

Committee Cabinet	Date: 30th July 2008	Classification: Unrestricted	Report No:	Agenda Item:
Report of: Corporate Director, Development & Renewal		Title: Housing priority areas 2008/10		
Originating officer(s) : Jackie Odunoye		Wards Affected: All		

1. **Summary**

1.1 This report sets out proposals to increase Housing Revenue Account expenditure in a number of priority areas, in accordance with the request of Cabinet on 3rd July 2008.

2. **Recommendations**

Cabinet is recommended to:

2.1 Agree the proposals set out in section 4 of the report.

Local Government Act, 1972 (as amended) Section 100D
List of "Background Papers" used in the Preparation of this report

Brief description of "background paper"

Name and telephone number of holder
and address where open to inspection.

3. **Background**

3.1 Cabinet on 3rd July 2008 considered the Housing Revenue Account provisional outturn report for 2007/08. The report set out a projected increase in HRA balances of circa £4 million.

3.2 Cabinet requested that a further report be submitted to Cabinet at the earliest opportunity, bringing forward costed proposals that accord with the priorities of the Cabinet.

3.3 The housing priorities set by Cabinet were to:

- relieve overcrowding through small scale adaptations to flats and ancillary spaces, and further incentives for tenants to take up smaller units or home ownership
- improve the local environment including landscape and security on estates, developing the successful Estate Improvement Programme
- adapt homes to better meet the needs of disabled residents
- to recognise the burden on leaseholders of the current level of service charges

3.4 This report seeks to meet this request and sets out headline proposals to address each of these priorities below. Some of these are longer term projects that will require detailed planning and therefore some of the expenditure will be carried into 2009/10.

4. **Housing Priority areas 2008/10**

4.1 **Relieve Overcrowding Reduction Initiatives - £1.0M**

It is proposed to carry out a range of initiatives to further address overcrowding. This issue continues to be a long-term blight on the well-being of households - particularly with regard to health and educational attainment – and will be a major priority for the council to address. The measures proposed include:-

Cash Incentive Scheme grants to tenants seeking to buy a home in the private sector at the increased rates agreed by Cabinet in June 2008, together with a pro active marketing campaign to increase take up.

Targeted knock-throughs to increase the supply of larger homes by proactively identifying suitable smaller properties to knock-through and create larger homes, including selective decanting of bed-sitter properties where appropriate. Decanted tenants would be eligible for home loss and disturbance payments. It should be noted that officers intend to submit a Targeted Funding Streams bid to the Mayor of London seeking capital resources to pay for up to 20 knockthroughs in the 2009/11 financial years.

Increased support for under-occupying tenants looking to move to a smaller home, including:

- Increased cash incentive payments for each room given up;
- Smaller council homes accepted by under-occupying households containing an OAP to receive decent homes package, including kitchen and bathroom improvements and decorations to OAP only households;
- Assistance with removal arrangements for OAPs – including arranging and paying for removals;
- Assistance from the Lettings service to help overcrowded families and under occupiers make the most of the opportunities available through choice based lettings, the mutual exchange system as well as private sector opportunities and the provision of rent deposits.

Current incentive payments to assist under-occupying tenants with the cost of moving and settling into a smaller home are set out in Table 1 below:-

		Current home: – number of bedrooms					
		1	2	3	4	5	6
Moving to: number of bedrooms	0	£500	£1,000	£1,500	£3,000	£3,500	£4,000
	1		£500	£1,000	£2,500	£3,000	£3,500
	2			£500	£2,000	£2,500	£3,000
	3				£1,500	£2,000	£2,500
	4					£1,500	£2,000
	5						£1,500

Table 1 Current incentive payments to under-occupying tenants*

**Plus an additional £500 if a tenant gives up a ground floor property with 2 or more bedrooms to move to a studio or 1 bedroom home above the ground floor.*

It is proposed to increase the payments made to Council tenants who move to smaller accommodation as a pilot measure as a means of encouraging more council tenants to consider this option. The proposed pilot levels are set out in Table 2 below:

		Current home: – number of bedrooms					
		1	2	3	4	5	6
Moving to: number of bedrooms	0	£1,000	£3,000	£4,500	£6,000	£7,500	£9,000
	1		£1,500	£3,000	£4,500	£6,000	£7,500
	2			£1,000	£3,000	£4,500	£6,000
	3				£1,000	£2,000	£4,500
	4					£1,000	£3,000
	5						£1,000

Table 2 Proposed pilot levels for incentive payments for under occupying Council tenants*

**Plus an additional £1000 if a tenant gives up a ground floor property with 2 or more bedrooms to move to a studio or 1 bedroom home above the ground floor and a further £500 if the property vacated has a garden.*

The effectiveness of these increased payments will be monitored and reported back to Cabinet in 12 months time.

4.2 Improve Local Environment Initiatives

4.2.1 Estate/Block Security Improvements £500k

Bring forward up to 15 Door Entry renewal/installation schemes currently programmed for later years within the current 5-year Housing Investment Programme. Effective door entry systems have the positive effect of reducing anti-social behaviour including alcohol and drug consumption on stairwells. All schemes will involve resident consultation.

4.2.2 Estate Improvements £1.5M

The Estate Improvement Programme previously agreed by Cabinet has generated wide interest and has enabled a programme of estate work to be developed. This programme encompasses block cleaning and painting of stairwells as well as lighting improvements and environmental works to play areas, planting, paving, roads as well as addressing improvements needed to bin stores, sheds etc.

The current programme has generated significant additional demand for this type of work and additional resources will enable further projects to be progressed. A series of estate action days are planned on estates over the summer and these events will be used to identify residents' priorities for improvements. In addition the resources will enable residents priorities identified through routine estate inspections to be addressed.

It should be noted that officers intend to submit a Targeted Funding Streams bid to the Mayor of London seeking capital resources to resources 'green' estate initiatives such as focusing improvement of communal and green space areas; improvements to recycling arrangements; better water use; overheating reduction. The over-arching objective is to help reduce carbon emissions. It is proposed to ring-fence £0.5m of the £1.5m identified above to match-fund this bid for resources.

It is also proposed to expand the block cleaning programme in the current year to encompass up to a further 30 blocks.

4.2.3 Horticulture Improvements £250k

A range of improvements in the horticultural service are proposed. This includes revised monitoring arrangements to ensure the horticulture contractor performs satisfactorily. Subject to satisfactory performance against the current horticulture schedule it is proposed that the current contract will be enhanced to increase the frequencies at which grass and shrubs are cut and to provide for replacement and upgrading of worn out grass, empty shrub beds etc.

4.3 Adapt Homes for Disabled Residents £250k

Additional financial provision is proposed to fund adaptations to council properties for residents with disabilities, including internal decorations for disabled/OAP households.

4.4 Leaseholder Administration Charge Rebate £500k

At the Cabinet meeting of 3rd July, Cabinet asked that officers look at making a rebate to leaseholders in respect of the leasehold administration charge. This continues the arrangements made for the 2006/07 financial year. The rebate would be in respect of the administration charge and reflects the need for ongoing service improvement in this area to improve timeliness of billing and service responsiveness. Arrangements to secure this are in place for 2008/09.

To meet the request of Cabinet, it is proposed that a £50 rebate in respect of the 2007/08 administration charge be made to all Council leaseholders. It is proposed that this will be processed as part of the actual adjustment which is scheduled for September/October 2008.

5. Comments of the Chief Financial Officer

- 5.1 This report outlines potential areas for the application of HRA balances in accordance with the priority areas agreed by Cabinet on 2 July 2008.
- 5.2 The initiatives proposed in the report will receive one-off funding and there will be no on-going commitment in excess of the funds allocated without further Cabinet approval. The financing will be from HRA balances and as such, once approved and earmarked for the specific purpose, there is no requirement for the expenditure to be incurred in a particular year.
- 5.3 If the proposal to apply a rebate in respect of the leasehold administration charge is agreed, any refund will take the form of a credit to the leaseholder's service charge account and will reduce any balances outstanding. Where the refund causes a leaseholder's service charge account to move into credit they will be entitled to request a cash reimbursement.

6. Concurrent Report of the Assistant Chief Executive (Legal)

- 6.1 Whilst there are no immediate legal implications arising from this report, implementation of the initiatives will give rise to legal consequences which will be considered fully at the appropriate times.

7. Equal Opportunities Implications

- 7.1 Overcrowding has well established effects on health and well being. Children are disproportionately affected through lack of space for study. The measures set out in this report will assist in alleviating overcrowding. Measures to further address adaptations directly assist the elderly and disabled.

8. Anti Poverty Implications

- 8.1 The proposals to provide a rebate on service charges will directly assist those leaseholders on low incomes.

9. Sustainable Action for a Greener Environment

- 9.1 The environmental improvement works proposed will take into account the need to address sustainability in the materials used and their ongoing maintenance.

10. Risk Management Implications

- 10.1 All schemes proposed will be subject to consultation with residents and regular monitoring arrangements will be put in place to ensure proposals are progressed.

11. Efficiency Statement

- 11.1. Additional balances have been generated as a result of efficiency measures within the housing service. The proposals within this report will enable these balances to be redirected to directly benefit residents.