

BOROUGH OF BARROW-IN-FURNESS

HOUSING MANAGEMENT FORUM

Meeting: Thursday 17th June, 2010
at 2.00pm in Committee Room No.4

Group Meetings at 1.15 pm

A G E N D A

PART ONE

1. To consider the appointment of a Chairman for meeting management.

N.B. It is normal practice for the Council to appoint a Spokesperson for Housing. A decision on who will be appointed to that post will not be made until the next meeting of full Council on 20th July, 2010.

2. To note any items which the Chairman considers to be of an urgent nature.

- 3. Admission of Public and Press**

To consider whether the public and press should be excluded from the meeting during consideration of any of the items on the agenda.

4. Disclosure of Interests

A Member with a personal interest in a matter to be considered at this meeting must either before the matter is discussed or when the interest becomes apparent disclose

- 1. *The existence of that interest to the meeting.***
- 2. *The nature of the interest.***
- 3. *Decide whether they have a prejudicial interest.***

A note on declaring interests at meetings, which incorporates certain other aspects of the Code of Conduct and a pro-forma for completion where interests are disclosed accompanies the agenda and reports for this meeting.

5. Confirmation of minutes of meeting held on 25th February, 2010
6. Apologies for Absence/Changes in Membership.

FOR DECISION

STRATEGIC PLANNING

- (D)** 7. Consultation: Council Housing: A Real Future Prospectus
- (D)** 8. Housing Service Delivery Plan 2010/11
- (D)** 9. Choice-Based Lettings: Cumbria Choice
- (D)** 10. Housing Maintenance Contract

- (D) 11. 2010 Stock Condition Survey
- (D) 12. Homelessness Funding

OPERATIONAL

- (D) 13. Former Housing Office, 182 Roose Road, Barrow in Furness
- (D) 14. 34 Fenton Street, Barrow-in-Furness (2B House)

FOR INFORMATION

- 15. Housing Maintenance Programme – Reduction of Resources
- 16. Performance Information Report – 6th April 2009 to 4th April 2010
- 17. Planned Maintenance Programme 2009/10

NOTE: (D) – Delegated to the Executive Committee
(R) – Referred to the Council

HOUSING MANAGEMENT FORUM MEMBERS:

Councillors: T. A. Biggins
L. Hammond
J. D. Heath
M. Irwin
D. V. James
R. J. Pointer
J. Waiting
Plus One Conservative Vacancy

Tenant Representatives: Mrs. P. Charnley
Mrs. M. Burgess
Mr. N. Hird
Mrs. K. Hotchkiss
Mr. A. McIntosh
Mr. D McMillan
Mr. T. Slater
Mrs. J. McMurray

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Published: 9th June, 2010.

HOUSING MANAGEMENT FORUM

Meeting: 25th February, 2010
at 2.00 p.m.

PRESENT:- Councillors Dawes, Flitcroft, Garnett, J. Hamezeian, Hammond, James and Maltman.

Tenant Representatives:- Mrs P. Charnley (Chairman), Mrs M. Burgess, Mr N. Hird, Miss A. Hotchkiss, Mr A. McIntosh, Mr D. McMillan, Mrs J. McMurray and Mr J. Slater.

36 – Minutes

The Minutes of the meeting held on 21st January, 2010 were taken as read and confirmed.

37 – Apologies for Absence/Changes in Membership

An apology for absence was submitted from Councillor Waiting.

Councillor Garnett had attended as a substitute for Councillor Irwin for this meeting only.

Mrs J. McMurray had attended as a substitute for Mr T. Wilson for this meeting only.

38 – Housing Maintenance Programme – Reduction in Resources

The Housing Manager reported that at the last meeting of the Housing Management Forum on 21st January, 2010 it was agreed to produce a balanced budget by reducing the Housing Maintenance Budget by £137,470 (Minute No. 35 refers). The purpose of his report was to agree how this reduction could be addressed.

Attached as an appendix to his report was the unadjusted spend profile for the Maintenance Plan for 2010/11. In considering this matter the Housing Manager made Members aware of the following matters:-

1. Details of the proposals for the review of the Housing Subsidy System would be announced shortly;
2. In completing the drafting of the HRA budget for 2010/11 there were still outstanding issues:-
 - (i) Repayment of subsidy for 2009/10 had not been readjusted; and
 - (ii) The Housing Manager had been advised MRA funding of c.£1.9M. However, no adjustment appeared to have been made in recognition that £300,000 was brought forward to this financial year 2009/10.
3. Investment through the Maintenance Budget was directed by stock condition data. Investment plans were developed for many of the internal upgrades on a

five year basis, the last coming to an end in the year 2010/11. Not all of the investment profiles had been fully committed and tenants had not been advised of intended work. This would not actually occur until the current stock condition survey was complete.

Options for Achieving a Reduction of £137,000

The need to achieve this reduction in expenditure was not foreseen and was, in the main, a result of changes to the subsidy arrangement for 2010/11.

Officers had reviewed the budget profile and commented as follows:-

1. Reduction in expenditure would be required for 'revenue funded' schemes not MRA

With reference to the budget profile shown at Appendix A to the Housing Manager's report the resources identified were, in the main, based on historical costs. Officers had reviewed these and commented as follows:-

(i) Contingencies/Routine Maintenance

This budget profile met the commitment to carry out tenant demand repairs and repair properties that became vacant. Whilst there may be areas where in reviewing the 'practice' savings could be achieved, in view that they would not achieve reductions in expenditure required, but perhaps should be considered as part of a review of the way forward with the responsive repairs contract.

(ii) Other Planned Maintenance

Works funded through this area of the budget included ongoing cyclical items, such as gas safety tests and servicing, to one off areas of expenditure. The identified level of expenditure against each area of work was based on historical cost or estimated costs. It was suggested that Members may wish to give consideration to the following:-

Door entry replacement (intercom systems) Budget <i>Comment:</i> to start during 2009/10 and complete in 2010/11	£150,000
Reduction	£50,000
Revised budget	£100,000
Other contractors planned work (misc.) Budget <i>Comment:</i> works funded would include 'one off' schemes such as repainting. There are no commitments for 2010/11 and as such I would suggest the figure be reduced.	c.£197,000
Reduction	£87,470
Revised budget	c.£109,530

(iii) MRA (Major Repairs Allowance)

This was a direct grant and it would be inappropriate to make any reductions.

2. Contribution from Reserves

At the last meeting on 21st January, 2010 it was reported that the likely reserves on the HRA would be as follows:-

Balance at 1.4.09	£845,900
Ongoing Housing Maintenance	£(72,000)
Forecast surplus 2009/10	£188,810
Estimated balance at year end	£962,790

The balances were higher than what the Borough Treasurer would regard as prudent, having regard to the size and risks associated with providing the Housing Service.

Balances on reserves could be used to fund investment in the stock. However, the Housing Manager suggested any decision regarding balances should be deferred until the Stock Condition Survey was complete and the review of the HRA subsidy was known.

In summary, the Housing Manager recommended that in order to achieve the necessary reduction of £137,470 he had identified the following options:-

- (i) Reduce resources for door entry by £50,000 and other Planned Maintenance by £87,470; or
- (ii) Use balances on the HRA of £137,470 to assist with original draft proposals.

RECOMMENDED:- (i) That the information in the report be noted;

(ii) That the resources for overall Planned Maintenance be reduced by £137,470 (door entry £50,000 and other contractor planned work £87,470).

39 – ASB Action Ltd

The Housing Manager provided Members with information relating to a Service Level Agreement that the Borough Council Housing Service were keen to progress to assist the Estates Team deal effectively and efficiently with anti-social behaviour cases in line with the Tenant Services Authority (TSA) National and Local Standards.

At present the Housing Service out-sourced legal work for anti-social behaviour to Crutes Solicitors. The current arrangement was due for renewal in April, therefore alternative services were being looked at not only prepared legal case work but to also give training, advice and mentoring to the Estates Team staff.

For background, the TSA had recently published proposals for a new regulatory framework for social housing in England. The statutory consultation had now closed. The new system of regulation would commence from 1st April, 2010.

There were six national standards; one of the key areas was 'Neighbourhood and Community - Anti-social Behaviour'. The TSA, through national consultation with tenants and residents, were aware anti-social behaviour was an important issue that tenants wanted dealing with effectively to ensure that areas where they lived were a 'safe environment where people choose to live'. The deadline for the Housing Service to publish plans for developing local standards and a report for the TSA detailing how the national standards were already met and the processes for monitoring and reviewing how anti-social behaviour was dealt with was October 2010.

The core service provided by ASB Action Ltd was the provision of anti-social behaviour and neighbour nuisance services. This would assist the Housing Service to deal effectively with anti-social behaviour and neighbour nuisance, using tried and tested methods developed by three of the country's leading practitioners in this field.

The services that could be provided by ASB Action Ltd included:-

- Review cases referred and provide action points to the Estates Team within specified timescales to ensure prompt service to our customers.
- Where appropriate, collect evidence and construct witness statements to a standard required for Civil Court proceedings.
- Act as professional witness in court where required.
- Carry out audits/case reviews.
- Provide the Estates Team with the range of appropriate legislation which can be used to resolve specific cases and support strategic initiatives.
- Review the Housing Service's existing Anti-Social Behaviour Policies and Procedures and, where necessary, make recommendations to ensure service improvement.
- Provide Barrow Housing Service with a witness support service, including an out-of-hours telephone service to support the most vulnerable witness.
- Provide a coaching, training and mentoring service for the front line officers and managers of the Housing Service on the best practice for tackling and preventing anti-social behaviour.
- ASB Action Ltd, in supporting Barrow Housing Service, will seek to provide a service which appears seamless to the complainant/witness.

ASB Action Ltd offered a Service Level Agreement in which the Borough Council Housing Service could undertake to purchase 15 days to be used over a 12 month period. The 15 days could be used however the organisation felt would best suit the needs of the Estates Team i.e. training, mentoring, critical friend, case work reviews, etc. Within the 15 days staff were not deducted any time for telephone or e-mail advice. Staff could ring through with problems and they would be advised of the course of

action to take. The Housing Service would be invoiced monthly with itemised work/cases giving hours used as an audit trail.

In considering this option, the Housing Manager had made enquiries with neighbouring social housing providers who advised that the use of ASB Action Ltd had improved their management of such services.

The cost of a 15 days Service Level Agreement including training was £7,000. The existing legal work by Crutes Solicitors was at an annual cost of £9,000.

RECOMMENDED:- (i) That the information on the Service Level Agreement with ASB Action Ltd be noted; and

(ii) Members agree that the requirement to obtain written quotations be suspended and the Operations Manager proceeds with the Service Level Agreement with ASB Action Ltd.

40 – Choice Based Lettings: Cumbria Choice

The Housing Manager provided Members with an update on progress with the Cumbria-wide Choice Based Lettings (CBL) Project.

The Council had recently been awarded a grant of £37,818 towards the cost of participating in the Cumbria Choice Lettings Project. This now meant that all six districts or boroughs had received grant funding towards the Project. In addition, he also reported that Accent Housing, the other major social housing provider in the Borough, had indicated they would become involved in the process.

A Project Board had been established to manage the project which consisted of representatives of each of the partner organisations. In addition, working groups had been established to focus on specific issues such as IT procurement, policy development and publicity.

It was being proposed that the CBL Project be branded as 'Cumbria Choice'.

One of the challenges with such a project was balancing the requirements of each of the partners whilst being able to reach consensus on the way forward. In order to aid this process it was proposed that the arrangement be formalised by means of a 'Partnering Agreement'.

A draft copy of the Partnering Agreement was attached as an appendix to the Housing Manager's report for Members' approval. The document had been checked by the Council's Director of Corporate Services and the Housing Manager asked Members to agree the Council entering into this Agreement, in principle, following consultation with all partners. He reported that progress had also been made on a draft Allocations Policy which would form the operating basis for Cumbria Choice. A copy of the draft was also attached as an appendix to his report.

It was proposed that the draft Allocations Policy would go through a three months consultation process before being presented back to each partner for formal approval.

The consultation process would include:-

- circulating the draft to all stakeholders in Cumbria identified by the partners, including tenant groups, statutory and voluntary agencies; and
- inclusion on the website of all partners.

In addition, the Housing Manager would arrange a meeting for Members of the Forum during the consultation to highlight the impact of the draft Policy on this Council.

RECOMMENDED:- (i) That the content of the report be noted;

(ii) That it be agreed in principle that the Council enter into a Partnering Agreement to formalise the parties' involved in the Project; and

(iii) That the content of the draft Allocation Policy and the proposed consultation process be noted.

41 – Door Entry Upgrades: Awarding of Contract

The Housing Manager requested that Members agree the appointment of the SS Group to carry out a replacement programme of door entry intercoms to Council owned flats.

Following discussions through the Tenant Compact Working Party and consideration of the options for upgrading the intercom systems, the Housing Service had invited three specialist companies to submit tenders for the work.

Tenders were submitted by only two companies which had now been checked for accuracy by the Council's Quantity Surveyor. Details of costings were as follows:-

- SS Group - £172,136.43
- INS - £294,745.00

It was the intention to commence work during the current year and complete the contract in the next financial year for which resources were available.

RECOMMENDED:- To agree that the SS Group be appointed to complete an upgrade of door entry intercoms at a cost of £172,136.43.

42 – Performance Information Report – 6th April, 2009 to 3rd January, 2010

The Housing Manager submitted information relating to a selection of local and national performance indicators and Best Value performance indicators. The information was as follows:-

PERFORMANCE INDICATORS

Housemark/ BVPI / Local	Performance Indicator	Actual 2006/7	Actual 2007/8	Actual 2008/9	Target 2009/10	6 April 4 Oct 09	6 Apr 09 3 Jan 10
	Rent Arrears and Collection						
BV66a	% Rent Collected	97.88%	96.78%	96.48%	98%	95.79%	96.40%
BV66b	% Tenants with > 7 weeks arrears	5.89%	6.82%	6.33%	5.5%	5.03%	4.95%
BV66c	% Tenants served with Notice of Seeking Possession for arrears	35.48%	29%	30.6%	25%	25.84%	23.75%
BV66d	% Tenants evicted for rent arrears	1.05%	0.66%	0.89%	0.5%	0.82%	0.7%
Housemark	Current tenants arrears as % of rent roll	2.99%	2.96%	2.60%	2.5%	2.47%	2.67%
	Void management						
BV212	Average relet time for dwellings (in days)	28	35.9	30	28	32	31
Housemark	% rent loss through vacant dwellings	0.98%	1.41%	1.16%	1%	1.07%	1.04%
Local	% rent loss due to voids – garages	2.63%	2.81%	3.25%	2%	3.04%	2.91%
	Homelessness						
Housemark	Average stay in B & B for families with children or pregnant women (in days)	2	10	3.7	3	19	0
Housemark	% of homeless applications where decision made and notified within 33 days	98.5%	95.3%	84.8%	99%	92.2%	94.1%
Local	Average length of stay in B&B (in days)	22	14.4	18	12	21.9	22.3
Local	Average length of stay in dispersed (in days)	45	48	56	28	40	53
Local	Average length of stay in dispersed for families with children (in days)	34	41	49	28	33	42
Local	Average number of homeless households in dispersed accommodation	5.8	7.3	9.6	5	7.1	6.5
BV213	% of households whose situation was resolved by housing advice	N/A	N/A	N/A	75%	N/A	N/A
NI 156 <i>(new for 08/09)</i>	Number of households living in temporary accommodation	--	13	8	10	14	4
	Housing Applications						
Local	% Housing applications answered within 6 days	95%	52%	62%	95%	87%	84%
	Repairs						
Housemark	% urgent repairs completed within Government time limits	89.59%	78%	79.91%	92%	85.11%	96.37%
Housemark	% emergency repairs completed on time	93.6%	84.36%	89.07%	94%	87.70%	98.73%
Housemark	% routine repairs completed on time	92.3%	77.26%	79.95%	93%	92.41%	91.30%
Housemark	% urgent repairs completed on time	78.7%	74.86%	74.45%	90%	77.89%	89.29%
NI 158 <i>(was BV184a)</i>	Proportion of homes which are non-decent	17.8%	2%	0.22%	1.75%	0.2%	0.2%
Local	Average time taken to complete non-urgent repairs (in days)	10	13.7	24.85	8	18	11.4
	General Management						
NI 160 <i>(new for 08/09)</i>	Local authority's tenants' satisfaction with landlord's services	--	--	87%	N/A	N/A	N/A

RENT ARREARS as at week ending 3rd January, 2010

Area	Current £	% Gross Debit	Former Tenants £	% Gross Debit
Central	62,135.72	3.33	26,547.20	1.42
Dalton	15,420.33	2.12	3,103.21	0.43
Roosegate	67,769.79	2.83	32,902.23	1.37
Ormsgill	54,746.70	2.57	67,686.49	3.18
Walney	20,340.61	1.57	6,227.67	0.48
Miscellaneous	1,338.36	6.11	0.00	0.00
Dwellings total	221,751.51	2.63	136,466.80	1.62
Garages	6,618.03	3.70	1,040.78	0.58
Homeless	2,164.85	2.80	16,875.94	21.82
Total	230,534.39	2.65	154,383.52	1.78
Grand Total	£384,917.91		4.43%	

FORMER TENANT ARREARS

Former tenants arrears written off in period April - December 2009 = £81,729.44

VOIDS

from 6th April, 2009 to 3rd January, 2010

	Central	Dalton	Ormsgill	Roosegate	Walney	Total
1 Bedroom						
Ground-floor flat	11	1	17	11	10	50
Upper-floor flat	30	2	11	19	6	68
Bungalow	2	2	2	0	3	9
Sub total	43	5	30	30	19	127
2 Bedrooms						
Ground-floor flat	1	0	16	1	0	18
Upper-floor flat	3	1	11	2	2	19
Bungalow	0	0	0	0	0	0
House	10	0	4	7	1	22
Sub-total	14	1	31	10	3	59
3 Bedrooms						
Ground-floor flat	0	0	0	0	0	0
Upper-floor flat	0	0	0	0	0	0
Bungalow	0	0	0	0	0	0
House	2	2	10	8	8	30
Sub-total	2	2	10	8	8	30
4 Bedrooms						
House	1	0	0	2	0	3
5 Bedrooms						
House	0	0	0	0	0	0
Total	60	8	71	50	30	219

OFFERS OF ACCOMMODATION
made and refused between 6th April, 2009 to 3rd January, 2010

Area	Property Details	Area	Condition	Personal circumstances	No reply to offer	Other reasons	Withdrawn	Total
Central	6	5	4	2	0	2	0	19
Dalton	1	0	0	1	0	0	0	2
Ormsgill	2	8	2	1	1	3	0	17
Roosegate	1	4	2	1	0	0	0	8
Walney	3	5	0	1	0	1	0	10
Total	13	22	8	6	1	6	0	56

NEW TENANCIES
6th April, 2009 to 3rd January, 2010

<i>Applicant Type</i>	<i>No.</i>
Housing Register	138
Transfers:	63
General Management	4
Management	13
Medical	21
Under/over Occupancy	25
Homeless (monitored from October 2004)	28
Mutual Exchanges	21
Total Relets	250

HOUSING PROPERTY AS AT 31st December, 2009

TYPE OF PROPERTY	NO. OF BEDS.	CENTRAL	DALTON	ORMSGILL	ROOSE	SHOPS	DISPERSED	WALNEY	TOTAL
BUNGALOWS	1	13	35	27	14			54	143
	2		5						5
	3			4	4				8
FLATS	1	314	30	212	243		5	145	949
	2	63	12	161	50		4	16	306
	3	3	1		1		2	1	8
HOUSES	2	80	19	66	143			76	384
	3	132	113	220	250			119	834
	4	9	4	7	51			4	75
	5				5				5
SUB-TOTAL		614	219	697	761		11	415	2717
SHOPS	0					16			16
	2					4			4
	3					0			0
	4					1			1
HOSTEL FLATLETS	1						0		0
	2						0		0
GRAND TOTAL		614	219	697	761	21	11	415	2738
GARAGES		207	42	68				167	484

SOLD PROPERTIES			
6th April, 2009 to 3rd January, 2010			
AREA	PROPERTY TYPE	BEDROOMS	TOTAL
Abbotsmead	HSE	3	1
Dalton	HSE	3	1
Greengate North	HSE	3	1
North Walney	GFL	1	1
Ormsgill	GFL	2	1
Risedale	HSE	3	1
TOTAL			6

RESOLVED:- To note the Performance Information.

43 – Planned Maintenance Programme 2009/10

The Housing Manager reported information relating to the progress of the Planned Maintenance Programme for 2009/10. The information is attached at **Appendix A** to these Minutes.

RESOLVED:- To note the progress of the Planned Maintenance Programme 2009/10.

The meeting closed at 3.53 p.m.

PLANNED MAINTENANCE PROGRAMME 2009/10 @10.2.2010

APPENDIX 1

SCHEME	CONTRACTOR OR SUPPLIER	AVAILABLE BUDGET	NO OF PROPERTIES	INVOICES PAID TO DATE	START DATE	ESTIMATED COMPLETION DATE	CONTRACTOR	TARGET COST	OUT TURN ESTIMATE	ESTIMATED OVER/UNDER SPEND	COMMENTS
REWIRES	CUMBRIA HOUSING PARTNERS	£252,700	Phase I Ewan Close (82 properties) Phase II Broad Close (72 properties) Phase III Park Road (13 properties)	TBC	Apr-09	Feb-10	AB MITCHELL (via K Wilson)	Phase I - £125,788 Phase II - £113,502 Phase III £20,000	£252,000	£0	Phase I - 100% COMPLETE Phase II - 60% COMPLETE
BATHROOMS I	CUMBRIA HOUSING PARTNERS	£200,000	Walney/Abbotsmead (95 properties)	TBC	May-09	Feb-10	AB MITCHELL	£196,690	£174,000	-£25,000	95% COMPLETE £150,200 paid to date
BATHROOMS II	INTEGRAL	£89,000	Sowerby Avenue (29 properties)	TBC	Sep-09	Feb-10	INTEGRAL	£75,000	75000 + £14,000 Prelims	£0	10% Complete No invoices received to date
BATHROOMS III (MRA Funding)	CUMBRIA HOUSING PARTNERS	£125,000	The Griffin (38 Properties)	TBC	Oct-09	Feb-10	AB MITCHELL	£72,560	£125,000	£0	95% Complete £37,600 paid to date
KITCHENS I	CUMBRIA HOUSING PARTNERS	£360	Ewan Close/Ormsgill (117 properties) Yew Tree estate (36 properties)	TBC	May-09	Feb-10	AB MITCHELL	£361,360	£360,000	£0	98% COMPLETE £313,000 paid to date
KITCHENS II	INTEGRAL	£127,000	Park Road/Millstone Ave (25 Properties)	TBC	Sep-09	Feb-10	INTEGRAL	£65,000 + £62,000 One Off Installations; + £32,000 prelims	£154,000	£27,000	10% Complete No invoices received to date
KITCHENS III (MRA Funding)	CUMBRIA HOUSING PARTNERS	£100,000	Ormsgill (37 Properties)	TBC	Oct-09	Feb-10	AB MITCHELL	£85,398	£100,000	£0	95% Complete £60,000 paid to date
KITCHENS IV	CUMBRIA HOUSING PARTNERS	£110,000	Vulcan Estate	TBC	Jan-09	Mar-10	AB MITCHELL	£110,000	£110,000	£0	50% Complete £33,000 paid to date
HEATING I	CUMBRIA HOUSING PARTNERS	£585,000	Phase I & II Ewan Close + Others (91 properties) Phase III Roosegate (68 Properties)	TBC	May-09	Feb-10	AB MITCHELL	£585,000	635000 (less CHP Rebates) (Est @ £60K)	£50,000	100% COMPLETE £420,000 paid to date Includes 25 No One off installations @ £100,000
HEATING II	INTEGRAL	£375,000	Dalton (47 Properties) Ormsgill (22 Properties)	TBC	Sep-09	Feb-10	INTEGRAL	£276,000 + £45,000 for One off boiler swaps +£54,000 Prelims	£375,000	£0	5% Complete Includes 30 No boiler swaps by Apr 2010 and £54k prelims No costs received to date
HEATING III (MRA Funding)	CUMBRIA HOUSING PARTNERS	£100,000	Ormsgill + others (45 Properties)	TBC	Oct-09	Feb-10	AB MITCHELL	£143,668	£143,668	£43,668	90% Complete
PAINTING	CUMBRIA HOUSING PARTNERS	£150,000	Phase I Vulcan/Risedale (206 properties) Phase II Greengate (150 properties)	TBC	Jun-09	Feb-10	GH JONES	Phase I - £87,859 Phase II - £46,173	£150,000	£0	Phase 1 - 100% COMPLETE £13,200 EXTRA agreed to repaint render at Raglan court Phase 2 - On site 80% COMPLETE

HOUSING MAINTENANCE COMMITMENTS 2009/10 @ 10.02.2009

	Funding Available 2009/10	Gross COMMITMENT to date	Weekly Available	Gross Comm. as a % of funds available	Actual Invoices PAID to date
Tenant Demand Repairs	£832,500.00	£691,877.00	£16,009.62	83%	£440,580
Voids	£161,875.00	£196,842.00	£3,112.98	122%	£149,552
Gas Servicing	£394,956.00	£273,703.00	£7,595.31	69%	£157,989
Decoration Vouchers	£35,000.00	£30,620.00	£673.08	87%	£17,570
Disrepair Claims	£25,000.00	£0.00	£480.77	0%	0
Environmental Impmts	£50,000.00	£57,552.00	£961.54	115%	£35,524
Disabled Adaptations	£250,000.00	£231,547.00	£4,807.69	93%	242000
Door Entry	£30,000.00	£18,608.00	£576.92	62%	£22,483

HOUSING MANAGEMENT FORUM	(D) Agenda Item 7
Date of Meeting: 17th June, 2010	
Reporting Officer: Colin Garnett, Housing Manager	
Title: Consultation: Council Housing – A Real Future Prospectus	
Summary and Conclusion:	
The purpose of this report is to present you with a copy of the recently issued Consultation Paper on the Reform of Financing Council Housing.	
The Paper provides details on a 'self-financing' model for council housing to achieve operational and financial independence in return for:	
<ul style="list-style-type: none">• a settlement on the long-term loan debt that they will be required to service;• potentially, a one-off settlement on grant funding for 'backlog repairs'; and• no further recourse to Government funds for stock investment.	
Recommendations:	
Members are recommended to:	
<ol style="list-style-type: none">1. agree the Council continue to support the principles of the self-financing proposal; and2. agree the Housing Manager and the Borough Treasurer, draft a suitable reply to the Consultation Paper by 5th July 2010, to be agreed with the Chair of the Executive Committee.	

Background

The current system for financing council housing dates back to the 1930s. It involves the re-distribution of surpluses on individual HRAs to those local authorities incurring deficit. It is underpinned by notional allowances for rents and finance, management and maintenance costs which take no account of actual borrowing, income and expenditure.

On 21st July, 2009 (HMF 27th August 2009 agenda item 11 refers), a Consultation Paper: 'Reform of Council Housing Finance' was published. The paper followed on from a pilot in six authorities of a 'self-financing model' for the HRA.

The proposal was widely accepted and this further consultation paper provides proposals for a 'settlement' on how it can be implemented.

Report

The purpose of this report is to present you with a copy of the recently issued Consultation Paper on the reform of financing council housing. Comments are requested by 5th July 2010.

The paper provides details on a 'self-financing' model for council housing to achieve operational and financial independence in return for:

- a settlement on the long-term loan debt that they will be required to service;
- potentially, a one-off settlement on grant funding for 'backlog repairs'; and
- no further recourse to Government funds for stock investment.

Attached at **Appendix A** is a copy of the Consultation Paper.

The questions on which local authorities are being consulted are:

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

In drafting the report I have not sought to summarise its content in full, but rather provide a commentary on the highlighted key features of the proposal and likely implications.

At present the proposals are referred to as a Voluntary Offer in the form of a prospectus. The proposed start date is 1st April 2011.

The key proposals in summary are:

- Dismantle the HRA subsidy system
- One-off allocation of housing debt
- Rents to be retained locally
- Right to Buy receipts to be retained locally
- Strengthened ring fence guidance

The aim of the self-financial model is to provide a framework within which all local authorities can sustain their stock in a good condition in the future. The current subsidy arrangements create an annual uncertainty which it is suggested a self-financing system will remove and aid longer-term planning. It suggests it will help local authorities to:

- set and work towards medium and long-term local priorities within a clear financial framework;
- manage their homes better and improve quality of services;
- respond to local housing priorities; and
- involve local communities in deciding what money is raised in rents and how it is used.

The consultation paper is broken down into a number of sections which I will summarise as follows:

Section 2: The Self-Financing Settlement

Under the proposals the only income to the HRA will be from rents. As you are aware, there is a formula process in place to achieve 'convergence' in social rents that will continue. The principles that govern service charges will also remain.

The Paper contains proposals for uplifts in the spending needs of local authorities. Previous research suggests there should be in the region of 5% more nationally on management and maintenance and around 24% on major repairs.

Under the proposals, local authorities will be allowed to retain all housing receipts from houses or land that fall within the HRA, provided 75% of receipt is used for affordable housing and regeneration projects. The remaining 25% may be used for capital purposes.

Based on the assumptions about income and expenditure, the model will require each local authority to be allocated a debt settlement. This may require some authorities to borrow to make payment to the Government under the self-financing proposals.

Section 3: This section covers ‘the financial, accounting and regulatory framework’ of a new system

Whilst the proposals are about replacing the subsidy system, it is proposed all councils should maintain a council housing balance sheet that sets out the assets and liabilities that support the Housing Revenue Account.

In order to facilitate this approach the proposals include options for the handling of a council’s debt. Like many, the debts of housing and the council is consolidated, but it is suggested under the new arrangements they should be separated.

The self-financing model has regard to prudential borrowing. Such borrowing would be funded, if practical, from the HRA. However, controls will also be in place to enforce borrowing limits against local authorities.

Ring-fencing of the HRA will be continued. Whilst the principles of the HRA are that it is a ‘landlord’ account, the definitions have left it unclear as to how councils should account for some services. The proposals include defining more clearly what should or should not be charged to the HRA.

Section 4: Implementing the Reform

In the proposals it talks about working towards a voluntary implementation from 2011/12. Should this not be practical, and the Government wished to proceed with the proposal, it would require legislation.

Implications for the Council’s Housing Service

In the time available since the consultation being issued there has been insufficient time to fully appraise the implications for this Council.

From the information available, it will see an increase in debt but also increase in income. However, details in the paper still need confirmation before a detailed appraisal can be made of the implications and the affect on a longer-term (30-year) Business Plan.

It has been suggested that even if it does not stack up in the short term, the continuation of the existing subsidy system would mean being worse off. For example, this Council is in a ‘negative’ subsidy position. This means that we annually pay into the system nationally rather than receive subsidy. The process is somewhat unpredictable which makes long-term planning difficult.

The financial implications will be assessed more fully when the outcome of the consultation is complete.

In discussion with the Borough Treasurer our opinion is that the introduction of a self-financing model for the Housing Service should be welcomed.

However, there are still details within the proposals that require clarification. Also, whilst benefiting the Housing Service there are wider implications for the Council that require consideration.

Whilst the proposals have been developed by the previous Government, I understand the current Housing Minister has acknowledged the unsatisfactory nature of the current system and the need to consider these proposals further.

Recommendations

Members are requested to:

1. agree the Council continue to support the principles of the self-financing proposal; and
2. agree the Housing Manager and the Borough Treasurer, draft a suitable reply to the Consultation Paper by 5th July 2010 to be agreed with the Chair of the Executive Committee.

Legal Implications

N/A

Financial Implications

The proposal will result in an increased debt to the Council. It will, however, also provide an increased level of independence.

Health and Safety Implications

N/A

Key Priorities or Corporate Aims

N/A

Risk Assessment

N/A

Equal Opportunities

N/A

Background Papers

'Reform of Council Housing Finance' – CLG 21st July 2009.

HOUSING MANAGEMENT FORUM	(D) Agenda Item 8
Date of Meeting: 17th June, 2010	
Reporting Officer: Colin Garnett, Housing Manager	
Title: Housing Services Delivery Plan 2010/11	
Summary and Conclusion:	
The purpose of this report is to consider key tasks for the Housing Service in 2010/11.	
Recommendation:	
Members are asked to note and agree the content of the Report.	

Report

The purpose of this report is to consider and agree the Key Tasks, attached at **Appendix B**, for the Housing Service in 2010/11.

The Key Tasks will form the focus of the service's work during the year and achieve the Housing Service's vision to "Provide well-maintained houses and estates where people choose to live".

Drafting the plan seeks to reflect discussion with officers, tenant representatives, reference to Council priorities and operational requirements.

In addition to the specific areas of work identified in the plan, through our working process we will also focus on:

1. collating information regarding our tenants in line with the seven strands of Equality and Diversity requirements; and
2. complete Equality and Impact Assessments as previously agreed.

Recommendation:

Members are asked to note and agree the content of the Report.

Legal Implications

N/A

Financial Implications

N/A

Health and Safety Implications

N/A

Key Priorities or Corporate Aims

Corporate Vision: To become recognised, both by local people and those outside the area as a prosperous pleasant, health and safe place to live and work.

Risk Assessment

N/A

Equal Opportunities

N/A

Background Papers

N/A

HOUSING MANAGEMENT FORUM	(D) Agenda Item 9
Date of Meeting: 17th June, 2010	
Reporting Officer: Colin Garnett, Housing Manager	
Title: Choice Based Lettings: Cumbria Choice	
Summary and Conclusion:	
The purpose of this report is to provide you with an update on progress with the Cumbria-wide Choice Based Lettings Scheme and details relating to the formal Allocation Policy for the Project.	
It seeks to agree to:	
<ol style="list-style-type: none">1. note the content of the report; and2. agree the final draft of the allocation policy which will form the operating basis for Cumbria Choice.	
Recommendation:	
Members are recommended to:	
<ol style="list-style-type: none">1. note the content of the report; and2. agree the final draft of the Allocation Policy which will form the operating basis for Cumbria Choice, this will enable the Cumbria Choice Based Lettings Scheme to progress with Barrow Borough Council as a key partner. A copy for the final draft is attached at Appendix C.	

Report

The purpose of this report is to provide you with an update on progress with the Cumbria-wide Choice Based Lettings (CBL) Project.

As you will be aware the Housing Manager presented a report to the Forum in February, 2010 to advise the Council had been awarded a grant of £37,818 towards the cost of participating in the Cumbria Choice Based Lettings Project. Accent Housing the other major social housing provider in the Borough, are also involved with the Project.

Since the last report the draft housing allocation policy has been out to a three-month public consultation which closed on 30th April, 2010. During this period letters were sent to all members of the Forum along with members of Tenants' Forum and Stakeholders advising on how to access the online consultation. The Housing Service website has a section entitled 'Cumbria Choice' which has up to date information on the Project which includes:

- a summary scheme guide
- frequently asked questions and answers
- a copy of the draft allocation policy

The Project Board organised stakeholder events in Barrow and Kendal during the consultation period which were well attended and feedback received. The last Tenant's Panel was held on 21st April, 2010. Barrow Borough Council Housing Service has a representative on the panel. All responses to the consultation have been fed into the final draft 'Allocations Policy'. A copy of the final draft is attached at **Appendix C**.

The Project Board commissioned Andy Gale, Specialist Advisor for the Communities and Local Government (CLG), to review the policy on a practitioner basis. Andy Gale has provided a report with recommendations to the Project Board it is anticipated minor changes may be made to the attached policy which will be reported to HMF at the next meeting.

Abritas are the appointed ICT provider for the project; all partners are to sign the ICT contract before the end of May to enable the implementation of the ICT to begin.

One of the challenges with such a project is balancing the requirements of each partner whilst being able to reach consensus on the way forward. In order to aid this process a 'Partnering Agreement' has now been finalised, the document has been viewed by the Council's Director of Corporate Services on behalf of Barrow Borough Council. The Director of Corporate Services will sign the Partnering Agreement by the end of June on behalf of Barrow Borough Council.

Cumbria Choice will be introduced across Cumbria on the expected launch date of January 2011.

Recommendations

1. note the content of the report; and
2. agree the final draft of the Allocation Policy which will form the operating basis for Cumbria Choice. This will enable the Cumbria Choice Based Lettings Scheme to progress with Barrow Borough Council as a key partner.

Legal Implications

The Partnering Agreement has been viewed by the Director of Corporate Services.

Financial Implications

Grant funding of £37,818 received. Provision also made in HRA for contribution.

Health and Safety Implications

N/A

Key Priorities or Corporate Aims

- Meets the housing needs of the Borough and makes decent housing more accessible.
- EIA will be carried out on the Allocation Policy

Risk Assessment

N/A

Equal Opportunities

The introduction of CBL will include the agreement of a common Allocation Policy for Cumbria. In drafting a revised policy an impact assessment will be included.

Background Papers

N/A

HOUSING MANAGEMENT FORUM	(D) Agenda Item 10
Date of Meeting: 17th June, 2010	
Reporting Officer: Colin Garnett, Housing Manager	
<p>Title: Housing Maintenance Contract</p> <p>Summary and Conclusion:</p> <p>The purpose of this Report is to agree the timetable and methodology for re-tendering the housing maintenance contract.</p> <p>Recommendation:</p> <p>Members are recommended to agree that the Housing Manager prepares the necessary OJEU notice that has sufficient flexibility to appoint one or more than one contractor to deliver the required maintenance services over a four year period.</p>	

Report

Introduction

At your meeting on 25th June 2009 members agreed to extend the existing housing maintenance contract arrangements with Integral for a further 2 years. This agreement is due to end at midnight on 4th November 2011.

Background

The re-tendering process is expected to take around 12 months and will follow EU procurement directives. As the contract value will exceed the EU threshold of £3.9m notification will be required via the Official Journal of the European Union (OJEU).

The timetable below provides an overview of the re-tendering process:

ACTION	DATE
Report to Housing Management Forum Prepare/approve OJEU Advert	17 th June 2010
Report to Executive Committee	30 th June 2010
Report to Full Council	20 th July 2010
Publish OJEU Advert (37 days in circulation) Prepare and publish press adverts Prepare Pre Qualification Questionnaire (PQQ)	2 nd August 2010
End of OJEU Notice Period Evaluate Expressions of Interest	24 th Sept 2010
Issue PQQ's	1 st October 2010
Return PQQ's Evaluation of PQQ using Matrix	November 2010
Shortlist Suppliers	December 2010
Prepare Tender Package	
Prepare Contract documentation	
Send out tender documentation (40 days minimum)	10 th January 2011
Return tender documentation Evaluate Tender submissions on the basis of Quality and Cost	25 th March 2011
Interviews and site visits of tenderers	April 2011
Report Selected Supplier to HMF; Exec Committee and Full Council	May 2011
Commence new contract	June/July/Aug 2011
	5 th November 2011

In preparation of re-tendering the contract members agreed at their meeting held on 26th November 2009 to appoint consultants to review the current contract structure and operating arrangements. The aim of this review is consider the range of procurement options available to ensure we engage a contractor that is best placed to deliver a cost effective customer focused service. This work is presently ongoing and on completion will be presented to the members of the Tenant Compact Working Party Group for consideration before reporting progress and possible options to members of this forum.

The new contract is expected to be re-tendered on the basis of a four-year appointment and will include sufficient flexibility to allow the appointment of one or more than one contractor to deliver some or all of the following services;

- Day to day responsive repairs
- Gas servicing and maintenance
- Void maintenance
- Out of hours emergency response

Recommendation:

In view of the ongoing review of the procurement options by the consultant's members are requested to agree to the following recommendation:

- Agree that the Housing Manager prepares the necessary Official Journal of the European Union (OJEU) notice that has sufficient flexibility to appoint one or more than one contractor to deliver the required maintenance services over a four year period.

Legal Implications

This action is required in order to ensure the Council complies with the (OJEU) notice.

Financial Implications

N/A

Health and Safety Implications

N/A

Key Priorities or Corporate Aims

Corporate: Meet the housing needs of the Borough and make decent homes more accessible.

Housing Service: Investing and maintaining homes to the best standard possible with the resources available.

Risk Assessment

N/A

Equal Opportunities

N/A

Background Papers

N/A

HOUSING MANAGEMENT FORUM	(D) Agenda Item 11
Date of Meeting: 17th June, 2010	
Reporting Officer: Colin Garnett, Housing Manager	
Title: 2010 Stock Condition Survey	
Summary and Conclusion:	
The purpose of this Report is to update members on the findings of the 2010 stock condition survey completed by Michael Dyson Associates.	
Recommendations:	
Members are requested to:	
<ol style="list-style-type: none">1. note the content and findings of the report; and2. agree to implement the five-year investment plan on a "worst first" basis.	

Report

Introduction

At your meeting on 26th November 2009 members agreed to appoint a team of independent chartered surveyors to carryout a detailed survey of the Councils social housing stock in line with the Governments good practice guide entitled "Collecting, Managing and Using Stock Information".

Background

The 2010 survey was carried out by Michael Dyson Associates Ltd during November and December 2009 and involved inspecting a total of 332 properties and 285 communal blocks.

Survey Findings

The stock was found to be in reasonably good condition and appears to have benefited from a proactive maintenance regime, especially in relation to kitchens where over 50% of the stock is deemed not to require a new kitchen for at least 15 years.

The level of catch up repairs is relatively low at less than £100 per property. The level of future major repairs (planned maintenance) is probably at the higher end of 'average' but is not what Michael Dyson's would assess to be significantly high for a stock of this size.

The survey identified £73,090,298 of repairs and planned maintenance liability; (excluding fees, preliminaries and VAT) this suggests an average spend prediction of £26,831 per property over the 30 year period, an annual average of £894.

Michael Dyson's report concludes that whilst the stock is in reasonable condition it will require continued sustained investment due to the age of some of the building components.

Cost Profile

The Cost Generation Model issued by the DCLG describes a number of repair categories used for the pricing of housing stock maintenance over the 30 year business planning period. This model forms the basis of the anticipated 30 year expenditure profile attached at **Appendix D**.

Decent Homes Standard

The Decent Homes Standard has four criteria:

- ◆ Does the dwelling comply with the current statutory minimum Fitness Standard?
- ◆ Is the dwelling in a reasonable state of repair?
- ◆ Has the dwelling reasonably modern facilities and services?
- ◆ Does the dwelling have an efficient heating system and effective insulation levels?

The 2006 stock condition survey identified around 550 homes that failed the Governments standards regarding decency. Whilst these properties all now meet the standard, Michael Dyson's estimate that a further 75 properties have fallen into disrepair since the 2006 survey. This figure is expected to rise to 84 properties after 2010. The cost to make these properties decent is £25,400.

Using the Housing Health and Safety Rating System Michael Dyson's identified 68 properties that presently fail the standard due to risks associated with slips, trips and falls. Michael Dyson's classified these risks as category "C" (Category "A" risks are the highest) and as such these properties will be re-inspected over the next three months by the housing maintenance team to eliminate or reduce the hazards identified.

Five-year Investment Programme 2010-2015

Michael Dyson's report provides analysis of the "remaining life expectancy" for major components such as kitchens, bathrooms and central heating improvements. A new proposed Five-year Investment Plan for 2010-2015 summarising properties which will have major components replaced is attached at **Appendix E**. This will seek to smooth out the expenditure 'peaks and troughs' shown in the cost summary table, Appendix D.

Please note: This draft plan does not reflect the information contained in Agenda Item No. 15.

Summary

The purpose of the survey is to provide a position statement on the current condition of the stock on which future plans can be derived.

It has shown the stock to be in reasonable condition and those new failures of decent houses will be addressed in the current programme.

However, it should be acknowledged that such surveys do not capture all future maintenance costs. For example, changes in standards or regulations can result in unforeseen additional costs. Officers will give consideration to 'known factors' and assess the likely financial implications.

In presenting the proposals for the investment programme, further discussion with the Tenant Participation Compact Working Party will continue to relate the investment needs of the stock in the preparation of a new Business Plan for the service.

Recommendations:

Members are requested to:

1. note the content and findings of the report; and
2. agree to implement the five-year investment plan on a "worst first" basis.

Legal Implications

N/A

Financial Implications

The survey identifies expenditure of £26,831 per property over 30 years to maintain the stock at decent homes standards.

Health and Safety Implications

N/A

Key Priorities or Corporate Aims

Corporate: Meet the housing needs of the Borough and make decent homes more accessible.

Housing Service: Investing and maintaining homes to the best standard possible with the resources available.

Risk Assessment

Further work will be required in developing a revised Business Plan to reflect the anticipated income over the equivalent period. This work will be progressed following the outcome of the HRA review is completed. (Agenda Item 7.)

Equal Opportunities

N/A

Background Papers

N/A

HOUSING MANAGEMENT FORUM	(D) Agenda Item 12
Date of Meeting: 17th June, 2010	
Reporting Officer: Colin Garnett, Housing Manager	
Title: Homelessness Funding 2010/11	
Summary and Conclusion:	
Communities and Local Government (CLG) has announced its intention to continue to provide funding to prevent homelessness and assist in implementing homelessness strategies.	
The purpose of this report is to agree a spend profile.	
This report also advises you that continued funding has been obtained to continue the Court Desk/CAB Surgery provision.	
Recommendations:	
Members are asked to:	
1. Agree the following spend profile:	
£5,000 Shelter: South Cumbria Offenders Scheme	
£12,100 Deposit Guarantee Scheme (DIGS)	
£1,000 Barrow Borough Council Sanctuary Scheme	
£10,000 Barrow Borough Council Refurbishment of Temporary Accommodation	
£ 8,825 CADAS Mediation Service	
£ 3,250 Destin (Performance Management System)	
£10,000 Homeless Prevention Funding	
£5,000 Rough Sleepers Count	

£55,175	
2. Continue the Court Desk provision by use of £10,000 awarded by Communities & Local Government (CLG).	
3. Continue the CAB surgery provision by use of £10,000 awarded by CLG.	
4. Note the Prevention of Repossession Funding of £28,500 awarded by CLG.	

Report

The Homelessness Directorate previously awarded funding to this Authority to support the implementation of the homeless strategy and prevent homelessness. The Homelessness Directorate has since confirmed that £60,000 will be available to Barrow Borough Council in 2010/11.

Members previously agreed in March 2004 that a Homelessness Working Group should be established, made up of three Elected Members, three Tenant Representatives and the Customer Services Manager.

The role of the group is to:

- develop an application procedure for homelessness funding;
- devise grant conditions;
- consider applications and make recommendations to the Executive Committee; and
- monitor future funding against homelessness outcomes.

1. Due to operational issues arising, it has not proved possible for the Homelessness Working Group to consider the applications for homelessness funding for 2010/11 prior to this meeting, but would ask Members to support the following proposals and would recommend the grant monies be used as follows:

- **£5,000 - Shelter South Cumbria Offenders Scheme**

Previously Members agreed to provide homelessness funding to develop a housing advice service for offenders leaving prison. This funding would extend the service until 31st March 2011.

- **£12,100 - Deposit Guarantee Scheme (DIGS)**

DIGS is a charity and limited company that helps homeless and inadequately housed people to gain access to the private rented sectors by offering a guarantee to landlords to cover loss to property or furnishings. DIGS is a county-wide service and this funding will go towards the admin costs of providing the service.

- **£1,000 - BBC Sanctuary Scheme**

This funding would be used to assist Domestic Abuse victims to remain in their own homes, safe from the perpetrator, prevent homelessness and subsequently the need for the Council to provide alternative emergency temporary accommodation to the victim and family.

The funding would cover the cost of lock changes, window locks and security lighting being installed and any other work (on a case by case basis) deemed necessary within reason to ensure the victim and family's safety.

- **£10,000 - BBC Refurbishment of Temporary Accommodation**

The Council currently use 10 dispersed units of emergency temporary homeless accommodation, consisting of one-bedroom and two-bedroom flats and three-bedroom flats across the Borough.

Properties were originally furnished with items from the Homeless Hostel when it closed and were partially refurbished by funding awarded from the CLG grant in 2009/10.

Due to the nature of the use of the properties - regular short stay occupancy - it is good practice to review properties used as temporary accommodation, and re-designate properties as deemed necessary.

Our current stock of temporary accommodation is in need of ongoing refurbishment. This funding will enable the temporary emergency accommodation to be brought up to a reasonable standard for potentially homeless/homeless persons to reside.

- **£8,825 - CADAS Mediation Service**

In 2009/10 members previously agreed to fund the development of a new mediation service by CADAS in Barrow to provide mediation/family intervention for residents in the Borough to prevent homelessness and provide a means of resolving dispute. The service known as CADAS Communication has proved successful in resolving neighbour disputes and enabling family reconciliation between potentially homeless young people and their family.

The funding will enable the service to continue to assist the Housing Service with estate management issues and youth homelessness.

- **£3,250 – Destin - Performance Management Solution**

In 2009/10 Members agreed to fund the initial start-up costs for Destin to develop a software package which assists the Homeless Section with case work, up-to-date legislation and all tasks involved in providing an efficient homeless service. Regular updating of the system is vital as nothing remains still in this environment and without means of ensuring material is up-to-date, it would quickly lose its value.

The funding will cover the annual fee for changes to the system as and when legislation, case law and practices change.

- **£10,000 – Homeless Prevention Funding**

The purpose behind this funding is to be used in a flexible manner.

In all cases the Council will undertake a financial assessment by a CAB debt advisor to ensure he/she is not financially able to cover the payment. The amount will depend on the household circumstances and will be made at the discretion of the Operations Manager. If the amount exceeds £250 the case will be discussed between the Operations Manager and Housing Manager prior to a decision being made.

A criteria to ensure proper use of the funding by officers is attached at **Appendix F**.

- **£5,000 – Rough Sleepers Count**

The last Rough Sleepers Count in the Borough was in 2004.

In line with CLG recommendations, it is proposed to carry out a Rough Sleepers Count during 2010/11. We are currently in discussion with Shelter Cumbria regarding carrying out the count on behalf of Barrow Borough Council.

2. Court Desk Funding (£10,000)

In 2009/10 the Council was awarded £10,000 by CLG to assist with the provision of a court desk in Barrow. A court desk is a facility within the court premise to ensure any household facing repossession of their home and attending court can be properly represented 'on the day'.

The funding was used to develop the court desk service in partnership with CAB to enhance the existing advice and assistance provided by the CAB solicitor attending court.

A working group is in place consisting of CAB and the Council representatives which has developed proposals to deliver the service and monitor its effectiveness.

I am pleased to report a further £10,000 has been awarded to the Borough by CLG to continue to assist court desk provision in 2010/11 and I would propose we continue with the current arrangements.

3. CAB Surgery (£10,000)

During 2009/10 CLG awarded a further £10,000 to enhance the provision of the court desk facility. The funding was used to facilitate a debt advice surgery in partnership with CAB, to be held one half-day a week at Cavendish House. The surgery is covered by an experienced CAB debt advisor and is accessed by both tenants and customers experiencing financial difficulties and at risk of losing their home. The surgery has proved very successful. CLG have awarded a further £10,000 for 2010/11 and I propose we continue with the current arrangements in partnership with CAB.

4. Prevention Repossession Funding (£28,500)

CLG have awarded Barrow Borough Council £28,500 funding to assist persons at risk of homelessness through repossession or eviction.

A draft criteria is being drawn up to ensure proper use of the funding to assist persons at risk of losing their homes through repossession or eviction.

Conclusion

As you will see within the Report, additional funding over and above the funding previously awarded is now available to the Council. I would ask Members to support the proposals contained within the Report which will seek to complement those services currently provided by the Council and assist in preventing homelessness within the Borough.

The spend profile leaves £4,825 unspent within the budget.

Recommendations:

Members are asked to:

1. Agree the following spend profile:
£5,000 Shelter: South Cumbria Offenders Scheme
£12,100 Deposit Guarantee Scheme (DIGS)
£1,000 Barrow Borough Council Sanctuary Scheme
£10,000 Barrow Borough Council Refurbishment of Temporary Accommodation
£ 8,825 CADAS Mediation Service
£ 3,250 Destin (Performance Management System)
£10,000 Homeless Prevention Funding
£5,000 Rough Sleepers Count

£55,175
2. Continue the Court Desk provision by use of £10,000 awarded by Communities & Local Government (CLG).
3. Continue the CAB surgery provision by use of £10,000 awarded by CLG.
4. Note the Prevention of Repossession Funding of £28,500 awarded by CLG.

Background Papers

N/A

Legal Implications:

N/A

Financial Implications:

N/A

Health and Safety Implications:

N/A

Key Priorities or Corporate Aims:

Meets the housing needs of the Borough and makes decent housing more accessible.

Risk assessment:

N/A

Equal Opportunities:

N/A

HOUSING MANAGEMENT FORUM	(D) Agenda Item 13
Date of Meeting: 17th June, 2010	
Reporting Officer: Colin Garnett, Housing Manager	
Title: Former Housing Office, 182 Roose Road, Barrow in Furness	
Summary and Conclusion:	
The purpose of this Report is to consider a request from the occupier to purchase the property.	
Recommendation:	
Members are asked to agree that the property be sold to the current occupier and a mutually agreed independent valuer be appointed to determine a market price for the property.	

Report

The purpose of this Report is to consider a request from the occupier to purchase the property.

It is a detached property situated at the junction of Roose Road and Westway, adjacent to the Council's Roosegate estate. The property has recently been inspected by a member of our Housing Maintenance team. It was found to be in a generally satisfactory state of maintenance, with only relatively minor repairs required.

Originally a Police Station it was used by the Housing Service as an Estate Office until 2005. Since then it has been leased to other organisations.

More recently it has been leased to A B Mitchell Developments Ltd. The lease is for three years commencing on 1st April 2009.

A B Mitchell carryout a number of contracts for the Housing Service including disabled adaptations, kitchen, bathroom, and central heating upgrades.

They have recently contacted me and enquired about the possibility of purchasing the property.

Whilst the property is in reasonable condition and generates income from its lease charge, it does not form an integral part of the adjoining estate in the same way commercial properties (shops) do elsewhere on Council estates. I do not envisage it being a property we would want to directly make use of in the future. I would therefore suggest consideration be given to selling the property to the current occupier.

Recommendation

Members are asked to agree that the property be sold to the current occupier and a jointly agreed independent valuer be appointed to determine a market price for the property.

Legal Implications

N/A

Financial Implications

The sale of the property would generate a capital receipt for the Council. Due to financial regulations only 50% of the receipt could be used as a 'reusable' receipt, unless used for regeneration purposes.

Sale of the property would result in loss of rental income to the Housing Service.

Whilst the property is in reasonable condition, there may be further maintenance costs to maintain the condition of the property.

In disposing of an asset, the Council must ensure it obtains best value. This is often achieved by offering the property for sale on the open market. As the request to purchase is from a current occupier, I would propose an independent valuer be appointed to establish a sale price for the property.

Health and Safety Implications

N/A

Key Priorities or Corporate Aims

N/A

Risk Assessment

N/A

Equal Opportunities

N/A

Background Papers

N/A

HOUSING MANAGEMENT FORUM	(D) Agenda Item 14
Date of Meeting: 17th June, 2010	
Reporting Officer: Colin Garnett, Housing Manager	
Title: 34 Fenton Street, Barrow in Furness - Two Bedroomed House	
Summary and Conclusion:	
The purpose of this Report is to reconsider the future of this miscellaneous property. The matter was initially considered on 27 th August 2009 when it was decided to carryout remedial works. However, it has become apparent further works are required at an estimated cost of £14,000 to £15,000 and Members are, therefore, requested to reconsider the matter.	
Recommendation:	
Members are recommended to agree the property be sold on the open market.	

Report

The purpose of this Report is to reconsider the future of this miscellaneous property. The matter was initially considered on 27th August 2009 when it was decided to carryout remedial works. However, it has become apparent further works are required at an estimated cost of £14,000 to £15,000 and Members are, therefore, requested to reconsider the matter.

At the time, the property had been on a long lease to Project John. They had vacated the property due to its condition. The estimated cost of remedying the defects identified at the time was £4,000 to £6,000.

The work agreed included rendering the external gable end of the property, carrying out damp remedial work, internal re-plastering of all the rooms affected and the supply of a condensation unit.

However, following completion of some of the identified remedial work, it has become clear further extensive works are required to ensure the dampness problems are eradicated.

It is now estimated that a further £14,000 to £15,000 is required to tackle the dampness problem. Such expenditure would not, however, tackle some of the fundamental problems of this particular property which are implicit due to the original construction. For instance, it is of solid wall construction and it would be difficult to improve the thermal insulation of the property, to reflect the standard of the majority of the Council's other social housing stock, or the standards that are being suggested for the future.

I would suggest, having regard to the financial demands on the Housing Service's Investment Plan, the property be sold on the open market.

Recommendation

Members are recommended to agree the property be sold on the open market.

Legal Implications

N/A

Financial Implications

The condition of this property will require an investment of c.£14/£15K to remedy the dampness and other essential repairs. The likely rent would be c.£3,552 per annum.

Health and Safety Implications

N/A

Key Priorities or Corporate Aims

Corporate: Meet the housing needs of the Borough and make decent homes more accessible.

Housing Service: Investing and maintaining homes to the best standard possible with the resources available.

Risk Assessment

N/A

Equal Opportunities

N/A

Background Papers

N/A

HOUSING MANAGEMENT FORUM	(D) Agenda Item 15
Date of Meeting: 17th June, 2010	
Reporting Officer: Colin Garnett, Housing Manager	
Title: Housing Maintenance Programme – Reduction of Resources	
Summary and Conclusion:	
The purpose of this report is to update you with regards the MRA funding of £300K which was brought forward to the year 2009/10. It is now clear that the current year's MRA will be reduced by the equivalent amount. I am providing this report for your information on how the Housing Service will continue to deliver the agreed Investment Programme for 2010/11.	
Recommendations:	
Members are asked to note information in the Report.	

Report

The purpose of this report is to update you with regards the MRA funding of £300K which was brought forward to the year 2009/10. It is now clear that the current year's MRA will be reduced by the equivalent amount. I am providing this report for your information on how the Housing Service will continue to deliver the agreed Investment Programme for 2010/11.

At the time of drafting this report, the accounts for 2009/10 have not yet been finalised. Whether action is therefore required to adjust the current year's agreed plan to take account of this adjustment to the MRA is not clear. It is my intention therefore to continue with the programme as agreed and will seek to fund the agreed plan from MRA balances. Should this not be practical, I will obviously update you at your next meeting in August.

Recommendation:

Members are asked to note information in the Report.

Legal Implications

N/A

Financial Implications

The Housing accounts for 2009/10 are currently being finalised. Initial indications suggest that there will be balances sufficient to enable the programme as agreed at your meeting on 25th February 2010 to continue. However, this issue will be reviewed in conjunction with the Borough Treasurer before further orders are issued.

Health and Safety Implications

N/A

Key Priorities or Corporate Aims

Corporate: Meet the housing needs of the Borough and make decent homes more accessible.

Housing Service: Investing and maintaining homes to the best standard possible with the resources available.

Risk Assessment

At the time of drafting this report, the financial accounts have not been produced. In terms of ongoing delivery and working in partnership with our contactors, it is important to agree certainty of work as soon as practical to ensure delivery within the financial year.

Equal Opportunities

N/A

Background Papers

N/A

HOUSING SERVICE: PERFORMANCE INDICATORS							
Housemark/ BVPI / Local	Performance Indicator	Actual 2006/7	Actual 2007/8	Actual 2008/9	Target 2009/10	Actual 2009/10	Target 2010/11
	Rent Arrears and Collection						
BV66a	% Rent Collected	97.88%	96.78%	96.48%	98%	97.65%	98%
BV66b	% Tenants with > 7 weeks arrears	5.89%	6.82%	6.33%	5.5%	5.05%	5%
BV66c	% Tenants served with Notice of Seeking Possession for arrears	35.48%	29%	30.6%	25%	27.1%	25%
BV66d	% Tenants evicted for rent arrears	1.05%	0.66%	0.89%	0.5%	0.67%	0.5%
Housemark	Current tenants arrears as % of rent roll	2.99%	2.96%	2.60%	2.5%	1.96%	2%
	Void management						
BV212	Average relet time for dwellings (in days)	28	35.9	30	28	31	28
Housemark	% rent loss through vacant dwellings	0.98%	1.41%	1.16%	1%	1.05%	1%
Local	% rent loss due to voids – garages	2.63%	2.81%	3.25%	2%	2.91%	2%
	Homelessness						
Housemark	Average stay in B & B for families with children or pregnant women (in days)	2	10	3.7	3	2.14	3
Housemark	% of homeless applications where decision made and notified within 33 days	98.5%	95.3%	84.8%	99%	89.5%	99%
Local	Average length of stay in B&B (in days)	22	14.4	18	12	21.6	15
Local	Average length of stay in dispersed (in days)	45	48	56	28	47	30
Local	Average length of stay in dispersed for families with children (in days)	34	41	49	28	42	30
Local	Average number of homeless households in dispersed accommodation	5.8	7.3	9.6	5	6.4	5
BV213	% of households whose situation was resolved by housing advice	N/A	N/A	N/A	75%	N/A	75%
NI 156 <i>(new for 08/09)</i>	Number of households living in temporary accommodation	--	13	8	10	11	10
	Housing Applications						
Local	% Housing applications answered within 6 days	95%	52%	62%	95%	84%	95%
	Repairs						
Housemark	% urgent repairs completed within Government time limits	89.59%	78%	79.91%	92%	*	*
Housemark	% emergency repairs completed on time	93.6%	84.36%	89.07%	94%	*	*
Housemark	% routine repairs completed on time	92.3%	77.26%	79.95%	93%	*	*
Housemark	% urgent repairs completed on time	78.7%	74.86%	74.45%	90%	*	*
NI 158 <i>(was BV184a)</i>	Proportion of homes which are non-decent	17.8%	2%	0.22%	1.75%	*	*
Local	Average time taken to complete non-urgent repairs (in days)	10	13.7	24.85	8	*	*
	General Management						
NI 160 <i>(new for 08/09)</i>	Local authority's tenants' satisfaction with landlord's services	--	--	87%	N/A	N/A	N/A

* Unfortunately figures were not available at the time the report was produced – they will be tabled at your meeting.

RENT ARREARS as at week ending 4th April 2010

Area	Current £	% Gross Debit	Former Tenants £	% Gross Debit
Central	41,311.10	2.32	26,504.59	1.42
Dalton	10,919.84	1.53	3,508.16	0.47
Roosegate	56,629.29	2.42	26,532.69	1.15
Ormsgill	37,398.79	1.83	46,641.95	2.21
Walney	15,063.11	1.18	4,540.74	0.35
Miscellaneous	1,204.83	5.84	0.00	0.00
Dwellings total	162,529.96	1.99	108,728.13	1.29
Garages	3,367.21	2.10	726.59	0.39
Homeless	2,925.28	4.55	14,335.44	22.29
Total	168,819.45	2.01	123,790.16	1.43
Grand Total	£292,609.61		3.36%	

FORMER TENANT ARREARS

Former tenants arrears written off in period April 2009 – March 2010 = £127,083.54

VOIDS from 6th April 2009 to 4th April 2010

	Central	Dalton	Ormsgill	Roosegate	Walney	Total
1 Bedroom						
Ground-floor flat	15	1	23	16	10	65
Upper-floor flat	40	2	18	23	6	89
Bungalow	3	2	2	0	4	11
Sub total	58	5	43	39	20	165
2 Bedrooms						
Ground-floor flat	3	0	18	1	0	22
Upper-floor flat	4	1	13	3	2	23
Bungalow	0	0	0	0	0	0
House	14	0	6	9	2	31
Sub-total	21	1	37	13	4	76
3 Bedrooms						
Ground-floor flat	0	0	0	0	0	0
Upper-floor flat	0	0	0	0	0	0
Bungalow	0	0	0	0	0	0
House	3	2	13	11	8	37
Sub-total	3	2	13	11	8	37
4 Bedrooms						
House	1	0	0	2	0	3
5 Bedrooms						
House	0	0	0	0	0	0
Total	83	8	93	65	32	281

OFFERS OF ACCOMMODATION
made and refused between 6th April 2009 to 4th April 2010

Area	Property Details	Area	Condition	Personal circumstances	No reply to offer	Other reasons	Withdrawn	Total
Central	7	8	4	3	0	1	0	23
Dalton	1	0	0	1	0	0	0	2
Ormsgill	2	9	2	2	1	3	0	19
Roosegate	1	6	2	1	0	0	0	10
Walney	3	5	0	1	0	2	0	11
Total	14	28	8	8	1	6	0	65

NEW TENANCIES
6th April 2009 to 4th April 2010

<i>Applicant Type</i>	<i>No.</i>
Housing Register	184
Transfers:	77
General Management	4
Management	17
Medical	24
Under/over Occupancy	32
Homeless (monitored from October 2004)	30
Mutual Exchanges	27
Total Relets	318

HOUSING PROPERTY AS AT 31st March 2010

TYPE OF PROPERTY	NO. OF BEDS.	CENTRAL	DALTON	ORMSGILL	ROOSE	SHOPS	DISPERSED	WALNEY	TOTAL
BUNGALOWS	1	13	35	27	14			54	143
	2		5						5
	3			4	4				8
FLATS	1	314	30	212	243		5	145	949
	2	63	12	161	51		3	16	306
	3	3	1		1		2	1	8
HOUSES	2	80	19	66	143			76	384
	3	132	113	220	250			119	834
	4	9	4	7	51			4	75
	5				5				5
SUB-TOTAL		614	219	697	762		10	415	2717
SHOPS	0					16			16
	2					4			4
	3					0			0
	4					1			1
HOSTEL FLATLETS	1						0		0
	2						0		0
GRAND TOTAL		614	219	697	762	21	10	415	2738
GARAGES		207	42	68				167	484

SOLD PROPERTIES
6th April 2009 to 4th April 2010

AREA	PROPERTY TYPE	BEDROOMS	TOTAL
Abbotsmead	HSE	3	1
Dalton	HSE	3	1
Greengate North	HSE	3	1
North Walney	GFL	1	1
Ormsgill	GFL	2	1
Risedale	HSE	3	1
TOTAL			6

PLANNED MAINTENANCE PROGRAMME 2009/10 @ 21ST MAY 2010

SCHEME	CONTRACTOR OR SUPPLIER	AVAILABLE BUDGET	NO OF PROPERTIES	INVOICES PAID TO DATE	START DATE	ESTIMATED COMPLETION DATE	CONTRACTOR	TARGET COST	OUT TURN ESTIMATE	COMMENTS
REWIRES	CUMBRIA HOUSING PARTNERS	£252,700	Phase I Ewan Close (82 properties) Phase II Broad Close (72 properties)	£210,000	Apr-09	Feb-10	AB MITCHELL (via K Wilson)	Phase I - £125,788 Phase II - £113,502	£210,000	Phase I - 100% COMPLETE Phase II - 100% COMPLETE
BATHROOMS I	CUMBRIA HOUSING PARTNERS	£200,000	Walney/Abbotsmead (95 properties)	£166,468	May-09	Feb-10	AB MITCHELL	£196,690	£166,468	100% COMPLETE
BATHROOMS II	INTEGRAL	£100,000	Sowerby Avenue (29 properties)	£28,374 + £14,000 Prelims	Sep-09	Feb-10	INTEGRAL	£75,000	£28,374 + £14,000 Prelims	100% COMPLETE
BATHROOMS III (MRA Funding)	CUMBRIA HOUSING PARTNERS	£100,000	The Griffin (38 Properties)	£88,783	Oct-09	Feb-10	AB MITCHELL	£72,560	£88,783	100% COMPLETE
KITCHENS I	CUMBRIA HOUSING PARTNERS	£400,000	Ewan Close/Ormsgill (117 properties) Yew Tree estate (36 properties)	£338,815	May-09	Feb-10	AB MITCHELL	£361,360	£338,815	100% COMPLETE
KITCHENS II	INTEGRAL	£225,000	Park Road/Millstone Ave (25 Properties)	£56,704	Sep-09	Feb-10	INTEGRAL	£65,000 + £30,000 One Off Installations; + £32,000 prelims	£56,704	100% COMPLETE
KITCHENS III (MRA Funding)	CUMBRIA HOUSING PARTNERS	£100,000	Ormsgill (37 Properties) + BRATHAY CRESCENT	£114,221	Oct-09	Feb-10	AB MITCHELL	£85,398	£114,221	100% COMPLETE
KITCHENS IV (MRA Funding)	CUMBRIA HOUSING PARTNERS	£100,001	Ormsgill (37 Properties) + BRATHAY CRESCENT	£114,221	Oct-09	Feb-10	AB MITCHELL	£110,000	£114,221	100% COMPLETE
HEATING 1	CUMBRIA HOUSING PARTNERS	£110,000	VULCAN ROAD	£479,000	May-09	Feb-10	AB MITCHELL	Phase I - £253,776 + £100,000 One off installations	£479,000	100% COMPLETE Includes 25 No One off installations @ £100,000
HEATING II	INTEGRAL	£375,000	Dalton (47 Properties) Ormsgill (22 Properties)	£227,000	Sep-09	Feb-10	INTEGRAL	£276,000 + £45,000 for One off boiler swaps +£54,000 Prelims	£227,000	100% COMPLETE Includes 30 No boiler swaps by Apr 2010 and £54k prelims
HEATING III (MRA Funding)	CUMBRIA HOUSING PARTNERS	£100,000	Ormsgill + others (45 Properties)	£114,000	Oct-09	Feb-10	AB MITCHELL	£143,668	£114,000	100% COMPLETE
PAINTING	CUMBRIA HOUSING PARTNERS	£200,000	Phase I Vulcan/Risedale (206 properties) Phase II Greengate (150 properties)	£156,000	Jun-09	Feb-10	GH JONES	Phase I - £87,859 Phase II - £46,173	£156,000	Phase 1 - 100% COMPLETE £13,200 EXTRA agreed to repaint render at Raglan court Phase 2 - On site 66% COMPLETE

HOUSING MAINTENANCE COMMITMENTS 2009/10 @ 31.3.2010

	Funding Available 2009/10	Gross COMMITMENT	Weekly Available	Gross Comm. as a % funds available
Tenant Demand Repairs	£900,000.00	£832,810.00	£17,307.69	93%
Voids	£175,000.00	£240,111.00	£3,365.38	137%
Gas Servicing	£425,000.00	£251,601.00	£8,173.08	59%
Decoration Vouchers	£35,000.00	£35,525.00	£673.08	102%
Fire Damaged properties	NIL	£25,560.00	NIL	Claim via Insurance company
Disrepair Claims	£25,000.00	£0.00	£480.77	0%
Environmental Impmts	£50,000.00	£60,195.00	£961.54	120%
Disabled Adaptations	£250,000.00	£301,000.00	£4,807.69	120%
Door Entry	£100,000.00	£18,704.00	£1,923.08	19%
Total	£2,035,000.00	£1,765,506.00	£8,173.08	



Council housing: a real future

Prospectus



Council housing: a real future
Prospectus

Communities and Local Government
Eland House
Bressenden Place
London
SW1E 5DU
Telephone: 020 7944 4400
Website: www.communities.gov.uk

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March 2010

ISBN: 978-1-4098-2385-8

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Foreword



Council housing is central to the Government's support for people in this country. It provides secure homes for our most vulnerable, as well as for hardworking people who can't afford to buy a home of their own. More than 4 million people live in council housing, and the way their homes are paid for and maintained should be fair and affordable and allow councils to provide the best possible service to their tenants.

The far reaching changes set out in this prospectus will bring council house funding up to date – replacing a system which was introduced before the Second World War and has operated in its current form since 1989.

My plan will give councils the freedom to fund and run their council houses, without annual government decisions over subsidy. It will release at least 10 per cent more money in every council for maintaining and managing their homes. And it will create the funding capacity to build over 10,000 new council homes a year. Above all, it will mean tenants getting better homes and better housing services from their council.

This is a once and for all settlement between central and local government.

The Housing Revenue Account (HRA) subsidy system is a funding system of £6bn a year which services 1.8 million homes for over 4 million people in 177 council areas. In today's tight fiscal climate, we need to use public money in the best way that we can, giving councils the certainty to plan and manage for the long term.

Under the new self-financing system, councils will keep all of the rent they collect from their homes and all the receipts from any sales of housing or land. Not a single penny will go to Whitehall and not a single penny will subsidise other councils, as the current HRA system dictates. In return, councils will accept a share of the overall £25bn debt, though no council will take an allocation of debt which is not sustainable for the long term.

This plan is highly technical. But it is not simply an administrative change in the funding system. The changes set out in this prospectus will change people's lives.

Councils will be able to do more to meet the housing needs of their communities. From the outset, they will have £500m more to spend on their tenants' homes – giving every council at least 10 per cent more money for maintenance than they have under the current system.

Tenants whose homes have been upgraded with investment through our Government Decent Homes programme, will have the guarantee that their homes will be funded and maintained to this standard for the future, backed by the new national regulator – the

Tenant Services Authority. The Government remains totally committed to completing the Decent Homes programme and recognises that £3.2bn of works are still needed to meet its Decent Homes commitment. Meeting this investment need will therefore be a central element of our decisions on investment priorities at the next Spending Review.

Of course, as we maintain and improve existing council homes, we must build more homes for the next generation of council tenants too. We have underway this year schemes in 47 areas to build over 2,000 new council homes – the largest council house building programme for nearly two decades. Over 4,000 homes will be started by councils this year and next. This programme has demonstrated the will and capacity of local authorities to build new homes. But we can do more. With the reforms in this prospectus we can create the funding capacity to build more than 10,000 new council homes each year before the end of the next Parliament.

This is a good deal for councils. They will keep the money they raise through rents and receipts in full to reinvest in their areas. They will be able to plan for the long term. And they can improve the quality of the housing services they provide to their tenants, and build new council homes.

This is a good deal for tenants. Councils will have at least 10 per cent more to spend on maintaining and improving their homes. More council homes will be built to meet the needs and aspirations of future tenants. And they will have a guarantee that their council homes in future will never fall below the Decent Homes standard.

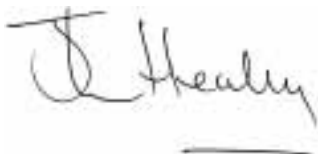
And it is a good deal for central government. It removes the complex annual round of cross-subsidy decisions making the funding system clearer and fairer. And it devolves from Whitehall responsibility and accountability for the funding, management and standards of council housing to elected local councils.

Local government has long criticised the HRA subsidy system and long called for reform. The plan set out in this prospectus goes the full mile to dismantle the current system and set up a new self-financing settlement.

This is a once in a generation chance for radical change.

I hope this prospectus will launch a period of serious examination and debate on the plans I am publishing for consultation.

I look forward to receiving responses from a wide range of local authorities and others by the closing date of 6 July.



The Rt. Hon. John Healey MP, Minister for Housing

Scope of the consultation

Topic of this consultation

The Review of Council Housing Finance aimed to find a long term, sustainable system for funding council housing that would be fair to both tenant and taxpayer and fit with wider housing policy.

Scope of this consultation

The consultation sets out proposals for dismantling the current Housing Revenue Account subsidy system and replacing it with a devolved system of funding and responsibility.

Externally commissioned research reports are published alongside this document. You are asked for your views on the proposals for self-financing.

Geographical scope

This consultation applies to England.

Impact Assessment

Impact assessments are needed where proposals impact upon business or the third sector, or have significant costs (above £5m p.a.) for the public sector. An impact assessment accompanies this consultation.

We have undertaken a screening of the reform of council housing finance for race, disability and gender equality. On the basis of the screening, which included analysis of responses to the consultation in July last year, we do not believe that any specific equalities impacts will arise. However, we are aware that this decision has been taken on the basis of limited evidence and respondents are invited to provide details of any likely differential impact on different equalities groups. Local authorities are also reminded to consider the need for Equality Impact Assessments when making policy decisions under self-financing.

Basic Information

Target audience

This consultation is aimed at social housing stakeholders, including:

- local authorities
- relevant non-departmental public bodies (including the Tenant Services Authority, Homes and Communities Agency, Audit Commission)
- bodies representing the interests of tenants of social housing
- bodies representing the interests of housing associations or other private providers of social housing
- bodies representing the interests of local housing authorities
- tenants
- bodies representing equalities groups

Responsibility for the consultation

The Local Authority Housing Finance Division in the Department for Communities and Local Government is responsible for this consultation.

Duration

The consultation starts on 24 March 2010 and finishes on 6 July 2010.

Enquiries

For all technical or other enquiries about this consultation please email:

councilhousingfinance@communities.gsi.gov.uk

or telephone: 0303 444 3722 if there are consultation process questions.

How to respond

Consultation responses should be submitted by email to:

councilhousingfinance@communities.gsi.gov.uk

Or by post to:

Review of Council Housing Finance
Department for Communities and Local Government
Zone 4/H4
Eland House
Bressenden Place
London SW1E 5DU

Additional ways to become involved

You can request a hard copy of this consultation by writing to the address above.

After the consultation

The Government will publish a summary of the responses to the consultation and its own response later in the year.

Compliance with the Code of Practice on Consultation

This consultation document and consultation process have been planned to adhere to the Government code of practice on consultation issued by the Department for Business Enterprise and Regulatory Reform and is in line with the seven consultation criteria. The period of consultation will be 15 weeks.

Background

Getting to this stage

The joint CLG/HMT Review of Council Housing Finance was announced in December 2007 and launched in March 2008.

Previous engagement

Following the review the Department issued a consultation paper in July 2009, which can be found on the Department's website.

The consultation criteria

This consultation document and consultation process have been planned to adhere to the Code of Practice on Consultation issued by the Department for Business Enterprise and Regulatory Reform and is in line with the seven consultation criteria, which are:

1. Formal consultation should take place at a stage when there is scope to influence the policy outcome;
2. Consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible;
3. Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals;
4. Consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach;
5. Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained;
6. Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation;
7. Officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.

Representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the department.

The Department for Communities and Local Government will process your personal data in accordance with DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed these criteria? If not or you have any other observations about how we can improve the process please contact:

Kavian Thompson
CLG Consultation Co-ordinator
Zone 6/J10
Eland House
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Section 1

The vision for self-financing

- 1.1 Council housing is a substantial public asset that has been created by investment of public funds over many years by central and local government. 1.8 million council houses are home to around 4.2 million people. Local authorities spend around £6 billion each year on managing, maintaining and repairing those homes and on financing the costs of construction and other capital investment. It is an asset that needs strong management and investment to ensure it continues to meet people's housing needs in future.
- 1.2 But the current redistributive system for financing council housing was established in the 1930s and has continued in its essential form since then. It is no longer fit for purpose. We are proposing to replace this centralised, redistributive system with a new system that devolves financing and accountability to local authorities. This will give councils more flexibility to respond to the needs of local people and more ability to plan long term, driving up services and improving efficiency.
- 1.3 This new system will be created by a once and for all new settlement between central and local government. In exchange for a one-off allocation of debt between local authorities, Central Government will stop the annual redistribution of rental income.
- 1.4 Councils will have a predictable income stream, their own rents, which they can use to maintain their own stock. Local authorities will also be able to reinvest all of their own capital receipts as part of a comprehensive asset management strategy.
- 1.5 The new system is based on a fair starting point for each local authority that will free it from Central Government control. This starting point will be established by estimating the income and expenditure for each local authority using new evidence of spending needs. Local authorities will need different levels of funding depending on the future costs of managing, maintaining and repairing their stock. But all local authorities will have more to spend than they would under the current scheme, and all will receive the financial independence necessary to provide an improved service to existing and future tenants.
- 1.6 If councils were prepared to take on a greater role in developing and delivering new council housing we believe that ought to be reflected in the valuation we place on the self-financing business. We are therefore proposing to include in the self-financing settlement some headroom to enable councils, after they have met the spending needs of their existing stock, to deliver a substantial new build programme

without increasing borrowing above the opening level under self-financing. We want to test the ability and willingness of local authorities to use this extra capacity to build new homes.

- 1.7 Under this lead proposal, Government would use a 7% discount rate in valuing the business, rather than the 6.5% discount rate typically used in housing transfer. This would reduce the receipt for Government from self-financing by around £1.2 billion. This should enable councils to deliver 10,000 new homes each year from the end of the next Parliament. We want local authorities to set out their ability and willingness to use this headroom to deliver new housing, so that we can decide whether this is an efficient way to deliver this extra funding.
- 1.8 Self-financing will provide a framework within which all local authorities can sustain their stock in a good condition in future. Alongside these reforms, the Government is totally committed to completing the Decent Homes programme. Since 2001, 1.4 million council houses have been improved to make them vastly better homes. In that time Government has invested £18.8bn and councils have added a further £4.4bn. The Government recognises that £3.2bn of works are still needed to meet its Decent Homes commitment. Meeting this investment need will be a central element of its deliberations on investment priorities at the next Spending Review.
- 1.9 Rather than coping with annual uncertainty about subsidy arrangements and rent policy assumptions, local authorities will have long term certainty about their income and wider financial position. This provides new opportunities for local authorities, working with their tenants, to support the local authority's strategic housing role. It will help local authorities to:
 - set and work towards medium and long term local priorities for housing within a clear financial framework
 - manage their homes better and improve quality of services
 - respond to local housing priorities
 - involve local communities in deciding what money is raised in rents and how it is used
- 1.10 This should result in real improvements for tenants. There will be more resources available to maintain council housing and tenants can, and should, be involved in a meaningful dialogue about priorities. The lines of accountability between tenants and landlords will also be clearer.
- 1.11 The challenge to local authorities is therefore to take the opportunities that increased financial independence provides. For many years local authorities have expressed frustration at their dependency on annual subsidy decisions, often made close to

budget-setting deadlines. The annual process makes forward planning difficult and limits the ability of local authorities to use their housing assets and revenue in the most effective way. Under self-financing, local authorities will be able to underpin the locally driven vision for housing with a robust 30 year business plan, and then to deliver on that plan.

- 1.12 All local authorities which own council houses will need to get ready for this new approach. Many will need to develop new skills and capacity so they can fully grasp the benefits of self-financing. New, or stronger, financial and corporate skills are likely to be needed in:
- **Business planning** – developing scenarios, deciding between them, planning to a longer term horizon and monitoring changes and risks arising.
 - **Asset management** – taking a long term view on asset lives, depreciation and timing of planned repairs and replacements.
 - **Managing a loan portfolio** – Although most authorities will already have in-house treasury management expertise, some debt-free authorities will need to develop skills to manage a new loan portfolio.
 - **Procurement** – financial independence will give local authorities more flexibility to enter into longer term relationships where these can deliver better value for money.
 - **New build** – managing a substantial new build programme
- 1.13 These are not new skills for many local authorities. Local authorities whose stock is managed by Arms Length Management Organisations (ALMOs) should be especially well placed to take forward these reforms. There is also potential to share experience and learning between local authorities and housing associations.
- 1.14 Local authorities will also want to consider the governance arrangements needed to operate effectively under the new approach. It will also prove a fresh opportunity for engaging and involving councillors and tenants in long term decision making. ALMOs already have tenant and external board members contributing to decision making. Others may wish to create similar opportunities. Involving tenants in decision-making enhances value for money and improves satisfaction with services.
- 1.15 The Tenants Services Authority has put tenants at the heart of the regulatory system. The self-financing system will give local authorities more ability to respond to local priorities.

Section 2

The self-financing settlement

- 2.1 Self-financing will put all local authorities in a position where they can manage their homes from their own income in future. This section describes how we propose to calculate the income and spending needs of local authorities who own council houses. It then shows how this leads to a calculation of the sustainable level of opening debt for each local authority. Alongside this document, we are publishing the model used to calculate the sustainable level of debt for each local authority. The key assumptions about rents, discount rates and timing of implementation will be subject to confirmation at the next Spending Review.
- 2.2 The model is designed to deliver a fixed level of spending capacity for each local authority based on the new analysis of spending needs. Under our proposals, every council will have at least 10% more to spend on managing, maintaining and repairing their stock than at present. So for example a higher or lower assumed income from rents would lead to a higher or lower opening debt level, in order to enable every local authority to spend the amount on their stock that the research indicated is needed.

Income

- 2.3 The only income assumed in the model is income from rents. Under self-financing, local authority landlords will still be required to follow national social rent policy. The model therefore assumes adherence to this policy.
- 2.4 Under the current rent policy, local authorities are expected to move their rents gradually to a formula social rent level, so that all tenants of social housing pay a similar rent for a similar property in a similar area. This process is called 'convergence'. In order to prevent excessive rent rises for individual tenants during the period leading to convergence, the rent formula limits any annual rents to $RPI + \frac{1}{2}\%$ + £2 each year until they reach the formula level.
- 2.5 Government has not fixed a date for convergence to be completed. In setting the guideline rents in annual HRA subsidy determinations, Ministers have taken into account a number of factors, including the affordability of rises for tenants.
- 2.6 In 2010/11, local authority guideline rents will be on average 7.5% below the formula level. For the purposes of modelling, we have assumed a convergence date of 2015/16. This would require real annual increases of 2.2% in 2011 and 2.1% in each of the following four years.

- 2.7 The model includes an estimate of the foregone income for local authorities who would be affected by the limit on annual increases in individual rents. Current policy is to compensate local authorities who keep annual rent increases within the national rent policy, where this is lower than the rent rise assumed in the convergence trajectory. We will expect local authorities to use this extra funding to keep individual rent rises within the limits in the national policy.
- 2.8 The model is designed to deliver a fixed level of spending capacity for each local authority based on the evidence of spending needs described below. A higher or lower assumed income from rents would lead to a higher or lower opening debt level, allowing local authorities to deliver the same amount of investment in their stock.
- 2.9 Under self-financing, adherence to rent policy would be secured through:
- **continuation of the limit rent.** This provides a mechanism for protecting public expenditure by providing a cap on the level of Housing Benefit an authority will receive for its tenants. The limit rent would continue to be set at a level that allows local authorities to recover all income from rents which are set in adherence with social rent policy.
 - **Tenant Services Authority regulation.** Subject to consultation, we expect to direct the Tenant Services Authority (TSA) to set a rent standard that will apply to local authority landlords. This will enable the TSA to regulate compliance with national rent policy, including through the use of enforcement powers where necessary. (We have already issued such a direction in relation to non-local authority social housing landlords.)
- 2.10 Local authorities who build new council homes are already benefiting from a recent change which allows them to retain the full rental income from those homes. Those homes are effectively invisible for HRA subsidy purposes. The self-financing valuation will similarly not take any account of income from those homes, so those local authorities will continue to receive this extra income.

Service charges

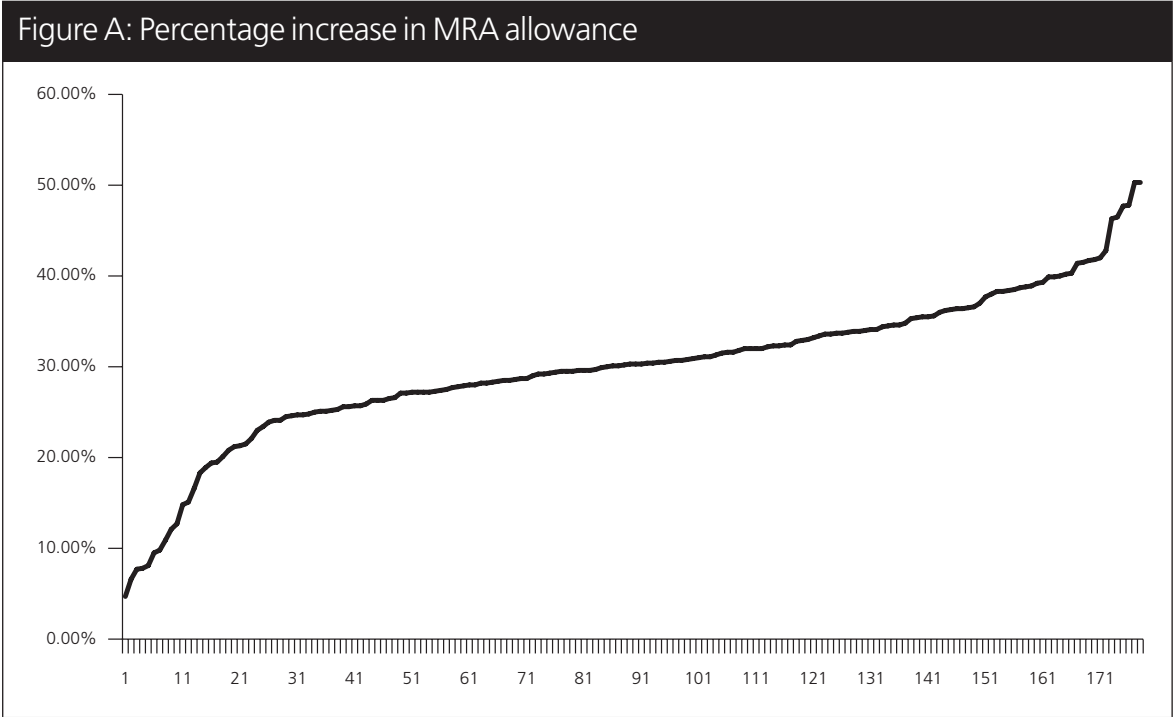
- 2.11 Service charges are intended to cover costs of specific services not funded separately through the HRA subsidy system. Income from service charges is therefore not included in the self-financing valuation.
- 2.12 Government rent policy includes restrictions on the levels of service charges. These ensure that tenants do not face large increases in their overall housing costs as a result of a decision by their landlord to separate out rents and service charges –

termed 'unpooling'. It also ensures that in the years following the unpooling of rents and services charges the combined charge to tenants does not rise faster than it would have done if service charges had not been unpooled.

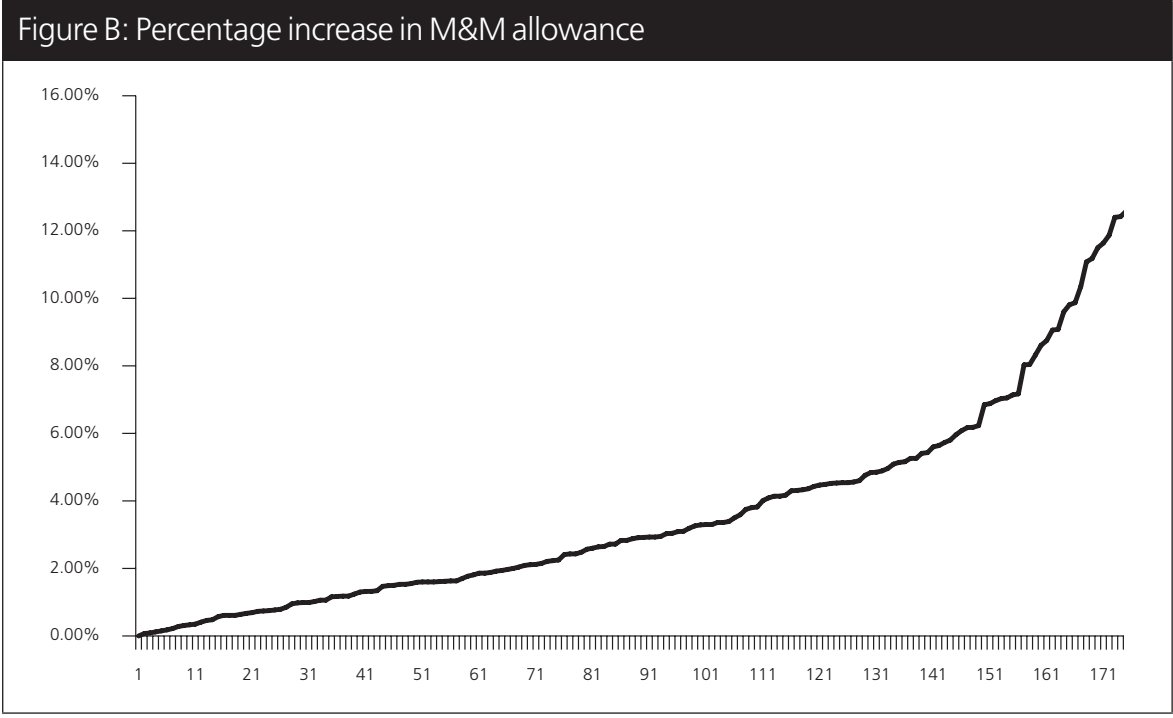
- 2.13 Under self-financing, we would expect service charges to continue to be set in line with national policy and in a fair and transparent manner. The Tenant Services Authority is proposing to require all social landlords to provide clear information to tenants that explains how any service charges are set, and that tenants should be given information about choices relating to services and their cost.

Spending needs

- 2.14 In July last year we published research on the amount local authority landlords need to spend on major repairs, management and maintenance and to deal with the remaining backlog of works. The reports by BRE and HQN are published on the department's website. These reports identified a need to spend around 5% more nationally on management and maintenance and around 24% more on major repairs. The reports included some principles for distributing these uplifts but indicated a need for further work to establish the best approach.
- 2.15 Since publishing those reports we have commissioned further work on how this extra funding should be distributed. A report by PricewaterhouseCoopers (PWC), titled *Modelling Business Plans for Council Landlords: Report on model inputs, assumptions and outputs*, is being published alongside this prospectus. The report proposes a methodology for distributing the uplifts recommended in the earlier research reports. It also makes some recommendations for changing some of the weightings for different elements in the earlier reports. The tables below show the pattern of distribution of uplifts created by this proposed methodology.
- 2.16 We are proposing to include these substantial uplifts to spending on management, maintenance and major repairs as part of our reforms. This will mean that self-financing gives all councils more to spend on their stock as well as more flexibility to spend this money more efficiently.
- 2.17 **Figure A** shows the increase we are proposing in spend on Major Repairs, shown as a percentage of the current Major Repairs Allowance (MRA) per unit for each local authorities. The PWC recommendations include one significant change to the earlier BRE work, by proposing that 100% of works should be funded, rather than 95%. The impact of this change is to increase total funding for local authorities by around 27% rather than the 24% proposed in the BRE report.

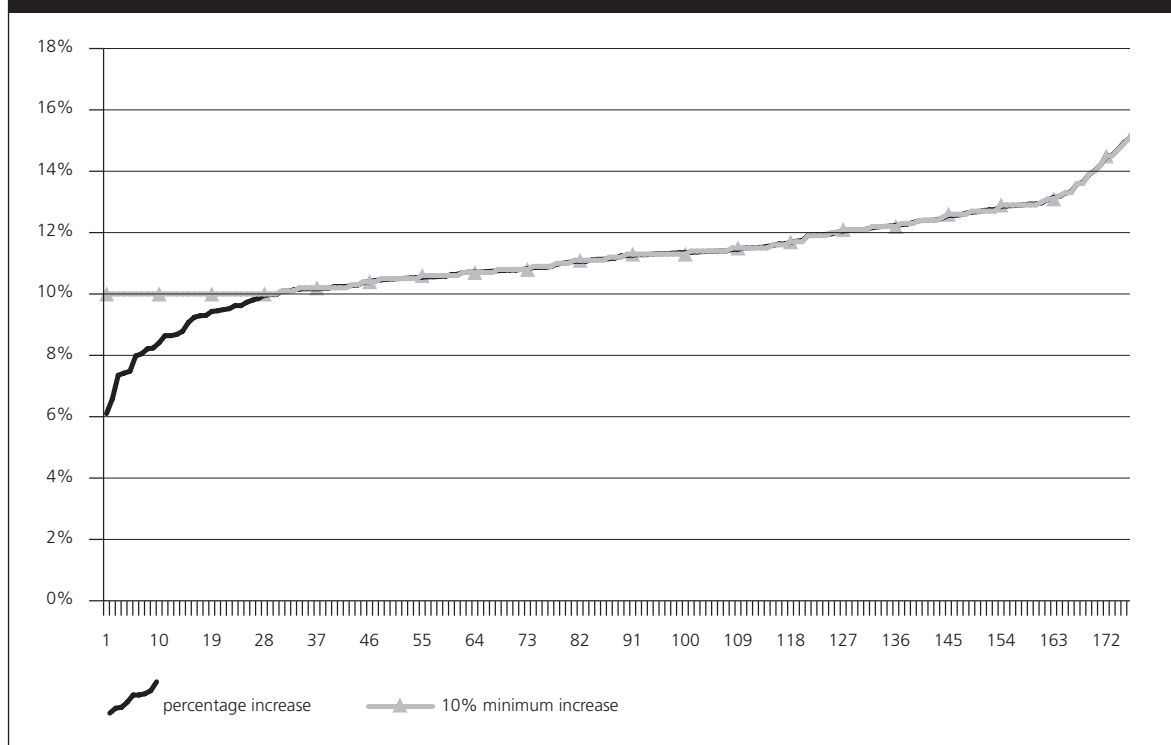


2.18 **Figure B** shows the increase in spend on Management & Maintenance (M&M) under the methodology proposed by the PWC report, again shown as a percentage of current funding per unit.



2.19 **Figure C** shows the combined increase of the MRA and M&M uplifts as a percentage of current allowances. This produces a relatively flat distribution, with 27 local authorities getting less than 10% and 8 getting more than 14%. The average uplift is just over 11%.

Figure C: Combined Allowance Percentage Increase by Local Authority



2.20 We propose to implement a 'collar' which would ensure that all local authorities get a minimum 10% aggregate uplift in their combined allowances. The net present value of this collar would be around £50m at a 7% discount rate. The net cost to Government of this 'collar' proposal will be considered as part of the next Spending Review, alongside evidence of councils' willingness to use this extra capacity to build new homes.

2.21 **Annex C** shows the increases in allowances for each council produced by this proposed methodology.

Housing Private Finance Initiative schemes

2.22 Local authorities with a signed HRA Housing Private Finance Initiative (PFI) scheme receive a fixed annual subsidy with no annual inflationary impact for the operational length of the contract. This subsidy is currently paid within the HRA Subsidy System. The local authority continues to receive M&M for the properties covered by the PFI contract but does not receive MRA for them.

2.23 There are two main options for the treatment of PFI schemes under self-financing:

- include them in the calculation of the self-financing settlement
- or continue to pay PFI subsidy

2.24 We are proposing a different treatment according to whether or not the contract has been signed at the date of the self-financing settlement.

Signed schemes

2.25 We have included these schemes in the calculation of the self-financing settlement by including the annual subsidy payments as costs for the length of the contract. MRA is not paid for the properties covered by the PFI contract while PFI subsidy is being paid. No adjustments have been made to M&M. Subsidy payments and MRA reductions have been adjusted for the final year of the PFI contract where appropriate. The full MRA for the PFI properties is re-instated from the year after the contract ends.

2.26 The model converts the flat nominal rate of PFI subsidy to a declining real payment using the annual RPI assumptions in the model. The model then includes the PFI subsidy payments in the NPV calculation using the discount rate that is used for other costs.

2.27 Government would reserve the right to re-open the self-financing settlement in respect of the PFI subsidy element in the unlikely event that the level of PFI subsidy a local authority is entitled to is reduced before the end of the PFI contract, for example because of a significant change in the level of assets to be delivered under the contract.

Schemes that are due to sign before self-financing commences

2.28 Schemes that sign before the start of self-financing would be included in the settlement on the same basis as already signed schemes. In the current model, the start date, level of subsidy and unit numbers for these schemes are based on current estimates. These would change to reflect actual signed schemes. Any scheme that has not signed by the start of self-financing would not be included in the settlement – subsidy would be paid as described in the paragraph below.

Schemes due to sign on or after the transition to self-financing

- 2.29 No costs relating to these schemes would be included in the self-financing model. The Department will pay PFI subsidy for these schemes alongside General Fund PFI subsidy. The PFI subsidy would be calculated using the same formula as is currently used. The amount that is paid would then be reduced to take account of MRA that has been included in the self-financing settlement in respect of properties covered by the PFI scheme. The annual amount will be fixed at the time the PFI contract is signed.

Arms Length Management Organisation funding for Decent Homes

- 2.30 Arms Length Management Organisations (ALMOs) can be divided into two groups with regard to the way they are funded by Government to deliver Decent Homes. Rounds 1 and 2 ALMOs receive an ALMO allowance in the subsidy calculation, while Rounds 3 onwards have the debt added to the local authority's Subsidy Capital Financing Requirement (SCFR).
- 2.31 The department had previously announced that after 2010-11 it will convert the allowances paid to ALMOs under Rounds 1 and 2 into supported debt. The self-financing model reflects this decision by converting Rounds 1 and 2 ALMO support into debt rather than showing it as a cost allowance.
- 2.32 This means that for these ALMOs, the ALMO Decent Homes investment support allocation is not included in the costs in the model, but is covered by an increase in the level of existing notional debt against which the debt adjustment is made.

Completing the Decent Homes programme

- 2.33 Self-financing will enable landlords to maintain their existing stock from their own resources in future. It will put landlords in a position where they can deal with local issues related to their particular stock as part of a local asset management strategy. However, we accept that there will still be some landlords who have a backlog of works needed to achieve the Decent Homes standard which will require extra capital funding in the early years. Government remains committed to completing this programme and to providing the funding necessary to do this.
- 2.34 The July consultation paper included an estimate of the cost of dealing with the backlog of major repairs. This was separated out from newly arising need over the next 30 years. This separation allows us to take a formulaic approach to uplifts to newly arising need, as standard assumptions about the lives and costs of different

elements can be applied to all stock in a good condition. Costs of dealing with a backlog of works cannot be allocated formulaically as part of the model as they are, by definition, based on local circumstances.

- 2.35 The consultation paper included an estimate of the cost of the Decent Homes backlog in 2010 of around £3bn, based on modelling from local authority predictions, English House Condition Survey data and Business Plan Statistical Appendix data.
- 2.36 The Government is totally committed to completing the Decent Homes programme and recognises that £3.2bn of works are still needed to meet its Decent Homes commitment. Meeting this investment need will therefore be a central element of its deliberations on investment priorities at the next Spending Review.
- 2.37 For local authorities with ALMOs, funding would be on the basis of the agreed ALMO funding and a continuation of the level of funding presently provided for Local Authority Supported Capital Expenditure (LASCE) through the regional housing pot for the planned life of the ALMO programme.
- 2.38 The higher allowances and the flexibility under self-financing should enable most local authorities to put in place an asset management strategy which improves and maintains homes without the need for extra support from Government.
- 2.39 Many of the responses to the July consultation paper raised other spending pressures on housing, notably the issues of adaptations for disabled local authority tenants, asbestos removal, and the Housing Health and Safety Rating System. These spending pressures, which are not funded through the HRA subsidy system, will be considered as part of the Government's next Spending Review.

Treatment of housing receipts

- 2.40 The self-financing model used does not take account of any capital receipts, either in valuing the business or assessing the viability of the opening debt level. We are however proposing to end the pooling of all capital receipts as part of a self-financing settlement, subject to some conditions. This will support the creation of a full local authority asset management strategy which covers both revenue and capital.
- 2.41 Currently, the rules determining what receipts authorities may retain and what receipts must be 'pooled', i.e. paid over to Government, are complex. They are governed by such factors as what types of housing assets are being disposed of, the amount of administrative costs involved in the disposal, and the amount of expenditure on improvements in previous years.

- 2.42 Under self-financing we propose to allow authorities to retain all their housing receipts from houses and land that fall within the HRA, provided 75% of those receipts have been or will be used for affordable housing and regeneration projects. The remaining 25% may be used for any capital purpose.
- 2.43 We propose to require each authority with over £125,000 of housing receipts in any one year to submit a return to its auditor indicating that 75% of its housing receipts has either been spent on eligible expenditure or has been irrevocably committed to be spent on eligible expenditure. Authorities receiving less than £125,000 would only be required to submit a form signed by its chief finance officer ('section 151 officer'). This exercise would be on similar lines to the certification exercise that currently takes place for the pooling of housing receipts, but it would be much simpler and take up less time.
- 2.44 This change represents a transfer of funds from central to local government and so would reduce the resources available for centrally funded housing programmes. A proportion of local authority expenditure which is currently supported by capital grant would instead be financed by a local authority's own housing receipts.

Allocating debt

- 2.45 The self-financing model indicates a sustainable level of opening debt for each local authority, based on the above assumptions about income and expenditure. In order to allocate the appropriate amount of debt to each local authority, an assumption must be made about the housing debt which each currently holds. We propose to use the Supported Capital Financing Requirement (SCFR) figure for this purpose.
- 2.46 The SCFR is what the subsidy system currently supports. Any difference between that figure and the debt locally attributable to the HRA reflects local borrowing and debt management decisions often made in the light of local circumstances and changing national policies.
- 2.47 If the debt level generated by the model was lower than the SCFR, Government would pay that local authority a capital sum equivalent to the difference between the two. If the debt level was higher than the SCFR, the local authority would pay the Government the difference.
- 2.48 By using the SCFR figures as the basis for the debt allocation, rather than the debt attributed locally to the HRA, local authorities who have elected to hold housing debt at a lower figure than the SCFR in recent years will retain the headroom they currently have. Using the HRA debt figure would penalise those who used their own resources to reduce debt.

2.49 There are likely to be premiums payable for early redemption of loans by local authorities who will receive a capital sum from Government to reduce existing debt. Government would fund these costs outside the self-financing settlement. These costs could be offset in whole or in part from discounts for early redemption of loans. For local authorities who receive a capital sum from Government to repay housing debt, we propose to repay a percentage of each authority's Public Works Loan Board loans that are attributable to housing related debt, in line with current policy on dealing with overhanging debt in transfers. If there are any local authorities with insufficient PWLB loans we will discuss the way forward on a case by case basis.

Costs of financing the debt allocated under self-financing

2.50 Local authorities who need to borrow to make a payment to Government under self-financing will all face similar costs for that new borrowing. However, under self-financing, many local authorities will retain all or part of their existing loan portfolio and will continue to charge the HRA for its share of this borrowing. The rates of interest charged to the HRA on this borrowing will vary according to the loans and on the rules which apply to how charges are calculated. It is possible that some local authorities will have a substantial amount of existing debt which continues to be charged at a relatively high interest rate. This will not place any additional burden on the General Fund in those councils, but would be an extra cost which would have to be met from within the HRA.

2.51 We recognise that, for local authorities with a high proportion of HRA debt, there have been disincentives within the HRA subsidy system to some forms of treasury management which could have reduced these costs.

2.52 The self-financing model uses a single discount rate for all local authorities. This is intended to give all local authorities sufficient scope to manage their own risks under self-financing. We do not think that it is sensible to attempt to set a discount rate for each local authority which attempts to take account of all the unique local factors, including interest rates on existing debt.

The debt model

2.53 Alongside this document we are publishing a model produced by PWC which shows the level of debt that each local authority would be allocated under self-financing. The report by PWC includes more detail about the model. We are also publishing guidance on how to use the model.

- 2.54 The model is populated with the most recent data on stock numbers, allowances and rents. It includes the proposals in this document for distributing the uplifts in allowances for Major Repairs and Management and Maintenance. The model indicates the level of debt which would be allocated if self-financing were implemented from April 2011 based on these assumptions and on some projections about changes in variables in the next year.
- 2.55 Our aim in issuing this model is to allow all local authorities to get a clear indication of what self-financing would look like for them and to enable local authorities to test this against their own business plans.
- 2.56 The PWC report exemplifies the impact of a 6.5% discount rate. This values the total local authority stock at £26.35 billion. This is the discount rate typically used in housing transfer valuations. It is suggested in the report that a similar discount rate is appropriate for the self-financing valuation. However the model built by PWC and issued with this consultation also includes the facility to use a discount rate of 6% and 7%.
- 2.57 A higher discount rate reduces the valuation of the business and therefore the amount of debt that local authorities would start with under self-financing. In this report we set out a case for a 7% discount rate, subject to evidence that the sector would use the extra capacity this provides to deliver new homes. A 7% discount rate would increase the funding for local authorities in the new system by around £1.2bn, compared to a 6.5% discount rate, by reducing the valuation of the stock to £25.13 billion and the receipt for Central Government to £3.65 billion.

What are your views on the proposed methodology for assessing income and spending needs under self-financing and for valuing each council's business?

Section 3

The financial, accounting and regulatory framework

- 3.1 Self-financing would fundamentally change the relationship between central Government and local authority landlords. It both strengthens local accountability and allows for a more strategic relationship between local authorities and central Government. The accounting, financial and regulatory framework within which local authorities operate self-financing should reflect this new relationship. It must also provide assurance that, under a devolved financing system, there will be sufficient safeguards for tenants and local and national taxpayers
- 3.2 Reforms to the framework should:
- improve understanding about how income is raised and on what it is spent
 - increase the transparency of the ring fence between the housing account and the general fund
 - support good management and planning

A housing balance sheet

- 3.3 The self-financing settlement is largely concerned with replacing the housing revenue support system. However, it is essential that local authorities develop a longer term full asset management strategy that brings together revenue and capital streams of funding. CIPFA's 2008 consultation – Back to Basics – did not produce uniformity regarding the removal of the need to keep HRA accounts separate. CIPFA indicated a willingness to work with the Government after the review. The Government believes that it is important that local authorities are able to account fully to their principle stakeholders for the actions they take regarding the assets, utilising tenants' money.
- 3.4 A separate balance sheet would help the TSA see how the asset standards they set are impacting in the local authority sector. Funders may also find this helpful.
- 3.5 The Government therefore proposes that all council landlords should maintain a council housing balance sheet that sets out the assets and liabilities that support the Housing Revenue Account. We envisage that this should be a memorandum balance sheet and would work with the TSA and CIPFA to develop this proposal.

Unpooling housing debt

- 3.6 At present, 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 (CRI). New borrowing attributable to either the HRA or the general fund therefore has an impact on the CRI and on charges to both the HRA and the General Fund.
- 3.7 This system gives local authorities flexibility to seek treasury management efficiencies by operating freely across the whole debt pool. However it leaves both the HRA and the General Fund exposed to interest rate changes which are driven by investment decisions and the consequential borrowing from the other side of the ring-fence.
- 3.8 We see merit in a clearer separation between HRA debt and other local authority debt, which would limit the impact business decisions in one area have on the other. This would also provide the opportunity to eliminate complexities in the existing rules for calculating the HRA's share of debt charges, and leave a more robust system which is less vulnerable to significant changes in the economy. However we want to balance these gains against any possible loss of efficiency in treasury management.
- 3.9 Under self-financing, many local authorities will take out a substantial amount of new borrowing to fund the cost of the settlement. These new loans, and any subsequent borrowing for housing purposes, could be earmarked to the HRA. Interest charged to the HRA on this debt would reflect the actual charges on the loans. Any costs related to subsequent decisions to repay part of this debt (i.e. premiums for early repayment) would also fall to the HRA as the HRA would get all the benefit from lower interest rates.
- 3.10 New borrowing for non-housing purposes would similarly be earmarked to the General Fund and would not form part of the debt pool or affect the CRI.
- 3.11 This would leave a pool of existing debt for many local authorities which still included amounts attributed to both housing and to the general fund and which was still charged to both at the CRI.
- 3.12 One option would be to split these loans between housing and the General Fund. It is unlikely, but not impossible, that the loans could be matched exactly to the values of the capital financing requirement in the two areas, or produce an exact match to the CRI for both. But it might be possible to obtain an approximation of the housing debt that is acceptable locally.
- 3.13 Another option would be to fix the interest rate charged to the HRA on the pooled debt at the consolidated rate of interest which applied at the date of self-financing. From that date on, the General Fund would gain all the benefit of debt restructurings

and take on all the risk of interest rate movements. Over time there could be opportunities to reduce the amount of debt attributed to the HRA in the debt pool, leading to a full separation of loans.

- 3.14 The Government is aware that current guidance from CIPFA on Treasury Management promotes the benefit of a single loans pool. The first proposal above would indicate a need for two loans pools and the second proposal would create three loans pools. However, the Government also notes the quantum of new debt that many authorities will take on under self-financing and the need for certainty of costs over a substantial period. If a memorandum balance sheet is to be drawn up to provide the significant benefits outlined above, this would also require the full separation of the loans.
- 3.15 On this basis, the Government is attracted to a full separation of loans and would like to work with CIPFA and the Audit Commission to ensure that a suitable framework could be put in place.

Depreciation and debt repayment

- 3.16 The principle of self-financing extends to the management of assets and liabilities, including making sound long term provision for maintaining and replacing the time-limited elements of homes such as windows, heating systems, kitchens and bathrooms.
- 3.17 Local authorities are required to make a charge for depreciation of the dwelling stock and other property within the HRA that complies with *The Code of Practice on Local Authority Accounting in the United Kingdom*, published by the Chartered Institute of Public Finance and Accountancy (CIPFA). Additional guidance on the charges is given in the Department's *Guidance on Stock Valuation for Resource Accounting*, which is currently being updated.
- 3.18 The HRA subsidy system currently ensures that a fixed level of HRA income, the MRA revenue stream, is used either for capital investment or to pay off debt. Under the current framework (by the 'Item 8 determination') any difference between the depreciation charge calculated in accordance with the Accounting Code and the Major Repairs Allowance figure is reversed out of the HRA so that only an amount equal to the MRA has to be financed. In addition, impairment charges required by the Accounting Code are also reversed out.
- 3.19 Under self-financing we propose an approach to depreciation that is based on accounting and financial principles and that is rooted in prudent local management. Under this framework, it will be for local authorities to balance investment in major repairs and repayment of council housing debt. We considered introducing a

separate requirement to repay debt. This approach would have benefits, but does not allow sufficient local flexibility to deal with peaks and troughs in major repair cycles. Under the self-financing framework we propose, local authorities would have a long term incentive to reduce debt, but no obligation to do so.

- 3.20 In setting the right provision for depreciation and debt repayment, local authorities should take account of the evidence about investment needs in this report and in the research published last year for the review of council housing finance, alongside their knowledge of local circumstances. It will be for each local authority to satisfy itself that its approach to depreciation and debt repayment meets the requirements of the Accounting Code. In the longer term, local authorities should develop a local bottom-up understanding of their housing stock, as depreciation and debt repayment will be a core part of their ongoing business planning and asset management. This approach should ensure that a backlog of capital works does not build up in future and that, if there is an identifiable need for higher levels of capital spending at a later point in the 30 year business plan, provision is made for this.
- 3.21 We propose to continue working with CIPFA, the Audit Commission and others with an interest, to put in place an effective framework for self-financing and to resolve the technical issues related to this change.

Borrowing by self-financing landlords

- 3.22 Local government has a good record on managing debt. The prudential regime has worked well and many local authorities have chosen to actively manage their borrowing and debt portfolios to deliver better value. There is good reason to believe that under self-financing local authorities will continue to look for opportunities to minimise the need to borrow and prudently manage borrowing and debt.
- 3.23 But alongside local affordability and the viability of local business plans, we also need to take account of the potential impact of borrowing on national fiscal policies.
- 3.24 There are a number of constraints over the amount of new prudential borrowing that self-financing local authorities might undertake:
- the new debt allocated in the self-financing settlement will restrict the amount of income available for prudential borrowing.
 - local authorities will need to satisfy their chief finance officer that extra borrowing for housing is affordable within the prudential borrowing rules.
 - the HRA ring fence will continue under self-financing. This ensures that borrowing for HRA assets is charged to the HRA and that HRA income can only be used to finance borrowing for housing purposes.

- the amount of income that local authorities can raise to support borrowing will be limited by social rent policy. Subject to consultation, we intend to direct the TSA to set a regulatory standard that reflects the policy.
- in addition, we are proposing a cap on borrowing at the self-financing debt level.

3.25 However, over time, the capacity of self-financing landlords to borrow is likely to increase. The July consultation signalled the need for control over borrowing which ensures that this borrowing is affordable nationally, in terms of total public debt and fiscal rules, as well as locally.

3.26 The model used to determine the appropriate level of opening debt for each council under self-financing makes assumptions about spending needs and income based on national formulae and policies.

3.27 The self-financing model generates a notional business plan and 30 year borrowing profile for each council. This is based on the opening level of debt indicated by the self-financing valuation and on a 30 year notional income and spending profile.

3.28 We expect councils to test the opening debt figure proposed under self-financing in a local business plan which reflects local information about actual income and spending needs and borrowing costs. A number of factors will have an effect on the borrowing profile in these individual business plans, including

- interest rates on existing and new debt
- investment needs and the timing of this spend
- difference between current actual housing debt held by a council and the level of debt supported by the subsidy system
- capital receipts and any HRA reserves which can be used to supplement the revenue in the business plans.

3.29 The spend on major repairs in the modelled notional business plans assumes a flat real level of spend over each of the 30 years. This contrasts with the BRE research on which the uplifts in major repairs are based, which suggested that given the lifecycles of the various components of the major repairs costs, most of the increase in spending is needed in the later years of the business plans. Consequently, if a local authority's actual projected major repairs spending profile was similar to that outlined in the BRE work it would significantly reduce the borrowing needed in the early years relative to the notional business plan generated by the self-financing model.

3.30 Control over public sector borrowing is a high priority for Government. In implementing self-financing, we will need to retain tight control over the contribution housing makes to overall levels of public sector borrowing. We are therefore proposing to make a self-financing settlement that should enable most

councils to fund their businesses without the need to increase local borrowing above the opening debt level set for self-financing. This is being achieved through a combination of a relatively high discount rate in the self-financing valuation, higher assumptions about need to spend on management, maintenance and major repairs, and a continuing capital programme to fund the backlog.

- 3.31 This should enable councils to operate within a borrowing limit for housing set at the self-financing debt level, subject to individual arrangements for those councils that currently have a HRA capital financing requirement that is higher than their SCFR level, and for those whose self-financing valuation is negative.
- 3.32 Given a realistic profile for expected major repairs spend, we believe this settlement should allow most councils to start to pay off debt from the first year of self-financing, creating an amount of borrowing 'headroom' up to the opening level of debt which could be used to fund new supply. The size of this headroom will depend on a number of factors which are set out above, but it would provide a capacity to deliver a substantial new build programme, when combined with Social Housing Grant.
- 3.33 We want local authorities to use this extra capacity to build new homes. In responding to this proposal, we would like all local authorities to indicate what size of new supply programme they could deliver at a valuation based on a 7% discount rate. In light of these responses, we will consider whether this is an efficient way to deliver this extra funding for housing.
- 3.34 We propose to enforce the borrowing limit through the Item 8 determination and the HRA ring fence. The 'Item 8' determination enables the Secretary of State to define what may be charged to the HRA, including by way of debt charges. This is currently used to define the types of charges attributable and how they are calculated (rather than the quantum). Under self-financing we propose to use powers to specify the amount of debt that could be supported.
- 3.35 The controls would restrict the amount of housing debt which could be taken on by a local authority, not the amount of interest that could be serviced from the HRA. The General Fund would not face any risk that changes in financing costs could prevent it recovering the appropriate amount from the HRA to pay for its share of local authority-held debt.

ALMOs

- 3.36 The Government sees a strong future for ALMOs. The governance and accountability in the ALMO model should make them well placed to take advantage of the flexibilities that self financing would provide. ALMOs have had considerable experience of operating as a separate business unit and delivering major investment programmes.

- 3.37 The Government will ensure that all ALMOs who have yet to complete their Decent Homes investment programme will be able to do so with the right level of funding support. The model for the self-financing settlement proposed in this paper does not take account of any profile of ALMO capital allowance support beyond 2011-12 that was agreed as part of an ALMO's accepted funding bid. The section on future funding of the Decent Homes programme sets out how we propose to deliver this support.
- 3.38 The Government expects that all ALMOs who have yet to secure funding through a 2* Audit Commission housing management assessment will achieve that performance level before self financing is introduced.

Transfer policy before introduction of self-financing

- 3.39 A local authority may consider that transfer of its housing stock either in whole or in part should be taken forward prior to the implementation of self financing, on the basis that it would deliver more than self financing can offer.
- 3.40 The local authorities that are currently proceeding with transfer proposals are set out in the statement to the House of Commons made by the housing minister on 16 December 2009. Those proposed housing transfers should proceed to completion on terms agreed with the Homes and Communities Agency, subject to tenants approving the change in ownership through the formal consultation and ballot process.
- 3.41 The statement to the House made clear that there should be equity in terms of public funding between transfer and retention in the future under self-financing. A local authority should fully consider the self-financing proposals and assess this alternative carefully. It should also spell out the options available, in clear terms, as part of any consultation with its tenants.
- 3.42 Any proposed transfer would require formal consent by the Secretary of State.
- 3.43 For other transfer proposals prior to the implementation of self-financing, Government would require the transfer valuation for the purposes of assessing the level of financial support from Government or the leviable net receipt to Government to be based on the self financing settlement value.
- 3.44 Government would not provide a higher level of funding based on a different transfer valuation in order to make the transfer affordable to the Registered Provider of Social Housing. This is consistent with the policy set out in the July consultation document.
- 3.45 Local authorities considering transfer should also take account of any capital support that the council would expect to receive to complete its Decent Homes programme.

Section Two sets out the commitment to provide an appropriate level of financial support to complete the Decent Homes programme for ALMOs.

- 3.46 Government would continue the policy of not making any funding support available for new negative value transfers. It would, however, be prepared to consider making payments to clear attributable overhanging housing debt where the self financing debt valuation is below an authority's attributable housing debt. This would take account of the capital support it would expect to receive to complete the Decent Homes programme.
- 3.47 Where a transfer valuation is sufficient to leave a net receipt after covering any attributable housing debt and council set up costs, there is a requirement to pay a Large Scale Voluntary Transfer levy to the Exchequer upon completion of the transaction/sale to the Registered Provider.
- 3.48 The levy was introduced by section 136 of the Leasehold Reform and, Housing and Urban Development Act 1993 to compensate for some of the public expenditure costs of housing transfer. The levy is currently set at 20% through a statutory Instrument. It can be varied by a new regulation through Parliamentary procedure after due consultation.
- 3.49 Further work will be undertaken to establish the appropriate Large Scale Voluntary Transfer levy for stock transfers which take place before a local authority moves to self-financing. This will ensure that Government receives an appropriate level of receipt, taking into account the receipt it would expect to receive if the local authority proceeded to self-financing.

Housing transfer under self-financing

- 3.50 The information in this prospectus should enable local authorities to make a clear and informed assessment about what the self-financing model would mean for future ownership of their housing stock, in terms of financial sustainability and maintaining standards.
- 3.51 After a local authority has moved to self-financing it will be in a position to make its own assessment of the benefits of a transfer of housing stock to a registered provider and the impact on the local authority's finances. No Government financial support would be made available to clear debt or provide grant support through gap funding, other than any grant support which the Homes and Communities Agency might provide for estate regeneration or new supply.
- 3.52 Further work will be undertaken to establish whether it would be appropriate to retain a Large Scale Voluntary Transfer levy under a self financing system.

The Housing Revenue Account and the ring-fence

- 3.53 It is a legal requirement for local authorities that own their own housing stock to keep a Housing Revenue Account (HRA). The HRA is a record of revenue expenditure and income relating to a local authority's own housing stock. Wider housing and homelessness initiatives, in which the authority takes a facilitating role rather than acts as a provider, are not charged to the HRA but to the general fund. Items that must be accounted for in the HRA are defined in Schedule 4 of the Local Government and Housing Act 1989.
- 3.54 It is not always clear how individual items of income or expenditure fit within the statutory definitions. With this in mind, the former Department of the Environment published guidance on the operation of the HRA 'ring-fence' in DoE Circular 8/95 in 1995. The Circular reflects the provision of housing and housing services as it was at the time of publication. In the intervening period provision of housing and the make up of housing estates has changed greatly: Many services and facilities which were originally provided specifically or exclusively for local authority tenants are now available to a wider mix of tenures on the estates. Increasingly too, services and support provided go beyond the bricks and mortar of the home.
- 3.55 Research commissioned from HouseMark for the review of council housing finance and published last July alongside the consultation document distinguished between 'core' and 'non-core' services. Under this definition, core management costs are traditional landlord services, including rent collection, repairs and lettings management. Non-core services include tackling antisocial behaviour, debt and employment advice. The research showed that at least 40 per cent of general management costs are now incurred for non-core services. Only a proportion of the non-core costs are paid from income streams such as service charges or the general fund, so a significant part is being met by rents.
- 3.56 To improve the transparency of the system, the review of council housing finance sought to identify and classify core and non-core services, using a variety of sources including a sample of landlords and the tenant surveys. It was however difficult to gain a consensus around a strict definition of core and non-core.
- 3.57 A third category, core-plus, was therefore proposed to cover a range of services where there is now a general expectation that landlords will provide a service, for example on anti-social behaviour and tenancy sustainment. These services are directly related to the landlord function and can help reduce management and repair costs. Both core-plus and non-core activities can attract funding from a variety of external sources to supplement the funding from the HRA, including non-rent charges, other funding streams and grants, and the general fund. As a general approach, the net cost of core-plus services to the HRA could be funded from rents.

Over time, it was proposed that non-core services should be regarded as services provided by the landlord but funded from sources other than rent.

- 3.58 In response to the consultation, there was almost universal support for maintaining the HRA ring-fence and for improved and updated guidance. There was also a widespread view that the guidance should leave flexibility for local decisions, particularly given the changing expectations of landlord services and the need to provide services that meet the wider needs of tenants or address local community issues.
- 3.59 The favoured approach to updating the guidance given in DoE Circular 8/95 was to suggest certain core items of income and expenditure that properly belong in the HRA, whilst preserving as much flexibility as possible for authorities to react to local circumstances.
- 3.60 We are proposing a series of principles to enable local authorities to decide whether the service should be paid for through the HRA or the general fund. These decisions should reflect changes to Circular 8/95 and the new regulatory role of the TSA. A draft revised circular is attached at Annex D. The draft circular is based on the following key principles:
- there should be a separate local authority landlord account that records all landlord income and expenditure (both capital and revenue) and the transfer of resources between the HRA and the general fund
 - housing services that a landlord is required to provide through statutory obligations or by the TSA should be paid through the HRA
 - some defined services should be paid for from the general fund e.g. housing advisory services, a proportion of the administration of a common housing register and other strategic housing functions.
- 3.61 Any requirements placed on landlords should either arise as statutory obligations or through standards set by the TSA as cross-domain regulator of social housing or be directly funded. When TSA sets standards (whether or not it is the subject of a direction by the Secretary of State) it will need to take into account the consequences for tenants, for new supply and for public expenditure. All TSA standards are built on tenant choice and influence, so tenants will be involved in any decision concerning the allocation of new services to the HRA.
- 3.62 It is also important to make clear that transfers across the ring-fence will continue to be governed by Schedule 4 of the Local Government and Housing Act 1989, as amended. Communities and Local Government does not at this stage intend to review or amend Schedule 4, which provides the underlying structure to the HRA ring-fence and controls the flow of resources across that ring-fence. The current

intention is to work within the framework the legislation provides and to structure guidance accordingly. But we remain open to a review of Schedule 4 if comments on the revised guidance highlight the need to adjust the definitions contained in the legislation.

Managing Performance and Risk

- 3.63 Local leadership must set and finance the right long term council housing policies. There should be no assumption of transfer back to Government if a local authority misjudges its business plan and fails to manage the risks, as there will no longer be an HRA subsidy system.
- 3.64 The TSA will have an important role to regulate delivery and rents to protect current and future tenants. Where a local authority is consistently failing as a landlord the TSA will be able to take enforcement action.
- 3.65 Under the Local Performance Framework the Audit Commission publishes scored judgements about value for money in the use of resources in respect of local authorities as part of Comprehensive Area Assessment. This assessment considers how well organisations are managing their resources to deliver value for money and better and more sustainable outcomes for local people.
- 3.66 In enabling the TSA to regulate local authorities we wish to avoid setting up a regulatory framework which conflicts with or duplicates other processes. Accordingly, we do not propose that the TSA would hold a power to set standards for local authorities relating to the management of their financial and other affairs. While the TSA will need to involve itself in assessment of the funding of local authority landlords and their governance, they will co-operate with the Audit Commission and Government Offices and refer on evidence regarding financial management should any problems come to their attention.
- 3.67 This arrangement would be subject to review to ensure it is fit for purpose in ensuring the long-term sustainability and financial viability of self-financing HRA arrangements.

A full and final settlement

- 3.68 Self-financing is intended to provide stability of funding so that local authorities can plan long term. Our aim is to achieve a one-off, full and final settlement, which ends the annual funding relationship between local authorities and central Government.

3.69 Self-financing cannot however guarantee that future Governments will not make changes to policies which have an impact on the income that local authorities can raise or the costs of meeting standards or other obligations. The self-financing settlement should be robust enough to withstand a range of movements to key variables including interest and inflation rates. We would expect self-financing local authority landlords to plan for and manage these normal business risks without recourse to Government. If there were major policy changes then we would consider the consequences for council landlords and deal with these as separate transactions.

Leaseholders

- 3.70 Following a Right to Buy purchase, a leasehold owner of a former council home is liable for a proportion of the cost of works on common areas associated with their home. These costs can be significant, particularly for leaseholders on low or fixed incomes. Sinking funds can help spread these costs. Leaseholders can make regular payments into a sinking fund, which can then be drawn upon when work needs to be done.
- 3.71 The July consultation received a range of views from local authorities and some leaseholders on sinking funds. The principle of reducing hardship arising from repair bills was generally supported. However, a number of problems in running sinking funds were pointed out. Some said that compelling leaseholders to contribute to sinking funds could create hardship in itself. It was also noted that a suggestion that a payment could be built in to the Right to Buy purchase price might raise issues with mortgage lenders.
- 3.72 Further difficulties arise from the terms of leases. Existing leases do not in most cases provide support for the operation or, where necessary, the enforcement of sinking funds. Changing the terms of existing leases is not generally considered practical. New leases could include suitable clauses but, particularly in areas with a high leaseholder to tenant ratio, this would only help in a minority of cases and the time when this could have been usefully introduced may have passed.
- 3.73 Other problems with sinking funds that have been suggested include the administrative burden, difficulties with leaseholders contributing to work that is not done before they move, and funds that are too small to pay for work needed in the early years.
- 3.74 Whether sinking funds would be beneficial and successful appears to depend largely on local circumstances. There was a widely expressed view that they could be useful in some places, but that their use should be a matter for local decisions made with the full involvement of leaseholders.

- 3.75 The Audit Commission is planning a piece of work on best practice in leaseholder management, based on findings from their inspection activity. In the meantime, the option to use sinking funds remains open to local authorities and their leaseholders.
- 3.76 Self-financing will help local authorities develop long term local asset management strategies. The predictability of longer term local investment plans for maintaining and improving homes and their surroundings should place authorities in a better position to manage the impact on leaseholders. This should help leaseholders to prepare for future costs and enable local authorities to provide better information on costs for prospective leaseholders.

What are your views on the proposals for the financial, regulatory and accounting framework for self-financing?

How much new supply could this settlement enable you to deliver, if combined with social housing grant?

Section 4

Implementing reform

- 4.1 Local government has been calling for reform of the council housing finance system for many years. There has been strong, broad support for a developed system which ends the need to redistribute income between councils. The responses to the consultation in July 2009 confirmed this strong support for the principles of self-financing, and a desire for the Government to make a firm proposal. Many local authorities were keen to proceed quickly towards implementation once details of the proposal were known.
- 4.2 However it is also recognised that self-financing is a major task and all aspects of the proposal need to be fully worked through and considered by central and local government before implementation. New skills and capacity will be needed for some local authorities to make a success of self-financing. New risks and opportunities will certainly emerge.
- 4.3 This paper now provides the information local authorities need to decide whether they would wish to proceed and implement this new system.
- 4.4 If there is agreement, Government proposes to work towards voluntary implementation from 2011/12, subject to confirmation at the next Spending Review. This would be achieved through existing powers in the Local Government and Housing Act 1989 (inserted by section 313 of the Housing and Regeneration Act 2008) which allow for individual agreements between local authorities and Government to exclude specified housing stock from the HRA subsidy system. Such agreements would need to be in a standard form, reflecting an offer that was available to all local authorities. It would not be possible to enter into bespoke agreements based on individual negotiations.
- 4.5 Alternatively, we will seek to implement self-financing through new primary legislation. Subject to Parliamentary time, this could be as early as 2012/13.

Other changes

HRA ring-fence

- 4.6 This paper seeks views on further proposed update to guidance on the HRA ring-fence, which is attached at Annex D. The issue of the ring-fence was addressed in the Review of Council Housing Finance. Consultation responses indicate a broad consensus that the ring-fence should remain and any new guidance should retain as great a degree of local flexibility as possible consistent with national standards. Unless this consultation raises significant concerns, we propose to issue revised guidance in the summer.

Capital receipts

- 4.7 Changes to the rules on capital receipts would be achieved by amendments to the Local Authorities (Capital Finance and Accounting) Regulations 2003 (SI No 3146), the detail of which will be consulted upon at a later date.

Do you favour a self-financing system for council housing or the continuation of a nationally redistributive subsidy system?

Would you wish to proceed to early voluntary implementation of self-financing on the basis of the methodology and principles proposed in this document?

Would you be ready to implement self-financing in 2011-12? If not, how much time do you think is required to prepare for implementation?

If you favour self-financing but do not wish to proceed on the basis of the proposals in this document, what are the reasons?

ANNEX A

Consultation questions

We have undertaken a screening of the reform of council housing finance for race, disability and gender equality. On the basis of the screening, which included analysis of responses to the consultation in July last year, we do not believe that any specific equalities impacts will arise. However, we are aware that this decision has been taken on the basis of limited evidence and respondents are invited to provide details of any likely differential impact on different equalities groups. Local authorities are also reminded to consider the need for Equality Impact Assessments when making policy decisions under self-financing.

Questions

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

ANNEX B

Glossary of terms

Actual debt	Actual HRA debt is unknown as authorities manage their debt portfolios in aggregate and do not keep track of loans taken out specifically for the HRA. The General Fund meets all costs initially and receives a contribution towards them from the HRA.
Actual rent	The rent charged by an authority to its tenants.
Arms Length Management Organisation	An independent body established by and outside a local authority to manage all or part of the council’s housing stock.
Capital Receipts	Payment received on the sale of a capital asset, e.g. the 25% un-pooled part of Right to Buy proceeds. Also receipts from LSVT, Social Homebuy or the sale of an authority’s land, which are not pooled if used for specified purposes such as affordable housing.
Circular 8/95	Circular established the principle of the HRA as a landlord account. It is based on a 1990’s outlook and needs updating to allow for change mechanisms and practices, and modern views on the widening role of the landlord, the services the landlord should provide and the appropriate allocation to HRA or General Fund.
Consolidated Rate of Interest	The average interest rate for the year on all money borrowed by an LA (not just relating to the HRA), including temporary borrowing. It is unique to each LA and depends on the proportion and level of fixed and variable interest rates, the historical profile of borrowing and the LAs debt management policy over the years.
Core (landlord) services	Core or essential services include letting, rent and charge collection, maintenance and tenancy management. Non-core services include managing community facilities & open space, unadopted roads, housing register, community safety and family support. Examples of more grey areas are anti-social behaviour and routes into employment.

Decent homes	Government defines a Decent Home as one which is weather tight, warm and has modern facilities. A universal set of standards is applied in the national programme to make all social housing decent, and Government is working to a target of 95% made decent by 2010, with the rest following soon after.
Determination	The annually set package of allowances given by Government to each local authority for the management, maintenance and repair of council housing.
Formula rent	The rent arising from the application of the national formula, which is being implemented over a 10 year period from 2002. The formula is based partly on the relative capital value of the property, partly on local manual earnings and partly on the number of bedrooms.
GDP deflator	An index used to estimate the real price of goods and services in the economy, calculated by dividing the total value of GDP by a measure of the real volume of GDP in the same period.
General Fund	This includes most of an authority's day to day spending and income, including some housing related elements (e.g. homelessness and maintaining the housing register). All spending and income relating to the management and maintenance of the housing stock is kept separately in the HRA, which is ring fenced from the General Fund.
Gross Domestic Product	The value of the national aggregate production of goods and services in the economy over a time period, usually a year.
Guideline rents	The notional rental income of an authority, used for calculating HRA subsidy.
Housing Revenue Account	A ring-fenced local authority account of all housing income and expenditure, required by statute.
Item 8	Item 8 of Parts I and II of Schedule 4 to the 1989 Act, requiring LAs to credit/debit their HRA using a formula. Credits are made for interest and debits for capital charges.
Large Scale Voluntary Transfer	The transfer of all housing stock, following a positive vote by tenants, from an authority to an existing, or newly established housing association.
Leaseholder charges	Charges to leaseholder made by the owner of the freehold, e.g. by an authority to the Right to Buy owner of a leasehold flat, for the maintenance of common areas.
Limit rents	The maximum rent for which DWP will fund Housing Benefit.

Major Repairs Allowance	The annual allowance provided by the Government for an authority to meet the ongoing capital costs of maintaining the current condition of its housing stock.
Major Repairs Reserve	Authorities are required to set up a Major Repairs Reserve and transfer into it a sum equal to the Major Repairs Allowance. This reserve can be used for capital expenditure on HRA assets or to repay borrowing and unspent money can be carried over to the following year.
Management and Maintenance Allowance	A part of the notional expenditure element of the HRA subsidy calculation which represents an estimate of each LA's relative need to spend on the management and maintenance of its housing stock.
Negative subsidy local authority	One that makes payments into the national subsidy system that redistributes surplus rental income.
Notional debt	A separate version of the HRA debt which is used for the purpose of assessing an LAs entitlement to HRA subsidy. This entitlement is the HRA Subsidy Capital Financing Requirement.
Opening debt, self financing	The level of an authority's debt at the outset of self financing, after payment of the self financing settlement.
Options appraisals	To provide the investment needed to make all social housing decent, CLG gave all authorities three options. These were establishing an ALMO, transferring stock to an RSL or entering into a PFI contract. Some authorities have opted for a mixture of these, or to retain their stock and to make it decent using their own resources.
Overhanging debt	Where the net receipt from a Large Scale Voluntary Transfer is not sufficient to cover the authority's notional housing debt the shortfall, or overhanging debt, can be paid by the Government.
Pooling, of capital receipts	A proportion of capital receipts from the sale of housing land and dwellings is pooled nationally – 75% of receipts from Right To Buy sales but not receipts from Large/Small Scale Voluntary transfers. For all other housing receipts, 75% is pooled from sales of homes, 50% from sales of land other HRA property.
Pooling, of rents & service charges	In 2004 authorities were advised by Government to de-pool, or separate, service charges and rents. Authorities vary in the extent to which they have done so.

Positive subsidy Local Authority	One that receives subsidy payments from the national subsidy system that redistributes surplus rental income.
Private Finance Initiative	In housing private finance initiative (PFI) schemes local authorities contract with private sector firms to improve, manage, maintain and build social housing.
Prudential code	A statutory system that combines self regulation and external audit, to control levels of local government debt by means of cyclically set prudential indicators.
Registered Social Landlord	Government funded not-for-profit organisations that provide affordable housing. They include housing associations, trusts and co-operatives. They work with local authorities to provide new affordable housing and perform a landlord function for their own stock.
Rent restructuring	The process whereby social rents are adjusted over time, with a view to achieving target rents on completion. Policy has been to work towards fair and affordable rents that are similar for similar properties in the same area, by gradually reducing the gap between local authority and RSL rents, and between RSL rents, to achieve rent convergence by 2012. Formula rents take account of the size and value of the property as well as local earnings.
Retail Prices Index	The monthly Index in the UK that demonstrates the movement of retail prices. It effectively shows the cost of living as it tracks the prices of UK consumer goods and services, including mortgage interest and rent.
Ring-Fence	The ring-fence prevents cross-subsidisation between the general fund and the HRA. Transfers across the ring-fence are exceptional and not routinely allowed.
Subsidy system, HRA	The system whereby an authority's assumed housing costs and income are assessed annually and deemed surplus income or shortfall is paid into or drawn from a national redistributive system, with national surplus or shortfall going to or being met by Government.
Target rent	<i>See rent restructuring.</i>
Tenanted Market Value	A method of valuing housing stock by valuing the associated future income and expenditure needs.

List of acronyms

ALMO	Arms Length Management Organisation
BRE	Building Research Establishment
CFR	Capital Financing Requirement
CIH	Chartered Institute of Housing
CIPFA	Chartered Institute of Public Finance and Accountancy
CLG	(Department for) Communities and Local Government
CRI	Consolidated Rate of Interest
DFG	Disabled Facilities Grant
DWP	Department for Work and Pensions
GDP	Gross Domestic Product
HCA	Homes and Communities Agency
HMT	Her Majesty's Treasury
HRA	Housing Revenue Account
HRACFR	HRA Capital Financing Requirement
HRAS	Housing Revenue Account Subsidy
KLOE	Key lines of enquiry
LSVT	Large Scale Voluntary Transfer
MRA	Major Repairs Allowance
NHF	National Housing Federation
PFI	Private Finance Initiative
RPI	Retail Prices Index
RSL	Registered Social Landlord
SCFR	Subsidy Capital Financing Requirement
TSA	Tenant Services Agency

ANNEX C

Uplifts in allowances for each council under the self-financing proposals relative to untransitionally protected allowances in the 2010/11 determination, based on a 7% discount rate.

	Management and Maintenance Uplift	MRA uplift without 10% Floor	MRA uplift with 10% Floor	Combined Allowance Uplift Without 10% Floor	Combined Allowance Uplift With 10% Floor
Adur	4.1%	24.6%	24.6%	10.5%	10.5%
Arun	2.6%	25.4%	26.6%	9.6%	10.0%
Ashfield	1.5%	32.4%	32.4%	10.2%	10.2%
Ashford	1.5%	34.6%	34.6%	11.4%	11.4%
Babergh	0.5%	38.3%	38.3%	12.4%	12.4%
Barking	6.2%	40.2%	40.2%	14.9%	14.9%
Barnet	7.0%	26.3%	26.3%	12.6%	12.6%
Barnsley	0.3%	42.8%	42.8%	12.1%	12.1%
Barrow	1.9%	21.7%	30.9%	7.4%	10.0%
Basildon	3.3%	27.2%	27.2%	10.7%	10.7%
Bassetlaw	1.6%	36.0%	36.0%	11.4%	11.4%
Birmingham	4.5%	25.9%	25.9%	10.2%	10.2%
Blackpool	4.5%	10.4%	25.1%	6.1%	10.0%
Bolsover	0.0%	38.9%	38.9%	11.0%	11.0%
Bolton	1.5%	34.6%	34.6%	10.4%	10.4%
Bournemouth	5.3%	25.7%	25.7%	11.2%	11.2%
Brent	9.6%	21.3%	21.3%	12.9%	12.9%
Brentwood	3.3%	22.4%	24.1%	9.5%	10.0%
Brighton & Hove	7.1%	21.5%	21.5%	11.3%	11.3%
Bristol	5.7%	31.6%	31.6%	12.7%	12.7%
Broxtowe	1.6%	22.9%	29.6%	8.0%	10.0%
Bury	0.9%	32.4%	33.8%	9.6%	10.0%
Cambridge	1.2%	26.3%	30.7%	8.7%	10.0%
Camden	12.9%	8.1%	8.1%	11.6%	11.6%

	Management and Maintenance Uplift	MRA uplift without 10% Floor	MRA uplift factor with 10% Floor	Combined Allowance Uplift Without 10% Floor	Combined Allowance Uplift With 10% Floor
Cannock Chase	0.3%	36.2%	36.2%	10.7%	10.7%
Canterbury	2.4%	28.2%	28.2%	10.5%	10.5%
Castle Point	0.6%	24.7%	28.7%	8.6%	10.0%
Central Beds UA	1.6%	29.4%	29.4%	10.1%	10.1%
Charnwood	2.9%	24.7%	27.3%	9.2%	10.0%
Cheltenham	5.6%	32.4%	32.4%	12.9%	12.9%
Cheshire West UA	2.0%	32.0%	32.0%	10.7%	10.7%
Chesterfield	3.3%	34.5%	34.5%	11.5%	11.5%
City of London	13.3%	4.7%	4.7%	11.0%	11.0%
City of York	3.3%	31.1%	31.1%	11.4%	11.4%
Colchester	1.6%	23.9%	29.0%	8.4%	10.0%
Corby	2.2%	34.0%	34.0%	11.1%	11.1%
Cornwall UA	0.6%	39.9%	39.9%	12.9%	12.9%
Crawley	2.2%	29.6%	29.6%	10.6%	10.6%
Croydon	6.9%	27.5%	27.5%	12.9%	12.9%
Dacorum	2.5%	30.1%	30.1%	11.3%	11.3%
Darlington	1.3%	21.5%	30.3%	7.3%	10.0%
Dartford	3.6%	29.9%	29.9%	11.1%	11.1%
Derby	1.6%	38.3%	38.3%	11.3%	11.3%
Doncaster	1.5%	41.7%	41.7%	12.2%	12.2%
Dover	1.0%	32.0%	32.0%	10.9%	10.9%
Dudley	3.1%	35.3%	35.3%	12.1%	12.1%
Durham UA	0.4%	39.9%	39.9%	11.7%	11.7%
Ealing	9.9%	18.9%	18.9%	12.4%	12.4%
East Devon	0.5%	42.0%	42.0%	13.6%	13.6%
East Riding	1.0%	28.0%	30.3%	9.3%	10.0%
Eastbourne	4.3%	28.0%	28.0%	11.3%	11.3%

	Management and Maintenance Uplift	MRA uplift without 10% Floor	MRA uplift factor with 10% Floor	Combined Allowance Uplift Without 10% Floor	Combined Allowance Uplift With 10% Floor
Enfield	8.6%	22.1%	22.1%	12.6%	12.6%
Epping Forest	3.1%	25.6%	25.6%	10.1%	10.1%
Exeter	4.9%	30.5%	30.5%	12.3%	12.3%
Fareham	3.4%	19.0%	24.7%	8.2%	10.0%
Gateshead	2.8%	31.1%	31.1%	10.9%	10.9%
Gloucester	1.8%	33.6%	33.6%	10.8%	10.8%
Gosport	3.0%	28.5%	28.5%	10.4%	10.4%
Gravesham	4.6%	27.8%	27.8%	11.5%	11.5%
Great Yarmouth	3.8%	27.1%	27.1%	10.4%	10.4%
Greenwich	9.8%	20.8%	20.8%	12.7%	12.7%
Guildford	1.9%	28.6%	28.6%	10.2%	10.2%
Hackney	12.4%	9.8%	9.8%	11.7%	11.7%
Hammersmith	12.4%	12.1%	12.1%	12.3%	12.3%
Haringey	9.1%	27.7%	27.7%	14.0%	14.0%
Harlow	4.1%	26.3%	26.3%	10.9%	10.9%
Harrogate	0.7%	22.3%	30.3%	7.5%	10.0%
Harrow	6.2%	31.6%	31.6%	13.6%	13.6%
Havering	4.8%	24.7%	24.7%	11.2%	11.2%
High Peak	0.7%	33.7%	33.7%	10.6%	10.6%
Hillingdon	4.5%	31.5%	31.5%	12.5%	12.5%
Hinckley	0.4%	33.9%	33.9%	10.5%	10.5%
Hounslow	9.1%	24.1%	24.1%	13.3%	13.3%
Ipswich	3.5%	34.4%	34.4%	12.2%	12.2%
Isles of Scilly	1.0%	21.1%	33.4%	6.6%	10.0%
Islington	13.0%	9.5%	9.5%	12.2%	12.2%
Kensington	11.5%	6.5%	6.6%	10.0%	10.0%
Kettering	1.6%	30.5%	30.5%	10.2%	10.2%
Kingston U Hull	2.6%	39.3%	39.3%	11.9%	11.9%

	Management and Maintenance Uplift	MRA uplift without 10% Floor	MRA uplift factor with 10% Floor	Combined Allowance Uplift Without 10% Floor	Combined Allowance Uplift With 10% Floor
Kingston u Thames	7.0%	19.4%	19.4%	10.7%	10.7%
Kirklees	1.9%	29.5%	31.3%	9.5%	10.0%
Lambeth	11.1%	14.8%	14.8%	12.1%	12.1%
Lancaster	3.4%	32.9%	32.9%	11.5%	11.5%
Leeds	4.2%	30.2%	30.2%	11.2%	11.2%
Leicester	4.5%	35.4%	35.4%	12.3%	12.3%
Lewes	2.7%	30.4%	30.4%	11.3%	11.3%
Lewisham	10.3%	16.6%	16.6%	11.9%	11.9%
Lincoln	5.3%	27.2%	27.2%	11.1%	11.1%
Luton	6.0%	24.5%	24.5%	11.3%	11.3%
Manchester	5.1%	29.5%	29.5%	10.5%	10.5%
Mansfield	0.9%	38.4%	38.4%	10.8%	10.8%
Medway Towns	3.8%	25.7%	25.7%	10.2%	10.2%
Melton	2.7%	28.7%	28.7%	10.5%	10.5%
Mid Devon	0.6%	47.7%	47.7%	15.1%	15.1%
Mid Suffolk	0.2%	47.8%	47.8%	14.7%	14.7%
Milton Keynes	2.2%	38.0%	38.0%	12.2%	12.2%
NE Derbyshire	0.3%	46.3%	46.3%	13.9%	13.9%
New Forest	1.1%	35.6%	35.6%	12.1%	12.1%
Newark	1.5%	34.1%	34.1%	11.4%	11.4%
Newcastle u Tyne	5.4%	25.2%	25.2%	10.8%	10.8%
Newham	8.0%	20.1%	20.1%	11.1%	11.1%
North Kesteven	0.6%	46.5%	46.5%	14.2%	14.2%
North Tyneside	1.7%	32.3%	32.3%	10.6%	10.6%

	Management and Maintenance Uplift	MRA uplift without 10% Floor	MRA uplift factor with 10% Floor	Combined Allowance Uplift Without 10% Floor	Combined Allowance Uplift With 10% Floor
North Warwick	2.6%	36.4%	36.4%	12.7%	12.7%
Northampton	5.6%	30.4%	30.4%	12.4%	12.4%
Northumbria UA	0.8%	41.8%	41.8%	13.1%	13.1%
Norwich	4.8%	29.5%	29.5%	11.4%	11.4%
Nottingham	4.4%	37.0%	37.0%	12.2%	12.2%
Nuneaton	3.4%	30.0%	30.0%	10.9%	10.9%
NW Leicester	0.2%	36.3%	36.3%	11.1%	11.1%
Oadby & Wigston	4.6%	23.9%	23.9%	10.2%	10.2%
Oldham	5.1%	24.3%	24.8%	9.9%	10.0%
Oxford City	5.2%	32.2%	32.2%	12.6%	12.6%
Poole	3.0%	25.1%	25.1%	10.1%	10.1%
Portsmouth	8.8%	15.1%	15.1%	10.5%	10.5%
Reading	4.3%	25.2%	27.2%	9.5%	10.0%
Redbridge	8.0%	21.2%	21.2%	12.0%	12.0%
Redditch	2.4%	33.7%	33.7%	11.5%	11.5%
Richmondshire	1.2%	32.0%	32.0%	10.6%	10.6%
Rochdale	4.1%	26.3%	27.1%	9.8%	10.0%
Rotherham	1.9%	35.5%	35.5%	11.5%	11.5%
Rugby	2.9%	28.2%	28.2%	10.3%	10.3%
Runnymede	1.9%	34.1%	34.1%	12.1%	12.1%
Salford	6.9%	25.0%	25.0%	11.5%	11.5%
Sandwell	2.9%	32.0%	32.0%	10.6%	10.6%
Sedgemoor	2.9%	36.5%	36.5%	12.9%	12.9%
Selby	0.1%	38.8%	38.8%	12.0%	12.0%
Sheffield	6.2%	25.6%	25.6%	11.3%	11.3%
Shepway	3.0%	31.0%	31.0%	11.4%	11.4%

	Management and Maintenance Uplift	MRA uplift without 10% Floor	MRA uplift factor with 10% Floor	Combined Allowance Uplift Without 10% Floor	Combined Allowance Uplift With 10% Floor
Shropshire UA	1.0%	36.4%	36.4%	11.7%	11.7%
Slough	5.0%	25.3%	25.3%	10.8%	10.8%
Solihull	4.5%	19.9%	23.0%	9.1%	10.0%
South Cambridge	0.1%	50.3%	50.3%	15.4%	15.4%
South Derby	0.6%	32.3%	32.3%	10.6%	10.6%
South Holland	0.1%	50.3%	50.3%	14.5%	14.5%
South Kesteven	1.3%	41.5%	41.5%	13.0%	13.0%
South Lakeland	1.2%	26.9%	29.2%	9.3%	10.0%
South Tyneside	2.1%	32.8%	32.8%	10.8%	10.8%
Southampton	8.3%	18.3%	18.3%	11.0%	11.0%
Southend-on-Sea	5.8%	17.6%	19.5%	9.4%	10.0%
Southwark	11.6%	10.9%	10.9%	11.5%	11.5%
St Albans	1.6%	29.5%	29.5%	10.5%	10.5%
Stevenage	2.4%	30.1%	30.1%	11.1%	11.1%
Stockport	4.4%	19.3%	23.4%	8.8%	10.0%
Stockton	2.3%	29.1%	29.2%	10.0%	10.0%
Stoke-on-Trent	1.2%	40.0%	40.0%	11.4%	11.4%
Stroud	1.3%	39.2%	39.2%	12.7%	12.7%
Sutton	4.8%	40.3%	40.3%	14.5%	14.5%
Swindon	2.1%	38.5%	38.5%	12.7%	12.7%
Tamworth	3.2%	34.8%	34.8%	11.9%	11.9%
Tandridge	1.8%	21.7%	27.2%	8.2%	10.0%
Taunton Deane	0.8%	41.4%	41.4%	12.9%	12.9%
Tendring	2.0%	21.9%	28.3%	8.0%	10.0%

	Management and Maintenance Uplift	MRA uplift without 10% Floor	MRA uplift factor with 10% Floor	Combined Allowance Uplift Without 10% Floor	Combined Allowance Uplift With 10% Floor
Thanet	7.2%	29.3%	29.3%	13.3%	13.3%
Thurrock	4.5%	28.4%	28.4%	11.6%	11.6%
Tower Hamlets	12.6%	7.8%	7.8%	11.3%	11.3%
Uttlesford	0.2%	36.6%	36.6%	11.9%	11.9%
Waltham Forest	7.0%	29.7%	29.7%	13.2%	13.2%
Wandsworth	11.2%	12.7%	12.7%	11.6%	11.6%
Warrington	1.1%	33.8%	33.9%	10.0%	10.0%
Warwick	4.0%	26.5%	26.5%	10.6%	10.6%
Waveney	1.6%	33.0%	33.0%	11.3%	11.3%
Waverley	0.7%	31.8%	31.8%	10.8%	10.8%
Wealden	0.8%	24.4%	28.5%	8.6%	10.0%
Welwyn Hatfield	2.6%	35.5%	35.5%	12.6%	12.6%
West Lancashire	2.9%	27.9%	27.9%	10.2%	10.2%
Westminster	11.9%	7.7%	7.7%	10.7%	10.7%
Wigan	1.3%	37.7%	37.7%	11.3%	11.3%
Wiltshire UA	1.6%	38.7%	38.7%	12.9%	12.9%
Winchester	0.7%	30.6%	30.6%	10.2%	10.2%
Woking	2.8%	25.4%	26.3%	9.7%	10.0%
Wokingham	1.2%	33.6%	33.6%	11.3%	11.3%
Wolverhampton	3.8%	28.0%	28.0%	10.2%	10.2%
Wycombe	2.0%	30.8%	30.8%	10.7%	10.7%

ANNEX D

Draft revised guidance on the operation of the HRA ring-fence

Introduction

1. This guidance is an updated version of Circular 8/95 published by the former Department of the Environment (DoE) and was developed with stakeholders as part of the joint CLG/HMT Review of Council Housing. It gives advice to local housing authorities in England on certain aspects of the Housing Revenue Account (“the HRA”).
2. DoE Circular 8/95 provided valuable advice and gave clarification as to whether various items of expenditure and income should be accounted for inside or outside the HRA. However, while that document was a useful expression of council housing management at the time, circumstances have changed. Estates are no longer purely council estates and it can be the case that council tenants are in the minority on some estates. The rising expectations of tenants and residents have also placed increasing demands on housing services, which are frequently being called upon to provide services to meet the needs of communities and neighbourhoods which are beyond the traditional remit of a landlord service.
3. This paper restates Ministers’ established policy for the HRA and introduces no new issues of principle. However it does highlight the need to be fair to both tenants and council tax payers and that there should be a fair and transparent apportionment of costs between the HRA and General Fund. Therefore this guidance serves to re-emphasise the already existing requirement for authorities to make contributions from the General Fund to the HRA when services are provided out of the HRA to the benefit of the community as a whole.
4. It is intended to be a helpful reference document for authorities, tenants and auditors alike. *This guidance is not intended as an authoritative statement of the law on the keeping of the HRA. Authorities should take their own legal and accounting advice as necessary and will need to satisfy their auditors about their decisions.*
5. At its most basic, when taking any decision on whether an item of expenditure or income potentially related to the administration of the housing stock should be accounted for in the HRA, the test that should be applied is “Who benefits?” That is to say, who is the major contributor of the item of income, or the major beneficiary of

the expenditure under consideration; should the HRA bear the full cost or only part, or should it benefit from the entirety of the income, or is some of it applicable to the General Fund?

6. In some cases, such as rental income, or expenditure on housing repairs, it is clear that the HRA is the correct accounting vehicle. Transactions concerning rent rebates and Housing Benefit are clearly placed in the general fund, but there is a substantial 'grey area' of items of income and expenditure where differing and perhaps unique local circumstances will suggest different solutions. These are the decisions where local flexibility is best employed using the "who benefits?" approach.

Statutory Background

7. Expenditure and income relating to property listed in section 74 of the Local Government and Housing Act 1989 ("the 1989 Act") must be accounted for in the HRA. This comprises mostly housing and other property provided by authorities under Part II of the Housing Act 1985 ("the 1985 Act"). Schedule 4 to the 1989 Act (as amended by section 127 of the Leasehold Reform, Housing and Urban Development Act 1993) specifies the debit and credit items to be recorded in the HRA. The Housing (Welfare Services) Order 1994 specifies the welfare services which must be accounted for outside the HRA.

General Principles

8. The statutory provisions referred to above reflect the Government's policy that the HRA remains a ring-fenced account within the General Fund and should still primarily be a landlord account, containing the income and expenditure arising from a housing authority's landlord functions.

Property in the HRA

9. The main consideration when deciding whether the costs and income associated with a particular property should be accounted for in the HRA is the powers under which the authority is currently providing that property, Section 74 of the 1989 Act sets out the property which must be accounted for in the HRA, by reference to the powers under which it is held.
10. A property has to be accounted for within the HRA if it is currently provided under Part II of the 1985 Act or any of the other powers specified in section 74 of the 1989 Act ("Part II housing"); the account also extends to any outstanding debts or receipts which arose when a property was so provided and which are still outstanding

following its disposal. If a property is not provided under the powers listed in section 74, or in directions under that section, the authority must not account for it in the HRA. The HRA (Exclusion of Leases) Direction 1997, made under section 74(3)(d) of the 1989 Act, requires that all leases for dwellings for a period of 10 years or less, must not be included in the HRA.

11. If an authority wishes to include in the HRA property which is ancillary to Part II housing but not up to now provided under Part II, it will be necessary to obtain consent from the Secretary of State under section 12 of the 1985 Act (see also section 15 of the 1985 Act for London authorities). Such applications will be considered on their individual merits.
12. Equally, properties which may originally have been provided under one of the powers in section 74 of the 1989 Act (or their predecessor powers) may no longer fulfil their original purpose. In these circumstances, the authority should consider their removal from the HRA. Examples of properties which might fall into this category are estate shops and other commercial premises, such as banks, post offices, workshops, public houses, industrial estates and surgeries, where there is no longer any connection with the local authority's housing. The decision is for the authority to take, though they should be able to explain the basis of the decision to their external auditor and tenants, if called upon to do so.
13. Authorities should have regard to the powers available to them to hold property when they are considering whether to appropriate it out of the HRA. Section 19(2) of the 1985 Act requires authorities to obtain the Secretary of State's consent before a house or part of a house can be appropriated for any other purpose. If a property is transferred between the HRA and any other revenue account within the General Fund, this will involve adjustments to HRA and HRA subsidy capital financing requirements, in accordance with the relevant determinations under Part VI of the 1989 Act.

Amenities

14. These include play and other recreational areas, grassed areas and gardens and community centres. In each case it is for the authority to form their own judgement on whether provision is proper under Part II of the 1985 Act and the extent to which the costs should be charged to the HRA. Much will depend upon local circumstances. Among the issues to be considered are the purpose of provision and the use made of the facilities by tenants and other people. There can only be a charge to the HRA where the amenities are provided and maintained in connection with Part II housing accommodation.

15. Where an amenity is shared by the community as a whole, the authority must have regard to paragraph 3 of Part III of Schedule 4 to the 1989 Act. This requires a contribution to be made from the General Fund to the HRA reflecting the general community's share of the amenity.

Management and Maintenance Services

16. The landlord is often best placed to provide wider services for neighbourhoods and communities that go beyond their traditional remit. Housing Quality Network (HQN) research into HRA management and maintenance costs found that *"A large and growing proportion of management costs, perhaps up to 40%, are being incurred in 'non-core' service areas and whilst a proportion of these costs are recovered through a diverse range of income streams including grants, service charges and other contributions, the net cost of these services is significant and growing."* In the light of this evidence there is a clear need to demonstrate transparency to both tenants and council tax payers that there is a fair apportionment of costs between the HRA and the General Fund.
17. To assist in determining what should and what should not be charged to the HRA management and maintenance services can be expressed as core, core plus or non-core services. This approach was developed by HQN in their above mentioned research.
18. While core-plus and non-core activities may attract funding from a variety of external sources to supplement the funding from the HRA, including non-rent service charges, other funding streams and grants, and the general fund. As a general approach, the net cost of core-plus services to the HRA should be taken into account through locally programmed management and maintenance provision, funded primarily from rental income.
19. Over time, non-core services should be regarded as services provided by the landlord but funded from sources other than rent. The degree to which these non-core activities attract alternative sources of funding, together with the degree they are taken up by the council's own tenants will also influence any decision on where they should be accounted for under the "Who Benefits" principle.
20. Where a council landlord is taking decisions concerning the correct place to account for new services, or is reviewing existing practice in the light of evolving circumstances, Communities and Local Government would expect that tenants should be consulted or otherwise involved in the decision-making process.

Core Services

- Repair and maintenance
 - Responsive
 - Planned and cyclical
 - Rechargeable repairs
- General tenancy management
 - Rent collection and arrears recovery
 - Service charge collection and recovery
 - Void and re-let management
 - Lettings and allocations of HRA properties only, any work carried out in respect of non HRA properties should be charged to the General Fund
 - Management of repairs
 - Anti Social Behaviour: low level
 - General advice on tenancy matters
- General estate management¹
 - Communal cleaning
 - Communal heating and lighting
 - Grounds maintenance
 - Community centres
 - Play areas
 - Estate officers and caretakers
 - Neighbourhood Wardens
 - Concierge
 - CCTV
- Policy and management
 - HRA share of strategic management costs
 - Setting of rent levels, service charges, and supporting people charges
 - Administration of the Right to Buy

¹ If any of the above services provided from the HRA in connection with Part II housing accommodation are shared by the community as a whole then a General Fund contribution to the HRA must be made to reflect the general communities share.

Core Plus Services

- Contribution to corporate Anti Social Behaviour services. Where the service is entirely charged to the General Fund it may be appropriate for the HRA to contribute to these costs
- Tenancy support
- Supporting people services – HRA housing related support services only e.g.
 - Sheltered accommodation wardens
 - Alarm services

Non-Core Services

It is the view of CLG that it is inappropriate to charge these services to the HRA. Their costs should be met from the General Fund.

- Administration of a common housing register – costs should be split between the HRA and General Fund
- Maintenance of tenant gardens – unless a separate charge is made for the service
- Street lighting
- Dog wardens
- Personal care services
- Homeless administration
- Housing advisory service

ISBN: 978-1-4098-2385-8

ISBN 978-14098-2385-8



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HOUSING SERVICE VISION: “Provide well-maintained homes and estates where people choose to live”

KEY TASKS FOR THE HOUSING SERVICE IN 2010/11

HOUSING OBJECTIVE	AREA OF WORK	CURRENT POSITION	PROPOSED ACTION WITH TARGET DATE FOR EACH	LEAD OFFICER	TARGET DATE FOR COMPLETION
Providing excellent customer-focused and accessible services	Choice-based Lettings	<ul style="list-style-type: none"> Policy to be agreed June 2010. Partnership agreement to be signed by end of June. ICT contract to be signed by end of June 2010. Implementation plan being progressed. 	Implement Choice-Based Lettings	Janice Sharp	End of financial year
	Homelessness: Advice and Assistance	The current county-wide Homelessness Strategy ended in 2010.	To work with other Cumbrian authorities through the Homeless Task Group to agree new strategy.	Janice Sharp	Dec 2010
Investing and maintaining housing and estates to the best possible standard with resources available	Housing Maintenance Contract	Existing contract to end November 2011.	Consider and prepare for the re-tendering of the Housing Maintenance Contract	Les Davies	End of financial year
	Stock Condition Survey	Survey complete	Consider evidence of Stock Condition Survey: 1. Agree plan for next five years of Investment Plan 2. Review draft Asset Management Plan and present to HMF	Les Davies Les Davies	17 June 2010 2 Dec 2010
Prudential financial management to ensure financial resources are used effectively and with regard to value for money	Homelink Service	Service provided under contract with the Supporting People Commissioning Body (SPCB). Following reduction in client base, the service is running a deficit. Discussions are ongoing with SPCB regarding viability of the service.	Prepare report outlining options for the service.	Colin Garnett	Sept 2010
	Review of Housing Revenue Account		1. Respond to consultancy paper 'Council Housing: A Real Future Prospectus' 2. Continue to work with ARCH on progress of review and review Barrow Plan in light of outcome of the review.	Colin Garnett Colin Garnett	4 July 2010 March 2011
Investing in Communities	Anti-social behaviour	<ul style="list-style-type: none"> Remains a key priority to tenants. New Service Level Agreement for advice now in place with ASB Action Ltd. 	<ul style="list-style-type: none"> To complete a consultation exercise with users of the service to review and agree local standards. Review operational procedures. 	Janice Sharp	Summer 2010
				Janice Sharp	Dec 2010

HOUSING OBJECTIVE	AREA OF WORK	CURRENT POSITION	PROPOSED ACTION WITH TARGET DATE FOR EACH	LEAD OFFICER	TARGET DATE FOR COMPLETION
Investing in Communities <i>continued</i>	Housing Strategy	The Council has participated in the development and implementation of a Cumbria Housing Strategy. This is due to end in 2010. Consideration of how the strategy should be updated is required.	To work with other Cumbrian councils through the Cumbria Housing Officers' Group to consider approach and re-draft the Strategy.	Colin Garnett	March 2011
	Financial Inclusion	Housing officers have improved the targeting of our resources to help assist tenants to manage their finances and minimise rent arrears. We have developed our relationship with the CAB to provide advice surgeries in our offices.	<ul style="list-style-type: none"> To continue to work with other agencies to develop a credit union within the Borough that is available to all. To work with other agencies to introduce a loan service for social tenants within the Borough. 	Colin Garnett	March 2011 Autumn 2010
Involving & Empowering Residents	Delivery of Community Involvement Strategy: <ol style="list-style-type: none"> Define/develop strategic aims Review existing involvement structure: <ul style="list-style-type: none"> Information Consultation Involvement/Influence Develop priorities for action: <ul style="list-style-type: none"> Provide customers with wide variety of involvement opportunities Keep customers informed of decisions, plans and changes that affect them. Maximise potential for customers to influence decision-making at all levels Build customer and community capacity to influence service delivery Achieve high customer satisfaction and value for money in involvement activities Review/develop service standards Review/develop performance management framework Monitoring/review/evaluation of strategy 	There is no current formal strategy in place although there are existing processes which give some structure to this area of work.	Set up strategy group of tenants and residents to look at each numbered point 1-6. It is anticipated that the group will have its first meeting in June 2010 with two further monthly meetings thereafter in July 2010 and August 2010 to deal with points 1-5. Point 6 is follow-up action to review whether the strategy has been delivered and will take place by January 2012.	Joanne O'Shea	Sept 2010
	Annual Report to TSA <ol style="list-style-type: none"> Review of services against national standards conducted by service managers Service managers produce brief report/action plan to Housing Manager following reviews Results shared with Tenants' Forum Report prepared 	As this is a new requirement, there has been no work done in this area although regulatory reporting is embodied into the structure from previous regulatory reporting requirements.	Each service manager will take responsibility for policy review and implementation of any action to meet the standard. The findings of all reviews and proposed actions will be presented to Tenants Forum in September 2010 for information and approval, where appropriate. This process will be co-ordinated by a lead officer who will then report to the TSA.	Joanne O'Shea	October 2010

HOUSING OBJECTIVE	AREA OF WORK	CURRENT POSITION	PROPOSED ACTION WITH TARGET DATE FOR EACH	LEAD OFFICER	TARGET DATE FOR COMPLETION
Involving & Empowering Residents <i>continued</i>	Progress Status Survey <ol style="list-style-type: none"> 1. Identify organisations for selective tendering 2. Consider tenders/quotes 3. Make decision on tenders/quotes 4. Commission survey 5. Evaluate results and publish 	Two providers identified to date. The Department for Communities and Local Government have asked providers to temporarily suspend their plans for the STATUS Survey	Subject to further guidance from the Department for Communities and Local Government, identify further providers and seek approval from Tenants' Forum on who should be commissioned. Aim to commission by end of July 2010 with evaluation of results by September 2010. These dates are subject to change.	Joanne O'Shea	Nov 2010 (may be subject to change)
	Develop Local Standards/Others <ol style="list-style-type: none"> 1. Seek interest for new Local Standards Steering Group. 2. Set up Steering Group – tenants/residents/staff. 3. Agree Local Standards: <ul style="list-style-type: none"> • Home • Tenant involvement and empowerment • Neighbourhood and community 4. Develop a performance management framework 	As this is a new requirement, no formal work has occurred in this area.	A Steering Group/Resident Scrutiny Panel will be formed to develop local standards. The Housing website, newsletter and TRA groups can be used to generate interest for the Steering Group. The group is expected to have up to 10 members and will be up and running by August 2010 with further monthly meetings until January 2011.	Joanne O'Shea	January 2011

Cumbria Choice
Sub Regional Choice Based Lettings
Allocations Policy – May 2010

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Summary of the Scheme

Cumbria Choice is a sub regional scheme for letting most of the social rented property in Cumbria. It is a partnership between the 6 Local Districts and 8 social housing providers.

It is managed through a web based computer system.

To be part of the scheme customers need to apply to the Common Housing Register. There is only one application form and customers will be placed on the register if they meet the eligibility criteria.

Priority for housing is awarded through a 'Banding' system that places people in one of four bands according to their housing needs.

The majority of properties are advertised and customers are able to exercise choice by registering an interest in the property.

Customers are only able to express an interest in properties that meet their requirements. For example adapted property and some ground floor accommodation will be for customers with medical needs and/or for older persons.

At the end of the advertising period a shortlist is compiled, taking into account: the band of the customer, the 'effective' date of the application, and any local connection.

Usual practice is that customers at the top of the shortlist are offered the property.

In certain situations exceptions to the policy will apply and these are detailed in the policy. These exceptions, such as 'direct lets' or 'local lettings policies' allow the individual partners to respond appropriately to certain individual housing need and to effectively manage their housing stock. All exceptions to the general policy will be recorded and monitored.

Section 1 Introduction and Background
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1.1 Cumbria Choice Sub Regional Choice Based Lettings

Cumbria Choice is a partnership scheme which has been developed to allocate social rented housing in Cumbria, through a choice based lettings system. It will operate a fair and transparent scheme; one that enables customers to have more choice about where they live.

Members of the partnership have developed and agreed this Allocations Policy for letting the property across the Sub Region. They have agreed one common housing register for people wanting access to social housing and one lettings policy.

The Cumbria Choice scheme is operated and managed through a shared web based computer system.

Guidance accompanies the policy to ensure partner organisations operate the scheme in a consistent manner.

The Partnership members are the 6 District Authorities in Cumbria, 8 Social Housing Providers and Cumbria Supporting People:

Allerdale Borough Council
Barrow Borough Council
Carlisle City Council
Copeland Borough Council
Eden District Council
South Lakeland District Council

Accent Housing
Derwent & Solway Housing
Eden Housing
Home Group including Copeland Homes
Impact Housing
Riverside
Two Castles Housing
South Lakes Housing

Cumbria Supporting People

- ❖ Contact details for all partners are listed in Appendix 2.

In developing this policy the partnership has referred to the following guidance and housing legislation:

- The Housing Act 1996 and the Homelessness Act 2002

- Office of the Deputy Prime Minister: Allocation of Accommodation - Code of Guidance For Local Housing Authorities. November 2002
- Department for Communities and Local Government: Allocation of Accommodation: Choice Based Lettings - Code of Guidance for Local Authorities 2008
- Department for Communities and Local Government: Fair and Flexible statutory guidance on social housing allocations for local authorities in England December 2009
- Department of Health: Housing Learning and Improvement Network – The impact of Choice Based Lettings on the access of vulnerable adults to social housing 2009
- Department for Communities and Local Government Circular 04/2009: Housing allocations – members of the armed forces
- Audit Commission: Housing Inspectorate Key Lines of Enquiry – Allocations and Lettings
- Homelessness Code of Guidance for Local Authorities 2006.

Equality

The partnership will ensure that its policy complies with the current equality legislation and with the relevant statutory codes and guidance.

An Equality Impact Assessment will be carried out on the policy and associated guidance and will be regularly reviewed.

1.2 Policy Statement

Cumbria Choice is the main route into social housing for the majority of people seeking such housing in Cumbria. This policy will aim to treat those applying to the scheme fairly; will be inclusive of all groups and the procedure will be transparent.

Cumbria Choice will provide greater choice for applicants but the demand for housing will continue to be greater than the supply. However through good quality feedback to customers the scheme will enable people to be clear about their prospects of being offered accommodation.

For people unlikely to be offered accommodation through the scheme there will be advice about alternative housing options. There will be information on the website and in written material on options such as; mutual exchanges, the private rented sector, low cost home ownership and shared ownership properties.

The partnership intends the allocation policy to have a positive effect on local communities by increasing tenant satisfaction with their housing, and by contributing to the development of stable communities. The partnership aims to provide a high quality service to its customers and intends to work together to continue to develop the scheme to find joint solutions to housing problems, including those of homelessness.

The partnership acknowledges that some customers applying to the scheme will not be eligible to register for housing due to previous unacceptable behaviour, such as anti-social behaviour. The policy aims to be open and transparent as to the reasons for exclusions and gives advice on the possible actions a customer can take to subsequently gain acceptance onto the register.

1.3 Aims of the Scheme

In developing this policy the Partnership has agreed the following aims:

To reduce the use of temporary accommodation for homeless applicants and to assist with prevention by making customers aware of their potential housing choices and the alternative options available to them eg. private sector, low cost home ownership.

To increase the availability of move-on accommodation to prevent 'blockages' in supported housing schemes.

To ensure a lettings service that embraces equality and diversity by being open and fully accessible to all individuals and to provide support to more vulnerable customers where required.

To improve the means by which local people in Cumbria gain access to social rented housing by providing a modern and easy to understand allocation system which allows choice and is fair, transparent and accountable.

To make the best use of the housing stock within the scheme.

To increase mobility by making available 10% of all properties to customers across Cumbria.

To attract new customers to areas of low demand and reduce void times on 'hard to let' properties.

1.4 Statement on Choice

The key underlying principle of the scheme is to give choice to customers who are looking to obtain housing in the social rented sector.

To ensure customers have choice the partnership will advertise the majority of its properties on a weekly basis through this scheme; property adverts will appear on its website and in newsletters available in the offices of all partner organisations and other appropriate sites to assist the public to access the scheme.

The Partnership will endeavour to ensure that property adverts are easy to read and will include information about the local area to allow customers to make the best informed choice about housing that is suitable for their needs.

It is the Cumbria Choice policy that wherever possible customers wanting social housing should be able to choose the property for which they wish to be considered. However there will be some instances where it will be necessary to make a 'direct let' of a property to a household; e.g. homeless households to whom there is a statutory duty to house; households at risk of violence. (See section 3.5: Direct Offers)

1.5 The Partnership

Cumbria Choice is managed by the Sub Regional Project Board which is governed by a 'partnership agreement'. Its members consist of one senior officer representative from each organisation within the partnership and two tenant representatives. Each organisation has one vote within the partnership. Tenant representation has one vote within the partnership.

The Project Board will meet at least six times a year to oversee the running of the scheme and to monitor its compliance with local and national policy and guidance. The partnership will continue to monitor, fund, develop and make policy decisions about the scheme as appropriate.

1.6 Equality and Diversity

Cumbria Choice is committed to ensuring that its policy and procedures in the letting of property is non-discriminatory. This includes promoting equality of access to the service.

The Partnership is committed to assisting all customers to access the service, taking account of vulnerability or other specific needs, and also the needs of different ethnic groups.

To identify the needs of our customers the application form will have specific questions relating to vulnerability, ethnic origin, sexual orientation, disabilities etc. This information will be used to monitor the impact of the policy on minority and specific needs groups and to make such amendments as may be required to ensure no group is disadvantaged by the policy.

1.7 Accessibility

The partnership recognises that a choice based letting scheme requires active participation by the customer which some may find difficult.

Local support groups and voluntary and statutory agencies have been involved in the development of this scheme to ensure that it is as accessible as possible to all groups within the community. The partnership will continue to work with these agencies to improve accessibility to the scheme.

Those needing support, advice or assistance will be identified through information given on the application form and also by staff, other professional and voluntary groups, and also the computer system which can be used to monitor whether some customers are not 'bidding' or are making inappropriate 'bids' (expressions of interest).

The Partnership has ensured that the system itself is accessible. Easy to read guides explaining how the scheme works will be sent to all customers when they request an application form and once they are registered. All forms and guides will be available on request in other formats and languages.

The Partnership will continue to widely publicise the scheme and will ensure that newsletters advertising the properties are widely distributed.

The Partnership has ensured that its own staff are fully trained and able to offer advice and assistance to individual customers through; front line staff, floating support workers, hostel staff and sheltered housing wardens.

Through ongoing liaison with a range of statutory and voluntary agencies, the partnership aims to ensure that high quality support is available to customers.

The ICT system will be used to monitor customer bidding patterns and will be used to identify those who are having difficulty using the system. In addition the outcomes for customers identified as having specific needs or coming from minority groups will be monitored to ensure they are as successful in gaining housing as other customers.

In exceptional circumstances 'automatic bidding' (see Appendix 1 definition of terms) will be available – this is not a preferred option as it reduces customer choice.

An Accessibility Policy accompanies the Cumbria Choice Scheme.

1.8 Monitoring

The partnership will continue to monitor the policy to ensure that its aims are being met.

Monitoring will be used to ensure that:

- Those in the 'reasonable preference' categories are given priority for housing (see section 3.1)
- Lettings are broadly proportionate to the profile of local communities
- Lettings within 'the bands' accords with the stated aims of the policy (see section 3.4)
- Customers in special needs groups are successfully accessing housing.
- There is overall customer satisfaction with the scheme.

1.9 Information sharing, confidentiality and data protection

Information received by a partner organisation in relation to a customers registration form will be treated in confidence in accordance with the Data Protection Act 1998.

Confidential Information held about customers will not be disclosed to third parties apart from:

- Where the individual has consented to the disclosure
- Where a partner organisation is required by law to make such a disclosure.
- Where disclosure is made in accordance with a recognised Information Sharing Protocol or for reasons of public protection.

Partner organisations will continue to develop Information Sharing Protocols within their own areas and where possible across Cumbria to enable consistency and good working practices between the partnership and other voluntary and statutory agencies.

Local Authorities have a duty under the freedom of Information Act with which they will comply. This duty does not apply to registered social housing providers.

The Partnership has agreed to operate one common housing register within the scheme. This is a single register for both new customers applying for property and existing tenants wanting a transfer. The single register enables customers applying to the scheme to access housing owned by each member of the Partnership by completing just one application form.

When shortlisting for properties there will usually be a priority given to customers with a local connection to the Local Authority area. However, there is a commitment to make 10% of vacancies available across the Sub Region without the requirement for a local connection to the Local Authority area in which the property is advertised. (see section 4.8 for definition of local connection)

2.1 Who can Apply

1. Anyone over 16 years – UNLESS:
 - i. They are a person from abroad and have been classed by the Secretary of State for Communities and Local Government as ineligible for housing.
 - ii. They or a member of their household is guilty of unacceptable behaviour serious enough to make them an unsuitable tenant.
2. Open Register: Cumbria Choice operates an open register and will accept all people regardless of their housing need or whether they are from outside Cumbria, subject to them meeting the eligibility criteria.
3. Joint Applicants: joint applications will be accepted and will be treated as one application. An applicant can only have one active application as a main applicant on the register. The housing need of the full household will be considered in assessing housing need. Joint applicants will normally be offered a joint tenancy.
4. Employees or their relatives: those working for, or elected to the Governing Body of a partner organisation, or, those related to such a person will be eligible to apply. Any offer of accommodation will be subject to the approval of the Governing Body of the organisation offering the property.
5. Owner Occupiers (and those with the financial means to purchase property):
 - These customers can register with the scheme people and will be assessed and placed in the appropriate 'banding' subject to an assessment of their financial means and ability to purchase suitable accommodation. If assessed as able to purchase

suitable accommodation they will be placed in the lowest 'banding'.

6. 16/17 year olds: young people aged 16/17 years will be able to register but will remain suspended until after they have reached 18 years unless:
 - They are accepted as requiring move-on accommodation following a successful period in a recognised supported housing scheme and have a move-on support package.
 - They are a homeless young person to whom a duty is owed under Part VII, Housing Act 1996 and a full housing and child in need assessment has been made by Children's Services.
 - They are referred by Children's Services following a housing and child in need assessment with a recommendation for housing having been made. This includes children leaving care.

7. Tenants of social housing organisations
 - Secure and assured tenants may apply to the Register at any time and will have their priority assessed in the same way as other customers.
 - Tenants with probationary or starter tenancies will not be able to register until the completion of the 12 months probationary period and a secure or assured tenancy has been granted.
 - Some transfer moves are exempt from the requirements of Part 6 of the Housing Act 1996 and will be dealt with separately. This includes assignment or succession by a relative and mutual exchanges.
 - Tenants transferring within the Scheme will need to have no rent arrears and a satisfactory property report. However this may not necessarily be required if the need for rehousing is urgent.

8. Persons from Abroad
 - Housing authorities are required by law to establish if a person is eligible for housing or whether they are excluded from an allocation under the Asylum and Immigration Act 2002.
 - Where a person's eligibility for housing is unclear investigations will be undertaken to establish the person's entitlement for housing.

9. Prisoners: prisoners can register in the 6 month period prior to their date of release. They are able to express an interest in a property in the 2 week period prior to release but must be able to accept the tenancy on the date required by the housing provider.

Partner organisations will refer to the Cumbria Joint Protocol for Housing Offenders for guidance.

10. Ineligibility due to serious unacceptable behaviour

- Cumbria Choice expects customers registering for housing to be able to meet the standards of behaviour required of them by the tenancy agreements of partner organisations. Where customers current behaviour indicates that they would be unsuitable to be a tenant they will not be eligible to register with the scheme.
- Part 6 of the Housing Act 1996 as amended by the Homelessness Act 2002 (Section 160A (7)) allows the local authority to treat a person as ineligible where they or a member of their household has been guilty of behaviour serious enough to make him/her unsuitable to be a tenant and at the time of the application the customer is still unsuitable to be a tenant.
- Unacceptable behaviour includes but is not limited to:
 - Anti-social behaviour
 - Racial harassment and other hate related crimes
 - Criminal Behaviour
 - Violence
 - Violence or threats of violence to staff or the agents of partner organisations in the Cumbria Choice scheme
- The decision on whether an applicant is deemed to be ineligible will be made on a case by case basis.
- Where a customer is deemed to be ineligible to join the register they will be given the reasons for that decision and will have the right to request a review of that decision (Section 5).
- The full policy on the Eligibility criteria is listed in Appendix 3.

11. Suspension

- In cases of housing debt or where there is 'unacceptable behaviour' but of a less serious nature than that which would result in the applicant being deemed to be ineligible, the application will be 'suspended'.
- Customers whose application is suspended will have their application assessed and banded. They will accrue waiting time and will be advised of what will be required for the suspension to be lifted.
- The decision on whether an application is to be suspended will be made on a case by case basis.
- Where a customer's application has been suspended they will be given the reasons for that decision and will be advised of their right to request a review of that decision (Section 5).
- The full policy on the suspension criteria is listed in Appendix 3.

2.2 How to Apply

To join the Cumbria Choice register customers need to complete an application form. The form can be obtained from the offices of any partner agency or completed on line via the website.

The application form will be available in other formats and languages on request.

Customers will be required to sign a declaration to:

- Confirm that the information given is correct and that they will notify Cumbria Choice of any change in their circumstances.
- Give consent to allow enquiries to be made concerning their eligibility for housing and level of priority.
- Give consent to allow information to be provided to another partner organisation in the scheme.

Assistance is available for any customer who has difficulty in completing the form from any of the partner organisations.

Existing or previous tenants will be asked to provide a reference from their current or previous landlord. Alternatively, a character reference may be requested from a professional person who has known the customer for at least 2 years, if the customer has not held a previous tenancy. This applies to both customers where there is a joint application. In some circumstances additional information may be requested.

2.3 Police Checks/Information

Where a customer indicates on their form that they have an unspent criminal conviction a criminal records bureau check or further information will be sought about the offence(s). This will be done to establish whether the person has been involved in a serious crime(s) that would pose a serious risk to the community if they were to be housed within that community.

Information gained will not automatically exclude an applicant from the register. It may also be used to make informed decisions about any offer of a property.

2.4 Notification of registration

When an application is accepted onto the register the customer will be informed in writing and provided with the following information:

- Their registration date
- Their registration reference number

- The Band they have been placed in.
- A Priority Band date if that is different from their date of registration (see section 3.3; the 'effective' date)
- Their username and password for the Website.

If an application is moved into a higher priority band the 'effective date' is taken to be the date it was moved into the higher priority band. Where an application is moved out of a priority band the waiting time reverts to the original date of registration.

When customers receive their letter of registration they will also receive a guide to the Cumbria Choice Scheme. This will inform them about how the scheme works and will include such information as: how applications are banded; where to look for advertised properties; how to register an interest in a property, 'bid'; what checks are made before an offer is confirmed.

2.5 Changes in Circumstances

It is the responsibility of the customer to notify Cumbria Choice of any changes in their circumstances that could affect their application for housing. The application will be re-assessed and if appropriate placed in a different band.

2.6 Reviewing the Register

Each customer on the Common Housing Register will have their application reviewed annually. A letter will be sent to all customers requesting confirmation of details. If a reply is not received within 28 days of the date sent the application will be cancelled.

Customers registered in Bands A and B will be reviewed more regularly to ensure they are bidding for suitable properties. Monitoring of number(s) of 'bids' made (or lack of) will be used to identify where assistance to customers may be needed.

2.7 Cancelling Applications

An application will be cancelled from the housing register in the following circumstances:

- i. At the customers request.
- ii. If the customer becomes ineligible for housing on grounds of their behaviour.
- iii. When the customer has been housed.
- iv. When a social housing tenant completes a mutual exchange.
- v. On failure to reply to a review letter or requests for further information within a given time period.
- vi. Where it is discovered that the customer has given false or misleading information

In circumstances (ii) and (vi) the customer will be notified in writing and informed of the reason why their registration has been cancelled and of their right to request a review of that decision.

In circumstance (v) the customer will be notified in writing that their registration has been cancelled. The application will be re-instated if the applicant contacts Cumbria Choice within 28 days of being notified of the cancellation.

2.8 Giving False Information

Under section 171 of the 1996 Housing Act it is a criminal offence for anyone applying for housing from a housing authority to knowingly give false information or to withhold information which is relevant to their application. An offence is also committed if a person allows a third party to provide false information on their behalf.

Customers who are found to have withheld or given false information will be removed from the register for 12 months. The customer will be informed in writing of the decision and advised of their right to request a review.

Where a tenancy has been awarded action may be taken with regard to that tenancy.

2.9. Deliberate Worsening of Circumstances.

In certain circumstances a customer's priority will be reduced where there is evidence that they have deliberately made their housing situation worse in order to gain a higher priority for housing.

3.1 Priority for Housing

To determine the priority of customers for housing a Banding Scheme has been used. The scheme has 4 Bands. Those assessed with a medium to high need for housing will be placed in one of three priority Bands. The priority bands are: Band A; Band B; and Band C, with Band A being the highest priority. Those with low level or no housing need will be placed in Band D.

In framing this policy and to ensure that those in greatest need are given preference for an allocation of accommodation, the partnership has taken into account the categories of people that must be given reasonable preference by Local Authorities, as set out in section 167(2) of the Housing Act 1996 and the Homelessness Act 2002:

- People who are homeless, as defined by Section 175 Part VII of the 1996 Housing Act.
- People that have been found in priority need for accommodation by the local authority under section 190(2), 193(2), or 195(2) of the Housing Act 1996 or under S65(2) or S68(2) of the Housing Act 1985.
- People that are occupying a property secured by the local authority under Section 195(3) of the Housing Act 1996 (persons not in priority need who are not intentionally homeless)
- People occupying unsanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions
- People who need to move on medical or welfare grounds, including grounds relating to disability
- People who need to move to a particular locality in the district of the housing authority, where failure to meet that need would cause hardship to themselves or others.

Whilst Housing Authorities are required to give reasonable preference to the above groups they will not necessarily be given the same degree of preference. Housing Authorities are able to give additional preference in their allocation policy to households who have a particular urgent need for housing.

To ensure allocation policies meet local housing needs housing authorities are also able to give priority to other groups who are outside these reasonable preference categories as long as they do not dominate the scheme at the expense of those listed in the reasonable preference categories.

3.2 Cumulative Needs

This scheme takes account of customers who have more than one housing need and gives them additional priority e.g. a medical need and living in overcrowded conditions. They are placed in Band B.

3.3 Waiting Time – The ‘Effective’ Date

Priority is given to customers depending on their housing need but significant importance is also given to the length of time the customer has waited for a property. Priority within each Band is determined by the length of time the application has been placed in that Band. This is either the date of registration or the date of entry into a priority band.

Where a customer moves out of a priority band and into Band D their effective date will return to their date of registration.

3.4 The Banding Scheme

Customers applying for housing will have their housing need assessed in accordance with the following housing need categories and be placed in one of the four bands.

Information from the registration form will be used to assess housing need. In certain circumstances the customer may be required to provide additional information to enable a correct assessment of their current housing situation. Where appropriate, customers experiencing severe housing problems will be directed to voluntary and statutory agencies, for example the Local Authority Homelessness Section.

The customer's need for housing will be assessed when they first apply to join the register. At offer stage a further check will be carried out to confirm the housing situation and that there has been no change of circumstances.

Customers will be advised in writing of their band and will be advised of their right to a review if they believe that have been placed in an incorrect Band.

Band A: Urgent Need for Housing

a) Statutory Homeless

Households that have been accepted by a participating local authority as unintentionally homeless, in priority need and with a local connection to that area.

b) Victims of Domestic Abuse

Priority will be given following an assessment made by the Local Authority or in the case of an existing social housing tenant by the relevant partner landlord.

c) Severe Harassment and Hate Crime

Victims of severe harassment and hate crimes where there is an urgent need to leave the property through violence or the threat of violence to the household or property.

Priority will be given following an assessment made by the Local Authority or in the case of an existing social housing tenant by the relevant partner landlord.

d) Severe Medical Need

- A person within the household who is living in or unable to return to a property due to a medical condition which prevents them from being able to access the property or necessary facilities at the property e.g. toilet and/or bathroom or there is significant risk of harm to them when accessing facilities.
- Armed Forces personnel who need to move to suitable adapted accommodation because of a serious injury, medical condition or disability which he or she or a member of their household, has sustained as a result of service.
Customers will be required to complete a medical questionnaire to establish their medical need.
- People who have an urgent need for accommodation due to a severe mental health or learning disability which significantly affects their ability to lead a normal life and which puts them at risk of admission to hospital or residential care. Confirmation of this will need to be provided by a Doctor, specialist, or relevant professional.

e) Statutory Overcrowding

Households who have been assessed by Environmental Health as statutorily overcrowded as defined by the Housing Act 1985.

f) Unfit Properties

Households living in unsafe or unfit conditions as defined by the Housing Health and Safety Rating System and where there is a high risk of harm and intervention by the Local Authority on the grounds that the property is uninhabitable.

Owner occupiers will only be considered if they are elderly, disabled or have a mental health problem and their property is uninhabitable because it has fallen into disrepair and they do not have the financial means to repair the property themselves.

g) Demolition or Regeneration Area

People losing their home due to a regeneration scheme within the area of one of the partner organisations; this includes council tenants, registered social landlord tenants, private tenants and owner occupiers living within the boundary of the regeneration area who need to move.

People living-in, with the main household, who require their own accommodation will qualify if it is their main or sole residency, are eligible to register with the scheme and can prove at least 12 months residency.

If it is deemed necessary to complete the regeneration programme additional priority by way of increased time within the Band will be given. This will be done after consultation with the Local Authority and other partner organisations within the regeneration area. Additional waiting time of up to 6 months can be awarded and will be given as it relates to the phasing requirements of the regeneration area.

Band B: High Need for Housing

a) Cumulative Preference

Where households have two or more of the following housing needs as listed in Band C, they will be awarded increased priority and placed in Band B:

- Harassment and hate crime
- Households needing to move to a particular locality on hardship Grounds
- Households overcrowded
- Households who lack or share facilities
- Medium medical need

b) Supported Accommodation

People who have been living in supported accommodation for at least 6 months and who have been assessed as ready for independent living. This must be confirmed in writing by the support agency.

Customers can register when they move into supported accommodation and will be initially placed in the lowest banding. If they are later given Band B priority their effective date of registration will be taken as the date they moved into that providers supported housing.

c) Homelessness Prevention

Customers who are at risk of homelessness within 90 days, following an assessment made by a participating Local Authority's Housing Options Team where it is accepted that there would be a statutory homeless duty should a homelessness application be made later.

d) Children in Need

Young People who are referred by Children's Services following a housing and child in need assessment with a recommendation for housing having been made. This includes children leaving care.

All referrals by Children's Services will be made following the Joint Protocol – currently the Interim Protocol 16-17 year old presentations in relation to accommodation (March 2010) in Cumbria

e) Under Occupation

Social housing tenants of the partner organisations where they are now under occupying a house by 2 or more bedrooms.

Applicants will not be considered where they under occupied a property from the start of the tenancy.

Band C: Medium Need for Housing

a) Non-Priority Homeless

- Households who have been accepted by a participating Local Authority as homeless but who have no priority need or are found to be 'intentionally homeless'.
- Households who are no longer owed the main homelessness duty as a result of refusing a reasonable offer of accommodation under sections 193(7) and 202 of the 1996 Housing Act.

b) Private Sector Tenancy

Households in a private tenancy who are likely to be homeless in 8 weeks. Customers will need to supply the legal Notice to Quit confirming the date the tenancy is due to end.

c) Harassment and Hate Crime

Households where there is evidence of persistent harassment. This is harassment that has had a detrimental effect on the lives of the applicant and their family but which has not led and is unlikely to lead to imminent violence or damage to their property.

d) Households Needing to Move to a Particular Locality on Hardship Grounds

Household who need to move to a particular locality within Cumbria to avoid hardship to themselves or others. This would include but is not limited to, people needing to move for employment, or to be near relatives to give or receive support. It would need to be seen as unreasonable to expect them to commute from their current home.

Customers would need to provide evidence of their need to move e.g. employer or health professional.

Where the move is to another Local Authority area within the scheme the customer would not need to have a local connection. They would however only receive priority for the Local Authority area into which they need to move.

e) Households Overcrowded

Overcrowding is assessed on the number of people within the household and the number of bedrooms in the property. See Appendix 4.

Families who have chosen to allow other persons to move into the property will not be considered overcrowded.

People who have access arrangements will not be considered as overcrowded as the children's main home will be classed as being with the partner who claims child benefit.

f) Unsatisfactory Housing

- Households who are sharing facilities with other people, to whom they are not related and who are not members of the same household.
- Households without access to the following:
 - Bath or shower
 - Inside toilet
 - Cooking facilities
 - Running hot water supply
 - Electric/gas needed for essential services

g) Medical Need

The customer has a medical condition that makes using toilet and bathroom facilities within the property difficult and they would benefit from alternative accommodation.

Customers will be required to complete a medical questionnaire to establish their medical need.

h) Under occupation

Social housing tenants of the partner organisations that are now under occupying a house by 1 bedroom.

Applicants will not be considered where they under occupied a property from the start of the tenancy.

Band D: Low Need for Housing

People assessed as having low or no identified housing need.

3.5 Direct Offers

In some circumstances a property will be let directly to an applicant without being advertised. This is when: a sensitive letting is required due to the person's previous history; where there is an urgent need for housing and it would cause serious hardship or risk to the customer if they were required to bid for a property; there is a need to make best use of the housing stock or for other housing management reasons.

This is not an exhaustive list but examples of these instances are:

- Tenants of partner organisations that need to move on a temporary basis due to a fire or flood.
- People who are at imminent risk of violence and are to be housed through a witness protection programme.
- Vulnerable people who are to be housed as part of a multi-agency protocol where a full support package is in place.
- Where an existing social housing tenant is required to move to make best use of stock and suitable accommodation has not been secured through the Scheme e.g. to make available a fully adapted property, urgently required by a priority customer.
- Where there is a need agreed between housing and social services to provide a specific property for vulnerable individuals. For example where a property is required for people with learning disabilities to live together with support.
- Where a sensitive letting is required for a particular property because of previous issues of drug dealing, violence, public protection or anti-social behaviour.

When a direct let is made this information will be included in the lettings results which are published.

3.6 Homeless Households

Homeless applications will continue to be dealt with by the appropriate Local Authority in accordance with the relevant legislation and codes of guidance - this includes dealing with appeals and reviews. Information regarding homelessness will be provided to homeless applicants by the Local Authority (or Local Authority agent).

However a key aim of the Cumbria Choice scheme is to address the issues of homelessness within the County and through the partnership to provide an improved service to those either homeless or threatened with homeless.

This will be achieved through sharing good practice and developing initiatives across the partnership. Through the use and development of improved ICT systems homeless households will be able to identify the housing options available to them and to have an informed view of how they can best resolve their housing needs.

Homeless households and those threatened with homelessness will have greater control and choice over where they live and through assisting them with these decisions the scheme aims to increase their commitment to both the home and the community into which they move.

Households who are found homeless or at risk of homelessness, in priority need and are unintentionally homeless, and, to whom a Local Authority has a duty under Part VII of the 1996 Housing Act will be placed in Band A. (Band A priority which is given on this basis will only apply to the Local Authority in which the homeless duty is owed).

These households will be able to bid for properties during a 6 week period. During this time the bidding pattern of such customers will be monitored to ensure that they are bidding and to identify those who are in need of further advice and assistance to help them through the process.

After the 6 week period, partner organisations have the right to place a bid on behalf of the homeless household. Where the bid is successful it will constitute an offer of accommodation in accordance with section 193(7) and 202 of the 1996 Housing Act. The offer will be made in writing and subject to appeal.

The homelessness duty will be discharged if an offer is made as a result of a successful bid on a suitable property.

Households who are no longer owed the main homelessness duty due to refusing a reasonable offer will be placed in Band C.

3.7 Households with a Disability

The scheme enables customers who require adaptations to 'bid' for any property in the scheme. The customer will be considered for the property on the same basis as the other applicants who have placed 'bids'.

Adapted properties or properties designed to disability standards are included within the scheme and will be offered firstly to those customers with a need for this property type. This will be made clear in the advert as well as information within the advert about the actual adaptations/accessible features.

3.8 Serious Offenders and Public Protection

Cumbria Choice will work with the Police and Probation Service through the Housing Offenders Protocol to manage any risk posed to the public.

Officers will attend case conferences and work with agencies where cases are referred to the Multi-Agency Public Protection Panel. A range of housing options will need to be considered and the partnership will seek to assist in identifying appropriate housing that meets the needs of the customer and the community.

In some circumstances this may restrict the choice of property available to the customer but they will wherever possible be given the opportunity to exercise some choice.

4.1 Advertising the Properties

Choice based lettings are about the customer having choice in where they live. Properties will be advertised and customers will be able to indicate the properties for which they want to be considered by 'bidding'. Once the bidding process closes a shortlist will be compiled and the property allocated taking account of the banding priority of the applications and their time waiting.

The partnership organisations have agreed to advertise the majority of their properties through Cumbria Choice. Properties will be advertised on a weekly basis on both the website and in newsletter form.

Properties will be advertised in an easy to read format. They will usually include a picture of the property or scheme in which it is located. Property adverts will include details of the property and will indicate suitable household size as well as giving information about the local area. They will (where appropriate) indicate the priority band of customers eligible to apply. The properties will clearly indicate which housing organisation is the Landlord.

Properties may be advertised during the 4 week notice period given by an outgoing tenant. If the notice is subsequently withdrawn by the tenant the property will therefore be unavailable to let.

All categories of properties will be advertised. General needs properties; properties that have been adapted for those with disabilities; properties that are specifically for the elderly and which may have a warden and/or an emergency call system. Adverts will clearly indicate any restrictions on bidding e.g. where properties have been adapted and/or are specifically for people with disabilities.

Bids from customers will only be accepted if they meet all of the eligibility criteria for the property.

4.2 Extra Care Properties

Properties which provide extra care facilities are provided under the Supporting People Programme. Customers requiring these properties will need to apply direct to the provider.

4.3 Sheltered Housing

Sheltered accommodation is included within the scheme. It is generally for people of 60 years and older and offers independent living with the added security and support of a warden service. In certain circumstances it may be

advertised for people less than 60 years. Property advertisements will clearly state the age requirements of customers able to 'bid' for a property.

4.4 Quota system

To allow customers in lower priority bands access to housing a quota system will be used. This allows a proportion of properties to be advertised as available only to those in a specific band. The system will be monitored to ensure that it does not operate to the detriment of those with a higher need for housing.

Local Authorities will individually agree the quota systems in their own areas in conjunction with their partner social housing providers. They will be individually decided to meet local requirements.

Partners will have formal agreements with the relevant local authority, specifying the % lets for each band. These will be reviewed by the partnership on an annual basis.

4.5 Re-advertised Properties

Where a property is being advertised for a second time due to no suitable applicants having bid initially, it may be offered on the basis of the first to place a bid. This will be dependant on the property type and an assessment of the reason for lack of bids. The customer will still need to meet any eligibility criteria.

4.6 The 'Bidding' process

Properties are advertised on a weekly cycle. Customers may bid on any advertised property that meets their needs. They are able to place up to 3 bids each week.

Bids can be made in a number of ways: on the website using the username and password; by telephoning or visiting the office of a partner organisation; by mail; by automated telephone bidding; by proxy bidding (see below 4.7).

A person may bid for any suitable property advertised in the scheme; this means any area covered by the scheme and any landlord advertising in the scheme. Bidding is not restricted to areas where a person may have a local connection unless the advert specifies 'local connection only'.

If a customer is bidding for more than one property they must indicate their order of preference. Customers are able to check their position on the list at the time of the bid, together with the total number of bids already placed. This allows customers to make decisions about their choice of property and the likelihood of being successful. Within the bidding period, customers may withdraw bids and make further bids.

Only the customer whose bid is successful will be contacted.

4.7 Proxy Bids

The relevant Local Authority will be able to place bids on behalf of homeless households who have not made bids or not made any successful bids during the 6 week period. They will give due consideration as to whether it would be a 'suitable offer' should the bid be successful.

It is also appreciated that there will be a number of vulnerable customers who will require agencies to make bids on their behalf. Proxy bids will be taken from agencies and support groups where a formal arrangement has been agreed and the customer gives their consent for bids to be made on their behalf.

4.8 Shortlisting

At the end of the advertising period a shortlist of suitable applicants will be produced by the web based IT system.

Where priority is to be given to applicants with a local connection to the area this will be reflected in the shortlist. See local connection 4.9

The customer at the top of the shortlist will be made the offer unless there is reason not to do so. See 'The offer' 4.11.

Where a customer is at the top of more than one short list they will be offered the property of their first preference. Where there are two households with the same band and length of time on the register a decision to offer the property will be based on the household who would be most suitable for the property type.

Where the property advert has indicated specific requirements such as age or accessibility, only those applicants meeting those requirements will be eligible for an offer.

4.9 Local Connection

In situations where priority is to be given to applicants with a local connection the process will be:

- Banding priority will apply
- Within each Band those with a local connection to the Local Authority in which the property is located will be given a higher priority than those whose local connection is with other Cumbrian Authorities.
- Customers with no local connection to any Local Authority partner organisation within the Cumbria Choice scheme will be given the lowest priority.

Properties where no local connection is required will be identified through information given in the advert.

For some towns and villages where there is a high demand for housing additional priority will be given to customers who have a local connection to the particular town or village. Advert details will state where a customer having a local connection to the specific town or village will be given priority.

A local connection means that a customer has either:

- been resident in the Local Authority area or specified town/village for at least 6 out of the past 12 months or 3 out of the past 5 years.
- Is at present employed in the district or specified town/village. The local authority should obtain confirmation from the employer that the person is in employment and that the employment is not of a casual nature.
- Has close family connection with someone who lives in the Local Authority area or specified town/village. Family connection means: parents, adult children or brothers or sisters and foster carers or guardians who have been resident in the district for a period of at least 5 years.
- There are special circumstances which are considered to give rise to a local connection with the Local Authority area or specified town/village. For example this would include ex-servicemen.

The partnership aims to improve mobility within the sub region and will advertise at least 10% of all partner organisation properties to all customers across the sub region regardless of local connection.

4.10 Section 106's

Under the Planning Act some developments are subject to Section 106. This requires property to be let to customers with a local connection to stated Parishes. Where this applies only those applicants meeting the requirements of the Section 106 will be eligible for an offer of a property.

Advert details will state when the letting of a property is governed by a Section 106.

4.11 The Offer

Prior to an offer being made the landlord of the advertised property will carry out a further verification of the customer's eligibility and priority. In certain situations the offer will not be made:

- If since joining the scheme an applicant has become ineligible.
- On verification of the applicants' details, the priority band was found to have been incorrectly awarded.

- The applicants' circumstances have changed since the priority band was awarded and the applicant is no longer entitled to the same level of priority.
- The partner landlord has good housing management reason not to offer a property.

When an offer of the property is made the customer will be required to bring proof of their identity to the viewing; passport, photo driving licence, birth certificate etc.

4.12 Refusing and Non Replies to Offers

Customers will not be penalised for refusing an offer. They will continue to be able to bid for other properties.

Note: those household accepted as statutorily homeless and owed a duty to house will lose their priority status if they refuse a 'suitable offer of accommodation'.

If a customer does not reply to an offer within 2 working days of receiving the offer it is deemed to have been refused and the property will be offered to the second customer on the shortlist.

Where the customer has given their consent for someone to either act on their behalf or receive the offer, we will ensure notification is provided to them.

4.13 Local Lettings

Partner organisations may draw up local lettings policies for an area or estate to meet the specific needs of that local community. Local lettings policies may be used to tackle particular management problems and/or to address imbalances in the community.

Schemes will be drawn up where either, local residents or partner organisations have identified its benefit to the local community. These arrangements will be agreed and reviewed by the Partnership.

Where such a scheme applies a property may not always be offered to the bidder with the highest priority. Local Lettings schemes will be publicised to ensure openness and transparency in the lettings process.

4.14 Feedback on Lettings

A main aim of the Cumbria Choice scheme is to operate an open and transparent lettings system.

The result of lettings made through the scheme will be published on the Cumbria Choice web site.

Customers who want to query a decision made in relation to their application to register and any other subsequent decisions are first able to speak to the Officer making the decision to have that decision clarified or amended. This is outside the review process and does not affect a customer's right to ask for a formal review of the decision.

5.1 There is a right to a review of a decision in the following situations:

- The customer disagrees with the band in which they have been placed.
- The customer considers that a decision has been reached based on incorrect information.
- The customer has been treated as ineligible on the basis of their immigration status.
- They have been treated as ineligible to join the register due to serious unacceptable behaviour.
- They have had their application suspended.

5.2 Customers will be notified in writing of decisions made in respect of the review and will be advised of their right to request a further review of that decision.

5.3 Where a customer is excluded or suspended from the Register they will be given full information on the reason for the decision. They will be advised of what action they need to take to rectify the situation and any appropriate advice or assistance available.

5.4 Customers must request a review of a decision within 14 days of being notified in writing, unless there are exceptional circumstances.

5.5 Customers must contact the partner organisation dealing with their application and will be advised to put their request in writing. However they are able to telephone or visit an office in person and request that their request for a review is taken in writing by an Officer. They must give reasons why they believe an incorrect decision has been made.

5.6 The review will be carried out by a senior officer in the organisation dealing with the application. That officer will not have been involved in making the original decision.

5.7 Cumbria Choice will aim to complete and inform the applicant in writing of the decision within 21 working days, after taking into account any additional information that has been provided by the customer. Alternatively, the customer will be advised of any time extension required to make the decision.

- 5.8 The customer will be advised of the reasons for the decision and their right to request a further review if they are dissatisfied with the decision.
- 5.9 Customers must request a further review within 14 days of being notified in writing of the review decision. Customers will only be entitled to a further review if they have new information relevant to their case, that they want the review panel to consider.
- 5.10 Customers will be required to request a further review in writing and to submit additional information with their request. They will be advised that they are able to seek assistance from the partner organisation to make this request.
- 5.11 A review of the decision will be considered by a panel of at least 2 officers from within the partnership and one tenant representative. It will not include officers from the organisation that dealt with the review.
- 5.12 Cumbria Choice will aim to complete the second review and inform the applicant in writing, of the decision within 21 days of receiving all information from the customer. This period may be extended on notification to the customer.
- 5.13 A customer still has the right to continue with their complaint to the Ombudsman service.

6.1 Appendix 1 – Definition of Terms

Choice Based Lettings (CBL) - The system of letting property that gives customers choice in where they live through advertising property.

Common Housing Register – One list for all of Cumbria of people applying for social housing (previously ‘housing waiting lists’).

Banding Scheme – the method by which customers are prioritised for social housing (previously ‘points schemes’).

Customers - those people applying to the scheme for housing.

Bidding - the term used to describe people who register an interest in a property (no money is involved in making the bid).

Adapted Property - property that is suitable for those with a physical disability i.e. where a stair lift has been fitted.

Effective Date - the date used to decide between customers in the same Band to establish who has waited longest.

The Partnership – the name for the District Councils and housing organisations that have funded, developed and continue to operate the scheme.

Letting Policy - the means by which it is decided how property will be offered to customers.

Local Lettings - short term policy made in local areas (to tackle specific, identified housing management issues) on how property will be offered that differs in some part from the overall scheme policy.

Social Housing Providers - the term for a variety of housing organisations that provide not for profit housing and included local authorities, housing associations.

Housing Options - a term used to describe a service that advises customers of all their choices and includes mutual exchanges, low cost home ownership and renting in the private sector.

Accessibility - used here the term refers to how ‘user friendly’ the service is to all people who may want to use it.

Void Times - the length of time a property stands empty before someone is able to move in.

Hard to Let - low demand property where it takes longer to find a tenant.

Direct Let - available property that is not advertised but offered straight to an identified person.

Automatic Bidding - within the ICT system a means of expressing an interest in a property for someone, without them needing to make the bid themselves.

Starter/Probationary Tenancies - the tenancy given to new tenants by some organisations that has reduced security of tenure for 1 year.

6.2 Appendix 2 - Contact Details for all Partner Organisations

Accent Housing Association
Ambassador House
Dalton Road
Barrow-in-Furness
LA14 1HZ
Tel: 0845 6780599

Allerdale Borough Council
Allerdale House
New Bridge Road
Workington
CA14 3YJ
Tel: 01900 702702

Barrow Housing Department
Cavendish House
78 Duke Street
Barrow-in-Furness
LA14 1RR
Tel: 01229 876523

Carlisle City Council
Civic Centre
Rickergate
Carlisle
CA3 8QG
Tel: 01228 817200

Copeland Borough Council
The Copeland Centre
Catherine Street
Whitehaven
CA28 7SJ
Tel: 0845 0548600

Derwent & Solway Housing Association
Stoneleigh
Park End Road
Workington
CA14 4DN
Tel: 01900 607500

Eden District Council
Mansion House
Friar Gate
Penrith
CA11 7YG
Tel: 01768 817817

Eden Housing Association
Blain House
Bridge Lane
Penrith
CA11 8QU
Tel: 01768 861400

Home Group
The Copeland Centre
Catherine Street
Whitehaven
CA28 7SJ
Tel: 01946 517650

Impact Housing Association
Nook Street
Workington
CA14 4EH
Tel: 01900 842100

Riverside Housing Association
English Gate Plaza
Botchergate
Carlisle
CA1 1RP
Tel: 0845 3458500

Two Castles Housing Association
3 Castle Street
Carlisle
CA3 8SY
Tel: 01228 547463

South Lakeland District Council
South Lakeland House
Lowther Street
Kendal
LA9 4DQ
Tel: 01539 733333

South Lakes Housing (ALMO)
Little Aynam House
Little Aynam
Kendal
LA9 7AH
Tel: 0845 0570080

6.3 Appendix 3 - Eligibility Policy

The Cumbria Choice Scheme acknowledges that it is the main access to social rented housing for people wanting to live in Cumbria. In this respect it aims to be as open and inclusive as it can be to those people wanting to apply to the Register. It aims to make the scheme accessible to all, to encourage applications from people from all parts of the community, and to ensure that its policies and procedures do not discriminate.

Cumbria Choice scheme does operate a policy of not accepting onto the Register those Customers who are ineligible due to serious unacceptable behaviour. Customers will be suspended in certain other circumstances. This action will be taken in limited situations where options to assist the applicant have tried and failed.

This action is taken for the following reasons:

- Partner organisations within Cumbria Choice have a responsibility towards their existing tenants to put in place policies that allow them to live in safe and stable communities.
- Cumbria Choice wants to promote through its allocation policy the importance of good tenant behaviour amongst both existing and future tenants.

How decisions on eligibility will be administered:

- Blanket exclusions are unlawful and will not be made: an individual assessment will be made based on the circumstances relevant to each case.
- The partnership will ensure consistency in making decisions
- Decisions will be authorised by a senior officer.

A customer's eligibility for housing will be considered:

- At the time he or she applies to join the CBL Register
- At the point at which he or she is to be considered for an allocation of property

1.0 Ineligible due to Serious Unacceptable Behaviour

1.1 Where Cumbria Choice is satisfied that an applicant or a member of their household is guilty of unacceptable behaviour serious enough to make them unsuitable to be a tenant they are permitted to treat that applicant as ineligible for housing under section 160A (7) of the 1996 Housing Act.

1.2 When reaching a decision on whether an applicant is ineligible Cumbria Choice will follow the code of guidance for local authorities 2002 which sets out the 3 steps to consider when making an assessment:

- Is the behaviour unacceptable?: Behaviour will be regarded as unacceptable if it would have entitled the housing authority to a possession order if the applicant had been a secure tenant. This will be applied whether or not the applicant was actually a secure tenant. The behaviour must relate to the customer or a member of their household. Behaviour that relates to a person who is no longer a member of the household cannot be taken into account. e.g. an ex-partner.
- Is the unacceptable behaviour serious enough to make the applicant unsuitable as a tenant of the landlord?: Where there would be entitlement to a possession order the partnership will need to ensure that the behaviour was serious enough to make the person unsuitable to be a tenant of one of the housing organisations in the partnership.
- Is the behaviour current or has it improved?: Unacceptable behaviour will be behaviour at the time the application is considered. Previous unacceptable behaviour may not justify a decision to consider the applicant as unsuitable, if that behaviour can be shown to have improved.
- Where all three steps of the assessment have been satisfied the applicant will be treated as ineligible.
- Each decision will be taken based on the individual circumstances of the case. Where a decision is taken to treat a person as ineligible to join the register the information will be collated by the officer and passed to a senior officer for authorisation.

1.3 Identifying Serious Unacceptable Behaviour:

- Housing records will be used to identify issues such as: rents; repairs, estate management.
- Reports to be obtained from previous or current landlords.
- Reference to information held by other statutory and/or voluntary agencies. This includes information gained from police reports and where in operation through the information sharing protocol with the Police.

1.4 Customers who have unspent criminal convictions will be treated as ineligible for accommodation where they are guilty of serious offences that would threaten the safety of a local community. The Scheme will liaise with support agencies, the Police and Probation Service to consider the housing options for these customers, where appropriate. Spent convictions will not be taken into account.

1.5 Where a customer's behaviour is deemed to be unacceptable due to a disability the relevant support agencies will be contacted. A decision will then need to be made as to the level of support someone may need to sustain the tenancy. If the level of support is deemed to be sufficient they will be accepted onto the housing register.

1.6 In situations where the customer has been accepted as priority homeless with a duty to rehouse but is excluded from the register – these cases will be dealt with by negotiation between the parties outside the Cumbria Choice Scheme.

1.7 Consideration will be given to a customer making a new application if they are able to demonstrate with evidence, that the behaviour which led to the exclusion has changed and that there are no further incidents of serious unacceptable behaviour. The views of any support agency involved with the customer will be sought.

The onus is on the customer to make a new application. Customers can re-apply at any time.

1.8 In cases relating to serious offences or serious anti-social behaviour, periods in prison will not automatically be considered as evidence that unacceptable behaviour has ceased.

1.9 Customers that are ineligible to join the Register will be informed of the decision in writing and will be given the full reason for the decision.

1.10 Customers will be notified of what they need to do to be able to re-apply and where appropriate will be given advice on agencies to contact to assist them with this.

1.11 Customers will be notified of their right to request a review of the decision.

2.0 Suspension due to Unacceptable Behaviour

2.1 Cumbria Choice will suspend a customer where there is evidence of unacceptable behaviour. This is behaviour that is not serious enough to justify a decision to treat the customer as ineligible.

2.2 The Cumbria Choice scheme regards a housing debt as unacceptable behaviour for the purposes of this policy.

2.3 Housing debt from all tenures will be considered and includes current or former rent arrears and/or recharges for repairs from property damage.

2.4 Non housing debts will not be considered. This includes for example, housing benefit overpayments, mortgage arrears. These debts are either not legally enforceable in tenancy law as a condition of the tenancy or under grounds for possession in the Housing Act 1985.

2.5 Customers whose applications are suspended are accepted onto the register, are placed in housing need Bands and accrue waiting time but will be unable to make any 'bids' for properties. The suspension will be

lifted when they are able to show a change in their behaviour which means the suspension is no longer justified.

2.6 Where a customer has a debt each case will be considered individually and in certain circumstances the customer will not be suspended. Examples of where the customer will not be suspended includes but is not limited to:

- Customers who have been accepted by a participating local authority as unintentionally homeless and in priority need.
- The customer has been a victim of Domestic Violence
- The customer has an urgent need for housing
- The debt arose due to the customer's vulnerability.
- The customer was unable to pay due to circumstances other than deliberate non payment.

2.7 In circumstances where a debt is owed to a housing organisation and the customer is not to be suspended in accordance with section 2.6 the organisation to whom the debt is owed may decide not to make an offer of accommodation.

2.8 Customers who have been suspended due to debt owed to a Landlord will be required to clear the debt or:

- Agree and maintain a repayment plan for the debt for a period of at least 6 months and
- Have reduced the debt owed to less than £500.

2.9 Customers can request at any time to have the suspension removed where they are able to show an improvement in their behaviour.

2.10 Customers who are suspended will be included in the annual review of applications and will be given the opportunity to provide any details of action taken that they think may affect the suspension.

2.11 All customers that have been suspended from the Register will be informed of the decision in writing and will be given the full reason for the decision.

2.12 Customers will be notified of what they need to do in order to have the suspension removed and will be advised of any appropriate agencies that may be able to assist them.

2.13 Customers will be informed of their right to request a review of the decision.

6.4 Appendix 4 - Calculating Overcrowding

The following people will be expected to have their own bedroom. Where this is not the case the household will be assessed as overcrowded:

- Couple living together
- A parent in a single parent household
- Person aged 16 years or over
- Child over 7 years who would otherwise have to share with a child of the opposite sex.
- Child of the same sex where there is a 10 year age difference
- A further bedroom will be required where 3 children need to share a room.

6.5 Appendix 5 - Household Type and Property Size

Household	Bedsit	1 bed	2 bed	3 bed	4 bed	5+bed
Single person	✓	✓	✓	E		
2 Adults (couple)	✓	✓	✓	E		
2 Adults (non couple)			✓	E		
Single 1 child			✓	E		
Single 2 child			✓	✓		
Single 3 Child				✓	✓	
Single 3+ child				✓	✓	✓
Couple 1 child			✓	E		
Couple 2 child			✓	✓		
Couple 3 child				✓	✓	
Couple 3+ child				✓	✓	✓
Single over 55	✓	✓	✓	E		
Couple over 55	✓	✓	✓	E		
2+ Adults (non couple)			✓	E		

- E = households will be considered for this size of property in low demand areas.
- Households with access to children will not be able to include them as part of the household when looking at eligibility for property size.
- In the South Lakeland District Council area applicants without children cannot be considered for houses.

2010 Stock condition Survey – Cost Summary Table

Barrow Borough Council Stock Condition Survey 2010											
Summary All Costs											
Element	Year 1	Year 2	Year 3	Year 4	Year 5	Yrs 6 to 10	Yrs 11 to 15	Yrs 16 to 20	Yrs 21 to 25	Yrs 26 to 30	Totals
Catch Up Repairs	£220,805	£0	£0	£0	£0	£0	£0	£0	£0	£0	£220,805
Planned Maintenance	£496,814	£514,295	£980,640	£24,525	£3,950,760	£7,377,225	£14,066,515	£20,911,144	£13,080,211	£11,688,169	£73,090,298
Unaccounted Decent Homes Costs	£10,000										£10,000
Cyclical, Responsive & Void	£1,735,025	£1,735,025	£1,735,025	£1,735,025	£1,735,025	£8,675,124	£8,675,124	£8,675,124	£8,675,124	£8,675,124	£52,050,741
Preliminaries - 10% Works Value	£72,762	£51,430	£98,064	£2,453	£395,076	£737,723	£1,406,652	£2,091,114	£1,308,021	£1,168,817	£7,332,110
Fees - 8% Works Value	£58,210	£41,144	£78,451	£1,962	£316,061	£590,178	£1,125,321	£1,672,892	£1,046,417	£935,054	£5,865,688
Contingency Allowance - 3% All Costs	£73,879	£67,480	£81,470	£52,786	£170,574	£481,570	£682,249	£887,588	£652,660	£610,899	£3,761,155
Grand Total	£2,667,494	£2,409,372	£2,973,650	£1,816,751	£6,567,495	£17,861,819	£25,955,860	£34,237,861	£24,762,433	£23,078,062	£142,330,798

Housing Service Five-year Investment Plan 2010 – 2015 : KITCHENS

YEAR 1 2010/2011	Nos. H/F/B	YEAR 2 2011/2012	Nos. H/F/B	YEAR 3 2012/2013	Nos. H/F/B	YEAR 4 2013/2014	Nos. H/F/B	YEAR 5 2014/2015	Nos. H/F/B
Sowerby Avenue	29 H	Bay View Grove	8 H & F	Chelmar Garth	2 H	Blake Street	14 F	Angle Meadow Lane	16 H
Whinsfield Avenue	13 H	Abbotsvale	3 H	Rother Green	1 H	Cavendish St	11 F	Highfield Road	1 H
Angle Meadow Lane	10 H	Dale Bank	7 H	Torrige Drive	2 H	Crellin Street	6 F	High White Close	8 H
Barnfield Lane	9 H	Hare Lane	5 H	West Shore Road	6 H	Exmouth Street	19 H/F	Lime Kiln Walk	5 H
Mill Bank	6 H	Headmeadow	1 H	Windrush Crescent	7 H	Hartington St,BW	24 F	Middle White Close	6 H
New Leys	3 H	Little Croft	3 H	Rother Green	2 H	Howe Street	9 H	Moorfield Street	1 H
Oxen Croft	3 H	Piel View Grove	10 H	Roding Green	1 H	McCleane Close	14 F	Morecambe Crescent	2 H
Whinney Ends	12 H	Pypers Croft	2 H	Frome Road	2 H	Stileman Walk	10 F	Nearfield Walk	21 H
Calder Green	2 H	Urswick Green	20 H	Plymouth Street	5 H	Chichester Place	8 H	Coniston Avenue	3 H
Duddon Drive	10 H	Brow Avenue	7 H	Spey Walk	1 H	Colchester Place	6 H	Coronation Drive	14 H
Kennet Road	4 H	Cloisters Avenue	10 H	Weaver Green	1 H	Doncaster Place	5 H	Dalton Fields Lane	5 H
Long Bank	5 H	Gleaston Avenue	7 H	Wensum Lea	1 H	Leicester Street	8 H	Ennerdale Close	1 H
Netherfield Close	1 H	Bardsea Road	1 H	Bourne Gardens	1 H	Risedale Road	9 H	Lord Street (Dalton)	24 B
Medway Road	1 H	Denton Road	1 H	Calder Green	2 B	Rochester Place	4 H	Meadow Grove	12 B
Ocean Road	1 H	Hare Ghyll	2 H	Court Guards	2 B	Winchester Street	12 H	Napier Street (Dalton)	4 B
Orcades Green	5 H	Fife Street	1 H	Cardiff Street	4 H	Worcester Street	15 H	Newton Road	10 H/B
Park Lane	1 H	Lorne Road	5 H	Teasdale Road	1 H	Derwent Bank	11 H/F	Storey Square	1 H
Ramsgate Crescent	10 H	Middle Hill	10 H	Witham Walk	1 B	Duddon Drive	4 H/F	Thornton Park	25 H
Severn Road	4 H	Woodward Avenue	3 H	Broadway	32 H	Eamont Close	44 H/F	Windermere Close	7 H
Westminster Avenue	2 H	Salthouse Road	2 H	Gateway	16 H	TOTAL	233	Duke Street (Dalton)	9 H
Brook Street	9	Cocken Crescent	3 H	Longway	92 H			High Duddon Close	8 H
Jarrow Street	22	Grosvenor Street	2 H	Roose Road	31 F			Park Avenue (Askam)	1 H
Langdale Grove	8	Lodge Green	1 H	Thrums Street	16 F			Whinfield Place	10 B
Mardale Grove	33	Long Croft	6 H	Westway	22 H			Saves Lane	8 H
Suffolk Street	3	Low Cliff	8 H	TOTAL	220			School Terrace	2 H
Wasdale Grove	14	Meetings View	6 H					TOTAL	203
Cecil Street	9	Middle Cliff	5 H						
Corporation Terrace	4	Middlefield	30 H						
Levens Terrace	6	Canterbury Terrace	1 H						
Miscellaneous	7	Ormsgill Lane	2 H						
Birstall Road	2	Chester Street	1 H						
Hempland Avenue	14	Gilpin Walk	1 H						
Laurence Avenue	9	Low Moor Terrace	3 H						
Park Avenue	3	Pascway Terrace	4 H						
TOTAL	274	Sandscale Terrace	1 H						

KITCHENS continued

YEAR 1 2010/2011	Nos. H/F/B	YEAR 2 2011/2012	Nos. H/F/B	YEAR 3 2012/2013	Nos. H/F/B	YEAR 4 2013/2014	Nos. H/F/B	YEAR 5 2014/2015	Nos. H/F/B
		Sike Meadow	1 H						
		Conway Gardens	7 H						
		Himalaya Avenue	10 H						
		Thames Road	7 H						
		Tweed Rise	8 H						
		Tyne Road	9 H						
		Church Lane	1 H						
		TOTAL	225						

Housing Service Five-year Investment Plan 2010 – 2015 : HEATING

YEAR 1 2010/2011	Nos. H/F/B	YEAR 2 2011/2012	Nos. H/F/B	YEAR 3 2012/2013	Nos. H/F/B	YEAR 4 2013/2014	Nos. H/F/B	YEAR 5 2014/2015	Nos. H/F/B
Winchester Street	1 H	Anson Street	1 H	Byron Street	9 F	Adelphi Court	10 F	Brathay Crescent	12 H
Coniston Avenue	1 H	Dundalk Street	1 F	Cartmel Crescent	1 F	Basterfield Gardens	13 B	Vulcan Road	13 H
Coronation Drive	8 H	Vulcan Road	3 H	Dundalk Street	15 F	Blake Street	5 F	Duke Street	1 H
Duke Street	1 H	Ainslie Dale	15 F	Farm Street	6 F	Cartmel Crescent	1 F	High Duddon Close	3 H
Eskdale Drive	2 H	Lord Street	10 B	Fenton Street	1 H	Granville Street	1 H	Angle Meadow Lane	18 H/F
School Terrace	1 H	Meadow Grove	11 B	Grange Crescent	1 F	Hartington Street	1 F	Barnfield Lane	5 H
Thornton Park	4 H	Napier Street	4 B	Levens Terrace	1 H	Holker street	4 F	Cheviot Green	5 F
Angle Meadow Lane	1 H	Newton Road	4 B	Newbarns Road	1 H	Napier Street	2 F	Chiltern Crescent	16 F
Greenhill Close	2 F	Cheviot Green	1 F	Parker Street	4 F	Raglan Court	1 F	Cocken Crescent	3 H
High Lea Walk	2 H/F	Bay View Grove	9 H/F	Rothsay Street	3 F	Vernon Street	1 H	Cotswold Crescent	14 B
Nearfield Walk	1 H	Bridgegate Avenue	3 F	Vernon street	5 F	Vulcan Road	11 H	Hazel Close	5 F
Newport Street	1 H	Broadway	1 H	Coronation Drive	1 H	Wordsworth Street	4 F	Hazel Gill	3 F
Park Road	1 B	Brook Street	1 H	High Duddon close	2 H	Ennerdale Close	1 H	High Cliff	15 H/F
Abbots Vale	1 H	Cloisters Avenue	8 H	Saves lane	1 H	Saves lane	1 H	High Lea Walk	10 H/F
Abbotsmead Approach	2 F	Dale Bank	1 H	Thirlmere Close	1 H	School Terrace	1 H	Lodge Green	1 H
Birstall Road	1 H	Flass Meadows	1 H	Angle Meadow Lane	5 H	Whinfield Place	1 B	Longmynd Avenue	1 F
Bridgegate Avenue	3 H	Friars Lane	3 F	Bank Lane	4 H	Broad Close	1 F	Low Cliff	1 H
Brook street	3 H	Gleaston Avenue	6 H	Canterbury Terrace	1 H	Mill Bank	1 H	Mendip Gardens	3 F
Brow Avenue	5 H	Hempland Avenue	10 H	Hazel Gill	9 H	Dale Bank	1 H	Middlefield	3 H
Cecil Street	4 H	Jarrow Street	5 H/F	High Cliff	2 H	Devon Street	1 H	Mill Bank	1 F
Cloisters Avenue	1 H	Langdale Grove	2 H	High Lea	1 H	Gateway	2 H	Millstone Avenue	3 F
Dale Bank	3 H	Lesh Lane	28 F	Long Croft	4 H	Hempland Avenue	1 H	Nearfield Walk	1 H
Denton Road	1 H	Longway	4 F	Low Cliff	4 H	Jarrow Street	2 H	Park Road	3 F
Eskdale Avenue	1 H	Mardale Grove	10 H/F	Meetings View	14 H/F	Lesh Lane	3 H/F	Pennine Gardens	21 F
Greengate Street	3 H	Middle Hill	14 H/F	Mendip Gardens	1 H	Longway	3 F	Quantock Green	2 B
Hare Ghyll	2 H	Newton Brow	7 H/F	Middle Cliff	5 H	Mardale Grove	4 H/F	Sowerby Avenue	21 H
Hare Lane	3 H	Redwater Gardens	1 F	Middlefield	18 H	Piel View Grove	1 H	Abbotsmead Approach	2 F
Jarrow Street	8 H/F	Rising Side	1 B	Pennine Gardens	1 F	Roose Road	1 F	Brook Street	1 H
Kendall Croft	1 H	Roose Road	4 F	Quantock Green	1 H	Thrums Street	1 F	Eskdale Avenue	1 H
Lamb Croft	1 H	St. Quintin Avenue	10 H	Mardale Grove	1 H	Wasdale Grove	1 H	Ewan Close	1 F
Langdale Grove	3 H	Thrums Street	2 F	Woodward Avenue	1 H	Whinney Ends	1 H	Friars Lane	1 F
Laurence Avenue	7 H	Urswick Green	15 H	Amphitrite Street Sth	3 H/F	Yew Tree Gardens	1 F	Jarrow Street	1 F
Lesh Lane	3 H	Wasdale Grove	1 H	Calder Green	2 B	Yew Tree Terrace	9 F	Langdale Grove	1 H
Little Croft	2 H	Westway	1 H	Conway Gardens	6 H/F	Biggar Garth	2 F	Mardale Grove	1 H
Longway	48 H	Yew Tree Gardens	2 F	Cote Ley Crescent	4 F	Broadstairs Lane	2 B	Roose Road	3 F
Mardale Grove	11 H/F	Yew Tree Terrace	1F	Court Guards	2 H	Church Lane	1 H	Thrums Street	1 F

KEY: H – House / F – Flat / B - Bungalow

HEATING continued

YEAR 1 2010/2011	Nos. H/F/B	YEAR 2 2011/2012	Nos. H/F/B	YEAR 3 2012/2013	Nos. H/F/B	YEAR 4 2013/2014	Nos. H/F/B	YEAR 5 2014/2015	Nos. H/F/B
Middle Hill	5 H/F	Severn Road	1 H	Darent Avenue	1 F	Conway Gardens	1 H	Yew Tree Gardens	2 F
Middleton Avenue	4 H	TOTAL	202	Eamont Close	2 H	Court Guards	1 B	Yew Tree Walk	1 F
New Leys	1 H			Himalaya Avenue	7 F	Derwent Bank	4 F	TOTAL	210
Newbarns Road	2 H			Margate Street	2 H	Duddon Drive	9 H		
Oxen Croft	3 H			Oak Head Road	7 F	Frome Road	1 H		
Pypers Croft	2 H			Ocean Road	4 F/B	Gilpin Walk	2 H		
Rising Side	2 H			Ramsgate Crescent	12 F	Hastings Street	1 H		
Roose Road	12 F			17 Severn Road	1 H	Hogue Street	1 H		
St. Mary's Road	1 H			Thames Road	2 H/F	Irwell Road	3 H/F		
Stackwood Avenue	7 H			Trent Vale	6 F	Kennet Road	9 H/F		
Suffolk Street	3 H			West Shore Road	1 B	Margate Street	1 H		
Thrums Street	9 F			TOTAL	186	Medway Road	1 H		
Wasdale Grove	5 H					Ocean Road	1 F		
Whinney Ends	7 H					Orcades Green	4 H		
Woodward Avenue	1 H					Ramsgate Crescent	1 F		
Worcester Street	4 H					Ribble Gardens	4 H/F		
Biggar Garth	1 F					Roding Green	6 F/B		
Bristol Street	1 H					Rother Green	2 H		
Cardiff Street	2 H					Severn Road	3 H/F		
Cote Ley Crescent	6 H					Thames Road	12 H/F		
Darent Avenue	18 H					Trent Vale	1 F		
Himalaya Avenue	7 H					Tweed Rise	9 H/F		
Long Bank	4 H					Tyne Road	8 H/F		
Mill Lane	7 H					Weaver Green	3 H/B		
Ocean Road	1 H					West Shore Road	6 H/B		
Orcades Green	1 H					Windrush Crescent	8 H/B		
Orion Terrace	5 H					Witham Walk	3 F/B		
Oronsay Gardens	1 H					TOTAL	203		
Park Lane	1 H								
Plymouth Street	2 H								
Ramsgate Crescent	8 H/F								
Severn Road	1 F								
Trent Vale	1 F								
Tweed Rise	1 F								
Westminster Avenue	1 H								
TOTAL	280								

KEY: H – House / F – Flat / B - Bungalow

Housing Service Five-year Investment Plan 2010 – 2015 : BATHROOMS

YEAR 1 2010/2011	Nos. H/F/B	YEAR 2 2011/2012	Nos. H/F/B	YEAR 3 2012/2013	Nos. H/F/B	YEAR 4 2013/2014	Nos. H/F/B	YEAR 5 2014/2015	Nos. H/F/B
Hazel Close	12F	Canterbury Terrace	1 H	Colchester Place	6 H	Ewan Close	43 F	Ewan Close	37 F
Hazel Gill	11 H/F/B	Angle Meadow Lane	32 H/F	Denton Road	1 H	Broad Close	61 F	Anson Street	32 F
High Cliff	22 H/F	Park Road	8 B	Lamb Croft	1 H	Chester Place	15 F	Franklin street	2 H
High Lea Walk	20 H/F	Low White Close	45 F	Doncaster Place	5H	Chester Street	1 H	Calcutta Street	1 H
Low Moor Terrace	3 H	Middle White Close	15 F	Leicester Street	8 H	Hare Ghyll	2 H	Clive Street	2 H
Ormsgill Lane	2 H	High White Close	8 H	Newbarns Road	8 H	Lime Kiln Walk	5 H	Craven Park Court	20 F
Flass Meadows	1 H	Nearfield Walk	21 H	Risedale Road	9 H	Broadstairs Lane	2 B	Cumberland Street	13 H
ALREADY ISSUED:		Mill Bank	4 H	Rochester Place	4 H	Irwell Road	6 H/F	Duke Street	5 H
Fife Street	1 H	Morecambe Crescent	2 H	Worcester Street	15 H	Rother Green	2 H	Hindpool Road	2 H
Salthouse Road	1 H	Moorfield Street	1 H	Mill Bank	19 F	Torridge Drive	2 H	McClintock Street	4 H
Raglan Court	27 F	Abbotsvale	3 H	Park Road	26 F	Weaver Green	4 H/B	Michaelson Villas	4 F
Pennine Gardens	41 F	Woodward Avenue	3 H	Gainsborough Place	6 H	Wensum Lea	1 H	Tay Court	46 F
TOTAL	116	TOTAL	143	Highfield Road	1 H	West Shore Road	7 H	TOTAL	168
				Newport Street	8 H	Windrush Crescent	9 H/B		
				Reynolds Place	5 H	Spey Walk	1 H		
				Romney Road	10H	Hastings Street	1 H		
				TOTAL	143	TOTAL	162		

HOMELESS PREVENTION BUDGET GUIDANCE

<p>Aim</p>	<p>A budget is available for use by the Housing Advice Team to provide financial assistance to people who are homeless or threatened with homelessness. The payment of certain expenses will allow the applicant to remain in their existing property or access alternative accommodation instead of being placed in expensive temporary accommodation.</p>
<p>Eligibility</p>	<p>Applicants who are eligible for these payments are:</p> <ul style="list-style-type: none"> • Families and single people who have been accepted as statutory homeless. • Families and single people who are likely to be accepted as statutory homeless if the assistance is not offered. • Applicants where the cost to providing temporary accommodation for limited periods (e.g. intentionally homeless applicants, or applicants awaiting a review) should be greater than the cost of providing financial assistance.
<p>Costs which could be approved *</p>	<ul style="list-style-type: none"> • Bonds • Rent in advance • Tenancy administration charges (tenancy administration charges, credit checks, solicitors' fees, agents' fees) • Rent payments for limited periods • Housing allowance top-up for limited periods • Court costs incurred by tenants • Legitimate expenses incurred by landlord or tenant in retaining or arranging alternative accommodation • Limited costs incurred by applicant in seeking accommodation (e.g. bus or taxi fares) • Payment of rent arrears to avoid eviction (in certain circumstances) • Guarantees of payments if tenant/agency defaults on payments (liability must be limited to agreed level) • Assistance in moving to a more affordable property • Assistance to access debt or other advice which could sustain a tenancy or owner occupation
<p>Period of Assistance</p>	<p>If a bond or rent in advance payment is to be made, a commitment from the landlord or agent to allow the tenancy to continue for at least 12 months should be sought.</p>
<p>Recovery of Costs</p>	<p>When making a payment, it should be assumed that none of the costs incurred will be recovered. However, the recovery of bonds and rent in advance should be pursued at the end of the tenancy if this is practical and economic to achieve. The recovery of these costs will allow further applicants to be assisted and reduce the financial burden on the Authority.</p>

* Amounts exceeding £250 to be agreed by Operations Manager and Housing Manager