property they wish to accept.

Viewing Properties and Receiving Offers

If you are offered a property the landlord who owns it will contact you directly to invite you to view the property and arrange for you to sign for the tenancy if you decide to accept it.

Feedback on Results

Lettings results will be made available to the public upon request. Information will also be available on the website and will include the following information:

- Lettings results - property type and neighbourhood
- The total number of expressions of interest made for the property
- The successful customer's band effective date.
- Properties where a direct offer was made.
- Customer satisfaction.
- Equality and Diversity information.

Best Use of Stock

Properties will be allocated in a way that makes the best use of a landlord's stock. Accommodation will normally be offered according to an applicant's needs and each landlord will label the properties it advertises clearly to show what who it expects to apply for the property concerned – for example by indicating family size or age of applicant.

Future Development of the Scheme

The Partnership is committed to continually reviewing its practices and procedures associated with this policy, to ensure a consistent and joined up approach in the delivery of a first class choice based lettings service for the UChoose Partnership.

Appendix 1

Contacts

Homezone Living

<http://www.homezonehousing.org.uk/>

e-mail

customerservies@homezonehousing.org.uk

Tel 01543 420800

5 Stowe Road

Lichfield

Staffordshire WS13 6WA

Trent and Dove Housing

<http://www.trentanddove.org/>

Tel 01283 528528

Trinity Square

Horninglow Street

Burton upon Trent

Staffordshire DE14 1BL

South Staffordshire Housing Association

www.ssha.co.uk

Tel 01785 312000

Acton Court

Stafford, Staffordshire,

ST18 9AP

North Warwickshire Borough Council

www.northwarks.gov.uk

e-mail

housingservices@northwarks.gov.uk

Tel 01827 715341

The Council House

South Street

Atherstone

Warwickshire CV9 1BD

Sanctuary Housing Association

www.Sanctuary-housing.co.uk

e-mail

marketing&lettings@sanctuary-housing.co.uk

Tel. 0800 288 9782

164 Birmingham Road

West Bromwich

West Midlands

B70 6QG

Cannock Chase Council

<http://www.cannockchasedc.gov.uk/>

Tel 01543 462621

Civic Centre

Beecroft Road

Cannock

Staffordshire WS11 1BG

Nuneaton and Bedworth Borough Council

<http://www.nuneatonandbedworth.gov.uk>

02476 376376

Town Hall

Coton Road

Nuneaton

Warwickshire CV11 5AA

South Staffordshire Council

www.sstaffs.gov.uk

Tel 01902 696000

Wolverhampton Road

Codsall

South Staffs

WV8 1PX

Waterloo Housing Group

www.waterloo.org.uk

Tel 01827 711105

33 Long Street

Atherstone

Warwickshire

CV9 1AY

Midland Heart

www.midlandheart.org.uk

Tel 02476 507100

Touchstone House

Whitley Village

Coventry

CV3 4HZ

Appendix 2

Policy on Unacceptable Behaviour

Introduction

An applicant may be deemed ineligible for an allocation on the grounds of unacceptable behaviour. In making an ineligible decision the Partnership will have regard to the Code of Guidance (Allocation of Accommodation) which explains in detail how local housing authorities should apply the 'Unacceptable Behaviour Test.'

In summary, the test states that to make someone ineligible the landlord must be satisfied that the customer, or a member of his/her household, has been guilty of unacceptable behaviour that is serious enough to make him/her unsuitable to be a tenant at the time the application is being considered. The 'test' is whether the behaviour would have entitled the landlord to a possession order if, whether actually or notionally, the customer had been a secure tenant.

The Partnership will also have regard to regulatory guidance published by the Housing Corporation which requires that customers are only excluded from consideration for housing when their behaviour is serious enough to make them unsuitable to be a tenant in circumstances that are not unlawfully discriminating.

The Partnership be guided by the Housing Corporation circular (Tenancy Management: Eligibility and Evictions) issued in July 2004 which supports much of the Code of Guidance and makes it clear that Registered Social Landlords should not operate blanket exclusion policies for housing customers with rent arrears or previous convictions. Rent arrears will not be an automatic barrier to accessing social housing. This circular also makes it clear that previous tenancy action for anti-social behaviour should not be taken into account if it occurred two or more years prior to the date of application and the tenant's household has conducted a satisfactory tenancy in the mean time.

Each case of unacceptable behaviour will be assessed individually taking into account all relevant information. This policy applies to existing tenants applying to transfer and to new customers joining Register.

Examples of Unacceptable Behaviour

Behaviour which is deemed to make an applicant unsuitable to be a tenant may lead to the applicant being excluded from the housing register or given no priority preference if they are assessed as being in housing need.

Examples of the types of behaviour that will be considered include domestic abuse, racial harassment, drug dealing, noise nuisance, and intimidation. Where an applicant (or a member of the household) has a history of anti-social behaviour or has breached their tenancy conditions (such as non-payment of rent, damage to a tenancy), all relevant facts will be considered before a decision is made. Where anti-social behaviour has been committed by a person who was, but is no longer, a member of the

customers household, the behaviour will be disregarded provided that the customer is not guilty themselves of unacceptable behaviour. In some circumstances applicants who have relevant unspent convictions for serious criminal offences may be ineligible for an allocation following thorough investigation.

Exclusions

At the time of their application an applicant's behaviour could be deemed serious enough to exclude them from the Common Housing Register. The period of ineligibility will depend on what action the customer takes to demonstrate a change in behaviour. Customers may initially be ineligible for a 12-month period after which the onus will be on them to provide evidence that their behaviour has improved. If a customer can demonstrate a change in behaviour before the 12-month period has expired they may be allowed to join the Register sooner. A new application will need to be made by the customer at this point.

Reduced Priority Preference Category

In some cases an applicant's behaviour will be deemed such that they are unsuitable to be a Tenant of a UChoose landlord but although they are not excluded from the Common Housing Register their application will not be given any priority preference (not placed in Bands 1+, 1, 2 or 3) even though their housing need would normally mean they would be. Customers may initially be given no priority to their application for a 12-month period, after which their application will be reviewed and the onus will be on them to provide evidence that their behaviour has improved. If a customer can demonstrate a change in behaviour before the 12-month period has expired their application can be re-assessed.

Suitability to be a Tenant

In some cases the behaviour of the applicant may not be so serious that an outright possession order would have been obtained however there may be factors which affect their suitability to be a Tenant. This could include rent arrears to a former or existing landlord. In these circumstances an applicant will be assessed in accordance with their circumstances but will be advised that although they can express an interest in properties they must rectify their behaviour before they can be eligible for an allocation. For example this could be until all the arrears are cleared or a satisfactory payment arrangement has been made and kept to for defined period of time.

Notification of the Decision

All customers will be notified of the decision to suspend their application and the reason for this along with information on their right to request a review of the decision.

Appendix 3 Local Connection Criteria

North Warwickshire Borough Council

Will use the North Warwickshire Lettings Policy and local connection is defined as:

- Currently living in the area and have done so for the last 6 months
- Working in the area
- Close family living in the area (close family does not extend beyond parents, adult children, brothers or sisters).

Homezone Living/Lichfield District Council

Will use the common allocations policy and will allocate 50% of their vacancies for those with a local connection.

Customers who fulfil any the following will be classed as having a local connection:

- Currently live, or have lived, within the partnership area or local district area as applicable and have done for at least 6 out of the last 12 months or 3 out of the last 5 years.
- Have immediate family (mother, father, brother, sister, son, daughter, grandparents, step-relatives, adoptive parents) who are currently living in the Lichfield District area and have done for at least five years or more.
- Have a contract of employment within the Lichfield District area.
- The need to care for, or receive care from someone who lives in the district

Cannock Chase Council:

Will Utilise the Cannock Chase Council Allocations Policy and will utilise the UChoose Lettings Scheme for 'Band D' of the Cannock Council Allocations Policy (no Local Connection)

Customers who fulfil any the following will be classed as having a local connection:

- Currently live, or have lived, within the partnership area or local district area as applicable and have done for at least 6 out of the last 12 months or 3 out of the last 5 years.
- Have immediate family (mother, father, brother, sister, son, daughter, grandparents, step-relatives, adoptive parents) who are currently living in Cannock Chase area and have done for at least five years or more.
- Have a permanent contract of employment within the Cannock Chase area. Applicants are also assessed on the length of time it takes to get to work. As a general rule, a travelling time greater than two hours a day is considered unacceptable.

Agenda Item No 14

Resources Board

26 October 2009

Report of the Assistant Director (Finance and Human Resources)

Budgetary Control Report 2009/2010 Period Ended 30 September 2009

1 Summary

- 1.1 The report covers revenue expenditure and income for the period from 1 April 2009 to 30 September 2009. The 2009/2010 budget and the actual position for the period, compared with the estimate at that date, are given, together with an estimate of the out-turn position for services reporting to this Board.

Recommendation to the Board

That the report be noted and that the Board requests any further information it feels would assist it in monitoring the budgets under the Board's control.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Both Councillors' Bowden and Butcher have been consulted regarding this report. Any comments received will be reported verbally to the Board.

3 Report

3.1 Introduction

- 3.2 Under the Best Value Accounting Code of Practice (BVACOP), services should be charged with the total cost of providing the service, which not only includes costs and income directly incurred, but also support costs relating to such areas as finance, office accommodation, telephone costs and IT services.

- 3.3 Therefore, to comply with this requirement, the budgets reporting to this Board fall into two categories – services where the costs incurred are recharged to other services and Boards, and those services where costs remain within Resources Boards – and are reported separately within this report.

4 Services Remaining Within Resources Board

4.1 Overall Position

- 4.1.1 The total expenditure for those services that remain within Resources Board as at 30 September 2009 is £2,045,011, compared with a profiled budgetary position of £2,094,671; an under-spend of £49,660 for the period. Appendix A to this report provides details of the profiled and actual position for each service reporting to this Board, together with the variance for the period. Where possible, the year-to-date budget figures have been calculated with some allowance for seasonal variations, in

...

order to give a better comparison with actual figures. Reasons for the variations are given, where appropriate, in more detail below:

4.2 Democratic Process

- 4.2.1 The current under-spend relates to lower use of Mayoral transport in the first half of the year than expected and lower levels of member training, travel and subsistence.

4.3 Council Tax Collection

- 4.3.1 The under spend relates to income from additional legal costs which will be recovered through the collection of Council Tax.

4.4 Finance Miscellaneous

- 4.4.1 The over spend relates to clearance works at Ransome Road Arley, which will be recoverable once the owners of the land have sold it.

4.5 Unallocated Central Support

- 4.5.1 The under spend relates to a reduction in usage on the cost of Postage and Franking.

4.6 Industrial Units

- 4.6.1 The Council receives income from the letting of various industrial units and shops within the Borough. The current overall number of vacant units is above the budget forecast, with an over spend of £14,503 at the end of September. The over spend hides the variation in the different industrial estates performances and the additional income of £3,662 from the Arcade, where the budget assumed the sale of the premises at the end of 2008/2009. With the current economic climate, occupancy levels at all sites will require close monitoring.

- 4.6.2 Since becoming vacant, a unit at Carlyon Road has been split back into two units. Neither of the two smaller units are liable for an NDR charge, resulting in reduced expenditure of £7,760.

4.7 Customer Contact

- 4.7.1 Budget provision available for use on agency staff has not yet been required.

5 Services Recharged to Other Directorates and Services

5.1 Overall Position

- 5.1.1 Net controllable expenditure for those services that are recharged to other Directorates and Services, as at 30 September 2009, is £138,663, compared with a profiled budgetary position of £ 311,642; an under-spend of £172,979 for the period. Appendix B to the report gives the profiled and actual positions for the period for each service, together with the variance. Where possible, the year-to-date budget figures have been calculated with some allowance for seasonal variations, in order to give a better comparison with actual figures. Reasons for the variations are given, where appropriate, in more detail below.

5.2 Directorate Budgets

5.2.1 The Council's budget requirement for 2009/2010 assumed that there would be salary vacancy savings in the year of £160,000, and this was included as a central amount. Current vacancy levels within the Directorates mean that we are slightly below the target, taking into account the use of temporary and agency staff to cover key duties and any recruitment costs resulting from these vacancies.

5.2.2 The main divisions with vacancies are Assistant Chief Executive, Environmental Health, Central Services, Development Control, Leisure and Community Development and Revenues and Benefits. A summary of the position contributing to the central vacancy factor is shown below:

	Total £
Current salaries underspend	(55,580)
Current agency staff variance	12,380
Current recruitment variance	(31,570)
TOTAL	(74,770)

5.2.3 Other significant variances include under-spends on staff car costs (vacant posts), vehicle repair costs, conference fees, subsistence and vehicle fuel. The only significant over-spend is currently that seen on occupational health fees, reflecting the action being taken in relation to current sickness absence.

5.2.4 In addition to the vacancies identified in the table above, there is a further £ 99,650 of vacancies through the policy of freezing vacant posts where possible. This also explains why expenditure on recruitment is currently very low. At this early stage, and without knowing what further changes may occur regarding vacant posts it is not possible to forecast a year end under-spend, however, the figures will be closely monitored throughout the year and forecasts provided as we move through the financial year.

6 Performance Indicators

6.1 In addition to the financial information provided to this Board, when the budgets were set in February, performance indicators were included as a means of putting the financial position into context. These are shown at Appendix C.

7 Risks to the Budget

7.1 A number of key risks to the budgetary position of the Council from services under the control of this Board were identified when the budget was set in February. These are detailed below.

7.2 The key risks to the budgetary position of the Council from services under the control of this Board include:

- A change in rental income at industrial estates through changes to vacancy levels and the added effect of the obligation for the Council to pay the Non Domestic Rates of these units was identified as a risk. Income is currently lower than expected.

- The negotiated pay award being in excess of the 2% assumed within these budgets. The pay award has now been agreed at 1%.
- The costs of managing absence, for example occupational health costs and cover by agency staff. These are currently running above the profiled budget provision.
- Changes to economic circumstances that require increases in the Authority's contribution levels to the pension scheme, which are above previous forecasts. Ongoing turmoil in financial markets may impact on this but it is far too early for an impact to be quantified.
- Increasing costs of maintaining mechanical equipment within the Council offices. As core mechanical elements of the building, such as the lift or the automatic entrance doors, continue to age, the likelihood of breakdown increases. At the moment expenditure is at a level at or below budget in most areas.
- The possible need to 'buy in' professional services to cover some work that cannot be met by the current staffing levels. However, it is likely that any such costs would be met from the salary under-spend within the relevant division.
- The assumption has been made that the contract hire of new refuse vehicles will result in lower repairs costs. The contract hire agreement includes provision for fair wear and tear but damage outside of this definition will be an additional charge.
- Potential increases in vehicle fuel and utilities such as gas and electricity. In the last few months there appears to have been some stability in vehicle fuel prices. Significant changes to the price of vehicle fuel will be monitored and reported should they occur. Similarly, the high volatility that was seen in gas and electricity prices in the last 18 months seems to have abated and there is even some talk of a reduction in prices later in the year. Again, any changes will be reported back together with any likely impact on the financial position.
- The increase in numbers of claimants for benefits could increase the council's costs. Whilst most of the costs are covered by Subsidy, approximately 98%, the council would still have to find the balance.

8 Estimated Out-turn

- 8.1 Members have requested that Budgetary Control Reports provide details on the likely out-turn position for each of the services reporting to this Board. The anticipated out-turn for this Board for 2009/2010 is £4,116,280 as detailed in the table below,

	£
Approved budget 2009/2010	4,409,730
Reduction as a result of Frozen posts/restructures	(236,450)
Reduction in the provision for the pay award	(57,000)
Expected Out-turn 2009/10	4,116,280

9 Report Implications

9.1 Finance and Value for Money Implications

9.1.1 The Council's budgeted use of General Fund balances for the 2009/2010 financial year is £376,250, although this is expected to reduce to 105,300. Income and Expenditure will continue to be closely managed and reported to this Board at future meetings.

9.2 Environment and Sustainability Implications

9.2.1 The Council has to ensure that it adopts and implements robust and comprehensive budgetary monitoring and control, to ensure not only the availability of services within the current financial year, but in future years.

The Contact Officer for this report is Nigel Lane (719371).

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

North Warwickshire Borough Council
RESOURCES BOARD
Budgetary Control Report 2009/2010 as at 30 September 2009

Expenditure remaining within the Resources Board

Description	Original Budget 2009/2010	Profiled Budget to September 2009	Actuals to September 2009	Variance	Comments
Democratic Process	805,770	409,924	392,997	(16,927)	see paragraph 4.2
Election Expenses	23,670	11,670	11,670	-	
Register of Electors	42,800	18,780	19,731	951	
Non Domestic Rates	1,560	52,360	52,528	168	
Council Tax Collection	253,010	118,580	85,942	(32,638)	see paragraph 4.3
Investors in People	12,360	5,215	5,215	-	
Finance Miscellaneous	3,170	3,690	8,418	4,728	see paragraph 4.4
Compensation & Pension	115,410	60,976	60,512	(464)	
Minor Works	5,460	2,730	435	(2,295)	
Electricity at Work	25,520	6,120	5,482	(638)	
Best Value and Gershon	61,630	29,645	29,645	-	
Finance Unused Land	600	300	300	-	
Corporate & Democratic	868,460	426,640	427,778	1,138	
Unallocated Central Support Services	420,270	112,490	107,561	(4,929)	see paragraph 4.5
External Funding Consultants	4,360	4,360	4,471	111	
Coleshill Shops & Flats	(62,560)	(33,541)	(31,278)	2,263	see paragraph 4.6
The Arcade	-	-	(3,662)	(3,662)	see paragraph 4.6
The Pavilions Holly Lane	(60,650)	(36,185)	(39,097)	(2,912)	see paragraph 4.6
Carlyon Road Industrial Estate	(97,050)	(45,390)	(52,877)	(7,487)	see paragraph 4.6
Innage Park Industrial Estate	(3,110)	24,895	43,352	18,457	see paragraph 4.6
Polesworth Workspaces	(5,200)	(4,265)	(4,181)	84	see paragraph 4.6
The Bear and Ragged Staff	(12,000)	(6,420)	(6,420)	-	
Football Stadium	410	205	205	-	
Homeless Persons	65,240	28,953	30,667	1,714	
Public Conveniences	82,190	52,463	51,707	(756)	
Fillongley Kitchens	1,170	460	530	70	
Customer Contact	167,900	68,980	58,230	(10,750)	see paragraph 4.7
Rent Allowances	85,600	40,565	40,208	(357)	
Rent Rebates	78,410	37,895	42,349	4,454	
Concessionary Fares	457,830	226,695	226,695	-	
NDR Disc Relief	25,390	1,785	1,785	-	
Council Tax Benefits	159,090	70,126	68,905	(1,221)	
Car Parks	64,190	53,965	55,003	1,038	
Best Value External Costs	900	450	944	494	
Flexible Working	60	30	30	-	
Business Improvement District	2,940	1,455	1,455	-	
Environmental Sustainability	1,230	615	615	-	
Private Sector Housing Assistance	133,260	34,460	34,618	158	
CCTV	104,480	49,350	46,843	(2,507)	
Community Support	531,530	237,210	239,265	2,055	
Coleshill Market Towns	17,090	8,500	8,500	-	
North Warwickshire Leader	8,510	4,240	4,240	-	
North Arden Heritage Trail	18,830	13,695	13,695	-	
TOTALS	4,409,730	2,094,671	2,045,011	(49,660)	

North Warwickshire Borough Council
RESOURCES BOARD (RECHARGED)
 Budgetary Control Report 2009/2010 as at 30 September 2009

Description	Original Budget 2009/2010	Profiled Budget to September 2009	Actual to end September 2009	Variance to Date	Comments
Building Maintenance Fund	-	34,935	34,935	-	
Council Offices	-	29,593	31,336	1,743	
Central Telephones	-	189	(946)	(1,135)	
Recruitment	-	1	-	(1)	
Printing and Copying	-	5,789	7,146	1,357	
Training	-	1	-	(1)	
Depot	-	4,002	2,382	(1,620)	
Postage and Franking	-	2,929	126	(2,803)	
Chief Executive Directorate	-	27,783	(12,727)	(40,510)	Paragraph 5.2
Directorate of Community and Environment	-	37,899	(78,698)	(116,597)	Paragraph 5.2
Directorate of Resources	-	29,127	(24,407)	(53,534)	Paragraph 5.2
Information and Procurement Services	-	136,456	101,008	(35,448)	Paragraph 5.2
Transport	-	2,938	2,938	-	
TOTALS	-	311,642	63,093	(248,549)	
Add pay award of 2.00% on employee costs	-	-	75,570	75,570	
TOTALS	-	311,642	138,663	(172,979)	See paragraph 5.1

Key Performance Indicators for Budgets Reporting to the Resources Board

	Budgeted Performance	Profiled Budgeted Performance	Actual Performance to Date
Register of Electors			
Cost per elector for the Electoral Register	£0.87	£0.38	£0.40
Non Domestic Rates			
% of NDR Collection Rate	99.50%	58.40%	61.55%
Cost Per NDR Property	£63.94	£31.01	£25.01
Council Tax Collection			
% of Council Tax Collection Tax	98.60%	58.97%	59.15%
Cost Per Household	£14.40	£6.90	£6.70
Coleshill Shops and Flats			
Occupancy Rate	100%	100%	100%
Annual Income Per Shop	£8,539	£4,225	£4,318
The Arcade			
Occupancy Rate	0%	0%	50%
Annual Income Per Unit	£0	£0	£1,204
The Pavilions			
Occupancy Rate	88%	88%	98%
Annual Income Per Unit	£10,127	£5,796	£5,769
Carlyon Road Industrial Estate			
Occupancy Rate	87%	87%	87%
Annual Income Per Unit	£8,502	£4,251	£4,238
Innage Park Industrial Estate			
Occupancy Rate	70%	70%	62%
Annual Income Per Unit	£4,996	£2,814	£2,964
Polesworth Workspaces			
Occupancy Rate	100%	100%	100%
Annual Income Per Unit	£1,468	£920	£920
Rent Allowances			
No of Claimants	1,223	1,223	1,596
Rent Allowances Per Claimant	£4,154.91	£2,077.45	£2,047.06
Cost of Administration Per Claimant	£212.71	£101.87	£50.64
Rent Rebates			
No of Claimants	1,644	1,644	1,739
Rent Rebates Per Claimant	£3,067.68	£1,533.83	£1,656.56
Cost of Administration Per Claimant	£89.37	£43.89	£39.47
Council Tax Benefits			
No of Claimants	4,392	4,392	5,066
Council Tax Benefits Per Claimant	£1,128.69	£1,066.44	£897.64
Cost of Administration Per Claimant	£86.77	£42.65	£36.66

Agenda Item No 15

Resources Board

26 October 2009

Report of the Assistant Director (Finance and Human Resources)

Consolidated Budgetary Control Report 2009/2010 - Period Ended 30 September 2009

1 Summary

- 1.1 The report covers total Council General Fund revenue expenditure and income for the period from 1 April 2009 to 30 September 2009.

Recommendation to the Board

That the report be noted and that the Board requests any further information it feels would assist it in monitoring the budgets under the Board's control.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Both Councillor Bowden and Councillor Butcher have been consulted regarding this report. Any comments received will be reported verbally to the Board.

3 Board Report

3.1 Overall Position

- 3.1.1 The actual level of Board expenditure for the period to 30 September 2009 is £5,269,111 compared with a profiled budgetary position of £5,595,151; an underspend of £326,040 for the period. Appendix A provides an analysis of Board expenditure and the overall position for the Council for this period.

- 3.1.2 As well as expenditure directly attributable to services, and included in the Board totals, there are a number of other amounts that need to be taken into account that provide the total net expenditure for the Council. This includes investment income, external interest payments and adjustments to reverse capital charges included within Board expenditure, from out of Council expenditure. Taking these amounts into account, net expenditure for the Council to the end of September totals £4,875,190, compared with a profiled position of £5,184,599, resulting in an underspend for the period of £309,408.

- 3.1.3 Where possible, the budget profile figures have been calculated with some allowance for seasonal variations, in order to give a better comparison with actual figures. Reasons for the variations are given, where appropriate, in more detail below:

4 Board Expenditure

- 4.1 **Executive Board** – The under-spend within this board relates to lower than profiled spend on Emergency Planning, however an invoice from WCC is expected shortly which will offset this.
- 4.2 **Planning and Development Board** – Income on Development Control is behind target by £33,761. In addition there has been a need to employ professional services for advice on specific applications of £6,905, such as the Coleshill supermarket development and £12,891 for professional fees relating to planning enforcement action being taken at the Butchers Arms at Fillongley, which may be recoverable. If it is not recovered, it will need to be funded from general reserves as agreed under the Chief Executives emergency powers and Planning Board on 17th August 2009, which means that spending is ahead of profile to date. This is partially offset by an increased in income from Local Land Charges, of £5,500.
- 4.3 **Licensing Committee** – The under-spend within this board relates to increased levels of income on Hackney Carriage and Private hire vehicles.
- 4.4 **Community and Environment Board** –There are currently under-spends on employee costs allocated directly to the Leisure Centres and in the Grounds Maintenance and Refuse DSO's totalling £37,752, due to staff vacancies. There are general under spends in Supplies and Services costs across the board of £44,000 and £28,200 on Premises costs across the board. There are also lower transport costs across the DSO's, Cesspool service and in the Animal Control service totalling £19,400.
- 4.5 **Resources Board**
- 4.5.1 **Recharged to Services**
- 4.5.2 The current under-spend is £172,979 of which £74,770 relates to vacant posts and £99,650 through freezing of vacant posts. There are some other under-spends on conference fees, subsistence, vehicle fuel and staff car costs of £7,289. These under spends have been partially offset by increased occupational health fees of £8,730.
- 4.6 **Remaining**
- 4.6.1 The overall under-spend is £49,660. The under-spends are on the Democratic Process budget, additional legal costs recovered through the collection of Council Tax and an agency budget provision on the Customer Contact budget. These have been partially offset by higher vacancy levels at Industrial Estates. Further details can be found on the earlier budgetary control report on this agenda.
- 5 **Other Income / Expenditure**
- 5.1 The economic situation has affected investment markets, and as a result the estimated investment income included in the budget will not be achieved. Some of this loss relates to specific action taken by the Council to reduce its risk, given the potential vulnerability of some financial institutions.
- 5.2 Council balances and reserves are invested in total. Investment income earned on the balances and reserves held by the HRA is transferred through the Financing Adjustment. The use of HRA balances to fund capital expenditure in 2008/09 was higher than anticipated, leaving less to invest in the current year. This has reduced the actual transfer required.

6 Risks to the Budget

6.1 In setting the budget in February 2009, a number of key risks to the overall budgetary position of the Council are highlighted below: -

- Changes to the expected cash flow of the Authority, leading to an increase or decrease in investment income
- A vacancy factor of £160,000 has been included within the overall estimate. The current vacancy factor is below the profiled budget.
- A reduction in expected income will increase the costs to the Council. Currently Planning Control Fees and Leisure Centres (overall) are below budget. This is something that needs monitoring to determine whether this is a temporary downturn or something more permanent.
- Council expenditure on housing benefit is significant, although the majority is recouped through grant. A dip in performance in this area could reduce the grant able to be reclaimed, and also the level of recovery of overpayments. Costs in this area are increasing and will be closely monitored.

7 Estimated Out-turn

7.1 Members have requested that Budgetary Control Reports provide details on the likely out-turn position for the Council. It is anticipated at this stage that the out-turn for the General Fund will be £105,300 as detailed in the table below,

	£
Original use of Balances 2009/10	376,250
Resources Board - reduction as a result of Frozen posts / Restructures	(236,450)
Resources Board - anticipated reduction in Investment Income	100,000
Resources Board – anticipated reduction in Item 8 interest to the Housing Revenue Account	(23,000)
Resources Board – reduction in the contingency sum	(53,000)
Resources Board – reduction in the provision for the pay award	(57,000)
Planning & Development – additional Land Charges Income	(6,000)
Planning & Development – additional Development Control professional fees	7,000
Community & Environment Board – loss of income from Air pollution Fees	4,000
Community & Environment Board – reduction in tree management	(6,500)
Expected Out- turn 2009/10	105,300

7.2 At this point in the year it is difficult to forecast with any degree of certainty major variations to the budget, particularly as a number of the variations are due to timing differences. However, all of these areas will be kept under review as the year progresses.

8 Report Implications

8.1 Finance and Value for Money Implications

8.1.1 The Council's budgeted use of General Fund balances for the 2009/2010 financial year is £376,250, although this is expected to reduce to £105,300. The position will continue to be monitored closely and reported to Members at a future meeting of this Board.

8.1.2 Income and Expenditure will continue to be closely managed and any issues that arise will be reported to this Board for comment.

8.2 **Environment and Sustainability Implications**

8.2.1 The Council has to ensure that it adopts and implements robust and comprehensive budgetary monitoring and control to ensure not only the availability of services within the current financial year, but in future years.

The Contact Officer for this report is Nigel Lane (719371).

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

North Warwickshire Borough Council

Consolidated Budgetary Position for the Period 30 September 2009

Board	2008/09 Original Budget	Expected Spending September	Actual Spending September	Variance
Executive	474,830	243,420	238,671	(4,749)
Planning and Development	523,080	223,262	268,714	45,452
Licensing Committee	53,770	23,017	19,136	(3,881)
Community and Environment	5,798,270	2,699,139	2,558,916	(140,223)
Resources (including staff vacancies)	3,974,410	2,406,313	2,183,674	(222,639)
Net Board Expenditure	10,824,360	5,595,151	5,269,111	(326,040)
Other Contingencies	112,510	-	-	-
Net Board Expenditure	10,936,870	5,595,151	5,269,111	(326,040)
Investment Income	(300,000)	(146,301)	(117,890)	28,411
RCCO	130,000	65,000	65,000	-
Use of Balances	376,250	-	-	-
Financing Adjustment	(658,500)	(329,250)	(341,030)	(11,780)
Net Expenditure	10,484,620	5,184,599	4,875,190	(309,408)

Agenda Item No 16

Resources Board

26 October 2009

Report of the Assistant Director (Finance and Human Resources)

Housing Revenue Account Budgetary Control Report 2009/2010 Period Ended 30 September 2009

1 Summary

- 1.1 The report covers total Housing Revenue Fund revenue expenditure and income for the period from 1 April to 30 September 2009.

Recommendation to the Board

That the report be noted and that the Board requests any further information it feels would assist it in monitoring the budgets under the Board's control.

2 Consultation

2.1 Portfolio Holder, Shadow Portfolio Holder and Ward Members

- 2.1.1 Portfolio Holders and Shadow Portfolio Holders for Resources and Housing have been consulted regarding this report. Any comments received will be reported verbally to the Board.

3 Report

- 3.1 Under the Best Value Accounting Code of Practice (BVACOP), services should be charged with the total cost of providing the service, which not only includes costs and income directly incurred, but also support costs relating to such areas as finance, office accommodation, telephone costs and IT services and Member costs.

4 Overall Position

- 4.1 The Housing Revenue Account includes all costs and income relating to the letting and management of the Council's Housing Stock, and this has to be kept separate from General Fund expenditure. The actual position for the HRA for the period ended 30 September 2009 is a surplus of £567,537, compared with a forecast surplus position for the period of £548,604. Where possible, the forecast position has been profiled to reflect seasonal variations in expenditure and income, in order to give a better comparison with actual figures. The actual position is a favourable variance of £18,933 on the forecast position. Appendix A to this report provides details of the profiled and actual position for expenditure and income incurred by the HRA, and an explanation of significant variations are given in more detail below.

4.2 Supervision and Management – General

- 4.2.1 There has been lower spending on professional fees relating to Antisocial Behaviour, legal and court costs to date.

4.3 **Supervision and Management – Special**

4.3.1 There has been lower spending on Equipment and Supplies budgets to date.

4.4 **Investment Income - Other**

4.4.1 Investment income earned on earmarked HRA balances is lower than expected due to higher usage in 2008-09 to meet decent homes works.

5 **Housing Direct Works**

5.1 As at the end of September there is a deficit on Housing Direct Works of £3,770, compared with a forecast surplus position of £1,987. The account balance fluctuates throughout the year depending on workloads and invoice payments. It is expected that the deficit will not continue to the end of the financial year. Appendix B to this report provides the profiled and actual expenditure of Housing Direct Works in more detail.

5.2 The under-spend on employee costs reflects the lower number of directly employed staff utilised to date (26 employees), compared with the budget for day-to-day repairs (28 employees). Work levels are still being assessed to see if a further 2 full time employees are required on a full time basis. The increase in supplies and services has occurred due to the use of external contractors to provide support when workloads are higher. This has allowed the peaks and troughs in the repair work to be covered. A review of the establishment, including employing apprentices, is currently being undertaken. Transport costs have decreased mainly due to lower maintenance costs and lower fuel prices. Income is ahead of the profile due to more jobs being completed than expected in the period.

6 **Housing Repairs Fund**

6.1 The Housing Repairs Fund covers expenditure on all repairs and maintenance, both day to day and programmed whether carried out by Housing Direct Works or external contractors. This includes any surplus or deficit on the operation of Housing Direct Works.

6.2 The balance on the Fund at the start of the year amounted to £144,705. The balance can be used to cover timing issues between years. In 2009/10 the contribution to the fund is £2,309,210. Any over-spend in the repairs fund would impact on the use of Housing Revenue Account balances if it exceeded the balance on the fund and the contribution in the year. The position on the Fund at the end of September is shown in Appendix C, and is showing an under-spend to date, including the current deficit of Housing Direct Works.

6.3 As a way of putting the financial position into context, Appendix D to this report identifies key performance indicators of the overall Housing Division. All repair targets are ahead of target. The average time to bring void properties to a lettable standard is 0.7 days above target, but performance is good and is expected to hit target by the year end.

7 **Risks to the Budget**

7.1 The key risks to the budgetary position of the Housing Revenue Account in 2009/10 include:

- Rising tenant expectations, following extensive improvement works may increase the demand for repairs, which will need to be continuously monitored;
- Any reduction in the performance of Housing Direct Works will put pressure on the Council to use external contractors and therefore will impact on the level of expenditure.

8 **Estimated Out-turn**

- 8.1 Members have requested that Budgetary Control Reports provide details on the likely out-turn position for the Council. Based upon currently available information, the Council is forecast to return a surplus on the HRA in 2009/10 of £202,590, as per the original Budget.
- 8.2 The estimated out-turn for the Repairs Fund remains the same as that included in the original budget.

9 **Report Implications**

9.1 **Finance and Value for Money Implications**

- 9.1.1 The Council is currently forecasting a contribution to the Housing Revenue Fund balance for the 2009/10 financial year of £202,590. Income and expenditure will continue to be closely managed and any issues that arise will be reported to this Board for comment.

9.2 **Environment and Sustainability Implications**

- 9.2.1 The Council has to ensure that it adopts and implements robust and comprehensive budgetary monitoring and control, to ensure not only the availability of services within the current financial year, but in future years.

The Contact Officer for this report is Nigel Lane (719371).

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

HOUSING REVENUE ACCOUNT
Budgetary Control Report as at 30 September 2009

	Original Budget 2009/2010	Expected Spend 2009/2010	Actual Spend 2009/2010	Variance	Comments
EXPENDITURE					
Repairs and Maintenance	2,309,210	1,154,605	1,154,605	-	
Supervision and Management - General	1,177,250	521,046	500,133	(20,913)	Section 4.2
Supervision and Management - Special Services	378,910	187,982	176,135	(11,847)	Section 4.3
Provision for Bad Debts	20,000	10,000	10,000	-	
Transfer to DCLG	3,312,020	1,656,010	1,656,010	-	
Depreciation and Impairment	1,932,410	966,205	966,205	-	
Total Expenditure	9,129,800	4,495,848	4,463,088	(32,760)	
INCOME					
Gross Rent Income from Dwellings	(9,015,030)	(4,883,141)	(4,882,341)	800	
Gross Rent Income from Non-Dwellings	(325,840)	(173,915)	(175,577)	(1,662)	
Charges for Services and Facilities	(75,390)	(29,331)	(26,842)	2,489	
Total Income	(9,416,260)	(5,086,387)	(5,084,760)	1,627	
NET COST OF SERVICES	(286,460)	(590,539)	(621,672)	(31,133)	
Amortised Premiums and Discounts	28,450	14,225	14,225	-	
Investment Income - Mortgages	(1,110)	(555)	(555)	-	
- Other	(50,070)	(25,035)	(12,835)	12,200	Section 4.4
NET OPERATING EXPENDITURE	(309,190)	(601,904)	(620,837)	(18,933)	
Revenue Contributions to Capital	392,000	196,000	196,000	-	
Transfer to/(from) Pensions Reserve	(67,700)	(33,850)	(33,850)	-	
Transfer to/(from) Major Repairs Reserve	(217,700)	(108,850)	(108,850)	-	
TOTAL (SURPLUS)/DEFICIT FOR THE YEAR	(202,590)	(548,604)	(567,537)	(18,933)	

APPENDIX B

HOUSING REVENUE ACCOUNT
HOUSING DIRECT WORKS
Budgetary Control Report as at 30 September 2009

	Original Budget 2009/2010	Expected Spend 2009/2010	Actual Spend 2009/2010	Variance
EXPENDITURE				
Employee Costs	825,060	426,497	418,729	(7,768)
Supplies and Services	520,900	264,371	333,396	69,025
Transport	103,510	49,166	33,140	(16,026)
Gross Expenditure	1,449,470	740,034	785,265	45,231
Total Income	(1,774,710)	(906,438)	(945,396)	(38,958)
Net Controllable Expenditure	(325,240)	(166,404)	(160,131)	6,273
Central Support	266,060	136,550	136,034	(516)
Capital Charges	54,560	27,867	27,867	-
NET EXPENDITURE	(4,620)	(1,987)	3,770	5,757

Appendix C

HOUSING REPAIRS FUND (to end of September 2009)

	£
Balance at 1 April 2009	144,705
Contribution 2009/10 (to Septemebr 2009)	1,154,430
Expected Use of Fund (to September 2009)	(1,115,933)
Balance at 31 July 2009	183,202

Housing Division Performance Indicators

Appendix D

April 2009 to September 2009

	Target	Actual
% of emergency repairs carried out within 1 day	98.00%	99.66%
% of urgent repairs carried out within 5 days	95.00%	98.41%
% of routine repairs carried out within 28 days	95.00%	98.17%
Average time to bring void properties to lettable standard	17.0 days	17.77 days