

Departmental Quarterly Monitoring Report

<u>Directorate:</u>	Adult and Community Directorate
<u>Department:</u>	Prevention and Commissioning Services (Housing Strategy)
<u>Period:</u>	Quarter 2 - 1 st July 2010 – 30 th Sept 2010

1.0 Introduction

The purpose of this report is to provide information concerning those objectives / milestones identified within the Adults and Community Directorate Plan that relate to the Council's Housing Strategy.

The way in which the Red, Amber and Green, (RAG) symbols have been used to reflect progress to date is explained in Appendix 4.

2.0 Key Developments/ Emerging issues

A number of significant changes affecting housing were announced as part of, or just following, the Comprehensive Spending Review 2010.

- The Homes and Communities Agency (HCA) budget for new affordable housing is to be cut by 60% and the HCA is to be slimmed down.
- The Tenant Services Authority is to be abolished – the HCA will take on the TSA role of RSL financial regulation, and be responsible for setting the RSL framework for national standards and complaints processes.
- Local mechanisms will be used to address routine tenant 'consumer' problems, with an enhanced role for elected councillors, MPs and tenant panels in the complaints process, with the Ombudsman as the next stage. HCA powers will be reserved to investigate where individual complaints may be indicative of wider failings. This presumably means inspections will be much reduced.
- Capital grant for Disabled Facilities Grant is secure at present levels with inflationary growth over the CSR period, but the funding ring fence is to be removed as with many other Government grants.
- There has been no formal announcement about the LA Housing Capital Pot but commentators believe this budget has been abolished. Halton's capital allocation in 2010/11 was £1.64m and the loss of this funding will curtail the Council's ability to offer improvement grants, joint funding for RSL adaptations, energy grants, etc. It will also add to revenue pressures as a number of staff posts are capitalised.

- The separate funding pot for Housing Market Renewal Pathfinders has ended. Instead Pathfinders will have to bid via Local Enterprise Partnerships for a share of the £1.4bn Regional Growth Fund.
- The introduction of a 'New Homes Bonus' to replace the old Housing and Planning Delivery Grant. It is intended to act as an incentive for LA and community support for housing growth, providing resources equivalent to 6 years match funding of the Council Tax value of new homes (paid at 125% per annum for affordable housing completions).
- The Supporting People budget has been reduced by 2.8% cash terms – 11% in real terms, but clarification is still awaited on whether the current distribution model will continue, or if the Formula Grant mechanism will be used.
- Funding is secure for homeless prevention (£400m) and mortgage rescue (£200m).
- The introduction of a new £100m fund to bring empty private sector homes back into use, but detail still awaited on how it will operate and be shared out.
- £2bn investment set aside to halve the backlog of LA non decent homes over the CSR period.
- LAs and RSLs to have the option from April 2011 to offer shorter term tenancies to new tenants, with review periods built in to see if tenants still need social housing or can afford market housing (what's been termed the end to lifetime tenancies). Existing tenants to retain current terms of security and rent levels.
- LAs and RSLs to have the option to charge up to 80% of local market rents for new tenants (termed 'affordable rent' by CLG). Expectation that additional income generated will be used to support borrowing to fund new housing development, replacing the reducing HCA grant, and enabling Government to meet its stated target of building 150,000 affordable homes over the CSR period. Likely to benefit RSLs in the South East most, as rent differentials between the social and private sectors are greatest there, although the downside is that the rents might be unaffordable and in conflict with RSLs charitable aims.
- HCA support for new development will be conditional on these higher rents being charged to minimise Government subsidy.
- Pre CSR announcement to tighten Local Housing Allowance caps for private sector renters from April 2011, by basing them on the 30th percentile of local market rents rather than the median. If landlords do not reduce their rents their tenants will have to fund the difference between the LHA cap and the rent. Direct payments to Landlords if they reduce rents.
- From April 2012, the age threshold for the Local Housing Allowance shared room rate is to be increased from 25 to 35.
- Transitional benefit arrangements for existing claimants – not to be implemented until 9 months after next benefit entitlement review - means most not affected until 2012.

- A 10% cut in housing benefit for anyone on jobseekers allowance for more than a year.
- Growth Point funding has been ended.
- Inspection of LA strategic housing services abolished.
- Government has signalled its intent to enact Section 318 of the Housing and Regeneration Act 2008 which will make LA run Gypsy/Traveller sites subject to many of the provisions of the Mobile Homes Act 1983. This is in response to a European Court ruling and the effect will be to increase the security of tenure for residents of these sites, but with significant exemptions for transit sites.

3.0 Service Objectives / Milestones

3.1 Progress against 'key' objectives / milestones

Total	1		1		0		0
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This key objective/milestone relates to the need to continue to negotiate with housing providers & partners in relation to the provision of further extra care housing tenancies, to ensure requirements are met (including the submission of appropriate funding bids). Further details can be found in Appendix 1

3.2 Progress against 'other' objectives / milestones

Total	2		1		1		0
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The green indicator relates to work with the Council's Planning Department to introduce an affordable housing policy within the Local Development Framework and the amber indicator addresses the introduction a Choice Based Lettings scheme to improve choice for those on the Housing Register seeking accommodation. Further details can be found in Appendix 2.

4.0 Performance indicators

No performance indicators were identified for this service area

5.0 Risk Control Measures

No High risk areas were identified.

6.0 Data quality statement


The author provides assurances that the information contained within this report is accurate and valid and that every effort has been made to avoid the omission of data. Where data has been estimated, has been sources directly from partner or other agencies, or where there are any concerns regarding the limitations of its use this has been clearly annotated.

7.0 Appendices

- Appendix 1 Progress Against 'key' objectives / milestones
- Appendix 2 Progress against 'other' objectives / milestones
- Appendix 3 Financial Statement
- Appendix 4 Explanation of use of symbols



Appendix 1: Progress Against 'key' objectives/ milestones

Ref	Objective
PCS 2	Effectively consult and engage with the community of Halton to evaluate service delivery, highlight any areas for improvement and contribute towards the effective re-design of services where required

Milestones	Progress Q 2	Supporting Commentary
Continue to negotiate with housing providers & partners in relation to the provision of further extra care housing tenancies, to ensure requirements are met (including the submission of appropriate funding bids) Mar 2011 . (AOF6 & 7)		<p>The Council has received outline proposals for 4 extra care schemes from 4 different Housing Associations, 2 in Widnes and 2 in Runcorn.</p> <p>The preferred scheme proposed by Halton Housing Trust is being progressed as quickly as possible in an attempt to take advantage of HCA slippage monies that must be committed before the end of 2010/11. Deliverability will be a key consideration for the HCA as any scheme will have to achieve a start on site by March 2011.</p> <p>Board approval to dispose of the site at Liverpool Widnes has been obtained and the planning application is due to be determined on the 14th February 2011. City Region officers will be meeting with the HCA on the 21st December to agree which projects will be funded.</p>

Appendix 2: Progress Against “other” objectives/ milestones

Ref	Objective
PCS 1	Working in partnership with statutory and non statutory organisations, evaluate, plan, commission and redesign services to ensure that they meet the needs and improve outcomes for the community of Halton.

Milestones	Progress Q 2	Supporting Commentary
<i>Work with the Council’s Planning Department to introduce an affordable housing policy within the Local Development Framework Mar 2011 (AOF 11)</i>		<i>An affordable housing policy has now been incorporated in the Halton Core Strategy Proposed Submission Draft approved for consultation by Board on the 18th November. A site viability study has also been completed to provide an evidence base to justify the policy’s requirements.</i>
<i>Introduce a Choice Based Lettings scheme to improve choice for those on the Housing Register seeking accommodation Dec 2010 (AOF11and 30.)</i>		<i>Formal consultation on the sub regional allocations policy is due to end mid November. It is hoped that a final draft policy can then be presented to LA Boards in January 2011. This will enable ICT contracts to be signed and the scheme development phase to commence, with the scheme going live in the autumn.</i>




Appendix 3: Financial Statement

HOUSING STRATEGY & SUPPORT SERVICES Capital Projects as at 30th September 2010

	2010/11 Capital Allocation £'000	Allocation To Date £'000	Actual Spend To Date £'000	Allocation Remaining £'000
<u>Private Sector Housing</u>				
Renovation Grants	304	152	151	153
Disabled Facilities	750	300	202	548
Joint Funding RSL Adaptations	650	325	398	252
Energy Promotion	100	50	46	54
Stair Lifts	170	0	0	170
Modular Buildings	45	0	0	45
Homelink	50	0	0	50
Choice Based Lettings	40	0	0	40
Extra Care Housing	1,329	0	0	1,329
Out of Borough Placements	560	0	0	560
Contingency	46	0	0	46
Total Spending	4,044	827	797	3,247




Appendix 4: Explanation of Symbols

Symbols are used in the following manner:

Progress	<u>Objective</u>	<u>Performance Indicator</u>
Green	 Indicates that the <u>objective is on course to be achieved</u> within the appropriate timeframe.	<i>Indicates that the annual target <u>is on course to be achieved</u>.</i>
Amber	 Indicates that it is <u>uncertain or too early to say at this stage</u> , whether the milestone/objective will be achieved within the appropriate timeframe.	<i>Indicates that it is <u>uncertain or too early to say at this stage</u> whether the annual target is on course to be achieved.</i>
Red	 Indicates that it is <u>highly likely or certain</u> that the objective will not be achieved within the appropriate timeframe.	<i>Indicates that the target <u>will not be achieved</u> unless there is an intervention or remedial action taken.</i>

Direction of Travel Indicator

Where possible performance measures will also identify a direction of travel using the following convention

Green	 Indicates that performance is better as compared to the same period last year.
Amber	 Indicates that performance is the same as compared to the same period last year.
Red	 Indicates that performance is worse as compared to the same period last year.
N/A	Indicates that the measure cannot be compared to the same period last year.