



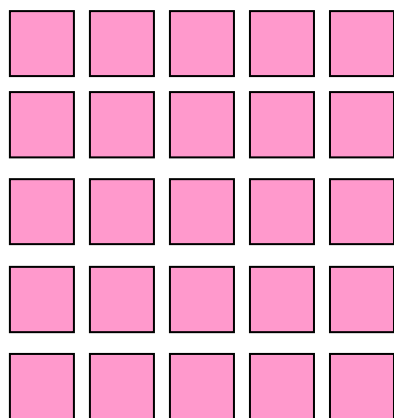
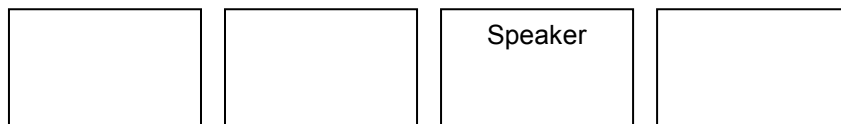
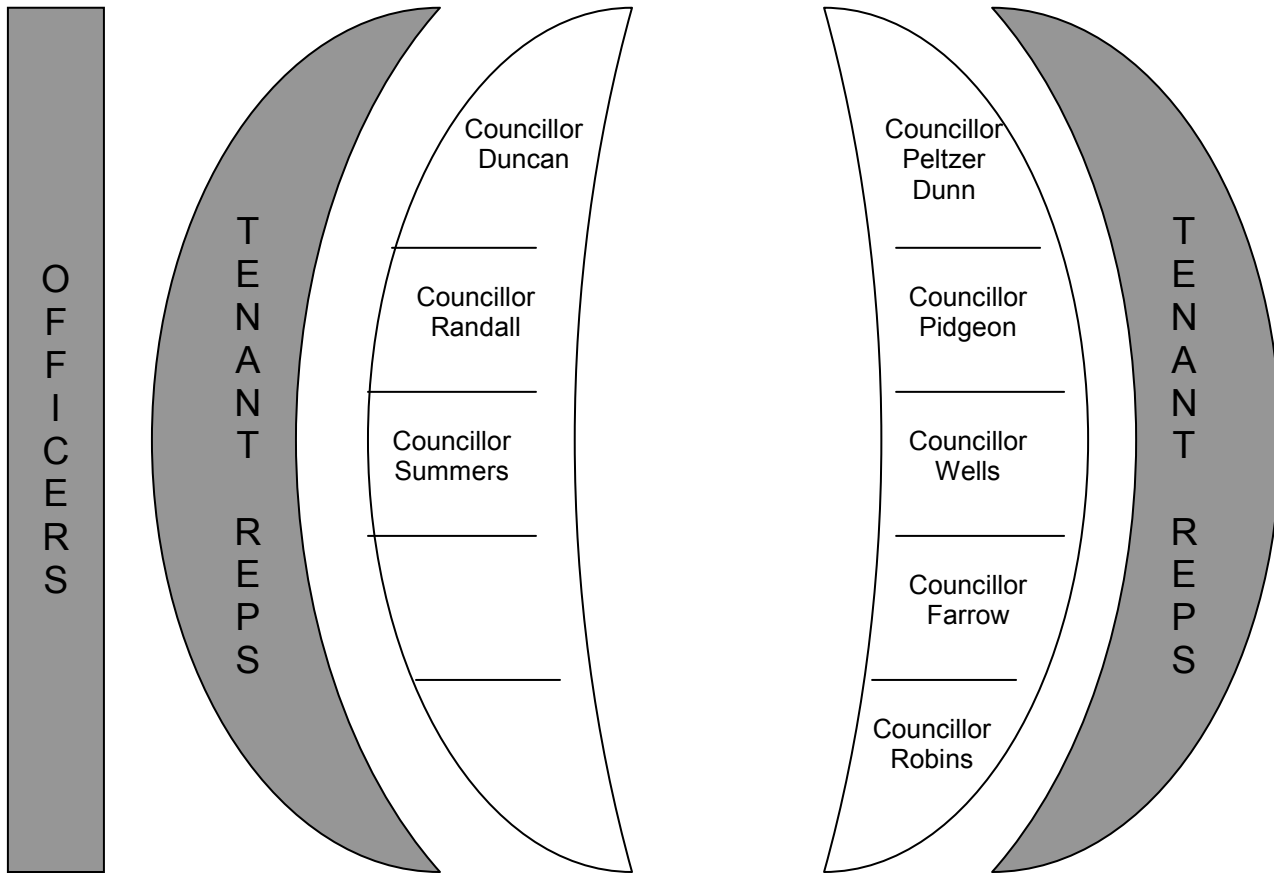
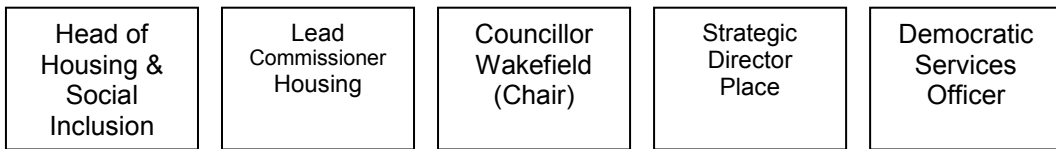
**Brighton & Hove  
City Council**

# Housing Management Consultative Committee

Title:	<b>Housing Management Consultative Committee</b>
Date:	<b>6 February 2012</b>
Time:	<b>3.00pm</b>
Venue:	<b>Council Chamber, Hove Town Hall</b>
Members:	<b>Councillors:</b> Wakefield (Chair), Duncan, Farrow, Peltzer Dunn, Pidgeon, Randall, Robins, Summers and Wells
Contact:	<b>Caroline De Marco</b> Democratic Services Officer 01273 291063 caroline.demarco@brighton-hove.gov.uk

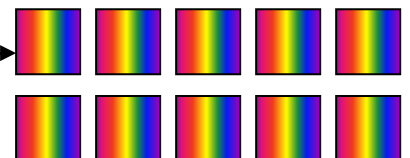
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# Democratic Services: Meeting Layout



Public Seating

Members in Attendance



Press



**Tenant Representatives:**

Ted Harman, Brighton East Area Housing Management Panel

David Murtagh, Brighton East Area Housing Management Panel

Trish Barnard, Central Area Housing Management Panel

Jean Davis, Central Area Housing Management Panel

Stewart Gover, North & East Area Housing Management Panel

Heather Hayes, North & East Area Housing Management Panel

Tina Urquhart, West Hove & Portslade Area Area Housing Management Panel

Beverley Weaver, West Hove & Portslade Area Housing Management Panel

John Melson, Hi Rise Action Group

Muriel Briault, Leaseholder Action Group

Colin Carden, Older People's Council

Tom Whiting, Sheltered Housing Action Group

Barry Kent, Tenant Disability Network

# AGENDA

## 65. PROCEDURAL BUSINESS

- (a) Declaration of Substitutes - Where Councillors are unable to attend a meeting, a substitute Member from the same Political Group may attend, speak and vote in their place for that meeting.
- (b) Declarations of Interest by all Members present of any personal interests in matters on the agenda, the nature of any interest and whether the Members regard the interest as prejudicial under the terms of the Code of Conduct.
- (c) Exclusion of Press and Public - To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

*NOTE: Any item appearing in Part 2 of the Agenda states in its heading either that it is confidential or the category under which the information disclosed in the report is exempt from disclosure and therefore not available to the public.*

*A list and description of the categories of exempt information is available for public inspection at Brighton and Hove Town Halls.*

## 66. MINUTES OF THE PREVIOUS MEETING

1 - 10

Minutes of the meeting held on 19 December 2012 (copy attached).

## 67. CHAIRMAN'S COMMUNICATIONS

## 68. CALLOVER

## 69. PETITIONS

No petitions have been received by the date of publication.

## 70. PUBLIC QUESTIONS

(The closing date for receipt of public questions is 12 noon on 30 January 2012)

No public questions have been received by the date of publication.

## 71. DEPUTATIONS

(The closing date for receipt of depositions is 12 noon on 30 January

2012)

No deputations have been received by the date of publication.

**72. LETTERS FROM COUNCILLORS**

No letters have been received.

**73. WRITTEN QUESTIONS FROM COUNCILLORS**

No written questions have been received.

**74. DECENT HOMES - BRIGHTON & HOVE STANDARD**

Presentation from Tom Gillham, Head of Property & Investment.

**75. UPDATE ON LEASING TO BRIGHTON & HOVE SEASIDE  
COMMUNITY HOMES (SEASIDE)**

Presentation from Carol Jenkins, Housing Stock Review Manager.

**76. MOBILITY SCOOTER STORAGE AND OTHER FIRE SAFETY WORK**

Presentation by Rachel Chasseaud, Head of Tenancy Services and Robert Keelan, Housing Manager.

**77. HOUSING REVENUE ACCOUNT BUDGET 2012/13 11 - 42**

Report of Strategic Director of Place & Director of Finance (copy attached).

*Contact Officer: Sue Chapman Tel: 29-3105*  
*Ward Affected: All Wards*

**78. HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME 2012-15 43 - 54**

Report of Strategic Director Place & Director of Finance (copy attached).

*Contact Officer: Nick Hibberd Tel: 29-3756*  
*Ward Affected: All Wards*

**79. CONSULTATION ON REVISED ARRANGEMENTS FOR REGULATING  
THE COUNCIL'S LANDLORD SERVICES 55 - 62**

Report of Strategic Director Place (copy attached).

*Contact Officer: Carol Jenkins Tel: 29-3832*  
*Ward Affected: All Wards*

**80. UPDATE ON ANNUAL REPORT TO COUNCIL TENANTS AND  
LEASEHOLDERS 2011 AND PLAN FOR RESIDENT INVOLVEMENT IN  
THE ANNUAL REPORT FOR 2012 63 - 72**

Report of Strategic Director Place (copy attached).

Contact Officer: Carol Jenkins  
Ward Affected: All Wards

Tel: 29-3832

**81. HOUSING ALLOCATION POLICY REVIEW (HMCC)**

**To  
Follow**

Report of Strategic Director Place (to follow).

Contact Officer: Sylvia Peckham  
Ward Affected: All Wards

Tel: 293318

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The closing date for receipt of public questions and deputations for the next meeting is 12 noon on the fifth working day before the meeting.

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Meeting papers can be provided, on request, in large print, in Braille, on audio tape or on disc, or translated into any other language as requested.

For further details and general enquiries about this meeting contact Caroline De Marco, (01273 291063, email [caroline.demarco@brighton-hove.gov.uk](mailto:caroline.demarco@brighton-hove.gov.uk)) or email [democratic.services@brighton-hove.gov.uk](mailto:democratic.services@brighton-hove.gov.uk)

Date of Publication - Friday, 27 January 2012

# HOUSING MANAGEMENT CONSULTATIVE COMMITTEE

**Agenda Item 66**

Brighton & Hove City Council

**BRIGHTON & HOVE CITY COUNCIL**

**HOUSING MANAGEMENT CONSULTATIVE COMMITTEE**

**3.00pm 19 DECEMBER 2011**

**COUNCIL CHAMBER, HOVE TOWN HALL**

## **MINUTES**

**Present:** Councillors Wakefield (Chair); Duncan, Farrow, Mears, Pidgeon, Randall, Robins, Simson and Summers

**Tenant Representatives:** Ted Harman (Brighton East Area Housing Management Panel), David Murtagh (Brighton East Area Housing Management Panel), Trish Barnard (Central Area Housing Management Panel), Stewart Gover (North & East Area Housing Management Panel), David Avery (West Hove & Portslade Area Housing Management Panel), Beverley Weaver (West Hove & Portslade Area Housing Management Panel), John Melson (Hi Rise Action Group), Muriel Briault (Leaseholders Action Group), Tom Whiting (Sheltered Housing Action Group) and Barry Kent (Tenant Disability Network)

**Apologies:** Jean Davis, Heather Hayes and Tina Urquhart.

## **PART ONE**

### **54. PROCEDURAL BUSINESS**

#### **54A Declarations of Substitute Members**

54.1 Councillor Mears declared that she was attending as a substitute for Councillor Peltzer Dunn. Councillor Simson declared that she was attending as a substitute for Councillor Wells. Dave Avery declared that he was attending as a substitute for Tina Urquhart.

#### **54B Declarations of Interests**

54.2 Councillor Summers and Ted Harman declared a personal interest in any discussion on the LDV as they are Board Members of Brighton and Hove Seaside Community Homes (the Local Delivery Vehicle).

**54C Exclusion of the Press and Public**

- 54.3 In accordance with section 100A(4) of the Local Government Act 1972, it was considered whether the press and public should be excluded from the meeting during the consideration of any items contained in the agenda, having regard to the nature of the business to be transacted and the nature of the proceedings and the likelihood as to whether, if members of the press and public were present, there would be disclosure to them of confidential or exempt information as defined in section 100I (1) of the said Act.
- 54.4 **RESOLVED** - That the press and public be not excluded from the meeting.

**55. MINUTES OF THE PREVIOUS MEETING**

- 55.1 *Homemove in Community Centres – Item 42.4* – Councillor Simson asked which centres would receive copies of Homemove. She was informed that printed copies of Homemove were available in all sheltered units and at the Java Café in Woodingdean.
- 55.2 *Victoria Road Housing Office – Items 42.9, 42.10, 42.11* – Councillor Robins asked for an update. The Head of Housing and Social Inclusion stated that a decision to move the office was made in March 2011. An email had been received from the Head of Property Services explaining the process for the move. The move was earmarked for 2013/2014. There was a commitment to involve the West Area Panel and residents in the west nearer the time.
- 55.3 *Dams in Bevendean – item 52.3* – Councillor Farrow asked for an update. The Head of Tenancy Services explained that officers were in contact with Property and Estates regarding the maintenance of dams. She assured Councillor Farrow that the risk to Bevendean was very low at the moment.
- 55.4 It was suggested that it would be useful for councillors if there could be a survey of potential flood areas across the city. Councillor Duncan reported that the feedback from civil contingency was that current water levels were low and there was more likely to be a water shortage.
- 55.5 *Access to the Whitehawk Hub – Paragraph 53.25* – John Melson stated that Chris Kift had made a trip to the Whitehawk Hub and had found it very different from the conclusion drawn from the minutes.
- 55.6 The Chair informed members that she had visited the hub along with the Head of Housing and Social Inclusion and Councillor Powell. They had walked from the car park to the hub and back. The Chair had noticed the points raised by Chris Kift and they were being taken seriously. For example, trees needed to be trimmed back.
- 55.7 Chris Kift reported that he had had trouble with traction on his chair due to the number of leaves in the narrow lane. Meanwhile, at the bottom of the slope there was a Y junction which had a strange camber. Chris noticed an old man with a stick having difficulty moving up from the wide junction as did Chris. If there were a bus service it would be a long slog up the hill. The hub was too far away from any bus stop for anyone with leg and chest problems or other disabilities.



- 55.8 The Chair had noticed the camber and pointed out that it was possible to turn right to the library at the top of the junction. She considered that there needed to be better signage. Meanwhile, she had stressed that in future the council needed to be involved with people like Chris at the beginning of a development. The Chair reported that she had written letters to the Chief Executive regarding gritting and Roger French regarding the bus service to the hub as outlined in the minutes.
- 55.9 The Head of Housing and Social Inclusion informed the Committee that the council considered that the site was accessible and wanted to continue to make improvements both before and after the move. Signage would be improved. There was no date for the move at present. Councillor Randall confirmed that signage would be dealt with as a matter of urgency.
- 55.10 **RESOLVED** – That the minutes of the Housing Management Consultative Committee Meeting held on 7 November 2011 be agreed and signed as a correct record.

## 56. CHAIR'S COMMUNICATIONS

### Brian Balchin

- 56.1 The Chair reported the sad news that Brian Balchin died unexpectedly last week. Brian was a committed member of the tenant movement. Whether as part of the Jasmine Court Tenants Association, Sheltered Housing Action Group, Choice Based Lettings User Group or Repairs and Maintenance Monitoring Group, to name but a few, his contribution was greatly valued by residents and staff alike. Brian would be greatly missed and his death was a great loss. The funeral would take place on Friday 23 December 2013 at 11.15am at the North Chapel at Wood Vale Crematorium.
- 56.2 Tom Whiting stated that Brian was his friend. He was totally dedicated to other people and would be greatly missed.
- 56.3 The Committee held a minute silence in tribute to Brian.

### City Assembly

- 56.4 The Chair thanked and congratulated everyone who was involved in the City Assembly last month. A record number of tenants attended and there were over 400 hits on the webcast with people viewing the debate online, and more than 100 taking part via twitter.
- 56.5 For the first time residents could bring children as a crèche was available. It was great to see some families and one or two teenagers taking part.
- 56.6 The Chair congratulated the City Assembly Chair, Chris Kift, and Vice Chair, Stewart Gover who were both re-elected.
- 56.7 The Chair stated that it was a great day and a great turnout. It demonstrated just how powerful using the internet and social media could be to involve residents more widely.
- 56.8 The Chair acknowledged that it was important to remember there were people who did not use computers or smart phones and would never tweet, text or log on to Facebook.

The council were exploring ways of helping people to get on-line, but also to continue using traditional ways of involving people.

### **Closure of Public Toilets**

56.9 The Chair referred to a paper that was circulated to Committee Members by Stewart Gover regarding the proposal to close several public toilets in the city. The Chair stated that a consultation process was in place and the administration welcomed the tenants' input. The Chair thanked Stewart for his paper.

### **Multi Agency Health and Care Working Party**

56.10 Tom Whiting informed the Forum that it had come to his notice when looking at the budget proposals that there was a move by Adult Social Care to "improve the care of sheltered tenants". This had never been discussed at the HMCC and there had been a failure of consultation through the various groups including the Sheltered Housing Action Group.

56.11 Councillor Mears stated that the budget proposals would result in 30 units being lost to housing in 2012/2013. Tenants had not been consulted and this matter should be discussed at the Sheltered Housing Action Group.

56.12 Councillor Randall explained that the proposal was due to an increased need for extra care. This matter could be brought back for discussion. Councillor Randall stressed that the budget had been produced 2 months early in order to allow for consultation.

56.13 John Melson stressed that there was a shortage of housing. Properties should be being built.

56.14 The Chair stated that squatters were being moved from Ainsworth House to enable that development to take place.

### **57. CALLOVER**

57.1 The Chair asked the Committee to consider which items listed on the agenda it wished to debate and determine in full.

57.2 **RESOLVED** - That all items be reserved for debate and determination.

### **58. PETITIONS**

58.1 There were none.

### **59. PUBLIC QUESTIONS**

59.1 There were none.

### **60. DEPUTATIONS**

60.1 There were none.

**61. LETTERS FROM COUNCILLORS**

61.1 There were none.

**62. WRITTEN QUESTIONS FROM COUNCILLORS**

62.1 There were none.

**63. HOUSING & SOCIAL INCLUSION PERFORMANCE REPORT (QUARTER 2)**

63.1 The Committee considered a report of the Head of Housing & Social Inclusion which set out the second quarter performance report for Housing & Social Inclusion for the financial year 2011-2012 and followed the format for presenting information agreed at the last meeting.

63.2 Councillor Mears stated that it had previously been agreed to have figures and not percentages in the report. Meanwhile she noted that asbestos removal was not mentioned. Councillor Mears referred to the delays in the Ainsworth House project. She understood that the delays to the development were not caused by asbestos but due to a problem with procurement. She requested a report on Ainsworth House.

63.3 The Head of Housing and Social Inclusion informed Councillor Mears that he would send her a report on asbestos removal. Councillor Farrow asked for this to be sent to all councillors on the HMCC.

63.4 John Melson stated that there were 350 empty homes. He asked if they were included in the report. The Head of Housing and Social Inclusion explained that long term empty properties were not included in the calculations.

63.5 John Melson referred to paragraph 3.5.0 – Tenant satisfaction with repairs. This stated a 97.54% satisfaction. He asked why jobs were cancelled, and whether the jobs were wrongly raised. Mr Melson noted the improvement in the percentage for decent homes. He asked if the criteria for kitchens and bathrooms had moved to the Brighton & Hove standard.

63.6 The Chair stated that she would like to see more clarification on why more appointments were not kept.

63.7 The Head of Housing and Social Inclusion reported that future reports could include details on cancelled jobs. With regard to tenant satisfaction, he was aware that there was mistrust in the process. As a result, officers were looking at a number of ways of measuring satisfaction. This might involve using tenants or third party representatives to produce the figures. This matter would be discussed by the various groups in the New Year.

63.8 The Head of Housing and Social Inclusion explained that the standard on Decent Homes had not changed. The council was trying to communicate more clearly on this subject. He would be happy to circulate an explanation of the standard to all members of the HMCC.

- 63.9 Ted Harman expressed concern about the use of percentages which he felt did not give sufficient information. The Chair agreed that raw figures were needed.
- 63.10 Councillor Randall stated that progress on long term empty properties should be reported to the HMCC. He stressed that work needed to be carried out to see if there was asbestos at Ainsworth House. Meanwhile, the LDV was now beginning to deliver.
- 63.11 Stewart Gover was glad to hear that the squatters were being moved from Ainsworth House. The Head of Housing and Social Inclusion reported that a court hearing had issued a possession order for the squatters to leave. If they remained, bailiffs would remove them before Christmas.
- 63.12 Beverley Weaver reported that she had spoken to a Mears operative on 27 October. She was told that 500 tenant satisfaction surveys had to be completed by the end of the month, and that some of the surveys were not being completed accurately. She questioned how there could be a 97% satisfaction rate. Ms Weaver mentioned that her son had required some work and the job was cancelled. He had to wait another 3 weeks.
- 63.13 The Chair stated that she had requested a meeting with the Head of Housing and Social Inclusion and Mears Ltd. Tenant satisfaction would be discussed.
- 63.14 The Head of Housing and Social Inclusion referred to the allegation made by Beverley Weaver. This was the first he had heard of it and it would need to be investigated.
- 63.15 James Crier from Mears Ltd reported that communal repairs such as jobs to communal blocks were excluded from the satisfaction survey. Customer surveys were carried out on PDA's (personal digital assistants). There would be a need to carry out an audit to ensure that the surveys were carried out properly. The Chair stated that it needed to be made clear whether the information collected on the PDA's was for Mears' records or for the council's records.
- 63.16 Councillor Simson asked for clarity regarding the percentage of empty properties passing right first time. She was not clear whether the decent homes percentage was measured on the national or local standard. Councillor Simson asked how properties renovated under the LDV were prioritised. She considered that family homes should be prioritised.
- 63.17 The Head of Housing and Social Inclusion reported that the percentage of empty properties passing right first time was 97.93%. This was slightly below the target but had not impacted much on the turn around time, which was currently 18 days. The council was still performing better than in previous years. Meanwhile, the council worked to the Brighton & Hove Standard which also applied to kitchens and bathrooms. The standard had not changed and could not be a lesser standard than the national standard.
- 63.18 The Head of Housing and Social Inclusion reported that there was an agreed business model with regard to properties renovated under the LDV. The council were trying to prioritise long term empty properties and were working with contractors to see how best

to prioritise. It might be done geographically. There would be a time scale for each batch of properties to ensure an income stream for Brighton & Hove Seaside Homes.

- 63.19 John Melson raised the issue of communal repairs. He asked why someone else other than Mears Ltd did not collect information on these repairs. He suggested that a representative from a local association could give feedback. Mr Melson wondered if the stock being transferred to the LDV was the least expensive property, in order to squeeze costs. Meanwhile, Mr Melson expressed concern that the Brighton & Hove Standards should be the very best standards and not the worst.
- 63.20 The Chair stated that she would like a report to be made available to all members setting out exactly what the decent home standards were, and providing information on specific standards for Brighton & Hove Seaside Homes Ltd.
- 63.21 Councillor Randall agreed with Mr Melson regarding the matter of judging tenants' satisfaction on communal blocks. He suggested that there could be a tenant representative for each block to look at the work that had been carried out. With regard to the LDV, it was not avoiding taking on the more expensive homes. There was a mixture of different homes. He asked for a presentation on this matter at the next meeting.
- 63.22 John Melson asked about progress on scooter storage. The Head of Property and Investment reported that the scooter storage programme was being rolled out. Tom Whiting confirmed that work was progressing.
- 63.23 John Melson stressed that officers had not visited individual blocks to discuss this matter. The Chair asked for the relevant officer to provide a report back to the next HMCC meeting on the progress with scooter storage.
- 63.24 **RESOLVED** – (1) That the report and the above comments be noted.

#### **64. REPAIRS & IMPROVEMENTS HANDBOOK**

- 64.1 The Committee considered a report of the Head of Housing and Social Inclusion which presented a proposal for a new and updated "Repairs and Improvements Handbook". The handbook gave details and advice to all tenants on repairs and improvements to their homes and had been designed to complement the existing tenant handbook.
- 64.2 The Chair reported that she had received a few emails from people who had expressed concern about the new repairs handbook. She had discussed the handbook at a meeting with Councillor Randall, the Head of Property and Investment and the Head of Housing and Social Inclusion. Although the handbook was clearly written, it had errors which would be corrected. There was also some ambiguity such as the section on floor coverings. There needed to be clarity on that issue. The handbook was not ready to publish yet and would be presented to the Repairs and Maintenance Monitoring Group, the Area Panels and then back to the HMCC.
- 64.3 Stewart Gover referred to the bullet points on page 32 of the agenda. He stated that some of these were in the wrong columns. For example, a bullet point showed it was the responsibility of the tenant to deal with gas cooker repairs, including connections

and meters. It could not be responsibility of tenants to deal with connections and meters. It also stated that tenants were responsible for garage keys, and the maintenance of locks which was incorrect. He would take these issues to the Repairs and Maintenance Monitoring Group.

- 64.4 The Chair stated that with regard to gas cookers, there needed to be an extra column. It was certainly not the tenants' responsibility to repair gas connections and meters. The company who supplied the gas had that responsibility. The tenants were responsible for contacting the company.
- 64.5 The Head of Housing and Social Inclusion explained that it had not been easy to clearly describe what was the responsibility of the tenant or landlord. The council wanted to look at these issues with the tenants.
- 64.6 Beverley Weaver noted that the report stated that WC seats and toilet chains were the tenants' responsibility. She asked if training would be given. Meanwhile, there was no mention of the council claiming for criminal damage.
- 64.7 The Head of Housing and Social Inclusion explained that there was information on rechargeable repairs in the tenants' handbook. Tenants should be given information about how to leave their properties.
- 64.8 David Murtagh referred to lost or stolen keys. He informed tenants that they could get cover for keys on their home contents insurance.
- 64.9 Councillor Simson referred to the section of the handbook which dealt with tenant alterations and improvements. She specifically referred to the paragraph which stated "please remember that any improvements that you do could affect your eligibility for planned work as part of the Brighton & Hove Standard. For example, if you replace your kitchen or bathroom to a high standard, your property may not then qualify for a replacement kitchen or bathroom." Councillor Simson felt this paragraph would be off putting to tenants who wanted to improve their properties. She felt it was a negative paragraph and she asked if it could be reworded.
- 64.10 John Melson referred to the section on Repair Responsibilities, specifically to internal decoration, including the inside of the front door. He asked if tenants were responsible if contractors damaged wallpaper. Surely it was the contractor's responsibility to make good. The Chair replied that this matter would be clarified.
- 64.11 Councillor Farrow stated that he felt that there should be mention of an asbestos register in the handbook. The Head of Property and Investment explained that there was an asbestos register. There was a reference to asbestos in the leaflet and there was a separate leaflet on asbestos.
- 64.12 **RESOLVED** – (1) That the report be referred to the Repairs and Maintenance Monitoring Group for consideration. It will then be referred to the Housing Area Panels before further consideration at the HMCC on 19 March 2012.

The meeting concluded at 5.30pm

Signed

Chair

Dated this

day of





# **HOUSING MANAGEMENT CONSULTATIVE COMMITTEE**

## **Agenda Item 77**

Brighton & Hove City Council

**Subject:** Housing Revenue Account Budget 2012/13  
**Date of Meeting:** 6 February 2012  
**Report of:** Strategic Director Place  
Director of Finance  
**Contact Officer: Name:** Sue Chapman **Tel:** 29-3105  
**E-mail:** sue.chapman@brighton-hove.gov.uk  
**Key Decision:** Yes  
**Wards Affected:** All

### **FOR GENERAL RELEASE**

#### **1. SUMMARY AND POLICY CONTEXT:**

- 1.1 This report presents the Housing Revenue Account Forecast Outturn for 2011/12 as at month 7 and the proposed Budget for 2012/13 as required by the Local Government and Housing Act 1989. Members are required to consider the budget proposals including changes to rents, fees and charges as well as savings and service pressures.
- 1.2 The council's Housing Revenue Account (HRA) contains the income and expenditure relating to the council's landlord duties in respect of approximately 12,250 properties and 2,250 leasehold properties. These properties are accounted for separately from the council's other services/activities which form part of the council's General Fund.

#### **2. RECOMMENDATIONS:**

- 2.1 That the Housing Management Consultative Committee note the recommendations of the report to be approved by Cabinet and comments upon the proposals. The report proposes that Cabinet:
- (a) Approves the budget for 2012/13 as shown in Appendix 1.
  - (b) Approves individual rent increases and decreases in line with rent restructuring principles as determined by the Government.
  - (c) Approves the changes to fees and charges as detailed in paragraph 3.18 to 3.26.
  - (d) Approves the introduction of new service charges for communal digital aerials as detailed in paragraph 3.23.
  - (e) Approves the separation of general fund and housing debt into two separate pools from 1 April 2012 in accordance with CIPFA guidance.

### 3. HRA BUDGET PROPOSALS 2012/13

#### Summary

#### Housing Commissioning priorities

- 3.1 The HRA Budget 2012/13 aims to balance the priorities of both the City Council and our residents within the context of the Corporate Plan 2011-2015, which sets out the council's strategic direction and priorities for the next four years, based around the five council priorities:
- Tackling inequality
  - Creating a more sustainable city
  - Engaging people who live and work in the city
  - A responsible and empowering employer
  - A council the city deserves
- 3.2 Our strategic housing vision supports the 'Improving Housing and Affordability' priority set out in the city's Sustainable Communities Strategy Creating the City of Opportunities and is detailed in the Housing Strategy 2009-2014: healthy homes, healthy lives, healthy city, and the City Councils priorities as set out in the Corporate Plan. To deliver our housing vision we have 3 outcomes that reflect the basic housing needs of the city:
- Strategic Outcome 1: Improving housing supply
  - Strategic Outcome 2: Improving housing quality
  - Strategic Outcome 3: Improving housing support
- 3.3 The Commissioning framework for the HRA aims to reduce management unit costs to enable re-investment in services to tackle inequality (support) and improvements to homes and neighbourhoods (investment). The HRA budget strategy reflects the priorities of tenants and leaseholders as a result of their close involvement in deciding how housing services are planned and delivered (as detailed in the Housing Management Annual Report 2010) and responds to the housing commissioning framework and corporate plan priorities by focusing upon the following keys areas:
- reducing housing management and maintenance unit costs.
  - Continuation of the council's commitment to improve the quality of existing council homes.
  - Improving engagement with council housing tenants through the introduction of Tenant Scrutiny.
  - Improving access to housing services through phase 3 the Housing Customer Access Review.
  - Improvements to the energy efficiency of the Council's housing stock through the capital programme.
  - Delivery of work, learning and apprenticeship initiatives for staff and residents through establishing a 'Learning Centre' at the Housing Centre and the Interreg IVa.
  - Taking action to promote financial inclusion, working with the Advice Partnership.
- 3.4 Therefore savings will be reinvested in areas to tackle inequality, promote financial inclusion and also to fund capital investment.

- 3.5 The HRA budget has also been developed to provide a balanced budget, taking into account the income and expenditure assumptions and the reserves position.
- 3.6 The HRA budget for 2012/13 is shown in Appendix 1 with the main budget variations detailed below in table 1. In preparing the base budget, inflation of 2% on non employee costs has been applied with no increases to pay. Savings proposals, service pressures, self financing and changes to rent and fees and charges are detailed in paragraphs 3.7 to 3.26.

<b>Table 1: Main Budget Variations</b>	<b>£'000</b>
Adjusted Base Budget 2011/12	0
<i>Increases in Resources:</i>	
Savings Proposals as detailed in paragraph 3.7	(983)
Increase in Rent for Dwellings (net of Empty Properties)	(2,489)
TV Aerials Service Charge Income	(180)
Increase in major works income from leaseholders	(459)
Reduction in Empty Property Repairs expenditure	(250)
Reduction in Subsidy Payable to the Government	(14,710)
Other minor variances	(4)
<i>Reductions in Resources:</i>	
Employees pay award and other inflation	408
Other Service Pressures as detailed in paragraph 3.9	263
Increase in Revenue Contribution to Capital Programme	14,305
Increase in Capital Financing Costs relating to the implementation of self financing as detailed in paragraph 3.13	2,800
Increase in Capital Financing costs relating to interest and repayments on unsupported borrowing.	899
Base Budget 2012/13	(400)

### **Savings & Service Pressures**

- 3.7 Housing Management has identified savings of £0.983 million (equivalent to 9.3% savings target) in the following areas:
- The introduction of Customer Access Review phase 3 will achieve savings of £0.146 million resulting in a reduction in Housing Management unit costs.
  - A reduction in office and running costs of £0.031 million due to the relocation of staff from Manor Place to the Whitehawk hub.

- A reduction in the contribution to the bad debt provision of £0.060 million due to improved collection rates of rental income.
- A saving in employee costs of £0.227 million from reduced pension liability costs associated with the transferring of staff to Mears within the Repairs, Refurbishment and Improvement Partnership.
- Reduction in the management costs of £0.050 million associated with managing temporary accommodation properties following the leasing of these properties to Brighton & Hove Seaside Community Homes.
- A net reduction in overall support services charges of £0.050 million following a review of the charges.
- A saving of £0.259 million for the Mears responsive repairs and empty property works through the phased introduction of open book accounting, including a reduction in unit costs, Mears overheads and the removal of set up costs.
- The gas servicing and maintenance contract with Mears and PH Jones has achieved efficiencies of £0.160 million.

3.8 The 2012/13 savings included in the Budget will achieve a reduction of £0.71 in housing management unit costs per dwelling per week and a reduction in housing maintenance unit costs of £0.66 per week.

3.9 Service pressures and improvements of £0.263 million are:

- Additional short term support of £0.102 million to deliver specific projects such as resident involvement in the setting up of Tenancy Management Organisations and supporting Internal Audit to identify tenancy fraud to enable the release of properties for housing need.
- Increased costs for housing property insurance estimated at £0.120 million relating to an increased number of insurance claims for damage by fire, flood etc. to council dwellings in recent years.
- A net increase of £0.041 million in energy costs for offices and communal lighting due to recent energy price increases.

### **Self Financing & Medium Term Financial Forecast**

3.10 The HRA has been part of the national housing subsidy system through which Council Housing Rents are standardised across the country. The subsidy system uses a national formula to set guideline rents for each property together with allowances for management, maintenance and capital charges based on notional costs. This system therefore determined the amounts local authorities need to spend on their council housing and whether subsidy is required to support this expenditure. 'HRA subsidy' is the sum paid by Government to make up any shortfall between HRA income and expenditure.

3.11 HRA subsidy may be a negative amount where the government determines that the local authorities have more money than they need to finance their expenditure. Local authorities therefore pay this sum across to the Government. In 2011/12 the negative subsidy payment for the HRA was £4.75 million. The subsidy system was introduced in 1990 and has been abolished by the Localism Act. It has been replaced with a new system of self financing which will come into effect from 1 April 2012. Further details of Self Financing are included in Appendix 2.

3.12 Under self financing the council will no longer be required to transfer its resources to central government, but in return will be required to take on additional housing debt called the 'self financing settlement' of £19.444 million at a level which is sustainable in the long term.

- 3.13 Therefore the implications of self financing for 2012/13 are an estimated net increase in resources of £3.900 million (which has been invested in the capital programme) resulting from the following:
- No further negative subsidy payments to the Government (2011/12 payment of £4.750 million which would have increased to approximately £6.700 m for 2012/13)
  - An increase in capital financing payments resulting from the additional settlement debt of £19.444 million of £1.300 million
  - An increase in capital financing payments due to a higher rate of interest, of £1.500 million resulting from the separating of existing housing debt into a separate pool from the general fund debt as detailed in Appendix 2 paragraphs 24 and 25.
- 3.14 Self financing will provide additional resources from the retention of all rental income and through greater control locally will enable longer term planning to improve the management and maintenance of council homes. However, although there are additional resources available in the long term, self financing includes a cap (or limit) on the amount of borrowing for capital investment by each local authority. The HRA 30 year Business Plan is currently being reviewed and updated to reflect self financing and the opportunities for additional investment and will also need consider how the housing debt is to be structured to accommodate these plans or possibilities. The current Medium Term Financial Forecasts are detailed in Appendix 3.

### **Rents 2012/13**

- 3.15 Rents will continue to be calculated in accordance with the government's rent restructuring guidelines. Target rents for each property are calculated based on the relative property values, bedroom size and local earnings. The act of moving tenants' current rents to the target rent is called rent convergence. In order to limit increases in current rents to reach target rents, the guidance specifies a maximum rent increase equivalent to inflation + ½% + £2 per week.
- 3.16 The self financing determination requires Local Authorities to use the September 2011 Retail Price Index of 5.6% plus 0.5% for setting rent inflationary increases, resulting in a net inflationary increase of 6.1%. Due to the limits mentioned in 3.15, the Government sets a "provisional" rent convergence date annually, depending on the level of inflation set for that year.
- 3.17 The self financing determination has set the rent convergence date at 2015/16 which remains the same as last year. As the majority of the rents are increasing towards target rents, this results in an average rent increase of 7.3% for Brighton & Hove. This is the equivalent to £5.17 per week, increasing the average rent to £75.93. However, in line with rent restructuring, all rents are moving towards their individual targets and some rents will be increasing by more or less than the average rent. The maximum increase will be approximately £9.57, with the lowest increase being £1.89 per week. Approximately 71% of tenants are in receipt of housing benefit.

### **Fees and Service Charges 2012/13**

The proposed changes to fees and charges for 2012/13 are as follows:

#### ***Heating***

- 3.18 The heating and hot water service charges for residents with communal gas fired boilers are proposed to increase by an average of 14.6% (£1.17 per week) from 1 April 2012, with the maximum increase of 20%. Under the current corporate gas supply contract, the unit price for gas is revised annually in October each year. From October 2011, the unit price for gas has increased by an average of 20% which is comparable with the average increases of the major suppliers of gas to the domestic market. However, the latest review of gas consumption shows a reduction from last year for some blocks, and so we have been able to limit the increase for residents in those blocks.

An analysis of the gas consumption and the costs to residents shows that the maximum heating service charge for a medium user in a 2 bedroom flat at £579 compares well to the lowest tariff for a medium user (16,000 Kwh) in the Brighton & Hove area at £742 per year (Eon 11/9/2011). The analysis also highlighted blocks which appear to have above average consumption and where energy efficiency appears to be poor. This is being addressed within the HRA capital programme 2012-15, also on this agenda. The programme includes boiler replacements or upgrades over the next 2 years at Nettleton & Dudeney, Jubilee Court, Rose Hill Court, Hazelholt, Manor Paddock and Lindfield Court, where required, which will improve energy efficiency and therefore reduce future costs.

- 3.19 The electricity contract continues at current contract prices for the financial year 2012/13, until 1<sup>st</sup> April 2013. Service charges for those with electric heating may be amended during this time to reflect the latest estimates of consumption.

#### ***Water Charges***

- 3.20 The HRA administers water charges for three sheltered blocks. These charges will be adjusted to ensure full recovery of costs including an estimated annual inflationary increase by Southern Water of 5.6%.

#### ***Grounds Maintenance***

- 3.21 The Grounds Maintenance service has been reviewed this year in partnership with residents and the findings of this review were reported to Housing Management Consultative Committee on 7 November 2011. This review has led to changes to the specification for various blocks, which has led to both increases and decreases in the service charges levied to each block. The new service charges also reflect a 2% inflation increase to the contract. The maximum increase is £0.63 per week and the maximum reduction is £1.52 per week. The average change is an increase of £0.01 per week per resident.

#### ***Communal Cleaning Services***

- 3.22 There will be no increase to the communal cleaning charges for 2012/13. Continued efficiencies in this service are anticipated to offset any inflationary increases.

#### ***Communal Digital Aerials***

- 3.23 The HRA has installed new digital TV Aerials to blocks of flats throughout the City in anticipation of the digital switchover in 2012 as reported to Housing Management Consultative Committee on 27th September 2010. This provides tenants and leaseholders in blocks of flats access to new digital aerials, without which, they would no longer be able to view TV programmes. The cost of the installation will be recovered from tenants as a service charge of £0.56 per week which is allowable for housing benefit. The service charge is higher than previously estimated because each installation has cost more due to the need for more digital capacity and remote power supply. Leaseholders will be charged for the installation as part of their major works service charge and the maintenance costs as part of their annual service charge, as specified in the terms of their lease.

### **Garages & Car Parking**

3.24 All garages and car parking charges will increase by 2%.

### **Supporting People**

3.25 Supporting people charges will remain at £12.85 per week.

### **Sheltered Services**

3.26 The sheltered service charge for common ways will remain at the current level of charge. The launderette service charge will remain at £1.26 per week.

### **Projected HRA Revenue Reserves**

3.27 The forecast outturn for 2011/12 as at month 7 is an underspend of £0.560 million providing a contribution to reserves. The main variances are detailed in Appendix 1.

3.28 The contribution to reserves increases the projected reserves as at 31 March 2012 to £5.260 million. The 2012/13 budget has been set with a surplus of £0.400 million, but the reserves are projected to reduce to £3.390 million by 31 March 2013 after using revenue reserves to fund part of the 2012/13 Housing Capital Investment Programme.

3.29 The recommended working balance (minimum level of reserves) is £2.700 million. The Housing & Social Inclusion delivery unit is currently working with Commissioners and the Advice Services Partnership to develop plans to tackle financial exclusion and inequality, promoting access to services and improving support for vulnerable families and adults on low incomes. It is anticipated that up to £0.400 million may be required to support commissioning priorities and it is proposed to establish an earmarked reserve for this purpose. Once spending plans are fully developed, these will be included in the 2012/13 Targeted Budget Management Report and approval sought for the release of these funds. Therefore usable revenue reserves are projected at £0.290 million at 31 March 2013 which can be used to support one off items of expenditure in the revenue budget.

<b>Projected Unearmarked Revenue Reserves at 31 March 2013</b>	<b>£'000</b>
Reserves at 1 April 2011	4,700
Plus: Forecast contribution from 2011/12 Revenue Outturn	560
<b>Projected reserves at 31 March 2012</b>	<b>5,260</b>
Plus: Surplus from 2012/13 Revenue Budget	400
Less: Use of revenue reserves to fund the capital programme 2012/13	(2,270)
<b>Total Projected Balance at 31 March 2013:</b>	<b>3,390</b>
<b>Applied to:</b>	
Working Balance	<b>2,700</b>
Earmarked reserve- commissioning priorities	<b>400</b>
Usable revenue reserves	<b>290</b>

- 3.30 Estate Development Budget reserves, which are held separately from the HRA general reserves, are £0.146 million as at 1 April 2011. These reserves relate to committed revenue and capital expenditure for schemes agreed in previous financial years that are not yet completed. Therefore these reserves will reduce as schemes are finished.

#### **4. CONSULTATION**

- 4.1 The City Assembly in November 2011 included an agenda item on the HRA budget setting process and the introduction of self-financing. A budget workshop was also held which gave tenants and leaseholders the opportunity to discuss their views on priorities for discretionary spending in relation to the Housing Capital Investment Programme.
- 4.2 A budget round table discussion has been held with Leaders and Finance spokespeople for all political parties invited alongside representatives of the Trades Unions and Community and Voluntary Sector Forum. In addition there has been a series of separate informal consultation discussions with unions and these will continue throughout the remainder of the budget process. Formal consultation with staff, unions and service users will continue as required.
- 4.3 The review and challenge of the options as they were developed for this paper included members from all political parties (the “star chamber” process). A Scrutiny Panel considered the HRA budget strategy proposals on 06th Jan 2012.

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications:

- 5.1 Financial Implications are included in the main body of the report

*Finance Officer Consulted: Sue Chapman*

*Date: 05/01/12*

##### Legal Implications

- 5.2 The Council is required to keep a separate Housing Revenue Account (HRA) by virtue of the Local Government and Housing Act 1989. Preceding any financial year, the council must formulate for that year proposals relating to i) the income from rent and charges of all property within the HRA, ii) the expenditure on repair, maintenance, supervision and management of that property and iii) any other prescribed matters. In formulating the proposals, the council must use its best assumptions and estimates to secure that on their implementation the account will not show a debit balance. Within one month of formulating the proposals it must prepare and place on deposit a statement setting out the proposals and estimates.

*Lawyer Consulted:*

*Liz Woodley*

*Date: 5/01/12*

##### Equalities Implications:

- 5.3 The HRA budget will fund services to people with special needs due to age, vulnerability or health needs. In order to ensure that the equality impact of the budget proposals is fully considered as part of the decision making process, an Equality Impact Assessment screening document for the HRA budget proposals has been prepared. This document flags up the perceived potential equality impacts from the changes and is attached at appendix 4. Full equality impact assessments have been developed on specific areas where required. As part of the Council’s engagement process, a series of meetings are



being held with specific communities of interest in January to explore the issues for these groups arising from the Council's budget changes

Sustainability Implications:

- 5.4 The HRA budget will fund a range of measures that will benefit and sustain the local environment. The self financing settlement will provide a framework within which all local authorities can sustain their stock in a good condition in the future. This should enable the council to deliver a range of measures that will benefit and sustain the local environment.

Crime & Disorder Implications:

- 5.5 The Budget includes financial provision for Crime and disorder implications.

Risk & Opportunity Management Implications:

- 5.6 Financial risks have been assessed throughout the development of the council's budget. The introduction of Self Financing means that all the risks inherent in running a housing business will now transfer from the government to the local authority. The key risks which will need to be managed and developed as sensitivities and scenarios within the model may include:

- Inflationary risk that expenditure inflation is greater than income, particularly with rental increases determined by national rent policy.
- Managing interest rate fluctuations and debt portfolio
- Long term capital and maintenance responsibilities cannot be met by available resources
- Balancing regeneration and redevelopment needs with tenants priorities

- 5.7 A full risk register will therefore be developed in preparing the HRA Business Plan.

Corporate / Citywide Implications:

- 5.8 The Budget seeks to improve the quality of housing and services provided to tenants across the City.

**6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 6.1 There are no alternative options proposed.
- 6.2 Rents have been set in accordance with the Government's rent restructuring guidance. In previous years, the Housing Subsidy Determination controlled rent setting increases by removing resources from local authorities through non compliance. Although the subsidy system is now abolished increases in rents above rent convergence will be subject the rent rebate limitation which sets a limit on how much rents can be increased. Any increases above this limit result in a loss of Housing Benefit Subsidy which is payable by the HRA.
- 6.3 The government's policy for rent restructuring is to ensure rents are fair and equitable nationally so although the authority can set rents at a lower level than rent restructuring this will bring the rents out of line nationally and provide a lower level of resources to fund repairs, maintenance and improvements works both in this years and future financial years. For example a 1% reduction in the rental increase (saving each tenant an average

of £0.71 per week in rent increase) will result in a loss of rental income of approximately £1.3 million over the next five years.

## **7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 The Local Government and Housing Act 1989 requires each Local Authority to formulate proposals relating to income from rent and charges, expenditure on repairs, maintenance, supervision and management and any other prescribed matters in respect of the HRA. In formulating these proposals using best estimates and assumptions the Authority must set a balanced account. This budget report provides a breakeven budget and recommends rent increases in line with current government guidance.

### **SUPPORTING DOCUMENTATION**

#### **Appendices:**

1. HRA Forecast Outturn 2011/12 and Budget 2012/13
2. Summary of Self Financing
3. Medium Term Financial Forecasts
4. Equality Impact Assessments

#### **Documents in Members' Rooms**

None

#### **Background Documents**

1. Reinvigorating the Right to Buy and one for one replacement issued by CLG December 2011
2. The HRA Self Financing Determinations issued by CLG November 2011
3. Council housing a real future: Prospectus, issued by CLG 25 March 2010
4. Implementing self-financing for council housing, issued by CLG February 2011
5. Self Financing: planning the transition, issued by CLG July 2011
6. The HRA and self Financing Determinations, issued by CLG July 2011
7. 2012/13 Housing Revenue Account Working Papers

## HRA Forecast Outturn 2011/12 and Budget 2012/13

	2011/12 Adjusted Budget £'000	2011/12 Forecast Outturn £'000	2012/13 Original Budget £'000
<b>EXPENDITURE</b>			
Employees	9,187	8,816	8,980
Premises - Repairs Response & Voids	7,696	7,741	7,516
Premises - Cyclical Maintenance & Servicing	3,119	3,003	3,019
Premises - Grounds Maintenance	520	520	528
Premises Other	2,766	2,815	3,032
Transport	183	183	166
Contribution to Bad Debt Provision	268	168	214
Supplies & Services	1,586	1,557	1,672
Third Party Payments – Launderette contract	54	54	55
Support Services - From Other Departments	2,195	2,188	1,963
Revenue Contributions to Capital Schemes	3,778	3,778	18,084
Capital Financing Costs	4,268	4,145	7,777
Housing Subsidy Payable	14,710	14,724	0
<b>Total Expenditure</b>	<b>50,330</b>	<b>49,692</b>	<b>53,006</b>
<b>INCOME</b>			
Rents Dwellings	(44,213)	(44,222)	(46,701)
Rents Car Parking / Garages	(785)	(750)	(800)
Commercial Rents	(455)	(455)	(446)
Service Charges	(3,354)	(3,307)	(4,617)
Other Recharges and Interest	(1,523)	(1,518)	(842)
<b>Total Income</b>	<b>(50,330)</b>	<b>(50,252)</b>	<b>(53,406)</b>
<b>DEFICIT / (SURPLUS)</b>	<b>0</b>	<b>(560)</b>	<b>(400)</b>
<b>Contribution to Earmarked Reserves</b>			<b>400</b>
<b>TOTAL DEFICIT / (SURPLUS)</b>			<b>0</b>

## **Targeted Budget Management (TBM) 2011/12 as at Month 7**

The forecast outturn for month 7 is an underspend of £0.560 million, which will provide a contribution to revenue reserves to be reinvested in the Housing Revenue Account Capital Investment Programme for 2012/13.

The Employees' budget is forecast to underspend by £0.371 million of which £0.227 million relates to TUPE costs for Property & Investment staff not being required as the final costs were less than originally forecast and fully paid in the last financial year. There are further underspends due to vacancies and reduced pensions costs where staff have not joined the local authority pension scheme.

The Responsive Repairs and empty properties budget has a net forecast overspend of £0.045 million. The responsive repairs costs are forecast to overspend by £0.250 million partly due to works undertaken last financial year being charged to this financial year and due to an increase in the volume. This increase resulted from works being undertaken to satisfy tenants and make good existing facilities where surveys to tenants' homes indicate decency criteria have been met and a new kitchen or bathroom is not considered necessary. This overspend has been offset by a reduction in the number of empty properties and associated costs of repairs (£0.146 million) and a reduction in overhead costs (£0.59 million) from efficiencies in the Repairs Partnership contract.

Included in Cyclical Maintenance & Servicing forecast is a projected saving on the gas servicing and maintenance contract of £0.146 million from the rebasing of the open book contract value following the achievement of savings during the last financial year and an underspend of £0.040 million on the cost of fire alarm servicing and call-outs. This underspend is partly offset by additional costs for essential health and safety works to water tanks of £0.090 million.

The Premises Other forecast overspend of £0.049 million includes increased costs for housing property insurance which are below the insurance excess of £0.025 million. In recent years the number of cases of damage by fire, flood etc. to council dwellings has increased which have increased the costs. Provision for increased insurance costs has been made in the 2012/13 HRA Budget.

The contribution to the bad debt provision is forecast to be £0.100 million lower than expected due to an improvement in rent collection, resulting in a reduction in the overall level of rent arrears.

Capital Financing costs are forecast to underspend by £0.123 million due to a reduction in the repayment of debt compared to the original budget estimates.

## Summary of Self Financing

### BACKGROUND INFORMATION

1. The current HRA subsidy system has been in operation since 1989 and serves 177 local authorities. It is subject to an annual settlement of housing subsidy where rents are effectively pooled nationally and the subsidy system subsequently reallocates these resources. Reallocation is based on a notional HRA and the repayment of historical debt. The system however has a number of flaws:
  - The notional system is complex and difficult to understand, is based on assumptions and does not really take into account local situations.
  - The annual nature of the process makes it difficult to develop a strategic approach to longer term planning.
  - The requirement for the majority of local authorities to pay a proportion of their rents known as 'negative subsidy' back into the national pot is unpopular, particularly now that the national pot creates a surplus overall.
  - For local authorities similar to Brighton & Hove where HRA subsidy debt is greater than HRA debt the system does not promote efficient treasury management. For example action to reduce the average cost of the council's debt portfolio results in a decrease in General Fund expenditure but an increase in HRA expenditure.
2. The review of the Council Housing Finance system was initially launched by Ministers in March 2008. These reforms have been developed in partnership with stock-owning local authorities and have been the subject of two public consultations. Responses to the second consultation in March 2010 showed strong support for implementing the principles of self-financing and the broad methodology proposed. The Government has introduced legislation in the Localism Act now before Parliament which would commence self-financing and abolish the Housing Revenue Account subsidy system from 1 April 2012.
3. The objectives of these reforms are:
  - To give local authorities the resources, incentives and flexibility they need to manage their own housing stock for the long-term and to drive up quality and efficiency.
  - To give tenants the information they need to hold their landlord to account, by replacing the current opaque system with one which has a clear relationship between the rent a landlord collects and the services they provide.
4. Self Financing reforms are based on a calculation of the individual value of each local authority's housing business. This is compared to their existing housing debt in order to give each a sustainable self-financing settlement. The reforms do not redistribute a fixed amount of debt between local authorities.

## **SELF FINANCING VALUATION MODEL**

5. Self-financing will put all local authority landlords in the position where they can support their own stock from their own income. In order to bring about this change, there will be a readjustment of each local authority's housing debt. This will give each local authority a level of debt it can support, based on a valuation of its council housing stock. If this valuation is lower than the amount of housing debt which is currently supported through the Housing Revenue Account subsidy system, Government will pay off the difference. If the valuation is higher than the debt supported by Housing Revenue Account subsidy, the local authority will be required to pay Government the difference.
6. Valuations will be based on assumptions about each local authority's income and need to spend over 30 years. This 30-year cash flow of income and expenditure will then be converted into a capital sum using standard discounted cash flow techniques.
7. The following assumptions are used in the valuation model:

### Income

8. The only income included in the valuation is rental income using assumptions following from the Government's social rent policy which assumes that guideline and formula (target) rents will converge by 2015/16, followed by rent increases set at the Retail Price Index plus 0.5% per annum. The valuation also assumes that the current mechanism for protecting public expenditure and rent increases by providing a cap on the level of Housing Benefit an authority will receive for its tenants will continue.

### Expenditure

9. The spending needs built into the valuation are based on independent research about the costs of managing, maintaining and repairing the stock and are significantly higher than those in the current subsidy system. This has resulted in an increase of 14.8% for Brighton & Hove compared to the national average increase of 14.5%
10. In addition, the new system will now provide funding for disabled adaptations to council housing stock as the needs of tenants change in future. Expert consultants estimated the cost of meeting newly arising need at £60 per dwelling per year across the country providing funding of £116 million nationally per annum. This has resulted in funding of £0.858 million per annum for Brighton & Hove which is reflected in the HRA Capital Programme.
11. The valuation will exclude any assumed income or costs from homes that will be demolished within the next few years as part of regeneration schemes which are at an advanced stage. This is to ensure that the reform does not adversely affect the completion of current regeneration schemes. The homes on the Ainsworth Site redevelopment scheme have been excluded from the Brighton and Hove Valuation.

12. The valuation includes a forecast for losses of income and costs when properties are sold under the Right-to-Buy scheme. This forecast is based on national forecasts for house sales issued by the Office for Budget Responsibility. These have been disaggregated to local authority level using recent historical data about regional levels of Right-to-Buy sales

#### Discount rate

13. The assumed rents and costs will be used to produce a notional 30 year business plan of income and expenditure for each local authority landlord's business. This will be converted into a stock valuation using standard discounted cash flow principles, using a 6.5 per cent discount rate which is consistent with rates used in valuing stock in housing transfers.

#### Settlement payment

14. In order to calculate the payment to or from Government, the valuation will be compared with the notional amount of housing debt supported by HRA subsidy (the Subsidy Capital Financing Requirement). If the valuation is higher than the subsidy debt figure, the local authority will be required to pay Government the difference. If the valuation is lower, the Government will pay the difference to the local authority.

15. In most local authorities, the notional debt figure supported by subsidy is higher than the actual amount of debt. By using the subsidy debt figure, most local authorities will make a smaller payment to Government or receive a larger payment from Government than they would have done if the payment was based on the actual debt figure. This will benefit local authorities who have found ways to reduce their borrowing by, for example, electing to use capital receipts to pay down debt or fund investment

16. The one off settlement payment for Brighton & Hove is £19.444 million, calculated as shown in the table below:

	<b>£'000</b>
<b>NPV of 30 year cashflows:</b>	
Rental income	705,122
Management & Maintenance expenditure	(365,115)
Major Repairs Allowance expenditure	(181,632)
Debt Management costs	(1,875)
<b>Total Valuation of Business</b>	<b>156,500</b>
<b>Total Notional Amount of Debt (Subsidy Capital Financing Requirement)</b>	<b>(137,056)</b>
<b>Settlement Payment (Debt taken on 1 April 2012)</b>	<b>19,444</b>

#### Borrowing limit

17. The Prudential Code for Capital Finance (developed by the Chartered Institute of Public Finance & Accountancy) prescribes the methodology to determine the levels of borrowing affordable for local authorities. However, as the Government's first

priority is to reduce the national deficit, (and borrowing for housing purposes is included as part of the Public Sector Borrowing Requirement), housing borrowing must be affordable nationally as well as locally and therefore there will be a limit (or cap) placed at the self financing debt settlement level calculated for each authority.

18. In order to retain some flexibility over the borrowing limit to respond to big external changes which affect council housing the Localism Act includes powers to vary the definition or calculation of the Council Housing Borrowing Requirement and the Council Housing Borrowing Limit for one, some or all local authorities in the future.

19. Brighton & Hove's forecast actual housing debt at March 2012 is £127.6 million, including the settlement figure of £19.444 million, which is lower than the self financing indicative debt cap level of £158.2 million thereby providing capacity to borrow a further c£29 million subject to affordability.

### Reopening the settlement

20. The introduction of Self Financing means that all the risks inherent in running a housing business will now transfer from the government to the local authority and a full risk register is being developed in preparing the HRA Business Plan. The key risks which will need to be managed and developed as sensitivities and scenarios within the model may include:

- Inflationary risk that expenditure inflation is greater than income, particularly with rental increases determined by national rent policy.
- Managing interest rate fluctuations and debt portfolio
- Long term capital and maintenance responsibilities cannot be met by available resources
- Balancing regeneration and redevelopment needs with tenants priorities

21. The Localism Bill allows the government to re open the settlements in the future where there has been a change in one of the factors taken into account in calculating the current payment (i.e. expenditure, income and debt). This would only occur if a change is made that would have a substantial material impact on the valuation and in these exceptional cases, the Government would have to issue a further determination and consult on it. For example, this could be a major change in national rental policy or a significant increase in the environmental standards expected of council housing.

## **THE SURROUNDING POLICY FRAMEWORK**

### The Housing Revenue Account ring-fence

22. The HRA operates as a separate ring fenced account and is a record of revenue income and expenditure relating to local authority's own housing stock. Items that must be accounted for within the ring fence are defined by Schedule 4 of the Local Government and Housing Act 1989 and also a DoE Circular 8/95 published in 1995. The self financing regime does not end the requirement to maintain a statutory, ring-fenced Housing Revenue Account and there is no new guidance. The Government has stated that they expect local authorities to take their own decisions, rooted in the principle that 'who benefits pays'.



## Accounting and regulatory framework

### Accounting Arrangements

23. The abolition of the housing subsidy system requires changes to the capital financing arrangements for housing in Treasury Management and Accounting issues such as accounting for depreciation. The self financing guidance proposes a change to the method for charging depreciation to the housing revenue account and the separation (unpooling) of housing debt from other local authority borrowing. The accounting arrangements for depreciation are being reviewed by CIPFA and guidance will be issued to local authorities with an anticipated 5 year transitional period to implement the required accounting changes.

### Unpooling of Debt

24. At present, local authorities hold all their debt in one single 'pool' across all services so the debt attributable to housing is part of each local authority's overall debt portfolio. Interest on the HRA debt is charged at the consolidated rate of interest (The calculation of the CRI is based on the council's overall debt portfolio and therefore changes in the level of debt, either GF or HRA, can impact on the rate and hence the interest charged to the HRA). The current system of pooling debt allows for more efficient treasury management but leaves the HRA exposed to interest rate changes from treasury management decisions taken by the GF and vice versa.

25. Self financing requires all local authorities to separate (unpool) their housing and general fund debt into two pools. This means that the HRA will now pay interest based on its actual debt rather than a notional calculation.

### Regulation

26. Regulation of council housing under the regulatory framework for social housing will continue to focus on consumer protection. In line with the recommendations of the Government's 2010 review of social housing regulation, as reflected in the Localism Act and proposed revised regulatory framework to take effect on 1 April 2012, the Regulator's consumer protection role will be refocused on setting clear service standards for social landlords and intervening only to address breaches of those standards which entail a risk of serious detriment to tenants. Tenants will have access to stronger tools to hold landlords to account on service delivery, with the Regulator acting as a backstop where problems cannot be resolved locally, or where a pattern of problems gives rise to broader concerns.

### Disposals

27. The Government propose to reform the current statutory framework under which local authorities must first seek the consent of the Secretary of State before disposing of council housing assets and the requirement to seek the specific consent of the Secretary of State to a disposal at market value except where a local authority proposes to dispose of a dwelling occupied by a secure or introductory tenant or disposal is to a subsidiary of the local authority. The Government is reviewing responses to their consultation paper 'Streamlining council housing asset management: Disposal and the use of receipts'. It is anticipated that changes to this framework will also come into effect from 1 April 2012.

28. In addition the Government will update the regulations governing the pooling of receipts to ensure that proposed greater freedom to dispose does not inadvertently

disadvantage any authority. Receipts from sales of vacant land or empty homes will be retained by local authorities provided they are spent on affordable housing, for regeneration.

### Right to Buy

29. At present 75% of the capital receipt from the sale of council homes under the Right to Buy is paid across to the Government and local authorities retain the remaining 25%. However, the Government have published consultation proposals ('Reinvigorating the Right to Buy and one for one replacement') to increase the cap on discounts available to tenants from 1 April 2012 with the aim of increasing the number of sales above the level included in the self financing valuation assumptions. The proposals also intend that net capital receipts from sales (after administration costs, repayment of housing debt and currently forecast receipts for councils and central government) should be used to replace additional homes sold as a result of the higher discount levels. The consultation includes various replacement delivery models and outcome of the consultation will be known late February/early March.

### Retention of National Rent Policy

30. Local authorities will still be required to follow national rent policy and rent convergence. The current rent restructuring formula provides a mechanism for protecting public expenditure and rent increases by providing a cap on the level of Housing Benefit an authority will receive for its tenants.

## Medium Term Financial Forecasts

<b>Revenue Budget</b>	<b>2012/13 £'000</b>	<b>2013/14 £'000</b>	<b>2014/15 £'000</b>
<b>Expenditure</b>			
Employees	8968	9,017	9,048
Premises -Repairs	10,535	10,625	10,469
Other expenditure	7,642	7,498	7,446
Capital Financing	7,777	9,144	10,083
<b>Total Expenditure</b>	<b>34,922</b>	<b>36,284</b>	<b>37,046</b>
<b>Income</b>			
Rental Income	(46,701)	(48,694)	(48,967)
Other Income	(6,705)	(6,388)	(6,353)
<b>Total Income</b>	<b>(53,406)</b>	<b>(55,082)</b>	<b>(55,320)</b>
<b>NET SURPLUS</b>	<b>18,484</b>	<b>18,798</b>	<b>18,274</b>
<b>Allocated to :</b>			
<b>Revenue Contribution to Capital schemes</b>	18,084	18,798	17,606
<b>Usable Revenue Reserves</b>	400		668

**Assumptions**

1. Inflation is included at 2% per annum with pay increases at 1% for 2012/13 and 2% per annum thereafter to cover pay award and pay related matters.
2. Efficiency savings are assumed at £1.100 million over 2013/14 and 2014/15.
3. Capital financing costs are projected to increase reflecting the full repayment of unsupported borrowing included in the 2009 -2012 capital programmes.
4. Rents are assumed to increase by 3.5% for 2013/14 and 3% for 2014/15. An additional weeks rents fall due in 2013/14 at an estimated rental income of £0.900 million.
5. Other income is projected to increase by 1%. However, income from major works to leasehold properties is projected to reduce by £0.380 million from 2013/14 and reduce by a further £0.100 million in 2014/15.

Revenue surpluses will be used to fund the HRA Capital Programme 2012 - 2015, also included on this agenda. Any surpluses not required for the capital programme will be held in usable revenue reserves.

## Budget Screening EIA 2012/13

**Service Area**

Housing & Social Inclusion (Housing Revenue Account)

**Head of Service**

Nick Hibberd

**Summary of proposed changes:**

## Revenue budget:

- Increase in council rents in line with government formula
- Increase in some service charges which are covered by Housing Benefit
- Increase in service charge for communal gas heating systems (not covered by HB)
- Leaseholders – service charges for major planned works (variable)
- Customer access review
- Proposed move of Manor Place Housing Office to Whitehawk Hub

## Capital budget:

- Continued investment in improvement and Decent Homes works
- Increased investment Lift replacement and modernisation
- Building new council homes
- Increased investment in adaptations for tenants with disabilities
- Continuation of programme of loft conversions to tackle over crowding
- Strategic investment to tackle damp and condensation
- Investment in schemes such as cycle parking and play areas
- Investment in energy efficiency and renewable energy

<b>Different Groups to be included in Screening</b>	<b>Is there a possible impact on a group/groups (positive or negative) YES/NO</b>	<b>Describe Potential Impact</b>	<b>Action/s (including details of a full EIA to be completed if required/relevant)</b>
Age	Yes Older and younger people on low or fixed incomes	<p>Average rent increase of 7.3% will affect those on fixed or low incomes who are not in receipt of full Housing Benefit.</p> <p>5,968 (44%) of council tenants (including joint tenants) are known to be aged 55 or older; 3,729 (27%) are 65 or older and 1,885 (14%) are 75+.</p> <p>Altogether, tenants of 71% (nearly 6,000) council homes receive full or partial HB.</p> <p><b>Brighton &amp; Hove Youth consultation feedback</b></p> <p>Further explanation of this service was needed as it may not be something they have direct experience as young people.</p> <ul style="list-style-type: none"> <li>• Rent or service charge increases should be avoided, as it could create more inequality.</li> <li>• Everyone should be entitled to a bare minimum standard of living and not go without what is essential.</li> <li>• Council building contracts should be renegotiated, to get the best deal possible.</li> </ul>	<p>Target advice</p> <p>Range of financial inclusion advice and sign-posting</p> <p>Commissioning strategy to re-invest in support for most vulnerable</p> <p>EIA completed on rent and service charge increases</p>

		<ul style="list-style-type: none"> <li>• Vacant properties in the city should be made into affordable housing.</li> </ul>	
		Lift replacement will enable better and more reliable access to properties for older residents. However measures will need to be taken to support residents whilst works take place	Needs analysis and tailored support for residents affected by lift replacement
		All increases in service charges covered by HB will affect those on fixed or low incomes who are not in receipt of full HB.	<p>Target advice</p> <p>Range of financial inclusion advice and sign-posting</p> <p>Commissioning strategy to re-invest in support for most vulnerable</p> <p>EIA completed on rent and service charge increases</p>
		<p>Anticipated average 14.6% increase in service charge for communal gas heating systems (not covered by HB)</p> <p>N.B. Price increase due to corporate contract for gas increasing by average of 20% adjusted for consumption.</p>	<p>Target advice.</p> <p>Range of financial inclusion advice and sign-posting.</p> <p>Target replacement of communal boilers to improve fuel efficiency through capital investment programme.</p> <p>Target over-cladding of blocks with communal heating to improve thermal efficiency.</p> <p>Commissioning strategy to re-invest in support for most vulnerable.</p>

		<p>Increase in service charge for water on 3 sheltered housing blocks (not covered by HB) will affect those on benefits, fixed and low incomes.</p> <p>N.B This only applies to three blocks in the City.</p>	<p>Target advice</p> <p>Range of financial inclusion advice and sign-posting</p> <p>Commissioning strategy to re-invest in support for most vulnerable</p>
		<p>Increased spend on adaptations will support residents with disabilities to live in their homes.</p>	<p>Monitor delivery and outcomes of adaptations programme</p>
		<p>Leaseholders – service charges for major planned works (variable) – charges will affect those on fixed or low incomes. High charges (e.g. for cladding or lift replacement) potentially make their current housing situation unaffordable.</p>	<p>Review</p> <p>leaseholder service charge EIA</p> <p>Support offered at early stage.</p> <p>Range of payment options.</p> <p>Housing options advice</p> <p>Seek approval for Introduction of new payment options (Equity Loans).</p>
		<p>Customer access review has potential to affect access to services (positive and negative)</p>	<p>Full EIA completed</p>
		<p>Proposed move of Manor Place Housing Office to Whitehawk Hub</p> <ul style="list-style-type: none"> <li>- closure of cash desk</li> <li>- access issues</li> <li>- positive impacts of service co-location</li> </ul>	<p>Full EIA completed.</p> <p>Steps in place to mitigate access issues</p> <p>Survey of need of all visitors to Manor Place over one month period.</p>

		Energy efficiency and renewable measures will help tackle fuel poverty for those on low or fixed incomes	Target and monitor works
		Investment in schemes such as cycle parking and play areas has potential to improve local area and play facilities for children and young people	Target and monitor programme
		Building new homes will help to relieve housing pressure for young people	Ensure new build is targeted at highest levels of housing need
Disability (Physical and sensory)	Yes	<p>Rent increase will affect those on fixed or low incomes who are not in receipt of full HB.</p> <p>325 council tenants (including joint tenants - 2.3%) are known to be receiving Disability Living Allowance and 169 Attendance Allowance; 383 council tenants (2.7%) are in one of the 3</p>	<p>Target advice</p> <p>Range of financial inclusion advice and sign-posting</p> <p>Commissioning strategy to re-invest savings in support for most vulnerable</p>



mobility bands and 1,016 (7.3%) council tenants are recorded as having other mobility problems; 2,327 tenants (17%) have informed us of other health issues. 50 are recorded as having alcohol or substance misuse issues.

392 council tenants are recorded as blind or partially sighted, 753 (5.4%) have hearing problems and 73 have speech difficulties. 55 current tenants have requested information through sign language.

**Brighton Fed (Centre for Independent living) feedback**

Rent and service charge increases. This will have an adverse effect on disabled people and their families and could drive them further into poverty.

**Amaze (families with children with disabilities)**

Biggest impact on most vulnerable families and worse outcomes for them.

52% of families which Amaze helped to access DLA families in 10/11 live in social housing,

The recent Amaze survey shows 58% of parent carers are already struggling to cope with debt, are making ends meet by extending their overdraft or using credit cards. 14% have taken out a loan.

		Lift replacement will enable better and more reliable access to properties for residents with disabilities. However measures will need to be taken to support residents whilst works take place	Needs analysis and tailored support for residents affected by lift replacement
		All increases in service charges will affect those on fixed or low incomes who are not in receipt of full HB.	
		<p>Average 14.6% increase in service charge for communal gas heating systems (not covered by HB)</p> <p>N.B. Price increase due to corporate contract for gas increasing by average of 20% adjusted for consumption.</p>	<p>Target advice.</p> <p>Range of financial inclusion advice and sign-posting.</p> <p>Target replacement of communal boilers to improve fuel efficiency through capital investment programme.</p> <p>Target over-cladding of blocks with communal heating to improve thermal efficiency.</p> <p>Commissioning strategy to re-invest in support for most vulnerable.</p>
		Leaseholders – service charges for major planned works (variable) – charges will affect those on fixed or low incomes. High charges (e.g. for cladding or lift replacement) potentially make their current housing situation unaffordable.	<p>Review leaseholder service charge EIA</p> <p>Support offered at early stage.</p> <p>Range of payment options.</p> <p>Housing options advice</p> <p>Seek approval for Introduction of new payment options (Equity</p>

			Loans).
		Customer access review has potential to affect access to services (positive and negative)	Full EIA completed
		<p>Proposed move of Manor Place Housing Office to Whitehawk Hub</p> <ul style="list-style-type: none"> <li>- closure of cash desk</li> <li>- access issues</li> <li>- positive impacts of service co-location</li> </ul>	<p>Full EIA completed.</p> <p>Steps in place to mitigate access issues</p> <p>Survey of need of all visitors to Manor Place over one month period.</p>
		<p>Visually impaired residents may not be able to read information informing of service charge/rent increase.</p> <p>2.8% of council tenants are recorded as blind or partially sighted. 20 are recorded as having requested information on audio tape, 3 in Braille and 246 in large type. Another 244 tenants are known to have literacy problems.</p>	<p>Ensure information is available in range of formats and target those with known disability or request for information in alternative format</p>
		Increased spend on adaptations will support residents with disabilities to live in their homes.	Monitor delivery and outcomes of adaptations programme
		Energy efficiency and renewable measures will help tackle fuel poverty for those on low or fixed incomes	Target and monitor works

<p>Disability (Mental Health and Learning)</p>	<p>Yes</p>	<p>Proposed move of Manor Place Housing Office to Whitehawk Hub</p> <p>Difficulties adapting to move</p> <p>1,034 (7.41%) council tenants (including joint tenants) are recorded as having mental health issues and 190 (1.4%) as having learning difficulties.</p> <p><b>Brighton &amp; Hove Speak Out (People with Learning Disabilities) consultation feedback</b></p> <p>Rent and service charge increases: to people with mild learning disabilities who are not in receipt of full housing benefit. It is unclear how many people with learning difficulties this will affect. At least 5000 are estimated to live in Brighton and Hove, although other estimates range to 7000. Learning disability services only know about 1,000 who have a learning disability, leaving many unknown and unsupported. Many of these live on low incomes and/or rely on benefits and do not have equal access to employment and training. 85% of people with learning disabilities nationally are unemployed (83% locally) and statistically others will be on a low income. It is difficult for people to get out of the poverty trap and these actions will affect them more negatively than other groups. Parents with learning disabilities often live on benefits. There is a likelihood that these actions</p>	<p>Full EIA completed</p>
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		<p>will impact on their ability to look after their children as well as themselves. Advice and signposting is often difficult for this group to access due to the need for accessible and simple information.</p> <p>There are likely to be more council tenants with learning difficulties than 1.4% (see above).</p> <p>Improved knowledge of numbers of people with learning disabilities in the city would help to minimise risks better to this group as better plans to protect them could be made</p>	
		Energy efficiency and renewable measures will help tackle fuel poverty for those on low or fixed incomes	
Ethnicity	Yes	<p>Potential for those with for whom English is not their first language not to understand information on increases in rent/service charges</p> <p>The ethnicity of over 10% of council tenants is other than White British. 55 tenants are recorded as requiring information translated into Arabic, 18 into Bengali, 12 into Cantonese, 11 into Farsi and 44 tenants have requested other languages.</p>	Ensure information is available in range of languages
		Customer access review has potential to affect access to services (positive and negative)	Full EIA completed

		Proposed move of Manor Place Housing Office to Whitehawk Hub (positive and negative)	Full EIAs completed
		<b>BME Community Partnership consultation feedback:</b> Reductions in housing budget mean that the mediation service is now asking for donations: this may have a bigger impact on BME communities, if they are over-represented among users of the mediation service, due to issues around racial harassment.	Meet with mediation service
Gender	Yes	<b>Brighton Women's Centre consultation feedback</b> Women and single mothers on low/fixed incomes who are not in receipt of full HB will be affected by increases in service charges and rent	Target advice Range of financial inclusion advice and sign-posting
		Overcrowding, anti-damp measures and new build programme have potential to help homeless families and those suffering overcrowding	Monitor delivery and outcomes of programmes
		Energy efficiency and renewable measures will help tackle fuel poverty for those on low or fixed incomes	Target and monitor works
		Investment in schemes such as cycle parking and play areas has potential to improve local area and play facilities for families, children and young people	Target and monitor programme

Transgender	No		
Religion or Belief	No		
Sexual Orientation	No		
<b>Other relevant groups</b> eg: Carers, people experiencing domestic violence, looked after children	Yes (families and individuals with low incomes)	Rent increase will affect those on fixed or low incomes who are not in receipt of full HB.  <b>Amaze (families with children with disabilities)</b> Biggest impact on most vulnerable families and worse outcomes for them.  52% of families which Amaze helped to access DLA families in 10/11 live in social housing,  The recent Amaze survey shows 58% of parent carers are already struggling to cope with debt, are making ends meet by extending their overdraft or using credit cards. 14% have taken out a loan.	Target advice Range of financial inclusion advice and sign-posting  Commissioning strategy to re-invest in support for most vulnerable
		All increases in service charges will affect those on fixed or low incomes who are not in receipt of full HB.	Target advice Range of financial inclusion advice and sign-posting

			Commissioning strategy to re-invest savings in support for most vulnerable
		<p>Anticipated average 14.6% increase in service charge for communal gas heating systems (not covered by HB).</p> <p>N.B. Price increase due to corporate contract for gas increasing by average of 20% adjusted for consumption.</p>	<p>Target advice.</p> <p>Range of financial inclusion advice and sign-posting.</p> <p>Target replacement of communal boilers to improve fuel efficiency through capital investment programme.</p> <p>Target over-cladding of blocks with communal heating to improve thermal efficiency.</p> <p>Commissioning strategy to re-invest in support for most vulnerable.</p>
		Leaseholders – service charges for major planned works (variable) – charges will affect those on fixed or low incomes. High charges (e.g. for cladding or lift replacement) potentially make their current housing situation unaffordable.	<p>Review leaseholder service charge EIA</p> <p>Support offered at early stage.</p> <p>Range of payment options.</p> <p>Housing options advice</p> <p>Seek approval for Introduction of new payment options (Equity Loans).</p>
		Energy efficiency and renewable measures will help tackle fuel poverty for those on low or fixed incomes	Target and monitor works



# HOUSING MANAGEMENT CONSULTATIVE COMMITTEE

## Agenda Item 78

Brighton & Hove City Council

<b>Subject:</b>	<b>Housing Revenue Account Capital Programme 2012-2015</b>		
<b>Date of Meeting:</b>	<b>6 February 2012</b> 9 February 2012 - Cabinet		
<b>Report of:</b>	<b>Strategic Director of Place</b> <b>Director of Finance</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Nick Hibberd</b>	<b>Tel:</b> 29-3020
	<b>E-mail:</b>	<b>nick.hibberd@brighton-hove.gov.uk</b>	
<b>Key Decision:</b>	<b>Yes</b>		
<b>Wards Affected:</b>	<b>All</b>		

### FOR GENERAL RELEASE

#### 1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report seeks approval for the 2012/13 capital programme and provides a provisional capital programme for the following two years, 2013/14 & 2014/15, for the Housing Revenue Account (HRA). The report takes into consideration the latest resources available and commissioning investment priorities.
- 1.2 The council's Housing Revenue Account (HRA) relates to the council's landlord duties in respect of approximately 12,250 properties and 2,250 leasehold properties.

#### 2. RECOMMENDATIONS:

- 2.1 That the Housing Management Consultative Committee note the recommendation that Cabinet approves the capital programme budget of £27.229 million and financing for 2012/13 as set out in paragraph 4.1 and comments upon the proposals.
- 2.2 That Cabinet approves the capital programme budget of £27.229 million and financing for 2012/13 as set out in paragraph 4.1.

#### 3. STRATEGIC CONTEXT

- 3.1 The 2012 - 2015 provisional HRA Capital Programme aims to balance the priorities of both the City Council and our residents to achieve a good quality, sustainable, and fit for purpose housing stock which delivers against emerging housing commissioning investment priorities as identified in the housing commissioning framework. The Capital Programme is developed within the context of the Corporate Plan 2011-2015, which sets out the council's strategic direction and priorities for the next four years, based around the five council priorities:

- Tackling inequality
- Creating a more sustainable city
- Engaging people who live and work in the city
- A responsible and empowering employer
- A council the city deserves

3.2 This report outlines the strategic commissioning approach to the 3-year HRA capital programme giving details of proposed funding for:

- Non-discretionary spend – such as meeting health & safety legislative requirements and meeting the decent homes standard
- Discretionary spend on projects to reflect tenant priority (such as Estates Development Budget)
- Housing Commissioning Investment Priorities in accordance with the Housing Strategy and emerging housing commissioning framework

### **Housing Commissioning Investment Priorities**

3.3 Our strategic housing vision supports the ‘Improving Housing and Affordability’ priority set out in the city’s Sustainable Communities Strategy *Creating the City of Opportunities* and is detailed in the *Housing Strategy 2009-2014: healthy homes, healthy lives, healthy city*, and the City Councils priorities as set out in the Corporate Plan. To deliver our housing vision we have 3 outcomes that reflect the basic housing needs of the city:

- Strategic Outcome 1: Improving housing supply
- Strategic Outcome 2: Improving housing quality
- Strategic Outcome 3: Improving housing support

3.4 In supporting these priorities the capital programme will focus on:

**1) Improving Housing Quality.** This includes non-discretionary expenditure on:

- Commitment to improve the quality of existing council homes through achieving the Brighton & Hove Standard (Decent Homes Standard plus) across the housing stock by the end of 2013.
- Lift replacement and modernisation programme.
- Investment in health and safety measures (asbestos, water management, fire safety).
- External repair and decoration programme.

**2) Improving Housing Supply.** This includes discretionary investment on:

- Increasing the supply of ready to develop housing sites and help address the city’s affordable housing shortage through the Estates Master Plan.
- Bringing long term empty properties back into use.

**2) Tackling Inequality.** This includes the following discretionary investment:

- Increased investment in adaptations to make existing housing stock more accessible to residents with disabilities.
- Action to tackle over-crowding (through provision of loft conversion / extension programme).
- Tackling health inequalities through a strategic programme to tackle damp and condensation.

- Continuation of the tenant-led participatory budgeting approach to estate improvements through the Estate Development Budget.
- Investment in additional estate improvements which improve well-being (such as cycle parking and play facilities on estates).

**3) Creating a more sustainable city.** This includes expenditure on:

- Installing solar photovoltaic panels to help cut Carbon Dioxide emissions and reduce residents fuel bills
- Continuation of the programme to install modern, high efficiency Domestic Heating & Hot Water systems.
- Replacement of communal heating and hot water systems (using renewable energy where practicable).
- Insulation improvements (cavity wall and loft insulation top ups).
- Over-cladding projects to improve structure and thermal insulation.
- Continuation of upgrades and efficiency improvements to communal lighting.

#### 4. FUNDING 2012/13 CAPITAL PROGRAMME

- 4.1 The programme is funded from a variety of sources including revenue surpluses, general reserves, borrowing, capital receipts from leasing properties to Seaside Community Homes and Right to Buy sales and grants. The proposed programme for 2012/13 and the funding arrangements are outlined below. This programme does not include any reprofiling identified from the 2011/12 targeted budget monitoring.

	<b>2012/13 Budget £'000</b>
<b>EXPENDITURE</b>	
Non Discretionary Spend:	
Health & Safety	6,602
Decent Homes Work	17,278
Discretionary Spend	2,349
Commissioning Priorities	1,000
<b>Total Programme</b>	<b>27,229</b>
<b>FUNDING</b>	
Revenue Contribution to Capital	18,084
Capital Receipts	5,097
Other Grants - CESP	80
Reserves	3,968
<b>Total Funding</b>	<b>27,229</b>
<b>Projected Capital Reserves at 31 March 2012</b>	<b>1,254</b>

- 4.2 The 2012/13 budget assumes that there will be a slight increase in capital receipts from 'right to buy' (RTB) sales to £0.100 million, reflecting Ministers proposals to raise the cap on right to buy discounts to make them more attractive to tenants.
- 4.3 The level of capital receipts available during 2012/13 from the leasing of properties to Brighton & Hove Seaside Community Homes are projected at £4.997 million which have been applied to the capital programme to fund

Decent Homes work.

- 4.4 Grant income includes assumed funding from the national scheme, run by utility companies, called Community Energy Saving Programme (CESP). The funding is generated from works that bring about carbon use reductions in the housing stock.
- 4.5 Capital reserves at 31 March 2012 are projected at £1.254 million which are available to fund any unforeseen works, future housing commissioning framework investment priorities or the 2013/14 capital programme.

## **5. CAPITAL PROGRAMME 2012-2015**

- 5.1 The investment programme for 2012/13 is £27.229 million and is detailed in Appendix 1, along with the provisional programme for the following two years.
- 5.2 The 3 year Capital Investment Plans provide the council with long-term works information which will enable the council to build, achieve and sustain consistently high levels of customer service, to both general housing and sheltered homes across the city. This plan will help to build on the progress already made ensuring proactive, efficient and effective pre-planning, as well as continuously improving resident liaison and overall engagement. The plan effectively supports the council's commitment to communicate plans and intentions, and further develops one of the key objectives of transparency.
- 5.3 This 3 year plan takes its lead largely from that consulted on and agreed last year, giving a consistent strategic approach, and assisting with achieving programme delivery. Outline plans are currently being developed into meaningful geographical areas of work programmes with indicative timelines to foster improved resident communication, and understanding, of our major works plans across the city. Once these plans are finalised over the coming weeks, further details will be reported to Area Panels and individual associates as appropriate, to discuss the capital investment programme further. Details will also be published on the council's website, as usual, as soon as possible, to ensure full access to information. A high level of resident liaison and involvement in the earliest phases, and throughout refurbishment programmes is supported through the agreed processes now in place with Mears.

### **Proposed non discretionary spend**

#### **1) Health & Safety compliance**

- 5.4 Health & safety works remain the key basic requirement for ensuring the wellbeing of all residents, visitors and those working on housing assets. This area of works includes door entry systems, lifts, ventilation shafts, dry risers, fire alarms, lighting, structural works and damp works
- 5.5 The 3 year programme includes substantial investment in lift replacements, and this budget has been increased to reflect tenants support for completing the lift replacement programme as soon as is practical. The increased funding reflected in this programme will enable the programme to be completed within 7 years rather than the original plan of 10 years. Over the next year, replacement and upgrading will focus mainly on the replacement of the lifts in the Albion Hill high-rise flats and beginning upgrades in the Bristol Estate.

- 5.6 Fire Safety and Asbestos management budgets throughout the period reflect the need to support good levels of risk management in these key areas. In many cases, such as the door replacement programme, highly secure and fire compliant doors are being fitted, which also reduce drafts and improve energy efficiency for residents.
- 5.7 The Minor Capital works budget includes minor capital works, a provision for programmed works identified by residents requesting repairs and a sum for surveys and preparatory works.
- 5.8 The budget now includes a separate programme for tackling condensation and mould growth. This is a potential health hazard, and works in these areas will be combined alongside the cyclical area-based investment programmes. Fire Safety and Asbestos management budgets throughout the 3-year period reflect the need to support good levels of risk reduction in these key areas. Other budgets for ensuring water safety and the security of residents, for example through modern, well maintained door entry systems, make up the key ongoing budgets in this area.

## **2) Decent Homes and beyond decent homes**

- 5.9 The capital programme reflects the need to meet the Decent Homes target by December 2013. Works to improve homes include ensuring that internal elements such as kitchens, bathrooms and rewiring, as well as external elements such as doors and windows, all meet the benchmark standard. Additionally, basic health and wellbeing requirements are assessed, and the required safety levels met. By 2013/14, with decency achieved, the capital budgets reduce to a level that provides funding for those properties falling out of decency and for further investment in areas that provide comfort and security and improve energy efficiency. For example upgrading and improving main entrance door sets in blocks of flats and installing high efficiency boilers.
- 5.10 The capital programme reflects a commitment to improving the energy efficiency of the housing stock across. The budget reflects an increase of funding to bring forward communal boiler replacements (where practical and deliverable) that were planned in the next few years in order to improve energy efficiency and thereby reduce residents communal heating costs. Over the next 2 years this includes boiler replacements or upgrades at Nettleton & Dudeney, Jubilee Court, Rose Hill Court, Hazelholt, Manor Paddock and Lingfield Court, where required. In addition, projects will look to integrate renewable energy improvements, such as solar thermal hot water, where practicable, as part of these projects.
- 5.11 Other energy efficiency improvements include:
- survey and installation of cavity wall insulation and loft insulation top ups to 270mm, where construction types and location allow it
  - Over cladding to provide the benefits of improved insulation to residents, such as, potentially, Hereford Court and the Bristol Estate during the 3-year programme, subject to detailed surveys, and the need to integrate these types of work with other required major works, to help ensure value for money.
  - a large scale wiring programme to upgrade and improve communal lighting and controls, is underway. The 5 Clarendon Road high-rise blocks, and most of the Bates Estate are examples of areas already benefiting from this programme.

## Proposed Discretionary Spend

The capital programme has been proposed with the inclusion of the following discretionary items of spend:

### Estate Development Budget (EDB)

- 5.12 The Estate Development Budget is included at £0.540 million per annum. Working collectively with our residents and Mears, officers wish to explore ways of returning even greater value for money and levels of customer satisfaction. EDB bids will be integrated into larger planned programmes of works, where it makes sense to do so, in order to achieve greater economies of scale and therefore get more for EDB money.

### Improving adaptability and accessibility

- 5.13 The disabled aids and adaptations budget has been increased by £0.100 million per annum to £0.850 million to reflect the growing need for adaptations to help residents to live comfortably in their home as circumstances change.

### Conversion and Extension of Existing Dwellings

- 5.14 The 3 year capital programme includes a programme of loft conversion and extensions to help alleviate overcrowding in some homes. This budget will provide up to 10 conversion or extensions per annum.

### Fencing

- 5.15 This budget provides for a strategic approach to improving fencing across the city. Fencing has been identified by residents as an area where greater resources should be allocated based on safety and security needs and a policy will be developed to reflect this.

### Cycling Facilities

- 5.16 This proposed budget supports sustainable lifestyles by allowing communities to identify and install improved cycling infrastructure, such as secure, dry storage facilities and lighting.

### Estate Services Vehicles

- 5.17 The 2012/13 budget includes the purchase of 14 vans and 2 bulk trucks for the Estates Service. The current fleet of vehicles are in excess of 5 years old and need to be replaced to ensure the Estate teams can meet their service pledges to the council tenants. An options appraisal has identified that the purchase of replacement vehicles provides is the most cost effective option, with the purchase of the vehicles through the council's corporate vehicle procurement route with the aim to reduce our CO2 emissions, fuel costs and environmental obligations by taking the option of diesel driven engines.

### ICT

- 5.18 Investment in ICT continues to be key to improving the council's online offer to residents by expanding the range of fully web-enabled transactions and support residents to self-serve and access services more locally. The budget has been reduced compared to previous years but provides for upgrade and improvements to the current Housing Management and Customer Online system and additional modules required for the Asset Management system.

## Housing Commissioning Framework Investment Priorities

- 5.19 The Localism Act will introduce a new system of self financing for the HRA from April 2012 which is explained in detail in the Housing Revenue Account Budget 2012/13 report (Appendix 2) also on this Agenda. Self financing will provide additional resources from the retention of all rental income and through greater control locally will enable longer term planning to improve the management and maintenance of council homes.

### Solar PV

- 5.20 As part of self financing – and in order to limit national borrowing in the current economic climate - the government has introduced a cap on the amount of borrowing for each local authority. For Brighton & Hove, subject to affordability, there is the opportunity to borrow up to a further c£29 million for investment priorities. Within this figure, up to £15 million of borrowing was agreed by Cabinet on 22 September 2011 for the installation of Solar Photovoltaic Panels on council housing stock. Cabinet received an update on the plans to implement Photovoltaic Solar Panels (PVs) for non-housing properties on 19th January 2012 which provided an update on the government's consultation on proposed changes to the Feed in Tariff (FIT) regime. This also has a significant impact on the plans for housing properties. The original FIT rates provided a positive Net Present Value (NPV) return of £9 million over 25 years and surpluses from year 1 which included paying the borrowing costs and it was this information that supported the recommendations in the September Cabinet report. Various scenarios have been modelled based on the original installation costs and lower cost assumptions with the reduced tariffs of 21p and 16.8p and in all scenarios the NPV returns have now turned to a deficit, ranging from £2 million to £8 million over 25 years. Further to this, the reduced tariffs now mean that surpluses are not generated until year 17, that is when the borrowing costs have been repaid. Therefore on these assumptions, there is an annual deficit which would need to be funded from the revenue budget over 16 years which ranges from £0.300 million to £0.600 million per annum.
- 5.21 At this stage therefore, the £15 million borrowing has not been included in the capital programme as it would result in significant cost to the Housing Revenue Account rather than the originally assumed benefit. However should circumstances change and positive revisions be made to the FIT tariffs or a very substantial reduction in the installation costs emerge this will be revisited. As has been agreed for the Council's non-housing properties, installations will still be considered on a case by case basis providing the detailed business case does not result in a net cost to the HRA. This expenditure would be added to the council's capital programme as needed through the quarterly TBM monitoring reports.

### Building new council housing

- 5.22 The estates masterplan includes proposals to demolish some vacant garage sites and build 35 new housing units. The 2011/12 capital programme includes funding for initial feasibility, design, planning and demolition costs of £0.675 million to develop these schemes. The 2012/13 budget also includes £1.000 million for building costs with an additional £4.315 million in the provisional 2013/14 programme. Once full schemes are developed, a report will be presented to Cabinet for scheme approval.

### Bringing long term empty properties back into use

- 5.23 The capital investment programme includes plans to bring forward long term empty HRA homes not yet batched to go to Seaside Homes for refurbishment

and occupancy on a temporary basis to mitigate revenue & community pressures around these homes remaining empty for long periods of time & for these homes to be brought into use more quickly to meet housing needs in the City.

- 5.24 Following the introduction of Self Financing the HRA Business Plan is being reviewed which may identify new housing commissioning investment priorities not currently included in the capital programme. Any other new projects identified within 2012/13 will be reported to Cabinet and may be funded from capital reserves or additional borrowing, subject to affordability and the borrowing limit.

## **6. CONSULTATION**

- 6.1 Both the asset management panel (AMP) and Repairs and Maintenance Monitoring Group (RMMG) have successfully and effectively worked with BHCC staff and Mears to ensure that there is a thorough and transparent management of the programmes, and improvements to them. Both RMMG and AMP are represented on the Core Group, and are also to have representatives on the Partnership (operational) group and technical forum groups. All these groups will continue to work closely with BHCC and Mears as a partnership to ensure that contract expectations and requirements are met, and exceeded where possible.
- 6.2 The City Assembly included a budget workshop which gave residents the opportunity to discuss their views on discretionary spending. In small groups, residents were provided with a sum of £2.500 million and asked to consider levels of spending for various categories. All groups agreed that the level of spending on lift replacements should be increased to bring forward planned lift replacements and this has now been reflected in the 3 year capital programme.
- 6.3 The information on the strategy and commitments of the 3-year capital programme for the period 2011-2014 was presented to all Area Panels and HMCC in early 2011, and details circulated widely, including being available on our website. The 2012-2015 3-year plan seeks to build on these solid foundations and deliver the long-term commitments, that were made in these programmes, in a transparent manner whilst reflecting any new priorities that have emerged in consultation with residents, such as additional lift replacement funding. As more details of plans are put together, further details will be reported to HMCC, Area Panels and other appropriate representative groups, to discuss the investment programme further.
- 6.4 All leaseholders have been, or will be, consulted about individual contracts carried out as part of the programme in full compliance with the Common hold and Leasehold Reform Act 2002.
- 6.5 It is important to note that every project cannot be foreseen within our planning strategy and where ad-hoc projects are needed to be carried out this will be done through existing and new processes and procedures that incorporate effective communication and engagement with all residents in the properties concerned, regardless of their individual tenure. All appropriate resident groups are to be fully included in this consultation.



## 7. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 7.1 Financial Implications are included in the main body of the report

*Finance Officer Consulted: Sue Chapman* *Date: 05/01/12*

### Legal Implications

- 7.2 Amongst the Housing Management Consultative Committee's terms of reference is the power to consider reports and advise the Cabinet on the exercise of the Councils' functions in relation to the management of the Housing Revenue Account. Recommendation 2.1 is therefore clearly within the Committee's powers. In its role as landlord, the Council has statutory and contractual obligations to maintain the structure of and installations in its housing stock. The maintenance and works proposals contained within this report will assist the Council in fulfilling those obligations. The Council must take the Human Rights Act into account when making decisions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendations in the report.

*Lawyer Consulted: Liz Woodley* *Date: 11/01/12*

### Equalities Implications:

- 7.3 All projects carried out include full consideration of various equality issues and specifically the implications of the Equality Act.

### Sustainability Implications:

- 7.4 This programme supports the target to reducing the annual Carbon Emissions associated with energy use in dwellings by an estimated 4,000 tonnes between April 2011 and March 2016. (Baseline emissions figure for April 2011 is 45,000 tonnes, analysed using government approved SAP accredited software)

Project briefs are issued on all projects and require due consideration of sustainability issues, including energy conservation and procurement of materials from managed and sustainable sources.

### Crime & Disorder Implications:

- 7.5 All contracts are entered into with a requirement for site security. Specific projects, directly address security and prevention of crime and anti-social behaviour.

### Risk & Opportunity Management Implications:

- 7.6 The prime risks associated with this report are those associated with major construction projects. Full account of risk is taken through compliance, in all works, with the Construction Design & Management Regulations, which amongst other measures, require preparation of project specific Health & Safety Plans.

### Corporate / Citywide Implications:

- 7.7 The Housing Capital Programme reaches to all parts of the city. It seeks to provide substantial improvement to the Council's housing stock. The implementation of the proposed programme will take account of all relevant best

practice guidelines and be developed to provide ever improving performance targets.

**8. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

8.1 No alternative options were considered.

**9. REASONS FOR REPORT RECOMMENDATIONS**

9.1 The Local Government and Housing Act 1989 requires each Local Authority to formulate proposals relating to capital expenditure in respect of the HRA. The council's constitution and financial regulations require that capital budgets are approved through the Cabinet committee system.

**SUPPORTING DOCUMENTATION**

**Appendices:**

1. HRA Capital Programme for 2012-15

**Documents in Members' Rooms**

None

**Background Documents**

None

## HRA Capital Programme 2012 – 15

EXPENDITURE	Budget 2012/13	Provisional Budget 2013/14	Provisional Budget 2014/15
	£'000	£'000	£'000
<b>Health &amp; Safety:</b>			
Door Entry Systems & CCTV	230	264	288
Water, Ventilation, Fire Alarms Lighting	298	310	312
Lifts	2,206	2,212	1,672
Fire Safety & Asbestos Management	531	503	474
Minor Capital Works	599	509	504
Roofing	1,229	1,066	1,042
Condensation & Damp Works	408	409	359
Structural works	1,102	322	1,253
<b>Decent Homes work:</b>			
Dwelling Doors	1,346	799	552
Kitchens & bathrooms	2,623	2,179	1,962
Rewiring - Domestic/ Communal	1,509	1,285	1,373
Windows	2,107	2,428	1,778
Energy Efficiency	7,527	7,245	4,639
Cyclical Decorations	2,166	1,599	1,533
<b>Discretionary areas:</b>			
Estate Development Budget	540	540	540
Disabled Aids & Adaptations	850	850	850
Conversions & Extensions Project	492	486	503
Fencing	102	102	103
Cycling Facilities	51	51	51
Estate Services Vehicle Replacement	213	-	-
Housing ICT Budget	100	80	80
<b>Commissioning priorities:</b>			
New Build (35 units) - redevelopment of vacant garage sites	1,000	4,315	
<b>Total Programme</b>	<b>27,229</b>	<b>27,554</b>	<b>19,868</b>



# **HOUSING MANAGEMENT CONSULTATIVE COMMITTEE**

## **Agenda Item 79**

Brighton & Hove City Council

<b>Subject:</b>	<b>Consultation on revised arrangements for regulating the council's landlord services</b>		
<b>Date of Meeting:</b>	<b>6 February 2012</b>		
<b>Report of:</b>	<b>Strategic Director Place</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Carol Jenkins</b>	<b>Tel: 29-3832</b>
	<b>Email:</b>	Carol.jenkins@brighton-hove.gov.uk	
<b>Ward(s) affected:</b>	<b>All</b>		

### **FOR GENERAL RELEASE**

#### **1. SUMMARY AND POLICY CONTEXT:**

- 1.1 Since April 2010 the council has been a registered provider of social housing regulated by the Tenant Services Authority (TSA) under its regulatory framework. Under the Localism Act 2011 the TSA is to be abolished in April 2012 and responsibility for regulating council landlords, housing associations and other registered providers transferred to a new independent regulation committee within the Homes and Communities Agency. This report outlines the revised regulatory framework for social housing in England from 1 April 2012, on which the TSA is currently consulting. The consultation period ends on 10 February 2012.

#### **2. RECOMMENDATIONS:**

- 2.1 That the Housing Management Consultative Committee notes the proposed new regulatory framework for social housing in England from 1 April 2012.

#### **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

- 3.1 The regulatory framework for social housing in England is being revised to reflect provisions in the Localism Act 2011 and the government's new directions to the social housing regulator following its review of social housing regulation in October 2010. The proposals include some changes to the standards registered providers are required to meet and the circumstances in which the regulator will be able to use its monitoring and enforcement powers.

3.2 Although much of the existing standards remain intact, the main changes are as follows:

- the regulatory standards are now classified as either 'economic' or 'consumer' standards, and only consumer standards will apply to council landlords;
- the new regulator will have just a backstop role in relation to consumer standards on housing services to tenants. It will only be able to use its powers to intervene if it has reasonable grounds to believe that there is serious harm, or a risk of serious harm, to tenants. It will no longer have a role in monitoring how providers deliver their housing services or in defining or promoting best practice;
- for breaches of consumer standards that do not give rise to serious detriment or harm, it is expected that others such as tenant panels, councillors and MPs will have a more prominent role in helping tenants to get redress where they have received a poor service and in scrutinising landlords' overall performance;
- the revised Tenant Involvement and Empowerment standard will give more scope for tenants to be involved in repairs and maintenance, such as the tenant cashback scheme proposed by government;
- the proposed revised Tenancy standard allows different lengths of flexible tenancies in line with government policy and the Localism Act provisions and includes new expectations for providers to promote mutual exchange arrangements;
- the Value for Money standard is enhanced but will no longer apply to council landlords. It is included within the economic standards, which will only apply to private registered providers including housing associations;
- providers will no longer have to set out how they are meeting each standard and how they intend to meet them in the future in their annual report, and much of the detailed requirements for annual reports is removed;
- the regulator's main role will now be the economic regulation of private registered providers (not council landlords). It will have a proactive role in obtaining assurance that private providers are meeting the economic standards on Governance and Viability, Value for Money and Rent.

3.3 The required outcomes of the four consumer standards which will apply to the council from April are set out in Appendix 1, with significant proposed changes from the wording of the current TSA standards highlighted in italic type. Amendments to the more detailed specific expectations for each standard support the changes outlined above.

3.4 Landlords will still be required to meet all the standards that apply and councillors and boards who govern landlords' service delivery will remain responsible for ensuring they do so. They are expected to be transparent and to support tenants to shape and scrutinise service delivery and to hold them to account, in line with the principles of 'co-regulation'. The principles of 'local offers' and annual reporting to tenants are also retained. The revised requirements for annual reports to tenants are detailed in a separate report on this agenda.

- 3.5 The Localism Act retains all the regulatory, enforcement and general powers that the regulator might use to intervene to deal with providers' poor performance, though it has a duty to exercise its functions in a way that minimises interference and, as far as possible, is proportionate, consistent, transparent and accountable. However, the threshold for intervention is made significantly higher for the standards which apply to council landlords by the introduction of the 'serious detriment' test. Failure to meet one of more of the consumer standards will not in itself make landlords fail this test; the regulator has to be satisfied that the impact on tenants is likely to cause serious actual or potential harm. Examples of such harm given are health and safety issues, loss of home, unlawful discrimination or loss of legal rights.
- 3.6 Although the regulator will have no role in assessing councils against the economic standards, if it considers a case of serious detriment raises concerns about governance issues it may refer those to relevant parties such as the council's auditors, senior officers and lead councillor or the Department for Communities and Local Government.

#### **4. COMMUNITY ENGAGEMENT AND CONSULTATION**

- 4.1 We informed council tenants and leaseholders of the regulatory framework and TSA standards currently in force through Homing In magazine and the annual reports to council tenants and leaseholders in 2010 and 2011, and information is also available on our council housing website. We will update residents about the changes to the regulatory framework through future editions of Homing In and our website and reflect the revised standards in other appropriate publications.

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications:

- 5.1 The majority of the costs associated with the regulatory standards, existing and proposed, are met within existing Housing Revenue Account budgets. Any financial implications that could arise from the new proposals, for example under 'involvement and empowerment' where tenants may become involved in the management of repair and maintenance services, will be reviewed and reported through the councils targeted budgets monitoring reports.

*Finance Officer Consulted: Susie Allen*

*Date: 18/01/12*

##### Legal Implications:

- 5.2 The changes described in the report to the regulatory framework for social housing will come into effect when sections 178 and 179 and Schedule 16 of the Localism Act 2011 are brought fully into force. The relevant commencement order(s) has not yet been made. No individual's human rights are adversely affected by the report's recommendation

*Lawyer Consulted: Liz Woodley*

*Date: 24/01/12*

- Equalities Implications:
- 5.3 The proposed revised Tenant Involvement and Empowerment standard retains the requirement for registered providers to understand and respond to the diverse needs of tenants, including in relation to the equality strands and tenants with additional support needs. Officers completed an Equalities Impact Assessment on work to meet the TSA's requirements when the regulatory framework was introduced.

- Sustainability Implications:
- 5.4 The revised Quality of accommodation standard requires landlords to meet the Decent Homes Standard or above for all their stock and to continue to maintain their homes to at least this standard, removing reference to the government's original date for compliance with the Decent Homes Standard of 31 December 2010. The regulator may agree a period of non-compliance where this is reasonable, and the council has already obtained an extension to the December 2010 deadline from the Department for Communities and Local Government.

Landlords are expected to ensure their tenants are aware of any the reasons for any period of non-compliance and their plan to achieve compliance and then report on progress delivering this plan. The council has communicated this information through its annual reports to all council tenants and leaseholders as well as through Area Panels and other meetings.

- Crime & Disorder Implications:
- 5.5 The Neighbourhood and Community standard retains the current requirements on preventing and tackling anti-social behaviour.

- Risk and Opportunity Management Implications:
- 5.6 The council will continue to regularly assess its compliance with the regulatory standards and the proposed new regulatory framework from April 2012.

- Public Health Implications:
- 5.7 The Home and Neighbourhood and Community standards in the proposed revised framework continue to provide for the health and safety of residents in and around their homes and co-operation with relevant partners to help promote social, environmental and economic wellbeing in the areas where they own properties.

- Corporate / Citywide Implications:
- 5.8 The council is obliged to comply with the regulatory framework and currently demonstrates how it does so in its annual reports to tenants and leaseholders. The revised standards continue to accord to a large extent with the council's own priorities.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Proposed consumer regulatory standards for the council's landlord services from 1 April 2012

### **Documents in Members' Rooms**

1. None



## **Background Documents**

1. *A revised regulatory framework for social housing in England from April 2012*  
*A statutory consultation* Tenant Services Authority, November 2011

**Proposed consumer regulatory standards for the council's landlord services  
from 1 April 2012 (significant revisions to current standards in italics)**

<b>Tenant Involvement and Empowerment</b>
Customer service, choice and complaints
Registered providers shall: <ul style="list-style-type: none"> <li>• provide choices, information and communication that is appropriate to the diverse needs of their tenants in the delivery of all standards</li> <li>• have an approach to complaints that is clear, simple and accessible that ensures that complaints are resolved promptly, politely and fairly.</li> </ul>
Involvement and empowerment
Registered providers shall ensure that tenants are given a wide range of opportunities to influence and be involved in: <ul style="list-style-type: none"> <li>• the formulation of their landlord's housing related policies and strategic priorities</li> <li>• the making of decisions about how housing related services are delivered, including the setting of service standards</li> <li>• the scrutiny of their landlord's performance <i>and the making of recommendations to their landlord about how performance might be improved</i></li> <li>• the management of their homes, where applicable</li> <li>• the management of repair and maintenance services, <i>such as commissioning and undertaking a range of repair tasks, as agreed with landlords, and the sharing in savings made, and</i></li> <li>• agreeing local offers for service delivery.</li> </ul>
Understanding and responding to the diverse needs of tenants
Registered providers shall: <ul style="list-style-type: none"> <li>• treat all tenants with fairness and respect</li> <li>• demonstrate that they understand the different needs of their tenants, including in relation to the equality strands and tenants with additional support needs.</li> </ul>
<b>Home</b>
Quality of accommodation
Registered providers shall: <ul style="list-style-type: none"> <li>• ensure that tenants' homes meet the standard set out in section five of the Government's Decent Homes Guidance and continue to maintain their homes to at least this standard</li> <li>• meet the standards of design and quality that applied when the home was built, and were required as a condition of publicly funded financial assistance, if these standards are higher than the Decent Homes Standard</li> <li>• in agreeing a local offer, ensure that it is set at a level not less than these standards and have regard to section six of the Government's Decent Homes Guidance.</li> </ul>

Repairs and maintenance
Registered providers shall: <ul style="list-style-type: none"> <li>• provide a cost-effective repairs and maintenance service to homes and communal areas that responds to the needs of, and offers choices to, tenants, and has the objective of completing repairs and improvements right first time</li> <li>• meet all applicable statutory requirements that provide for the health and safety of the occupants in their homes.</li> </ul>
<b>Tenancy</b>
<i>Allocations and mutual exchange</i>
Registered providers shall let their homes in a fair, transparent and efficient way. They shall take into account the housing needs and aspirations of tenants and potential tenants. They shall demonstrate how their lettings: <ul style="list-style-type: none"> <li>• make the best use of available housing</li> <li>• are compatible with the purpose of the housing</li> <li>• contribute to local authorities' strategic housing function and sustainable communities.</li> </ul> <p>There should be clear application, decision-making and appeals processes.</p> <p><i>Registered providers shall enable their tenants to gain access to opportunities to exchange their tenancy with that of another tenant, by way of internet-based mutual exchange services.</i></p>
Tenure
Registered providers shall grant tenancies which are compatible with the purpose of the accommodation, <i>the needs of individual households</i> , the sustainability of the community, <i>and the efficient use of their housing stock</i> .
They shall meet all applicable statutory and legal requirements in relation to the form and use of tenancy agreements.
<b>Neighbourhood and Community</b>
Neighbourhood management
Registered providers shall keep the neighbourhood and communal areas associated with the homes that they own clean and safe. They shall work in partnership with their tenants and other providers and public bodies where it is effective to do so.
Local area co-operation
Registered providers shall co-operate with relevant partners to help promote social, environmental and economic wellbeing in the areas where they own properties.
Anti-social behaviour
Registered providers shall work in partnership with other public agencies to prevent and tackle anti-social behaviour in the neighbourhoods where they own homes.



# **HOUSING MANAGEMENT CONSULTATIVE COMMITTEE**

## **Agenda Item 80**

Brighton & Hove City Council

<b>Subject:</b>	<b>Update on annual report to council tenants and leaseholders 2011 and plan for resident involvement in the annual report for 2012</b>		
<b>Date of Meeting:</b>	<b>6 February 2012</b>		
<b>Report of:</b>	<b>Strategic Director Place</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Carol Jenkins</b>	<b>Tel: 29-3832</b>
	<b>Email:</b>	Carol.jenkins@brighton-hove.gov.uk	
<b>Ward(s) affected:</b>	<b>All</b>		

### **FOR GENERAL RELEASE**

#### **1. SUMMARY AND POLICY CONTEXT:**

- 1.1 This report updates the Committee on progress in implementing the improvement plans set out in the annual report to all council tenants and leaseholders for the year ended 31 March 2011. It reports the proposed revised requirements for registered providers of social housing to produce an annual report to their tenants set out in the Tenant Services Authority's consultation on a revised regulatory framework for social housing in England from April 2012. The report also proposes an outline plan and timetable for involving residents in producing and scrutinising the council's annual report to tenants and leaseholders for the year ending 31 March 2012.

#### **2. RECOMMENDATIONS:**

- 2.1 That the Housing Management Consultative Committee notes the progress in implementing improvement plans included in the annual report to council tenants and leaseholders for the year ending 31 March 2011 highlighted in Appendix 1 to this report.
- 2.2 That the Housing Management Consultative Committee notes the proposed reduced regulatory requirements for producing annual reports to tenants with effect from April 2012.
- 2.3 That the Housing Management Consultative Committee notes the proposed plan and timetable set out in paragraphs 3.6 to 3.7 of this report for involving residents in producing the annual report to tenants and leaseholders for the year ending 31 March 2012.

### **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

- 3.1 The annual report to all council tenants and leaseholders for the year ended 31 March 2011 was produced with tenants in line with the requirements of the current regulator for social housing landlords, the Tenant Services Authority (TSA). It set out how we met the TSA's regulatory standards introduced on 1 April 2010, any gaps, our improvement plans to fill those gaps and our offer to tenants against the standards for this year. It was sent to all tenants and leaseholders in September 2011 with the autumn edition of Homing In. The current regulatory framework requires registered providers to fulfil the commitments to tenants that they make in their annual reports. Appendix 1 to this report highlights examples of the progress already made in meeting our improvement plans as set out in the annual report.
- 3.2 As in our first annual report, for 2010, we sought to involve as wide a range of council tenants and leaseholders as possible in the production and scrutiny of the 2011 report. In the previous year's annual report and in Homing In we asked for their views and invited residents to tell us via their housing office, email, post, in a form on our website and at Area Panels what they would like to say or see in the 2011 report. In June 2011 we also issued a consultation draft report for all residents to scrutinise and comment on, which we publicised widely through Homing In, our website, Twitter and Facebook and by emailing over 2,200 tenants and leaseholders who we had email addresses for.
- 3.3 We were very pleased to include in both annual reports to date comments and photos of numerous tenants and leaseholders who are actively involved in our resident groups or who had given us feedback on our performance in other ways. However, we received very few suggestions from residents for the content of the 2011 report or comments on the consultation draft. We have also received no feedback from residents on the final 2011 report or suggestions as to what they would like to see in a future year's report, as requested in the report itself and on our website.
- 3.4 The Tenant Services Authority's consultation revised regulatory framework for social housing in England from April 2012 changes the requirements for annual reports. Although the council will still have to produce an annual report to tenants about our performance against the housing service or 'consumer' standards (which are the only standards the council will be subject to), the regulator will no longer issue guidance on what the report should contain or collect a copy, as this power has been repealed by the Localism Act 2011.
- 3.5 The requirements relating to annual reports throughout the current TSA standards will be replaced by a revised Tenant Involvement and Empowerment standard. The specific expectations for that standard include "the provision of timely and relevant performance information to support effective scrutiny by tenants of their landlord's performance in a form which registered providers seek to agree with their tenants. Such provision must include the publication of an annual report which should include information on repair and maintenance budgets". There are no further requirements on the annual report within the

proposed revised standards, so we expect to have much greater freedom on the content of future annual reports.

- 3.6 For the 2012 report, therefore, we propose to seek the views of the Tenant Editorial Board of Homing In magazine and a representative cross section of residents on what format, length and content they would like. We will invite tenants on our resident involvement database from a broad range of equalities groups to a one-off focus group meeting to hear their views. We will aim for a shorter published report than in previous years, supplemented by further information available on our website or on request. We do not intend to issue a consultation draft before the final report, in view of the limited response last year.
- 3.7 However, we will continue to invite residents to contribute to reporting our performance and progress in meeting our improvement plans in their own words and photos. We will again offer all tenants and leaseholders the opportunity to tell us what they would like to say or see in the annual report through Homing In and our website. The timetable will remain to issue the report with Homing In at the end of September, after it has been scrutinised by the Housing Management Consultative Committee.

#### **4. COMMUNITY ENGAGEMENT AND CONSULTATION**

- 4.1 The annual report to council tenants and leaseholders is a key means to achieve co-regulation with residents of the council's housing landlord service. The previous annual reports were produced with the extensive involvement and scrutiny of a wide number of tenants, leaseholders and their representatives. We propose to produce the 2012 report after consulting with and involving residents as detailed in paragraphs 3.6 and 3.7 above. These arrangements are in line with the Community Engagement Framework and Standards and regulatory framework.

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications:

- 5.1 There are no direct financial implications from the recommendations in this report. Any costs associated with the proposed plans and timetable for the year ending 31 March 2012 will be met within existing Housing Revenue Accounts budgets.

*Finance Officer Consulted: Susie Allen*

*Date: 18/01/12*

##### Legal Implications:

- 5.2 Under the Housing and Regeneration Act 2008 the regulator, the Tenant Services Authority (TSA), may require a provider to prepare annual reports assessing the registered provider's performance by reference to standards set by the regulator. The requirement may specify matters to be covered by the report. Failure to comply with the regulator's requirement without reasonable excuse is an offence punishable on conviction to a fine not exceeding £5000. A prosecution under this section may only be brought by or with the consent of the Director of

Public Prosecutions. The plan and timetable proposed in the report will assist the Council in complying with its legal obligations. No individual's human rights will be adversely affected by the report's proposals.

*Lawyer Consulted: Liz Woodley*

*Date: 24/01/12*

Equalities Implications:

- 5.3 Annual reports to council tenants and leaseholders including the commitments to tenants have been produced in line with the TSA's Tenant Involvement and Empowerment standard, which requires registered providers to understand and respond to the diverse needs of tenants, including in relation to the equality strands and tenants with additional support needs. An Equalities Impact Assessment was completed on work to meet the TSA's requirements. We will seek to involve residents from all equalities groups in developing the 2012 report. The annual report will continue to be made available in alternative formats as required.

Sustainability Implications:

- 5.4 Appendix 1 to this report highlights our work in projects investing in learning and skills for local people and improvements to the council's housing stock. The 2012 annual report will be shorter than previous versions, saving paper and waste.

Crime & Disorder Implications:

- 5.5 There are no crime and disorder implications. The annual reports and improvement plans include the council's performance on dealing with anti-social behaviour, illustrated also in Appendix 1 to this report.

Risk and Opportunity Management Implications:

- 5.6 It is currently a regulatory requirement of the TSA as set out in its regulatory framework that the council should meet the commitments made to tenants in its annual report. Appendix 1 demonstrates the council is making progress in meeting the commitments in the 2011 annual report to council tenants and leaseholders. The plans for the 2012 annual report comply with the proposed new regulatory framework from April 2012.

Public Health Implications:

- 5.7 Appendix 1 to this report includes examples of how the council is improving the living conditions of its tenants and leaseholders and engaging with them to help maximise their capabilities and have control over their lives, to promote sustainable communities and to improve our service delivery.

Corporate / Citywide Implications:

- 5.8 The annual report and Appendix 1 illustrate some of the ways in which management of the council's housing stock supports the council's priorities. Involving tenants and leaseholders in producing the annual report specifically supports the priority of engaging people who live and work in the city, demonstrating that the council listens to and collaborates with its tenants and leaseholders and is open and transparent about its performance as a social housing landlord.



## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Examples of progress made in meeting improvement plans set out in the annual report to council tenants and leaseholders 2011

### **Documents in Members' Rooms**

None

### **Background Documents**

1. *The regulatory framework for social housing in England from April 2010*  
Tenant Services Authority, March 2010
2. *A revised regulatory framework for social housing in England from April 2012*  
*A statutory consultation* Tenant Services Authority, November 2011

**Examples of progress made in meeting improvement plans set out in the annual report to council tenants and leaseholders 2011**

Planned improvement	Progress to date
<b>Resident involvement and empowerment</b>	
Customer service, choice and complaints	
<p>We have a programme for mystery shoppers to complete five 'shops' in 2011/12.</p> <p>We will carry out loft or other extensions for some overcrowded families in suitable properties to offer them the choice of staying in their current home.</p>	<p>A mystery shop by trained resident mystery shoppers and resident members of the Asset Management Panel of the whole repairs process has been completed and an action plan developed, which is being implemented by Mears. A mystery shop of all 23 sheltered schemes has also been completed with a third area of our service being 'mystery shopped' in January.</p> <p>We have visited over 20 overcrowded families with colleagues from Adaptations to provide a personal service in exploring opportunities to alleviate their overcrowding. We starting the first three projects to extend homes to provide the additional bedrooms they need.</p>
Involvement and empowerment	
<p>We will continue to try to involve a wider range of tenants and leaseholders in having a say in how their homes and neighbourhoods are managed, including younger people, families with children and other groups who are under-represented in our formal participation structure and whose voice we need to hear.</p>	<p>We have encouraged more residents to join our resident involvement database through a new online resident involvement form on our improved council housing website and by sending a copy of the form along with the STAR (Survey of Tenants and Residents) satisfaction survey to a representative sample of 3,000 tenants in November. We have used the resident involvement database to contact residents to ensure we hear from residents in all equalities and diversity groups, for example to consult on the new Repair &amp; improvement handbook and recruit to the Innovation Group looking at resident involvement, as well as specifically hearing the views of young tenants.</p> <p>In addition, 97 tenants visiting our website took the opportunity to tell us their views by completing the STAR survey online that we promoted through new media. We attracted high numbers and more new faces to the November City Assembly with more publicity and a crèche. We also made it accessible to a much wider range of residents through the live webcast which had 448 views on the day (including 15 residents at St James's House community café) plus more viewers since, Twitter tweets from delegates, officers and people unable to attend and a live blog which enabled residents to send in questions and</p>

	<p>messages and get answers throughout the day.</p> <p>The new Brighton &amp; Hove Tenant and Leaseholder Involvement Facebook page is successfully engaging residents in dialogue with us about our services as well as providing information in a variety of formats, with 80 fans so far.</p>
<b>Understanding and responding to the diverse needs of tenants</b>	
<p>We will check we have complete and accurate information about tenants' circumstances and needs when we sign up new tenants and carry out tenancy visits, and make better use of information you give us to meet your individual needs.</p>	<p>We have introduced new print outs and procedures to check and update the information on tenants' equalities, diversity and care and support needs recorded on our database when we carry out tenancy visits and sign up new tenants. Officers have been trained to request this information sensitively, to input it onto the database and to run off reports to help meet tenants' individual needs and help with service planning.</p>
<b>Home</b>	
<b>Quality of accommodation</b>	
<p>We will upgrade communal TV aerials to be ready for digital switchover in March 2012.</p>	<p>We have upgraded approximately 350 communal aerial systems in readiness for Digital Switchover in March 2012. This involved getting access to nearly 6,000 properties. A large number of individual satellite dishes have been removed as a result, which has improved the appearance of our blocks. Residents have been involved in checking the quality of the work once completed.</p>
<b>Repairs and maintenance</b>	
<p>Residents from the Asset Management Panel and High Rise Action Group will help choose the new lift service contractor, who will also carry out a city wide renewal programme.</p>	<p>A new long term lift maintenance, repair and replacement contract is now in place with Liftec. Residents from the Asset Management Panel and High Rise Action Group helped evaluate the quality of all the tender returns and were in agreement that Liftec offered the best solution. Residents at Tyson Place, St John's Mount and Essex Place will benefit from the new lifts installed in their blocks. Lifts now stop on each floor which is a great help to all residents with disabilities.</p>
<b>Tenancy</b>	
<b>Allocations</b>	
<p>We will further improve the letting process for sheltered housing to reduce rent loss.</p>	<p>A working group of staff from Lettings, Sheltered Housing and Homemove is currently looking at how we can reduce the rent loss for sheltered housing.</p>

<b>Tenure</b>	
We will continue to extend financial inclusion and support the Credit Union to help residents manage their finances.	A speaker from the Credit Union addressed the tenants' and leaseholders' City Assembly in November. Energy efficiency measures we have taken such as installing new heating and new water meters at Nettleton Court and Dudeney Lodge will help tenants manage their finances and address fuel and water poverty.
We will continue to investigate and act on all reports of fraud.	We became one of the first councils to successfully prosecute a tenant for sub-letting under the Fraud Act last year. We have participated in a pilot data matching exercise with regard to suspected sub-letting and are currently reviewing the output. There has been an increase in the number of reports of suspected sub-letting allegations this year. A number of investigations are at an advanced stage and we hope that civil and/or criminal proceedings will be commenced shortly.
<b>Neighbourhood and community</b>	
<b>Neighbourhood management</b>	
We will complete the policy for maintaining and improving the neighbourhoods associated with residents' homes with the Estates Service Monitoring Group and take it to HMCC for consultation and approval.	The Council Housing Neighbourhood Policy, together with the Grounds Maintenance and Adverse Weather Policies which sit beneath it, were developed with the help and involvement of residents in the Estates Service Monitoring Group. These policies were approved by the Cabinet Member for Housing in December on the recommendation of the Housing Management Consultative Committee after discussion at its meeting on 7 November 2011.
<b>Local area co-operation</b>	
We will support partnerships with social enterprises and projects which help get people into work and training, and benefit our residents.	We have successfully secured external funding for targeted work around access to education, training and employment with residents in partnership with the Bridge Community Education Centre and Portslade Adult Learning. This will give us two outreach workers to work alongside housing staff to provide one to one support, information, advice and guidance, and be involved in delivering training and employment activities, peer learning programmes, life skills programmes, helping residents to access courses and activities citywide, job search and volunteering support. The funding will also provide some literacy, numeracy and ICT classes for tenants at the Housing Centre in Moulsecoomb.  We have worked with Mears and City College to offer

	<p>training opportunities to building construction students. They helped refurbish two properties for leasing to Brighton &amp; Hove Seaside Community Homes, under the project to raise investment for council tenants' homes.</p>
<p><b>Anti-social behaviour</b></p>	
<p>We will continue to develop personalised support services for victims of anti-social behaviour (ASB).</p>	<p>We have built on the measures introduced last year to ensure a timely and appropriate response to all reports of anti-social behaviour (ASB). Factors that have helped us to improve our performance include carrying out an initial risk assessment within 24 hours of receiving a report of ASB; having a dedicated Victim and Witness support officer within the ASB Housing Team; piloting a new database system in conjunction with partner agencies e.g. Police, Community Safety Team and other registered social landlords and having a named point of contact for each ASB case, in order to monitor all victim and witness cases citywide, which has improved data sharing and multi-agency working; and carrying out regular customer satisfaction surveys to monitor how we are performing.</p> <p>Earlier and more detailed identification has enabled us to respond more appropriately to the individual circumstances of victims and witnesses, with personalised support and action plans put in place to take preventative action as appropriate, whilst simultaneously working with perpetrators to address the ASB using a balance of support and enforcement. As a result, customer satisfaction rates have been consistently high at around 90% compared to the national average (68%).</p>
<p><b>Value for money</b></p>	
<p>We will deliver services more efficiently and cost effectively by making better use of our buildings, streamlining our processes and making other organisational changes.</p>	<p>More residents are accessing information and services at a time that suits them and cost effectively for us through our website. Visits to our improved <a href="http://www.brighton-hove.gov.uk/council-housing">www.brighton-hove.gov.uk/council-housing</a> webpage increased from around 1,300 in July to 1,800 in December 2011 and we now have 14 forms on-line. The 630 tenants now using our Housing Customer Online system to check their rent account 24/7 rather than waiting for a quarterly paper rent statement are already saving us over £550 a year.</p> <p>The Customer Access Strategy and move of the Manor Place Housing Office to the Whitehawk Hub, both discussed and agreed by Housing Management Consultative Committee this autumn, will help us deliver services more efficiently and cost effectively. We are also consulting staff on the proposed transformation and restructure of Housing &amp; Social Inclusion to enable us to achieve our objectives, including moving further into a model of co-production and co-regulation with tenants and leaseholders.</p>

