



Public Document Pack STROUD DISTRICT COUNCIL

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29 November 2021

HOUSING COMMITTEE

A meeting of the Housing Committee will be held on **TUESDAY, 7 DECEMBER 2021** in the Council Chamber, Ebley Mill, Ebley Wharf, Stroud at **7.00 pm**

Kathy O'Leary
Chief Executive

Please Note: The meeting is being held in the Council Chamber at Stroud District Council and will be streamed live on the Council's [YouTube Channel](#). A recording of the meeting will be published onto the [Council's website](#). The whole of the meeting will be recorded except where there are confidential or exempt items, which may need to be considered in the absence of press and public.

Due to current Covid-19 regulations a maximum of 6 members of public will be permitted in the Council Chamber at any one time, if you would like to attend this meeting please contact democratic.services@stroud.gov.uk.

AGENDA

1. **APOLOGIES**
To receive apologies of absence.
2. **DECLARATION OF INTERESTS**
To receive declarations of interest.
3. **MINUTES (Pages 3 - 14)**
To approve the minutes of the meeting held on 2 November 2021.
4. **PUBLIC QUESTION TIME**
The Chair of the Committee will answer questions from members of the public submitted in accordance with the Council's procedures.

DEADLINE FOR RECEIPT OF QUESTIONS Noon on Wednesday 1 December 2021

Questions must be submitted to the Chief Executive, Democratic Services, Ebley Mill, Ebley Wharf, Stroud and can be sent by email to democratic.services@stroud.gov.uk

5. **HOUSING COMMITTEE BUDGET ESTIMATES – REVISED 2021/22 AND ORIGINAL 2022/23 AND HOUSING REVENUE ACCOUNT (HRA) MEDIUM TERM FINANCIAL PLAN 2021/22 – 2025/26 (Pages 15 - 44)**

To present to the committee the revised budget estimates for 2021/22 and the original estimates for 2022/23.

6. **BUDGET MONITORING REPORT 2021/22 QUARTER 2 (Pages 45 - 52)**

To present the 2021/22 forecast outturn position against the General Fund and Housing Revenue Account (HRA) revenue budgets and Capital Programme that the Committee is responsible for, in order to give an expectation of possible variances against budget.

7. **COUNCIL PLAN AND PERFORMANCE INDICATORS RELEVANT TO THIS COMMITTEE (Pages 53 - 60)**

For the Committee to agree Performance Indicators for activities and projects detailed in the adopted Council Plan that relate to this Committee.

8. **PROGRESS UPDATE ON KEY ACTION PLANS (CLEANER ESTATES & SERVICE STANDARDS) (Verbal Report)**

To receive a verbal update.

9. **MEMBER REPORTS**

- (a) Tenant Representatives (Verbal Update)
- (b) Retrofit/Carbon Reduction Task and Finish Group Update
- (c) Tenant Engagement and Empowerment Task and Finish Group Update
- (d) Housing Repairs and Voids Task and Finish Group Update

10. **WORK PROGRAMME (Pages 61 - 62)**

To consider the work programme.

11. **MEMBERS' QUESTIONS**

See Agenda Item 4 for deadlines for submission.

Members of Housing Committee

Councillor Mattie Ross (Chair)

Councillor Paula Baker
Councillor Laurie Davies
Councillor Katrina Davis
Councillor Colin Fryer
Councillor Lindsey Green

Councillor Christopher Jockel (Vice-Chair)

Councillor Nicholas Housden
Councillor Steve Hynd
Councillor Jenny Miles
Councillor Loraine Patrick
Councillor Lucas Schoemaker

Tenant Representatives

Becky Adams

Trish Betteley (Deputy)

Mike Ritcher

Carole Wise (Deputy)



STROUD DISTRICT COUNCIL

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HOUSING COMMITTEE

02 November 2021

7.00 - 10.08 pm

Council Chamber

Minutes

Membership

Councillor Mattie Ross (Chair)

Councillor Paula Baker
Councillor Katrina Davis
Councillor Colin Fryer
Councillor Lindsey Green
Councillor Laurie Davies

*= Absent

Councillor Christopher Jockel (Vice-Chair)

Councillor Nicholas Housden
Councillor Jenny Miles
Councillor Loraine Patrick
Councillor Lucas Schoemaker
Councillor Steve Hynd

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Officers in Attendance

Housing Manager
Strategic Director of Communities
Head of Contract Services
Head of Community Services
Housing Renewal Manager

Service Delivery Manager
Democratic Services & Elections Officer
Head of Strategic Housing Services (Interim)
Housing Advice Officer

HC.27 Apologies

Apologies for absence were received from Councillors Hynd and Davies.

HC.28 Declaration of Interests

There were none.

HC.29 Minutes

It was agreed to add the absences for Councillors Davies and Davis to the last meeting.

RESOLVED That the Minutes of the meeting held on 14 September 2021 were approved with the amendments laid out above.

HC.30 **Public Question Time**

There were none.

HC.31 **Revised Tenancy & Estates Management Policy**

The Housing Manager introduced the report and explained the role of Stroud District Council (SDC) as a landlord within the policy. The Housing Manager drew Members attention to the feedback they had received from tenants, including the lack of enforcement action taken. She informed the Committee that enforcement action was taken when it was needed however, it was a very long process and didn't yield immediate results.

She talked the Committee through the key changes to the policy which included:

- Community involvement.
- Co-opted Tenant Representatives to further ensure tenant views are represented.
- Promoting a Green Champion.
- Home contents insurance.
- Rechargeable repairs.
- Independent living hubs.

In response to Councillor Green, the Housing Manager explained that there were a number of property inspections that took place including:

- Stock condition survey, which is part of a 3-5 year plan.
- Pre-determination inspection, which is arranged before a tenant moves out of the property.
- Regular tenancy audit, these were not currently taking place due to the high demands on work load however, these were completed when there had been an issue or concern raised with the property or the tenant.

In response to a further question from Councillor Green, the Housing Manager informed the committee that it was the tenants responsibility to take out a home contents insurance policy and they advertised this frequently to tenants.

The Strategic Director of Communities informed the Committee there were further property inspections that were routinely completed on SDC properties which were statutory inspections such as gas inspections.

The Housing Manager clarified the terms and roles of the tenant groups such as:

- Tenant Voice Representatives who sit on the Housing Committee and can voice the concerns of the tenants.
- Neighbourhood Ambassadors who work with SDC to put papers together and feed back to the community.
- Tenant repairs inspectors who look at the works completed after a repair and feedback to SDC.
- Focus Groups are for tenants and local residents who wish to be involved short term. Tenants in these groups can often be referred to as involved tenants or tenant representatives.
- Green Champions who will try to look after the community and gardens and encourage other tenants to recycle.

Councillor Schoemaker raised a typographical issue with paragraph 7.8 in appendix A, the first sentence should have read 'on a street, neighbourhood or estate'. The Housing Manager agreed to include the word 'on'.

The Chair suggested a visual 'family tree' to explain the roles of tenants could be helpful, it was agreed that this could be put together.

The Housing Manager provided the following answers in response to questions:

- Tenant Repair Inspectors would be working solo once the programme was started up again. Introductions to the tenant would be completed prior to the checks and any tenants involved would be DBS checked before taking up their relevant roles.
- If there were issues on SDC estates regarding private owners, SDC would liaise with environmental health to assess the situation and take legal action if necessary. SDC's Anti-Social Behaviour and Enforcement Officer was also trained to issue Community Protection Notices (CPN's) as can Environmental Health Officers.

The Head of Contract Services answered a question raised by Councillor Housden around Void properties. He confirmed that there were 3 different time scales to work to in order to fill the properties and these would vary depending on the type of void. He informed the Committee he could provide exact figures outside of the meeting if they requested them.

In response to a question from Councillor Green the Housing Manager Stated that CCTV was allowed for tenants to record their own property however, recording other properties or communal areas was not allowed. Councillor Green requested more specifics to be included around the rules of Tenants putting up their own CCTV.

In response to Councillor Patricks question, the Housing Manager explained how hoarding issues were dealt with. She explained these issues took a long time to resolve as they would need to first establish whether the tenant would engage with SDC or with their support mechanisms. Often they would need to try and find mental health support. She informed the committee that they were dealing with one such case which had already exceeded 18 months' worth of work and was still ongoing.

Councillor Patrick also questioned how the cleaning operatives were reviewed. The Housing manger explained that 50% of the blocks that are not cleaned due to a historical decision to allow tenants to take over. She also informed the committee that the cleaning completed is of a basic standard and the community services officers inspect the blocks that are cleaned. Councillor Patrick suggested that further training could be provided for the cleaners.

Councillor Davis spoke of an issue she had been made aware of regarding the breeding and selling of dogs in an SDC property. It was agreed to be followed up by the Housing Manager outside of the meeting.

Councillor Miles proposed and Councillor Schoemaker seconded.

After being put to a vote, the Motion was carried unanimously.

- RESOLVED:** a) To adopt the revised Tenancy & Estate Management policy.
b) To give delegated authority to the Head of Housing Services, in consultation with the Chair & Vice Chair of Housing Committee to make minor amendments as necessary.

HC.32 **Revised HomeseekerPlus Allocations Policy**

The Chair informed the Committee that an all-Member briefing was being arranged to allow members to ask any questions regarding Homeseeker and housing allocations.

The Head of Strategic Housing Services (Interim) introduced the report and provided the Committee with the background and the purpose of the policy. She explained that the update to this policy would not alter how households apply for affordable housing. The updates were in response to legislation and to refine some wording.

In response to a question raised by Councillor Schoemaker, the Housing Advice Manger explained that the global banding applied to almost every band on the system and applies to all of the authority areas and that this allowed greater consistency. He explained there were a few bandings which only applied to local areas.

Councillor Patrick asked for confirmation if the '3 strikes and you're out' policy, when bidding for properties, applied to care leavers. The Housing Advice Manger confirmed that it did apply as it does to all applications however, Officers had a high level of discretion and were trained to assess refusal reasons and allow for special circumstances. The local connections for care leavers had been widened and allows them to choose the authority area they would prefer. He also agreed to run a report following the meeting to show how many times applications had been struck out to help provide reassurance that it was rarely used by Officers.

Councillor Baker proposed and Councillor Fryer seconded.

After being put to a vote, the Motion was carried.

- RESOLVED** a) To agree the changes made to the HomeseekerPlus Allocations Policy and approve the revised policy for adoption.
b) To give delegated authority to the Head of Strategic Housing in consultation with the Chair and Vice Chair of Housing Committee to make minor textual and formatting changes before publication.

HC.33 **Mobility Scooters Policy in Council Properties**

The Service Delivery Manager (Independent Living) introduced the report and explained that this was a brand new policy and was for all users in Stroud District Council housing not just Independent Living. She explained this was for the safe storage and charging of mobility scooters. Part of the policy involved finding suitable places to store mobility scooters if there was not a safe space at the accommodation.

After a question raised from Councillor Green, the Service Delivery Manager confirmed there had been many safe storage areas already put in to place at different schemes

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across the District. It was also confirmed where safe storage and charging was not possible they would look to see if they were meeting the housing need of the tenant.

Councillor Fryer questioned when leaseholders may be recharged for the costs of alterations. The Service Delivery manager confirmed that recharges would only be for things deemed unreasonable for SDC to complete for example, widening doors and imputing ramps.

In response to a question regarding tax disks on page 99, the Service Delivery Manager agreed to amend the wording of the report from displaying a tax disk to having the mobility scooter registered for tax (if required).

Councillor Miles questioned if a general needs tenant required alterations such as hardstanding, would the cost of that come out of SDC budget. The Service Delivery Manager confirmed that the costs would come out of the Gloucester County Council (GCC) aids and adaptations budget.

The Service Delivery Manager confirmed in response to Councillor Schoemaker that the closest they can get the mobility scooters to the Grange View accommodation was 25 steps away. She also informed the committee that around 10% of Independent Living tenants utilise a mobility scooter in independent living.

Councillor Baker questioned whether SDC provided metal sheds to keep mobility scooters in. The Service Deliver Manager confirmed sheds were used at the 4 Hubs however, general needs tenants wouldn't be automatically entitled to these, it would depend on being able to find a suitable location and would be assessed on a needs basis.

Councillor Schoemaker proposed and Councillor Baker seconded.

After being put to a vote, the Motion was carried.

RESOLVED To adopt the Mobility Scooter Policy in Council Properties.

HC.34 Corrective Action to Strengthen the Council's Out of Hours Call Out Provision

The Head of Contract Services introduced the report and explained that it was based on the action plan created following an Audit that had been approved at the last Audit and Standards Committee. He informed the Committee that a lot of the actions had already been completed and they were continuing to work on the outstanding ones. He stated that they had concluded that there was no systematic failing in terms of the service provision and that it was a one off and was due to a series of events. Extra precautions had been put in place this year to ensure it is not repeated.

In response from questions raised by members the Head of Contract Services answered the following:

- The service provider has added a new dedicated line, reviewed internal processes and trained additional staff to answer phone calls. SDC has also put in measures following a non-response from contractors to escalate the matter to on call officers.

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- SDC would provide the list of the on call Officers to Members.
- A number of processes which could be improved added up to the overall failure.

After concerns raised by Councillor Housden over the renewal of the contract, the Head of Contract Services explained the following:

- The contractor would have met the expectations for call handling and answering however, the volume of calls drastically exceeded that number.
- He also informed the Committee that the KPI's were over ambitious in relation to time scales for call answering.
- The contract was intended for extension if acceptable and this was being reviewed by One Legal.
- The KPI's were being looked at as part of the ongoing process.
- The contractor performance was reviewed on a monthly basis and service users were consulted as part of this.

Councillor Housden voiced his continued concerns with the renewal process of the contractor.

The Strategic Director of Communities confirmed SDC accepted the failure and recognised the areas for improvement, they were awaiting confirmation from One Legal regarding some items within the report.

Councillor Green questioned whether a target date of the 1 December was too late considering bad weather had already started. The Head of Contract Services explained that the improvements began immediately and this deadline was for the actions and the documentation to prove these had taken place and been completed. Councillor green further questioned how often the contractor's performance would be reviewed to which the Head of Contract Services confirmed there would be monthly meetings as well as a quarterly review. He agreed to provide the Committee with the results from the quarterly reviews and to bring back a review of the report to the April Housing Committee in 2022.

Councillor Miles proposed and Councillor Fryer seconded.

Councillor Patrick expressed a lack of confidence with the report. She questioned whether the new processes and system had been tested enough.

Councillor Housden questioned whether this report should be taken to full Council. Members debated this topic at length and agreed this could be considered after they have received the review in April 2022.

After being put to a vote, the Motion was carried unanimously.

Councillor Ross gave her thanks to the Officers who had worked hard to look into the problems which had been identified and that the plan was now in place to ensure that it did not happen again.

- RESOLVED**
- a) To Note the action plan and corrective actions already implemented and;**
 - b) That the Lead officer to provide an update on progress at the April 2022 Committee meeting**

HC.35 Volunteering Policy (Independent living)

The Service Delivery Manager (Independent Living) introduced the report and explained that it was a brand new policy. She spoke about the 4 independent community hubs and their value to the community and to tenants. She explained the policy was to support the rights, roles and responsibilities for volunteers. The Service Delivery Manager informed the Committee that a part-time Volunteer Coordinator had recently been recruited to work with and train all of the volunteers. She further explained that all volunteers would have to undertake a DBS check in order to be successful for the role.

In response to a question from Councillor Green, the Service Delivery Manager explained they were currently looking at ages from 55 upwards but this would continue to evolve. Councillor Green expressed an interest linking this with the Youth Council to which the Service Delivery Manager explained the Community Hub Coordinator had been working on an intergenerational activities project which they hoped to be rolling out shortly.

In response from Members questions the Service Delivery Manager gave the following responses:

- Health & Safety and Safeguarding training would be provided for all volunteers.
- Volunteers would be identified through the Volunteer Coordinator.
- Volunteers would primarily be tenants to begin with and then branch out to the wider community.
- The Volunteer Coordinator would be cross trained in order to pass along the relevant training to volunteers.

Councillor Schoemaker questioned paragraph 2.3 in the report which mentions 'suitable outlying properties' which should read 'Suitable outlying tenants'. The Service Delivery Manager agreed that Councillor Schoemaker was correct.

Councillor Miles proposed and Councillor Schoemaker seconded.

After being put to a vote, the Motion was Carried.

RESOLVED To adopt the Volunteering Policy for Independent Living**HC.36 Pet Policy**

The Housing Manager introduced the report and gave a brief overview of the history of owning a pet within SDC properties and sheltered accommodations. She stated that SDC had been praised for recognising the benefits that stem from pet ownership for example; mental health and social isolation. She informed the committee of the main concerns raised which included:

- Significant noise from cockerels.
- Multi-pet households.
- Dogs loose in communal areas.
- Fouling in communal areas.

She then informed the Committee of the key changes of the policy which included:

- Removed permission to house cockerels.
- Breeding and sale of animals from SDC properties had been prohibited.

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- Permissions to have a pet can be withdrawn if the pet criteria had been breached.
- Permission to house caged pet on communal land was not acceptable.
- Number of permissions in multi-pet household were subject to the home the owner could provide for the pet.
- No fouling would be enforced and dogs needed to be kept on leads in communal areas.
- Reminded tenants that permission is to be sought before the pet and a responsible person should be named to care for the pet in their absence.
- Continue to refuse permission for cat flaps as they compromise the integrity of the door. Surveyed whether tenants would replace the door when leaving but only 16% (of 38 responses) said they would consider that.
- Evictions and abandonments would give SDC responsibility to arrange appropriate action for the pet.

In response to questions the Housing Manager explained:

- Neutering an animal was not a condition, it was just a responsible and reasonable request to ask tenants.
- There was currently no pet register in place to ensure the animal was what was requested.

Councillor Fryer proposed and Councillor Patrick seconded.

After being put to a vote, the Motion was carried unanimously.

RESOLVED a) **To adopt the revised Pet Policy; and**
 b) **To give delegated authority to the Head of Housing Services, in consultation with the Chair & Vice Chair of Housing Committee to make minor amendments as necessary.**

HC.37 **Gloucestershire and South Gloucestershire Warm & Well Partnership Renewal**

The Housing Renewal Manager introduced the report and explained the partnership had been in place since 2001. She stated that the main reason for this was to try to address the problems around fuel poverty and by working as a partnership, it created a stronger position for the Councils to secure bids. She explained that the Committee was being asked to approve the contract extension for an extra 2 years for the warm and well scheme. She further explained the reason behind this was due to the better care funding only being guaranteed for a further 2 years. She informed the Committee the bid for the sustainable warmth competition had been submitted and the decision for this had since been delayed however the report would state otherwise as the decision was expected in October. She further explained if the bid was successful, any gas heating works would not be an acceptable use of the funding.

Councillor Green questioned whether SDC could support the funding for the warm and well scheme should the better care funding not be continued. The Housing Renewal Manager confirmed she would hope that to be the case should the funding be removed however, funding for the better care project came directly from central government and although not impossible it was unlikely this funding would be cut.

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Councillor Housden requested a breakdown of the costs and asked if this could be delivered in house. The Housing Renewal Manager explained the following Councils within the partnership each provided different amounts in order to pay for the telephone advice line, technical staff etc.

- Each of the 6 District Councils within Gloucestershire provide £20,000
- South Gloucestershire provide £30,000 because they are a unitary authority.
- Gloucestershire County Council provide £60,000.

Councillor Miles questioned if park homes would continue to be prioritised. The Housing Renewal Manager confirmed this was not the case with this particular bid, they would still be able to address some park homes however, they would be looking at the wider property market.

In response to Councillor Patrick, the Housing Renewal Manager explained due to treasury rules, public funding had to be awarded through a bidding process.

Councillor Housden asked whether there were any plans to tie this in with the current retrofit work. The Housing Renewal Manager explained this particular bid is for private sector properties or private sector landlords.

Councillor Baker proposed and Councillor Schoemaker seconded.

After being put to a vote, the Motion was Carried.

- RESOLVED**
- a) To continue to provide advice and support to those in fuel poverty in the district by renewing the Councils membership of the Warm & Well Partnership for up to a further 5 years; and**
 - b) To provide Core funding to support the partnership of £20,000 per annum from the Better Care Fund Disabled Facilities Grant wider social care budget; and**
 - c) To approve the extension of the Warm & Well delivery contract for a further 2 years; and**
 - d) To approve as the lead authority, the submission and acceptance of the bid for £5.2 million to the Sustainable Warmth Competition for the energy efficiency improvements to the homes of those in fuel poverty cross Gloucestershire & South Gloucestershire under the Warm & Well Scheme; and**
 - e) To authorise the Chief Executive to undertake all action as necessary to ensure the delivery of the Sustainable Warmth project, including, in consultation with the Borough Solicitor, the entering into of any legal arrangements or other documentation; and**
 - f) If successful recommend to Council, the addition of the Sustainable Warmth Bid to Stroud District Council's capital programme.**

HC.38 **Progress update on Key action plans (Cleaner Estates & Service Standards)**

The Housing Manager gave a verbal update into the work that had been completed that month on the project which included:

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02 November 2021

Subject to approval at
next meeting

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- An options appraisal at Nouncells Cross to improve cleaning and waste management.
- Promoting the role of Green Champions - 6 tenants expressed interested.
- Looking into purchasing a locked skip to remove fly-tipping more efficiently.
- Hosted a focus group for the independent living schemes which 10 tenants attended. They requested the opportunity to meet as a group on a quarterly basis which is currently being arranged.
- Hosted a Tenant Evening on the 12 October which received good feedback and resulted in a number of tenants who volunteered to be involved.
- Service standards have been benchmarked by TPAS, have received recommendations and feedback and will bring back a report on this after the recommendations have been reviewed.

The chair asked members if they were happy to continue the meeting given that the time was approaching 10pm and in accordance with the Councils' Constitution section 3 paragraph 6, members need to take a vote in order to continue the meeting.

Councillor Baker proposed and Councillor Green seconded.

After being put to a vote; 7 votes for, 2 votes against, the Motion was carried.

a) Tenant Representatives

Tenant Representative Becky Adams expressed her feedback from the tenant evening on the 12 October and stated it was a very useful and informative evening.

Tenant Representative Mark Ritcher expressed his interest with the projects the task and finish groups were working on and how they were solving the issues.

b) Housing Review Panel Update

The Chair explained that this had been paused while other work had been prioritised.

c) Retrofit/Carbon Reduction Task and Finish Group

Councillor Jockel informed the Committee what was discussed at the last meeting of the group:

- What they needed in place to make it work.
- What would success look like & how would that be measured.
- Seasonal work done mostly in summer.
- How effective was it.
- Getting a good before measure to show progress after the work was completed.
- Overall carbon savings.

d) Tenant Engagement and Empowerment Task and Finish Group

Councillor Fryer informed the Committee that there had been 3 meetings to date. During these meeting the initial points raised were:

- Review of communications channel from tenants to SDC including telephone and e-mail.
- Meeting to be scheduled to meet the new Community Action and Engagement Officer.

- Complaints, define the type of complaints received to see what merits a complaint and if it could have been handled differently.

He informed the Committee he also attended the tenants evening on the 12 October and stated it was a very productive evening with lots of expression of interests for tenant roles within SDC. He stated how important it was to include the tenants in the work being completed at SDC.

e) Housing Repairs and Voids Task and Finish Group

Councillor Baker informed the Committee they have had 2 meetings to date and would start by focusing on voids first and following the voids through the process. She explained the Operations Manager will be taking people out to view the different types of voids and they would be looking to get some figures together soon to see how to progress.

HC.40 **Work Programme**

There were no questions or comments on the Work Programme.

HC.41 **Members' Questions**

There were none.

The meeting closed at 10.08 pm

Chair

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STROUD DISTRICT COUNCIL

HOUSING COMMITTEE

TUESDAY, 7 DECEMBER 2021

Report Title	HOUSING COMMITTEE BUDGET ESTIMATES – REVISED 2021/22 AND ORIGINAL 2022/23 AND HOUSING REVENUE ACCOUNT (HRA) MEDIUM TERM FINANCIAL PLAN 2021/22 – 2025/26
Purpose of Report	To present to the committee the revised budget estimates for 2021/22 and the original estimates for 2022/23.
Decision(s)	<p>The Committee RECOMMENDS to Strategy & Resources and Council that:</p> <ul style="list-style-type: none"> a) The revised General Fund Housing revenue budget for 2021/22 and original budget 2022/23 are approved; and b) The Fees and Charges listed in Appendix A are approved; and c) The revised HRA revenue budget for 2021/22 and original budget 2022/23 are approved; and d) The movement to and from HRA balances and capital reserves as detailed in Appendix C and section 11 are approved; and e) That from 1 April 2022: <ul style="list-style-type: none"> i. Social rents and affordable rents are increased by 4.1% (CPI +1%), in line with national rent guidance ii. Garage rents are increased by 4.1% iii. Landlord service charges are increased by 4.1% f) That the General Fund Housing Capital Programme, as detailed in Section 4Error! Reference source not found., be included in the Council’s Capital Programme; and g) That the HRA Capital Programme for 2021/22 to 2025/26, as detailed in Appendix D, be included in the Council’s Capital Programme; and h) To delegate authority to the Strategic Director of Resources to appropriate land and buildings at 11/11A May Lane (as shown on the plan at Appendix E) into the HRA and the New Build Programme from the General Fund, once a market valuation has been received; and i) To delegate authority to the Head of Property Services to continue work on progressing this site with land to the rear of Parsonage Street, Dursley, including opening negotiations to acquire land from 3rd party private owners.

Agenda Item 5

Consultation and Feedback	Budget holders and senior managers			
Report Author	Lucy Clothier, Accountancy Manager Tel: 01453 754343 Email: lucy.clothier@stroud.gov.uk			
Options	a) Reduce or increase capital and revenue expenditure b) Reduce or increase dwelling rents c) Reduce or increase landlord service charges and garage rents d) Not appropriate the land at May Lane to the HRA			
Background Papers	None			
Appendices	A – General Fund fees and charges B – HRA rents and service charges C – HRA MTFP D – HRA Capital Programme and funding E – Plan of land at May Lane and Prospect Place, Dursley			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	No	No

1. Background

- 1.1 The Budget Strategy reported to Strategy and Resources Committee in October 2021 set out the way in which the Council would approach setting budgets for the forthcoming financial year.
- 1.2 The Committee's service revenue budgets have been prepared in accordance with the budget framework set out in the Budget Strategy report. They are presented in draft format and are subject to further change as the budget setting process progresses. Any subsequent changes will be included in the MTFP report to Strategy and Resources and Council.
- 1.3 **It would be helpful where members have questions on matters of detail if they could be referred to the report author or the appropriate service manager before the meeting.**

2. Summary

- 2.1 This report sets out the revised budgets for 2021/22 and the proposed base budgets for 2022/23 for General Fund Housing and the Housing Revenue Account (HRA).
- 2.2 General Fund Housing
- 2.3 An increase in budget of £118k on top of the base budget gives a proposed budget of £890k for 2022/23. The current budget for 2021/22, including carry forwards of £207k, is £980k.
- 2.4 Updated fees and charges are included in Appendix A.
- 2.5 The capital programme is proposed to be £5,813k in 2022/23, up from £2,531k in 2021/22.
- 2.6 Housing Revenue Account
- 2.7 A transfer from general reserves of £972k will be needed to fund the proposed budget for 2022/23.
- 2.8 It is proposed that weekly rents and services charges increase by 4.1%, in line with national rent guidance and the SDC Budget Strategy, as approved by Council.

- 2.9 The HRA capital programme has been reprofiled across financial years, and the retrofit option chosen by Housing Committee in September 2021 has been included in the ongoing programme.
- 2.10 It is proposed that the council owned site at May Lane in Dursley be appropriated from the General Fund to the HRA, subject to a market valuation.
- 2.11 It is forecast that savings of £1m pa will be needed across the HRA in order to have a balanced financial position over the long term.

3. General Fund Housing

- 3.1 Members will be aware from both the 2021/22 budget and MTFP (approved in January 2021) and the Budget Strategy reports, the Council is facing a number of financial challenges in 2022/23 and future years. A budget deficit has been forecast in the latter part of the medium term due to anticipated reductions in the level of Government funding and inflationary/cost pressures across the Council's services.
- 3.2 The Medium Term Financial Plan (MTFP) report to Strategy and Resources will set out a projection of General Fund expenditure over the medium term 2022/23 to 2025/26. This report sets out a more detailed analysis of the changes to the Housing Committee budget for 2021/22 (Revised Estimates) and 2022/23 (Original Estimates).
- 3.3 The Committee's service revenue budgets have been prepared in accordance with the budget framework set out in the Budget Strategy report. They are presented in draft format and are subject to further change as the budget setting process progresses. Any subsequent changes will be included in the MTFP report to Strategy and Resources and Council.
- 3.4 The original budget for General Fund Housing was £773k, which has been revised to £980k following a carry forward of £207k from 2020/21.
- 3.5 It is proposed that the original budget for 2022/23 be set at £890k, which includes transfers from reserves of £36k, as set out in Table 1.

Table 1 – Summary of General Fund Housing Budget

	2021/22 Revised Estimate £000's	2022/23 Original Estimate £000's
Base Budget	773	980
Virements/adjustments	207	(207)
Recurring changes:		
Pay increases		23
Proposed budget adjustments		95
Net Service Budget	980	890
Transfers to/from reserves	(207)	(36)
Net Service Budget (after Reserve Funding)	773	854

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- 3.6 The pay increases of £23k represent a salary uplift for 2022/23 of 2.5%, in line with the Budget Strategy. Also included within this is an increased assumption for 2021/22 and also the confirmed additional 1.25% National Insurance contribution.
- 3.7 There are some proposed budget adjustments within the budget for next year, as set out in the following table.

Table 2 – Summary of proposed budget adjustments

	£000s	
Housing Strategy staffing	26	Additional admin support (fixed term), funded from external grant funding
Housing Advice staffing	10	Additional admin support (fixed term), funded from earmarked reserves
Housing Advice team	48	Change in funding of the team between General Fund and HRA (offset in HRA - see para 9.2). No change in overall staffing proposed.
Other minor changes	10	
Total	94	

- 3.8 The additional staffing proposed across Housing Strategy and Housing Advice are fixed term only, and as they are funded from a combination of external funding and earmarked reserves, they do not increase the ongoing budget requirement.
- 3.9 A review has been undertaken of the Housing Advice Team to assess the funding from the HRA. The team maintain the housing register and provide an allocations service for the HRA and so some of the costs are transferred. Since the last review it has been established that less time is spent on HRA activities, meaning a reduction in the charges to the HRA, but as the team structure will remain the same this means that the General Fund needs to pick up more of the cost. Overall this has not caused a funding issue for the General Fund as the HRA also contributes towards support services from the General Fund. As detailed in paragraphs 9.1 and 9.2 the overall contribution from the HRA has increased, largely due to increased costs of providing the services.

4. General Fund Housing Capital

- 4.1 The base capital budget for 2021/22 was £1,995k. The proposed revised budget is £2,531k following capital slippage from 2020/21 and the removal of the Temporary Accommodation budget (see paragraph 4.9). The proposed base budget for 2022/23 is £5,813k, which includes two new bids to the Department for Business, Energy and Industrial Strategy (BEIS) for Green Homes Local Authority Delivery Scheme (LADS) Phase 3 and Home Upgrade Grants for Sustainable Warmth. Both are countywide schemes.
- 4.2 Table 3 below sets out the full capital programme.

Table 3 - General Fund Housing Capital Programme

	Para	Base Budget 2021/22 £000s	Current Budget 2021/22 £000s	Base Budget 2022/23 £000s
Affordable Housing-Support to Registered Providers	4.4	0	39	0
Disabled Facilities Grant Scheme	4.5	330	330	350
Health through Warmth Grants	4.6	200	200	200
Private Sector Housing Loans	4.7	15	15	15
Warm Homes	4.8	0	343	0
Temporary Accommodation	4.9	500	0	0
Green Home LADS Park Homes	4.10	950	1,604	0
Green Home LADS 3	4.11	0	0	1,030
Home Upgrade Grant - Sustainable Warmth	4.12	0	0	4,218
Total		1,995	2,531	5,813

4.3 Details of the capital schemes are below.

4.4 Support for Registered Providers

The existing capital programme for support for housing associations has been fully utilised. Where possible section 106 contributions will be used to further contribute towards affordable housing in the district.

4.5 Disabled Facilities Grants

The allocation for Disabled Facilities Grants from the Better Care Fund administered by Gloucestershire County Council has increased from £330k to £350k. This is a demand led service and the need for adaptations can be difficult to predict.

4.6 Health Through Warmth Grant

Health through warmth insulation grants, funded by Gloucestershire Clinical Commissioning Group (CCG), are set to continue. This funding is predominantly used for insulation and heating systems to increase thermal efficient in homes of people with cold or damp related health issues. It covers the whole county, with Stroud District Council leading.

4.7 Housing Loans

A small ongoing budget has been included to reflect the Health Homes Loan Scheme and Empty Homes Loans.

The Health Homes Loan Scheme is owners to remove a serious defect in the property that could affect their health. The loans are repayable when the applicant sells or moves out of the property.

The Empty homes loan scheme is for owners of long term empty properties to apply for loan funding to bring the empty home back into use. These loans are interest free and repayable when the property is sold or no longer available to rent at an affordable level.

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4.8 Warm Homes

This countywide scheme which is externally funded by the National Grid, through Affordable Homes Solutions is due to finish in 2021/22 (extended from 2020/21). If any new opportunities for funding become available these will be investigated.

4.9 Temporary Accommodation

The temporary accommodation budget was set up to purchase a property for housing homeless families and singles, in partnership with a registered provider. Due in part to the success of using HRA accommodation to house homeless families, this scheme is no longer needed in the same way. The budget has therefore been removed from the capital programme.

However, there is still a pressure on temporary accommodation, particularly for rough sleepers and single person households, and work is ongoing with partners to establish a way to meet the need. It is hoped that this will lead to additional temporary accommodation within the district for this group of residents. If additional support is required from Stroud District Council a new business case will be established and if approved, and in consultation with Housing Committee, will be included within the proposed capital programme.

4.10 Green Homes LADS Park Homes

The external BEIS funding for Park Homes is available for 2021/22.

4.11 Green Homes LADS 3

Following successful bids for Green Homes LADS 1A and 1B funding for Park Homes, a bid has also been submitted for Green Homes LADS 3. This is a countywide scheme covering Gloucestershire and South Gloucestershire. If the bid is unsuccessful the capital budget will be taken out of the capital programme.

4.12 Home Upgrade Grant – Sustainable Warmth

A bid has been submitted to BEIS to provide funding to install energy saving upgrades and low carbon heating in low income households across Gloucestershire and South Gloucestershire. If the bid is unsuccessful the capital budget will be taken out of the capital programme.

5. **Housing Revenue Account (HRA)**

- 5.1 The HRA budget for 2021/22 has a transfer to general reserves of £281k. The proposed budget for 2022/23 has expenditure of £26,188k funded by income of £24,058k and a transfer from earmarked reserves of £1,158k, leaving a transfer from general reserves required of £972k.
- 5.2 Table 4 shows a summary of all budget changes from 2021/22 to 2022/23. It should be noted that a number of these changes were previously planned, or are only for a fixed period of time and so do not represent a significant change from the long term position. Section 11 looks at the medium and 30 year impact of the changes identified in this budget round.
- 5.3 Further detail on the changes is included in the sections after the table.

Table 4 – Summary of HRA Budget Changes

	Para	Budget Changes 2022/23	Comments
Transfer to reserves 2021/22		(281)	
Rents and service charges	6	(836)	4.1% uplift across rents and charges
Pay and Price inflation:			
National Insurance Adjustments	7.1	44	1.25% uplift on employers NI contribution
Pay Award Adjustments	7.1	33	Assumed pay award adjustment for 2021/22
Pay Inflation	7.1	111	Assumed pay award for 2022/23
Contract Inflation	7.2	115	3% inflation across major contracts
Insurance Adjustments	7.3	64	Insurance premium increase
Gas and Electric	7.4	53	Utilities inflation
Service changes:			
Asset and Investment team	8.2	108	Staffing including retrofit contract officers
Property services/new build team	8.3	47	Additional support for two years
Property Care	8.4	265	Additional costs, mostly fixed term
Compliance	8.6	574	Additional radon and asbestos testing and works, and Fire Risk Assessment works
Cyclical maintenance programme	8.7	(249)	Planned change in cyclical maintenance programme
Disrepair claims	8.8	60	Disrepair compensation claims underway
EPCs	8.9	40	Additional EPCs required prior to retrofit programme
Decoration vouchers	8.10	20	Vouchers issued to tenants on moving in for paint etc
Grounds maintenance contract	8.10	17	Uplift in Ubico contract cost
Central changes:			
Support Service Charges	9.1	350	Increase in charges from General Fund for shared services
less Housing Advice	9.2	(48)	Reduced charge from General Fund for allocations service
Pension lump sum	9.3	(72)	Planned reduction in pension costs
Interest receivable	9.4	25	Reduction in interest received on HRA balances
Ind Living cont towards service changes	9.5	148	Planned change to Independent Living Modernisation
Provision for repaying debt	9.6	45	Planned uplift in contribution for repayment of debt
Depreciation/Transfer to MRR	9.7	320	Uplift in depreciation charge (which is used to fund capital works)
Other minor changes (net)		17	
Transfer from reserves 2022/23		972	

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6. Proposed Rents and Service Charges 2022/23

- 6.1 It is proposed that all rents, fees and charges are increased by September Consumer Price Index (CPI) +1%, which totals 4.1% (with the exception of shared ownership rents which are set separately).
- 6.2 Appendix B set out the proposed increases in fees and charges for the HRA.
- 6.3 Dwelling rents
- 6.4 2022/23 is the third year of rents being regulated by the Regulator of Social Housing, following a period of four year rent reductions. The regulator is permitting registered providers to increase rents by CPI +1%.
- 6.5 It is therefore proposed that all social and affordable rents are increased by 4.1% - CPI of 3.1% plus 1%. This increases the average weekly rent from £85.14pw to £88.63pw, an increase of £3.49pw.
- 6.6 On becoming vacant, dwellings at social rent are being relet at the Target Rent, a national rent calculation for social housing which is designed to give fair and consistent rents across all local authority and housing association stock. Currently 68% of tenants have rents below the Target Rent (a decrease from 74% last year), with an average difference of £1.40pw. This figure will reduce as dwellings become void and are relet, but as existing tenancies will be unaffected it will be a very gradual change. Members could choose to implement Social Rents at above Target Rent on relet (up to 5% on General Needs and 10% on Sheltered properties), but this is not being proposed at this time.
- 6.7 Shared ownership rents
- 6.8 Shared ownership rents will increase by the inflationary uplifts set out in each lease.
- 6.9 Garage rents and service charges
- 6.10 It is proposed that garage rents and all service charges, including Independent Living charges, increase by 4.1% in line with rents.
- 6.11 As set out in Pay and Price Inflation it is currently expected that many of the costs faced by the council will increase by an amount higher than this. For example, the total cost of the Independent Living service is expected to rise by 9.6%, however as much of this increase is based on estimated future cost, particularly for salary costs and gas and electricity, it is proposed that this isn't passed on to tenants in 2022/23 and is reviewed in full for 2023/24. This may mean service charges increase by more than inflation for 2023/24.

7. Pay and Price Inflation

- 7.1 In line with the Budget Strategy, future years pay inflation has been provided for in the MTFP at a rate of 2.5%. There has also been an adjustment to the pay inflation for 2021/22. The additional employers National Insurance contribution of 1.25%, which will be replaced by a new Health and Social Care Levy from 2023/24, has also been included.
- 7.2 Non pay contract inflation, particularly across repairs and maintenance contracts, has been included at 3%.
- 7.3 The cost of insurance premiums has risen significantly. This is in part due to inflationary uplifts across the insurance sector, but has also been affected by an increase in claims made against the policy, in particular there have been a number of high cost claims, including for fires, in HRA properties.

- 7.4 The cost of gas and electricity is also expected to rise considerably, with an uplift of 50% on gas and 40% on electricity expected from the current rates when the existing fixed rate contract ends in 2022. As there is only a part year increase included in 2022/23, a similar uplift can be expected in 2023/24.

8. Service Changes

- 8.1 There are a number of changes to the service budgets for 2022/23.
- 8.2 The Asset and Investment Team is proposed to increase by £108k. This relates to additional staffing, predominantly two additional contract officers to cover the retrofit programme of works as approved by Housing Committee in September 2021. These new posts are expected to remain in place for the duration of the programme.
- 8.3 Additional fixed term (2 year) support is also proposed for the Property Services/New Build and Development Teams which would allow new opportunities to be investigated, including for brownfield sites.
- 8.4 The in-house repairs and maintenance provider Property Care is experiencing pressures in a number of areas, particularly in the use of subcontractors for works that are not able to be delivered by the employed operatives. The use of subcontractors is currently higher than was expected in the business case and also the cost of contractors has risen significantly due to market conditions. An additional allowance has been included within the budget to allow for this on a short term basis, but it is expected that this additional cost will reduce back down over the medium term as skillsets are further widened across the workforce.
- 8.5 There are also opportunities to internalise additional workstreams. It was reported last year the electric servicing contract could be brought in house, and there is a potential to bring the disabled adaptations and minor external works in house. This would not have a financial impact on the budget as the cost of the operatives and materials would be covered from the existing budget for the contract.
- 8.6 A significant increase in budget allocation for compliance testing and works is proposed for 2022/23. This includes a bigger radon testing and remedials works programme, increased asbestos testing (which is put in place due to the additional capital works for retrofit), and additional fire safety works that have been identified in the fire risk assessments. This additional budget request is predominantly only needed for one year, but it is envisaged that some additional funding will be required over the medium and long term.
- 8.7 Following a big increase in the cyclical planned maintenance programme (which includes external painting and rendering) for 2021/22, there is a planned reduction for 2022/23. The programme will continue to fluctuate between years in line with the homes that are planned to have works each year.
- 8.8 There have been a number of disrepair claims made by tenants. In some cases these have been difficult to dispute due to the high level of evidence needed. An allocation of £60k is being made to pay claims for the 2022/23 budget, but it is planned to put in place robust evidence recording to ensure that false claims cannot be awarded in the future.
- 8.9 A higher number of EPCs will be required to be undertaken in 2022/23 to allow for new EPCs to be in place before retrofit works are undertaken. It is hoped that this could be delivered in house by Property Care in future years.
- 8.10 There is also an expected increase in decoration vouchers issued to tenants moving into a property, in order for them to decorate the home as they wish, and an increase in the cost

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of the grounds maintenance contract, as Ubico are expected to experience the same cost pressures on staffing and inflation as the council.

- 8.11 The Independent Living Modernisation Project has been reprofiled, as set out in para 15.14. This has increased the cost in 2022/23, but as the project is fully funded over the MTFP this has not affected the bottom line of the HRA and a corresponding transfer from the Independent Living earmarked reserve is also included in the budget.

9. Central Changes

- 9.1 There is an increase of £350k in the support service charges from the General Fund to the HRA. These charges cover all of the central services provided by the wider council, such as the HRAs share of HR, IT, finance etc, as well as a contribution towards the running of Ebley Mill. This increase is in part due to the pay and non pay uplifts included across all council services, as well as contributions towards IT equipment and pension costs. The HRA's share of the Fit For The Future project is also included within this cost. This will be funded from the earmarked reserve set aside, although an additional contribution will also be put into the reserve in 2022/23 to offset future costs of the project.
- 9.2 The additional support charges cost has been in part offset by a reduction in the HRA's share of the Housing Advice Team for the allocations role they provide for the HRA, as set out in paragraph 3.9.
- 9.3 The pension lump sum cost has reduced by £72k in line with the agreement with Gloucestershire Count Council. This is the third year of a three year agreement and the costs after 2022/23 are not yet known.
- 9.4 The interest receivable is expected to reduce by £25k against the 2021/22 budget, in part due to a continuing low base rate, but also due to the expected lower level of HRA balances.
- 9.5 A planned contribution from the Independent Living Modernisation programme to offset lost service charges is in its final year. This was an amount that was included in the original business case for the project and so does not affect the medium/long term position.
- 9.6 The provision for repayment of debt is due to increase by £45k. This is in line with the proposal agreed by Housing Committee to repay the existing borrowing (predominantly the self financing debt) over 60 years.
- 9.7 The depreciation charge is due to increase by an estimated £320k. The amount set aside for depreciation gets transferred to the Major Repairs Reserve and is used to fund capital works.

10. Earmarked Reserves

- 10.1 The following table sets out the budgeted transfers to and from earmarked reserves in 2021/22 and 2022/23.
- 10.2 Although not budgeted, it is expected that the Retrofit and Transformation reserves will be used in part in both 2021/22 and 2022/23, although as the amounts are not known this has not been included in the base budget but will be reported to Housing Committee in budget monitoring and financial outturn reports.

Table 5 – Summary of HRA Earmarked Reserve Transfers

	2021/22				2022/23			
	Opening Balance (£'000)	Transfers in (£'000)	Transfers out (£'000)	Closing Balance (£'000)	Opening Balance (£'000)	Transfers in (£'000)	Transfers out (£'000)	Closing Balance (£'000)
Independent Living Modernisation	2,836	1,000	(885)	2,951	2,951	1,000	(2,158)	1,793
Estate Redevelopment	1,170	0	0	1,170	1,170	0	0	1,170
Transformation	484	0	0	484	484	39	(39)	484
HRA General Contingency	100	0	0	100	100	0	0	100
Provision for repayment of debt	918	967	0	1,885	1,885	1,012	0	2,897
Retrofit	139	0	0	139	139	0	0	139
Carry forwards	21	0	(21)	0	0	0	0	0
Total Earmarked Reserves	5,668	1,967	(906)	6,729	6,729	2,051	(2,197)	6,583

11. HRA Medium Term Financial Plan (MTFP) and 30 Year Position

11.1 The Medium Term Financial Plan based on the details of budget setting for 2022/23 is shown in Table 6 below. This also includes the forecast position of the HRA for 2021/22, as reported at this committee meeting.

Table 6 – HRA Medium Term Financial Plan Summary

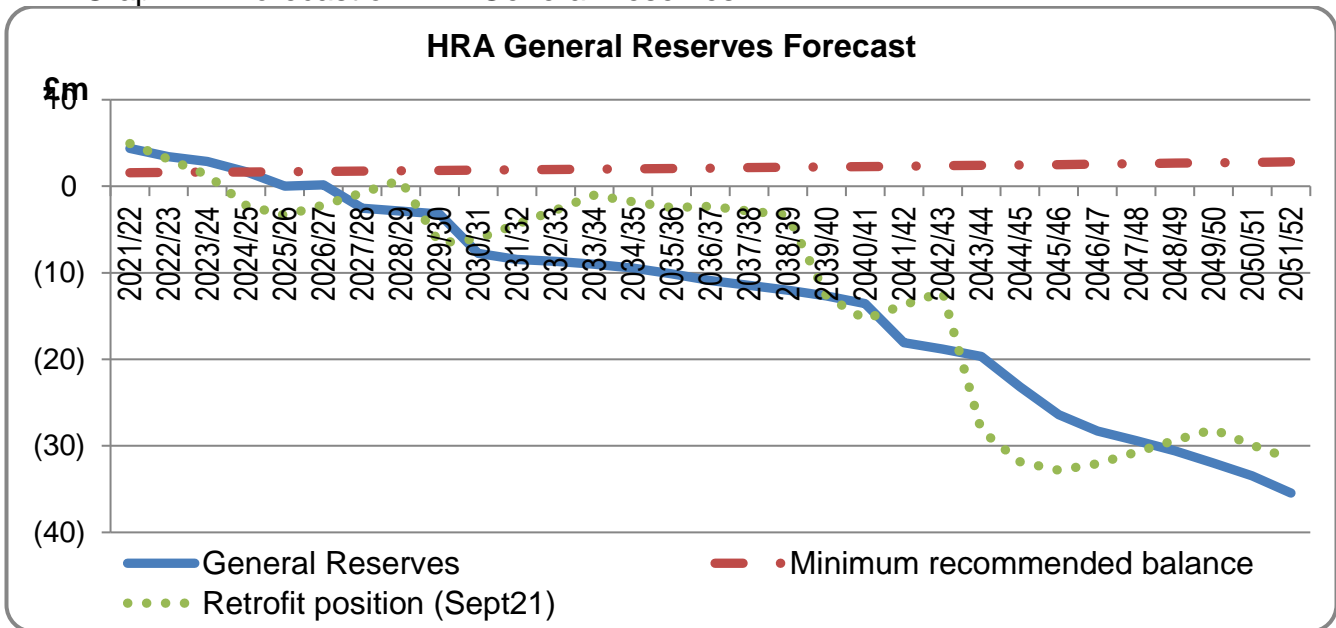
	2021/22 Base £000s	2022/23 Forecast £000s	2023/24 Forecast £000s	2024/25 Forecast £000s	2025/26 Forecast £000s
Income	(23,208)	(24,058)	(24,912)	(25,585)	(25,937)
Expenditure	10,257	11,515	10,897	10,661	10,891
Support service charges from the GF	2,058	2,408	2,466	2,529	2,591
Other income and expenditure	10,518	12,265	12,305	13,789	15,432
Total Housing Revenue Account	(375)	2,130	757	1,395	2,978
Transfers to/(from) earmarked reserves	94	(1,158)	(206)	(319)	(1,291)
Transfers to/(from) general reserves	281	(972)	(551)	(1,076)	(1,687)
Total Housing Revenue Account	0	0	0	0	0
General Reserves					
Opening balance	4,611	4,373	3,401	2,850	1,774
Transfers to/(from)	281	(972)	(551)	(1,076)	(1,687)
Forecast HRA overspend 2021/22	(519)				
Closing Balance	4,373	3,401	2,850	1,774	87

11.2 This shows that the general reserves position is now expected to be lower than the recommended minimum reserves balance of £1,689k in 2025/26.

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11.3 This is further reflected over the longer term, as shown in the below chart showing a forecast of the general reserves position over 30 years.

Graph 1 – Forecast of HRA General Reserves



11.4 The graph also includes a comparison to the position reported with the Retrofit options (for the chosen option), which shows that the current forecast has reduced slightly.

11.5 The HRA is now expecting higher rental income over the long term due to the higher than previously forecast inflationary uplift in 2022/23. There have also been fewer Right to Buys, which is expected to be a temporary change due to the Covid-19 pandemic and also officer capacity.

11.6 The higher levels of inflation have also increased costs by more than was expected which has offset the additional income. It is now forecast that the long term position (after taking back out the short term changes included in the budget for 2022/23) is an additional cost of approximately £100k per year.

11.7 This has increased the savings target needed in order to balance the long term position of the HRA from £0.9m pa as included in the retrofit paper, to £1.0m pa.

11.8 Some of the options that could be considered to support the budget gap are:

- Reduction in revenue expenditure
- Reduce capital spend (reduce capital replacements eg kitchens/bathrooms)
- Extending component life cycle (consideration would need to be given to Decent Homes 2)
- Charge higher rents on new build/relet
- Charge full service charges to all general needs tenants eg grounds maintenance charges
- Secure additional grant income to reduce borrowing

11.9 It is not proposed that any changes be made to the budget for 2022/23, but that a savings target of £1.0m is acknowledged, and a commitment is made to balance the long term position over the period of the MTFP.

12. Borrowing

- 12.1 The HRA currently has borrowing of £103.765m, of which £97.717m is externally borrowed (from the Public Works Loans Board) and £6.048m is internally borrowed (ie reducing the reserves held by the HRA).
- 12.2 Additional borrowing of £21.616m is planned for the existing New Build and Development Programme. This is £421k lower than previously reported due to a successful bid for Government grant funding for infrastructure works on four schemes (Glebelands, Orchard Road, Gloucester Street and Bradley Street, and Cambridge House).
- 12.3 Further borrowing of £17.106m is planned for the retrofit programme. This is £624k lower than had been previously set out. A provision of £624k has been held since 2018 (reported to Housing Committee in June 2018 as part of the 2017/18 Outturn report), for a sum held for works completed in 2014. It is no longer expected that this provision will be needed and so it is proposed that this sum be returned to general HRA balances and used to fund retrofit works. By reducing the borrowing by this amount, the ongoing revenue saving to the HRA (over the length of the proposed borrowing) is £31k per year.

13. Material Assumptions Made in the HRA MTFP

- 13.1 The MTFP forecast is made under a number of assumptions. The key assumptions of note are summarised below:
- Rents will rise by CPI +1% for two further years, and then reduce to CPI only
 - Void levels of 2% in general needs and 5% in Independent Living
 - Inflation of 2% per year
 - 30 Right to Buy sales a year have been assumed in terms of rent loss
 - Major works have been included on a standard replacement basis, plus the retrofit programme approved by Housing Committee in September 2021.
 - The existing borrowing held (primarily self financing debt) is to be repaid (through an annual provision made) over 60 years, with the new retrofit borrowing and new build and development borrowing to be repaid over 30 years.

14. Risks and Uncertainties

- 14.1 The HRA still faces a number of risks and uncertainties over the medium to long term. These include:
- 14.2 Inflation – if inflation rates are lower than the 2% expected going forward, the rental income will be lower than currently assumed. This could significantly affect the funding available to run the service and deliver works on the properties.
- 14.3 Right to Buy Receipts – there is a risk that the development programme could slip, or some schemes may not be possible to deliver. Therefore, because of changes to timing, receipts could need to be repaid. This risk has reduced following a change in the retention agreement, allowing a longer period to use Right to Buy receipts.

There is also a potential risk that the receipts may not be sufficient to fund the capital programme over the longer term. If this were to happen, alternative funding would need to be found. This could include Homes England grant funding.

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14.4 Interest Rates - the HRA is largely sheltered from increases in interest rates in the short term as all of the current borrowing is at fixed interest rates. As loans become repayable, advice will be sought from our treasury advisors on the most advantageous approach to refinancing.

As new borrowing is taken out for the new homes programme and for retrofit, the HRA will be subject to the market rates at the time of borrowing.

Investment income is directly linked to interest rates on balances held. Lower interest rates would reduce the investment income, higher interest rates would increase the amount the HRA receives on reserve balances. A small increase is already assumed over the medium term.

14.5 Stock Condition – the information held on the condition of the stock continues to grow, with data being collected regularly. As more data is collected, the longer term forecasts are revised and could mean that more, or less, spend is required compared to the current forecast.

14.6 Staffing – the ability to attract and retain staff, especially in specialist areas such as development, repairs and maintenance and tenancy management, is extremely important. Any significant gaps could result in a reduced service to tenants, and/or a financial pressure in recruiting agency staff.

14.7 Internal Council Changes – any major changes to the Council could impact on the HRA medium/long term position. This could include benefits in reduced HRA contributions as well as pressures from higher costs.

14.8 Pension contributions – 2022/23 is the final year of a three year pension agreement with Gloucestershire County Council. The cost of the next three year scheme is not yet known, and if higher than the current contributions would have an adverse affect on the long term position of the HRA.

15. HRA Capital Programme

15.1 The proposed capital programme includes a revised budget for 2021/22 is £21,790k, and a budget for 2022/23 of £21,644k.

15.2 A full breakdown of the capital programme and capital financing is included in Appendix D

15.3 Major Works

15.4 The Major works programme has been reprofiled in line with current programmes, which includes bringing forward the budget for the works at Park Road and Park Parade in Stonehouse (Special Projects).

15.5 The ongoing programme includes the retrofit works approved by Housing Committee in September 2021.

15.6 New Homes and Regeneration Programme

15.7 The development programme has been reprofiled in line with the information paper published in September 2021.

15.8 There has been a small (£39k) increase in cost across the programme as a whole and it is proposed that the 2021/22 contingency budget be used to fund this shortfall.

15.9 A budget of £50k has been included for the site at May Lane in Dursley for surveys and design work. Further detail on this site and a proposal to appropriate it to the HRA can be found in Section 16.

15.10 Acquisitions of Land and Housing

15.11 The budget allocation for acquisition of land and housing continues in line with the previous agreed programme. There is a one off budget of £3m for the acquisition of land which can be used if any opportunities arise. Any unused allocation will carry forward to the following year.

15.12 There is an annual £2m budget for the purchase of housing. This funding pot is also opportunistic, and it is not necessarily expected that this will be spent in full in each and every year. As this is an annual recurring budget any unallocated underspends each year would not carry forward to the next year, unless a specific case is made.

15.13 The budget for the acquisition of housing in 2021/22 includes an allocation for the Next Steps Accommodation Programme, for which the council received grant funding towards the purchase of accommodation for rough sleepers. The budget has been amended in line with the final claim.

15.14 Independent Living Modernisation

15.15 The Independent Living Modernisation programme has been reprofiled across financial years, but the overall project remains within the allocated funding. This revision increases the schemes delivered in 2022/23 from two to three. A paper will be taken to Housing Committee in February 2022 for approval on the schemes to be delivered in year.

16. Land (and Buildings) May Lane and Prospect Place, Dursley

16.1 In 2019 Strategy and Resources committee resolved that the Head of Property Services investigate the viability, procurement approach and the extent of property to be acquired at May Lane/ Prospect Place Dursley to bring forward these derelict town centre sites and to consider a delivery strategy for a residential lead scheme here. The background and detail to this site is set out in that report.

16.2 Work has been undertaken to establish the numerous land holdings and property interests in this area and an initial scheme layout has been drawn up by architects ready for pre-app advice on the site and to undertake initial high level financial appraisals for a new build scheme. Where land has to be bought to deliver more homes, the land value has to be included in any appraisals, which inevitably means that they will require more subsidy than sites which are already in the council's ownership. However, as these sites are built out, more land has to be acquired if the council wants to continue its new build programme with all the social and economic benefits that this brings.

16.3 A meeting has been held with ward councillors and the Town Council to consider the extent of any scheme and what town centre uses could be included as the site is already allocated in the Local Plan and expected to deliver this as part of any residential led scheme. The proposal to progress the scheme as a new build development was supported and the site is in a sustainable location right next to the town centre.

16.4 In order to firm up a scheme, survey work and further design work needs to be undertaken. Advice on the use of Compulsory Purchase powers will also be needed in order to assess the costs and process for assembling the site. It is therefore recommended that the part of the site already owned by the council is appropriated from the General Fund into the HRA at market value and this and the wider site is included in the new build programme. Redeveloping these sites will regenerate the area, replace derelict properties already owned by the council and deliver more affordable homes. Further updates including the financial appraisal for the scheme will be brought to future committee meetings.

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17. IMPLICATIONS

17.1 Financial Implications

This report sets out the draft General Fund and HRA budgets relating to the Committee for 2022/23. This will form part of the budget setting process to be considered by Strategy and Resources Committee in January 2022 and Council in February 2022.

Lucy Clothier, Accountancy Manager

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17.2 Legal Implications

None directly arising in respect of the budget estimates and revisions other than to note that this report forms part of the budget setting process for 2022/23 which involves the Council calculating capital and revenue estimates for its General Fund.

The relevant legislation in respect of the appropriation of land and buildings is section 19 of the Housing Act 1985 which permits local authorities to appropriate land for the provision of housing accommodation from other purposes for which it might be held by the Council. The Council must record in the HRA the appropriate adjustments in respect of such land (s74 and Schedule 4, paragraph 5, Local Government and Housing Act 1989).

One Legal

Tel: 01684 272203 Email: legalservices@onelegal.org.uk

17.3 Equality Implications

There are not any specific changes to service delivery proposed within this decision.

The change in HRA rents and service charges is universal across all housing charges. HRA rents and service charges are eligible for Housing Benefit and Universal Credit for households on low incomes.

17.4 Environmental Implications

There are no significant implications within this category. A programme of retrofit works, as approved by Housing Committee in September 2021, has been included within the HRA capital programme. The General Fund capital programme also includes a number of schemes designed to increase thermal efficiency of homes.

Housing Committee

Private Housing - Caravan Site Licensing

Schedule of Fees and Charges from 1 April 2022

Description of Charge	Charge April 2021 - March 2022		Charge April 2022 - March 2023		Change %
	£ Exc VAT	£ Inc VAT	£ Exc VAT	£ Inc VAT	
Caravan Site Licensing Fee (VAT exempt) hourly rate charge	49.60	49.60	49.60	49.60	0.0%

Housing Committee

Private Housing - Caravan Site Licensing

Schedule of Fees and Charges from 1 April 2022

Proposed increase in fee/charge from previous year

Worked out on fixed matrix.No change 2022-23
--

Basis of charge (eg full cost recovery, statutory charge, subsidised service)
--

Full Cost recovery

Details of any discretionary discounts or concessions
--

None

Has any benchmarking or consultation been undertaken?
--

No

Equality Impact Assessment

None

Budget Impact

None

Housing Committee
Private Housing - HMO Licensing
Schedule of Fees and Charges from 1 April 2022

Description of Charge	Charge April 2021 - March 2022		Charge April 2022 - March 2023		Change %
	£ Exc VAT	£ Inc VAT	£ Exc VAT	£ Inc VAT	
Application for Licence Fee for HMO	262.00	262.00	262.00	262.00	0.0%
Management & Enforcement Fee for HMO - (only applicable once licence approved and due to be paid before licence issued)	614.00	614.00	614.00	614.00	0.0%

Housing Committee
Private Housing - HMO Licensing
Schedule of Fees and Charges from 1 April 2022

Proposed increase in fee/charge from previous year

Fixed matrix. No change 2022-23

Basis of charge (eg full cost recovery, statutory charge, subsidised service)

Charge is based on cost recovery. The fees for HMO's are required to be set according to a government matrix and are based on costs in the previous year. If the outturn costs are less than the fees charged, the fees must be reduced in the following year.

Details of any discretionary discounts or concessions

None

Has any benchmarking or consultation been undertaken?

Costing Matrix used was developed in consultation with other Local Authorities in Gloucestershire and based on the regulations issued by Government

Equality Impact Assessment

None

Budget Impact

Licenses last for 5 years and the number issued is small, so budget impact will be minimal

Housing Committee

Private Housing - Immigration Accommodation Certificate

Schedule of Fees and Charges from 1 April 2022

Description of Charge	Charge April 2021 - March 2022		Charge April 2022 - March 2023		Change %
	£ Exc VAT	£ Inc VAT	£ Exc VAT	£ Inc VAT	
	Immigration Certificate	119.17	143.00	122.92	

Housing Committee

Private Housing - Immigration Accommodation Certificate

Schedule of Fees and Charges from 1 April 2022

Proposed increase in fee/charge from previous year
3.0%

Basis of charge (eg full cost recovery, statutory charge, subsidised service)
Cost Recovery

Details of any discretionary discounts or concessions
None

Has any benchmarking or consultation been undertaken?
Yes

Equality Impact Assessment
None

Budget Impact
None

Proposed HRA Rents and Service Charges 2022/23

Draft Proposed level of rents and service charges (on a weekly basis over 52 weeks)	Current 2021/22 £	Proposed 2022/23 £	Increase/ Decrease £	Increase/ Decrease %
Rents				
Dwelling rents (average)	85.14	88.63	3.49	4.1%
Garage rents (excl VAT which is chargeable to non tenants only)	13.29	13.83	0.54	4.1%
Landlord service charges (charged where applicable)				
TV relay (communal aerials-basic IRS)	0.38	0.40	0.02	4.1%
TV relay (communal aerials-comprehensive IRS)	0.94	0.98	0.04	4.1%
Cleaning charges (average)	2.28	2.37	0.09	4.1%
District heating (average)	7.09	7.38	0.29	4.1%
Water charges (average)	2.76	2.87	0.11	4.1%
Scooter store	1.85	1.92	0.07	4.1%
Sheltered Housing service charges				
Archway Gardens	21.23	22.10	0.87	4.1%
Ashcroft House	37.64	39.18	1.54	4.1%
Ashwell House	21.63	22.52	0.89	4.1%
Broadfield Road	12.14	12.64	0.50	4.1%
Burdett House	26.98	28.09	1.11	4.1%
Chapel Lane	30.62	31.88	1.26	4.1%
Concord	26.54	27.63	1.09	4.1%
Draycott	24.39	25.39	1.00	4.1%
Dryleaze Court/Dryleaze House	22.98	23.92	0.94	4.1%
George Pearce House	16.49	17.17	0.68	4.1%
Glebelands	13.00	13.53	0.53	4.1%
Grange View	27.78	28.92	1.14	4.1%
Grove Park Road	25.03	26.06	1.03	4.1%
Hamfallow Court	31.56	32.85	1.29	4.1%
Hazelwood	33.11	34.47	1.36	4.1%
Jenner Court	22.49	23.41	0.92	4.1%
Malvern Gardens	24.94	25.96	1.02	4.1%
Sherborne House	25.65	26.70	1.05	4.1%
Springfields Court	20.77	21.62	0.85	4.1%
St Nicholas Court	25.61	26.66	1.05	4.1%
Tanners Piece (1 bedroom)	15.07	15.69	0.62	4.1%
Tanners Piece (2 bedroom)	19.61	20.41	0.80	4.1%
The Beeches	28.33	29.49	1.16	4.1%
The Corriett	21.97	22.87	0.90	4.1%
Vizard Close	32.56	33.89	1.33	4.1%
Walter Preston Court	28.92	30.11	1.19	4.1%
Willow Road	22.20	23.11	0.91	4.1%
Tenants in all schemes on protected rate	26.36	27.44	1.08	4.1%

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HRA Medium Term Financial Plan 2021/22 to 2025/26

	2021/22 Base	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
Income					
Dwelling rents and service charges	(22,779)	(23,615)	(24,500)	(25,124)	(25,478)
Other charges and income	(629)	(644)	(616)	(589)	(591)
Provision for bad debt	200	200	204	128	133
Total Income	(23,208)	(24,058)	(24,912)	(25,585)	(25,937)
Expenditure					
Supervision and management	4,196	4,502	4,532	4,426	4,630
Repairs and maintenance	4,503	5,294	4,582	4,468	4,556
Independent living service	637	692	707	723	739
Other expenditure	540	575	587	598	610
Independent living modernisation programme	381	452	490	447	356
Total Expenditure	10,257	11,515	10,897	10,661	10,891
Other income and expenditure					
Support service charges from GF	2,058	2,408	2,466	2,529	2,591
Revenue Funding of Capital Programme (Depreciation and RCCO)	6,217	7,894	7,014	8,185	9,632
Provision for repayment of debt	967	1,012	1,400	1,549	1,671
Interest payable/receivable	3,334	3,359	3,892	4,055	4,129
Total other income and expenditure	12,576	14,673	14,772	16,319	18,023
Net HRA Expenditure and Income	(375)	2,130	757	1,395	2,978
Transfers to/(from) earmarked reserves	94	(1,158)	(206)	(319)	(1,291)
Transfers to/(from) general reserves	281	(972)	(551)	(1,076)	(1,687)
Total Housing Revenue Account	0	0	0	0	0

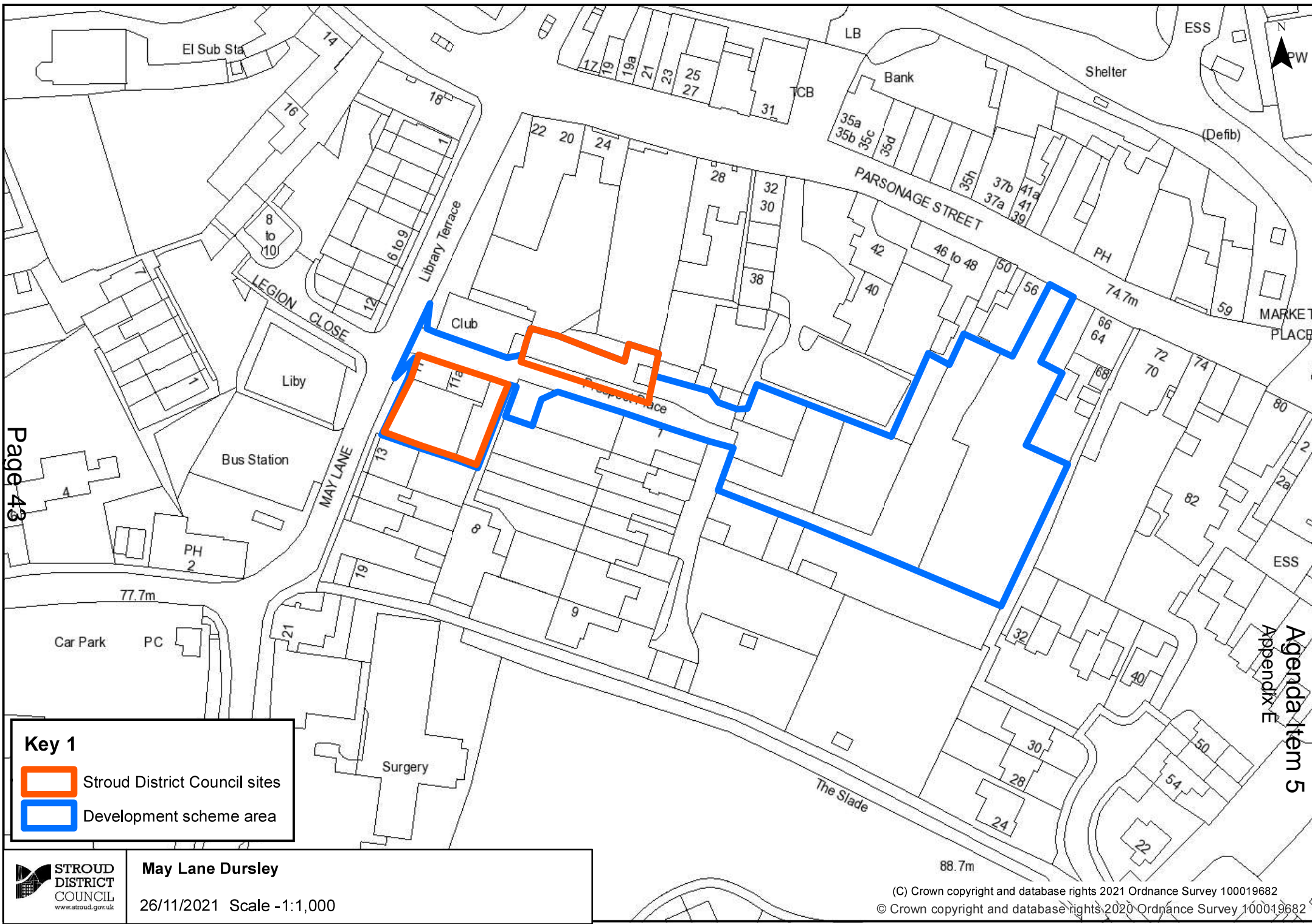
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Capital Programme	2021/22 Original Budget £000s	2021/22 Revised Budget £000s	2022/23O riginal Budget £000s	2023/24 Forecast £000s	2024/25 Forecast £000s	2025/26 Forecast £000s
Central Heating	855	416	1,181			
Disabled Adaptations	150	150	155			
Kitchens and Bathrooms	1,318	425	1,446			
Major Works	450	450	464			
Compliance	422	422	434			
Doors and Windows	1,288	1,396	509			
Electrical Works	150	150	499			
Environmental Works	500	450	515			
Door Entry	180	180	217			
External Works	3,274	3,419	2,515			
Lifts	80	0	0			
Special Projects	500	1,200	0			
Fire Risk Assessments	150	150	490			
Decarbonisation Project	0	1,104	0			
Major Works				11,128	10,187	11,505
Total Major Works	9,317	9,912	8,425	11,128	10,187	11,505
IT Systems	435	435	0	0	0	0
Total Other Capital Works	435	435	0	0	0	0
New Homes Contingency	50	11	50	50	0	0
Canal side: Corner of A419/Downton Rd (Former Ship Inn site)	51	27	284	1,519	0	0
Glebelands	2,544	48	4,508	0	0	0
Cambridge House	1,395	32	2,764	0	0	0
Broadfield Road, Eastington	1,494	1,455	0	0	0	0
Orchard Road, Ebley	840	108	762	0	0	0
Queens Drive, Cashes Green	494	10	488	728	0	0
Ringfield Close, Nailsworth	3,302	3,004	0	0	0	0
Summersfield Road, Minchinhampton	1,024	955	0	0	0	0
Gloucester St and Bradley St, WuE	55	149	1,665	0	0	0
May Lane, Dursley	0	0	50	0	0	0
Total New Build and Development	11,249	5,799	10,571	2,297	0	0
Independent Living Modernisation	358	359	648	712	928	931
Total Independent Living Modernisation	358	359	648	712	928	931
Acquisitions	2,000	2,285	2,000	2,000	2,000	2,000
Opportunity Land Acquisition Pot	0	3,000	0	0	0	0
Total Acquisitions	2,000	5,285	2,000	2,000	2,000	2,000
Total Capital Expenditure	23,359	21,790	21,644	16,137	13,115	14,436

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Appendix D

Capital Financing	2021/22 Original Budget £000s	2021/22 Revised Budget £000s	2022/23O riginal Budget £000s	2023/24 Forecast £000s	2024/25 Forecast £000s	2025/26 Forecast £000s
Revenue Funding (including earmarked reserves)	1,089	398	1,716	712	1,757	3,075
Major Repairs Reserve	9,752	9,882	6,432	8,433	6,609	6,557
Capital Receipts (including Right to Buy receipts)	2,692	3,212	2,959	1,324	600	600
Grant Funding	75	680	309	0	0	0
Borrowing	9,751	7,618	10,228	5,668	4,149	4,204
Total Funding	23,359	21,790	21,644	16,137	13,115	14,436



Key 1

- Stroud District Council sites
- Development scheme area


STROUD DISTRICT COUNCIL
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STROUD DISTRICT COUNCIL

HOUSING COMMITTEE

TUESDAY, 7 DECEMBER 2021

Report Title	BUDGET MONITORING REPORT 2021/22 QUARTER 2			
Purpose of Report	To present the 2021/22 forecast outturn position against the General Fund and Housing Revenue Account (HRA) revenue budgets and Capital Programme that the Committee is responsible for, in order to give an expectation of possible variances against budget.			
Decision(s)	The Committee RESOLVES to note the outturn forecast for the General Fund and HRA revenue budgets and the Capital Programmes for this Committee			
Consultation and Feedback	Budget holders have been consulted about the budget issues in their service areas. The feedback has been incorporated into the report to explain differences between budgets and actual income and expenditure.			
Report Author	Jon Coldridge, Principal Accountant Tel: 01453 754030 Email: jon.coldridge@stroud.gov.uk			
Options	None			
Background Papers	None			
Appendices	None			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	No	No	No	No

1. INTRODUCTION

- 1.1 The purpose of this report is to notify members of any known significant variations to budgets for the current financial year, highlight any key issues, and to inform members of any action to be taken if required.

2. Summary

- 2.1 The General Fund revenue position shows an expected underspend of £10k above budget, as shown in Table 1. The General Fund capital forecast shows an underspend of £(681)k.
- 2.2 The HRA is currently expected to have a revenue overspend of £519k and a net capital programme variance of £0k.

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3. General Fund Revenue Budget Position

- 3.1 Council approved the original General Fund revenue budget for 2021/22 in February 2021. The latest budget for Housing Committee, following carry forwards from 2020/21, is £980k.
- 3.2 The budget monitoring position for the service at Quarter 1 shows an overspend of £10k, as summarised in Table 1.

Table 1: General Fund Revenue Budgets

Housing Committee	Para Refs	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Reserve Transfers (£'000)	2021/22 Outturn Variance (£'000)
Housing Advice		479	519	530	0	11
Housing Strategy		136	303	304	0	1
Private Sector Housing		157	157	156	0	(1)
Housing General Fund Total		773	980	990	0	10

4. General Fund Capital Programme

- 4.1 The Housing General Fund Capital Programme was approved by Council in February 2021. This has subsequently been revised to £3,031k after slippage from 2020/21.
- 4.2 Spend is currently forecast at £2,350k, with a small overspend of £3k on Better Care Fund projects which will be funded in full by Gloucestershire County Council. The additional grant funding of £11k to Registered Housing Providers will be funded from Section 106 monies from developers.
- 4.3 The Green Homes LADS scheme for park homes has been aligned to the current position of the grant. The change relates to the carry forward amount from 2020/21 with the total amount spent of £984k against an initial allocation £1,084k (of which £654k carried forward to 2021/22). There is also an allocation of £950k for 2021/22, which is being used to continue the work.
- 4.4 The Temporary Accommodation budget of £500k has been taken out of the capital programme as reported in the Budget Setting papers also at this committee. This is due to the project now due to be delivered in a different way, but with the same outcome of having additional temporary accommodation in the district.
- 4.5 The following table gives a breakdown of the programme.

Table 2 – Housing Committee Capital Programme

Housing Capital Schemes	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Outturn Variance (£'000)
Affordable Housing-Support to Registered Providers	0	39	50	11
Better Care Fund Projects	0	0	3	3
Disabled Facilities Grant Scheme	330	330	330	0
Green Home LADS Park Homes	950	1,604	1,409	(195)
Health through Warmth Grants	200	200	200	0
Private Sector Housing Loans	15	15	15	0
Temporary Accommodation	500	0	0	0
Warm Homes	0	343	343	0
Housing General Fund Capital Schemes TOTAL	1,995	3,031	2,350	(681)

5. Housing Revenue Account Budget Position

- 5.1 The original net Housing Revenue Account (HRA) budget for 2021/22 is a transfer to reserves of £281k, as approved by Council in February 2021.
- 5.2 The monitoring position for the service at Quarter 1 shows a projected net overspend of £519k (2.3% of gross spend) against the current budget, following a proposed net transfer to earmarked reserves of £94k, as shown in Table 3.
- 5.3 The Independent Living Modernisation programme budget has been amended as set out in the Budget Setting papers, as reported to this committee. Although a change in the 2021/22 budget this does not affect the overall programme, or the bottom line position of the HRA.

Agenda Item 6

Table 3 – HRA Revenue Summary

	Para Refs	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Reserve Transfers (£'000)	2021/22 Outturn Variance (£'000)
Housing Committee						
Dwelling rents and service charges		(22,779)	(22,779)	(22,387)	0	393
Other charges and income		(629)	(629)	(686)	0	(57)
Provision for bad debt		200	200	200	0	0
Total Income	5.4	(23,208)	(23,208)	(22,872)	0	336
Supervision and management	5.5	4,196	4,196	3,825	0	(372)
Repairs and maintenance	5.6	4,482	4,503	4,983	0	480
Independent Living service		637	637	637	0	0
Other expenditure	5.7	540	540	591	0	52
Independent Living Modernisation		287	381	381	0	0
Total Expenditure		10,142	10,257	10,417	0	160
Support Service Charges from the GF		2,058	2,058	2,058	0	0
Interest payable/receivable	5.8	3,334	3,334	3,357	0	23
Provision for repaying debt		967	967	967	0	0
Revenue funding of capital programme (Depn & RCCO)		6,947	6,217	6,217	0	0
Total Other Costs and Income		13,306	12,576	12,599	0	23
Total Net Expenditure		240	(375)	144	0	519
Transfers to/(from) HRA earmarked reserves		(521)	94	94	0	0
Transfers to/(from) HRA general reserves		281	281	281	0	0
Total Housing Revenue Account		0	0	519	0	519

Note: table may contain rounding differences

5.4 Income – £336k loss of income

The number of empty (void) properties which are made available for rent and subsequently let to those on our waiting list each week is 31% higher than in the comparable pre Covid period in 2019/2020 (33 properties per month). This significantly improved performance reflects the hard work of the Property Care team. The number of tenants leaving council dwellings has however increased over the last 18 months. This, alongside the residual impact of restricted works during lockdown, and ongoing material and labour market pressures, has resulted in higher number of voids than projected. As a consequence, rental income is under budget. Additional resource is being allocated to reduce the backlog, as included in paragraph 5.6.

Garage rents are expected to be higher than budgeted but will continue to reduce in line with the approval to review the use of all garage sites.

An allowance for this non payment of rents is included in the Provision for Bad Debt line. The amount is not yet known and it is hoped that this can be reduced during the year through proactive support for tenants including sustainable payment arrangements to maintain tenancies.

Income levels will continue to be monitored.

5.5 **Supervision and Management – (£372k) underspend**

A number of posts are currently vacant and it is expected that the total staffing saving across the year will total £226k. This will fluctuate throughout the year as vacancies are filled. It may be necessary to use some of these savings to provide additional support across the service.

There is also an underspend of £107k on IT software. This predominantly relates to budget available for a new housing system which is now due for implementation later in the year.

5.6 **Repairs and maintenance – £480k overspend**

Void costs are expected to be higher than budget due to an increase in council tax of £100k because of the higher void rates.

An additional £250k has been allocated to make good void properties and bring back to habitable use. This will allow the contractors to put additional resource into our properties and help reduce the backlog of void properties more quickly.

There is also an overspend of £167k in Property Care. This predominantly relates to the use of subcontractors for specialist roles such as roofing and drainage.

5.7 **Other expenditure - £52k overspend**

Flytipping and contaminated waste continues to be a costly problem within the estates. A cleaner estates action plan has recently been adopted by Housing Committee. This sets out the expectations, aspirations and methodology used in the delivery of the service and will be used to improve the service by looking at hot spots and the consideration of improved waste storage areas.

5.8 **Interest payable/receivable – £23k pressure**

It is expected that the investment income will be lower than budgeted this year as investment rates remain low.

5.9 **Transfers to/from Earmarked reserves**

The earmarked reserve transfers included in the budget are shown in the table below.

The transfer from the Independent Living Modernisation reserve has been amended in line with the revised revenue and capital budgets. This is only a change in timing and does not change the overall Independent Living Modernisation programme.

Further changes to this position are likely, particularly for the newly created Transformation and Retrofit reserves. This will be reported in later budget monitoring reports.

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Table 4 – HRA Earmarked Reserves – budgeted transfers

Earmarked Reserves	Opening Balance (£'000)	Transfer in (£'000)	Transfers out (£'000)	Closing Balance (£'000)
Independent Living Modernisation	2,836	1,000	(885)	2,951
Estate Redevelopment	1,170	0	0	1,170
Staffing	250	0	0	250
HRA General Contingency	100	0	0	100
Provision for repayment of debt	918	967	0	1,885
Transformation	234	0	0	234
Retrofit	139	0	0	139
Carry forwards	21	0	(21)	0
	5,668	1,967	(906)	6,729

6. HRA Capital Programme

- 6.1 The HRA capital programme has been revised to £21,790k for 2021/22. This includes slippage from 2020/21 and the inclusion of the decarbonisation Demonstrator Project at Hamfallow Court (Independent Living Scheme), as detailed in the Outturn Report 2020/21. It also includes revised capital budgets due to reprofiling of capital programmes over financial years as included in the Budget Setting report.
- 6.2 The following table gives a breakdown of the current capital programme.

Table 5 – HRA Capital

Capital Summary	Para Refs	2021/22 Original Budget (£'000)	2021/22 Revised Budget (£'000)	2021/22 Forecast Outturn (£'000)	2021/22 Outturn Variance (£'000)
Central Heating		855	416	416	0
Disabled Adaptations		150	150	150	0
Kitchens and Bathrooms		1,318	425	425	0
Major Works		450	450	450	0
Compliance		422	422	422	0
Doors and Windows		1,288	1,396	1,396	0
Electrical Works		150	150	150	0
Environmental Works		500	450	450	0
Door Entry		180	180	180	0
External Works		3,274	3,419	3,419	0
Lifts		80	0	0	0
Special Projects		500	1,200	1,200	0
Fire Risk Assessments		150	150	150	0
Decarbonisation Project		0	1,104	1,104	0
Minor External Works		0	0	0	0
Total Major Works	6.3	9,317	9,912	9,912	0
Depot		0	0	0	0
IT Systems		435	435	435	0
Total Other Capital Works	6.6	435	435	435	0
Southbank, Woodchester		0	0	0	0
New Homes Contingency		50	11	11	0
Canal side: Corner of A419/Downton Rd (Former Ship Inn site)		51	27	27	0
Glebelands		2,544	48	48	0
Cambridge House		1,395	32	32	0
Broadfield Road, Eastington		1,494	1,455	1,455	0
Orchard Road, Ebley		840	108	108	0
Queens Drive, Cashes Green		494	10	10	0
Ringfield Close, Nailsworth		3,302	3,004	3,004	0
Summersfield Road, Minchinhampton		1,024	955	955	0
Gloucester St and Bradley St, WuE		55	149	149	0
Completed Schemes		0	0	0	0
Total New Build and Development	6.7	11,249	5,799	5,799	0
Independent Living Housing Modernisation	6.8	358	359	359	0
Total Independent Living Modernisation		358	359	359	0
Acquisitions	6.9	2,000	2,285	2,285	0
Opportunity Land Acquisition Pot		0	3,000	3,000	0
Total Acquisitions		2,000	5,285	5,285	0
Total Capital Expenditure		23,359	21,790	21,790	0

6.3 Major Works – no reported variance

6.4 Major works programmes are all currently expected to deliver to budget. following a reprofiling of the capital programme.

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6.5 The project at Park Road and Park Parade in Stonehouse have been brought forward and the full project is expected to be completed in 2021/22 (rather than being delivered over two years).

6.6 **Other Capital Works – no reported variance**

£435k is allocated for the implementation of a new Housing IT system.

6.7 **New Build and Regeneration – on target**

Work is progressing well at Broadfield Road, Ringfield Close and Summersfield Road; these sites will deliver a total of 36 affordable properties (31 affordable rent, 3 shared ownership and 2 Older person's shared ownership).

6.8 **Independent Living Housing Modernisation – no variance reported**

The Sheltered Modernisation Programme is on target for 2021/22.

Work commenced at Vizard Close in August and is due to complete in November, work will then commence at Jenner Court with completion expected in March 2022.

6.9 **Acquisitions – on target**

Three properties were purchased in quarter one and three properties in quarter two. Two of these are houses for ex rough sleepers under the Next Steps Accommodation Programme. Further properties have been identified to add to the general needs housing stock and work will continue to find properties and/or land to increase housing offered by the council.

This budget is opportunity led, and may not be used in full in each financial year.

7. **IMPLICATIONS**

7.1 **Financial Implications**

There are no financial implications arising from this report as it reports on previous financial activities and expected forecasts.

Lucy Clothier, Accountancy Manager

Tel: 01453 754343 Email: lucy.clothier@stroud.gov.uk

7.2 **Legal Implications**

There are no legal implications arising from this report.

One Legal

Tel: 01684 272203 Email: legalservices@onelegal.org.uk

7.3 **Equality Implications**

There are not any specific changes to service delivery proposed within this decision.

7.4 **Environmental Implications**

There are no significant implications within this category.

STROUD DISTRICT COUNCIL**HOUSING COMMITTEE****TUESDAY, 7 DECEMBER 2021**

Report Title	COUNCIL PLAN AND PERFORMANCE INDICATORS RELEVANT TO THIS COMMITTEE			
Purpose of Report	For the Committee to agree Performance Indicators for activities and projects detailed in the adopted Council Plan that relate to this Committee.			
Decision(s)	<p>The Committee RESOLVES to agree on the performance indicators that are relevant to this committee.</p> <p>And</p> <p>The Committee RECOMMENDS to Strategy & Resources Committee that these performance indicators are incorporated in the Council Plan and updated and monitored according to the Council's Performance Management Framework.</p>			
Consultation and Feedback	Strategic Leadership Team (SLT), Alliance Leadership Team (ALT), members of the Housing Committee and Lead Officers identified in the Council Plan.			
Report Author	Sarah Turner, Senior Policy and Governance Officer Email: sarah.turner@stroud.gov.uk			
Options	None			
Background Papers	N/A			
Appendices	Appendix A – Council Plan and performance indicators relating to this Committee.			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	No	No	Yes	No

1. BACKGROUND

- 1.1** At its meeting in October Council adopted the Council Plan 2021 – 2026.
- 1.2** The Council Plan is built on three tiers consisting of our priorities, our objectives and the key projects and activity the council will undertake to achieve our objectives.
- 1.3** To ensure that the council has a co-ordinated approach to delivering its objectives, the key projects and activities have been outlined in the Delivery Plan which also includes the governance arrangements, the timescale for start and completion of the project and the Lead Officer responsible for the successful delivery.

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2. MAIN POINTS

- 2.1 ALT agreed that each committee chair should consult with all members of each committee on the performance indicators, identifying where changes or additions should be made. Appendix A details the delivery plan for this committee with the associated performance indicators.

3. PERFORMANCE MANAGEMENT

- 3.1 The Council's Performance Management Framework has been updated and was agreed at Strategy & Resources Committee in November.
- 3.2 This framework states how the Council Plan will be monitored and reviewed, with the Delivery Plan detailing Performance Indicators against each project or activity to enable progress, or not, to be monitored; the governance arrangements, timescales and lead officer.
- 3.3 The performance indicators are categorised into those that we have direct control over and those we contribute to in partnership but are not wholly responsible for, on a national, regional or local basis, i.e. at county level.
- 3.4 This will be reported by each committee's member performance champions at each cycle of meetings.

4. IMPLICATIONS

4.1 Financial Implications

There are no direct financial implications from agreeing a set of performance indicators.

In developing project plans to achieve Council Plan priorities, officers will consider necessary resources and if additional resources are required this will be the subject of a future committee decision.

Andrew Cummings, Strategic Director of Resources
Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk

4.2 Legal Implications

None directly arising from this report but legal advice and support will be provided to lead officers to assist them with the delivery of their performance indicators, as appropriate.

One Legal
Tel: 01684 272203 Email: legal.services@onelegal.org.uk

4.3 Equality Implications

There are equality considerations incorporated in the council plan with associated measures, these will be regularly reported.

4.4 Environmental Implications



There are no significant implications within this category.

THE DELIVERY PLAN




The Delivery Plan outlines the key projects and activity we are committed to undertaking in order to achieve our objectives. Projects which are contributing to one or more of the priorities are denoted by the use of the related priority colour 


ENVIRONMENT AND CLIMATE CHANGE



Protecting and enhancing our environment and leading the district to carbon neutrality in 2030

EC1	Tackle the Climate and Ecological Emergency Achieve the commitments set for 2021-2024 of the Strategy to be a carbon neutral and ecologically sound district by 2030			
EC1.1 	Set up a 2030 Core Group to provide high level strategic overview on delivery, engage with external stakeholders and the public, identify funding opportunities and resourcing required to meet them			
Governance		Timescale		Lead officer
		Start	End	
2030 Cores Group (Community Engagement Board)		Full Council, strategy themes to relevant committee		2021
		2021	2021	Rachel Brain
How will we measure success?				
SDC measures:				
<ul style="list-style-type: none"> Community Governance Group work plan identified by Spring 2022 Community Governance Group progress to plan included to 2030 annual reporting 				
EC1.2 	Establish the performance management of the 2030 Strategy across the organisation to monitor and report progress towards the Strategy's aims and commitments			
Governance		Timescale		Lead officer
		Start	End	
2030 Core Group (Officer/Member)		Full Council, strategy themes to relevant committee		2021
		2021	2021	Eka Nowakowska
How will we measure success?				
SDC measures:				
<ul style="list-style-type: none"> Quarterly PM update reports on Council Plan to relevant Committee on progress for each activity / project 				

SDC contributes to PIs at national, regional or county level:				
<ul style="list-style-type: none"> Not applicable to this activity 				
EC1.3	Plan and implement the community engagement aspect of the Strategy, to include a 2030 community website and direct activities with residents, linking to the Community Engagement Strategy (CW3.1)			
Governance		Timescale		Lead officer (s)
		Start	End	
2030 Core Group (Officer/Member)	Full Council, strategy themes to relevant committee	2021	2021	Georgia Spooner/Liz Shellam
How will we measure success?				
SDC measures:				
<ul style="list-style-type: none"> 2030 Community Engagement Board work plan drafted 2030 web pages live Spring 2021 Number of activities and residents engaged in community engagement aspect of 2030 strategy (performance measure to be determined through Community Engagement work plan) 				
SDC contributes to PIs at national, regional or county level:				
<ul style="list-style-type: none"> To be confirmed 				
EC3	Sustainable Construction and Retrofit Work with partners to establish Stroud district as a sustainable construction centre of excellence, investing in the skills and capacity in the local economy so public and private buildings across the district can become low carbon and energy efficient			
EC3.1	Agree a costed plan to retrofit all council homes as necessary and begin the first phase of delivery to realise optimum emission reductions and achieve an average Energy Performance Certificate (EPC) rating C across all council homes by 2030			
Governance		Timescale		Lead officer
		Start	End	
Retrofit task and finish group	Housing Committee	2021	2023	Joe Gordon
How will we measure success?				
SDC measures:				
<ul style="list-style-type: none"> An investment plan to retrofit council homes is agreed An average of 470 homes are retrofitted each year 				

EC3.3 	Develop partnerships, provide advice, and support local action to help private home owners and businesses meet the retrofit challenge (CN2030 BE2, BE7 and BE8)			
Governance		Timescale		Lead officer (s)
		Start	End	
Warm & Well Steering Group	Housing Committee	2021	2023	Maria Hickman / Amy Beckett
How will we measure success?				
SDC measures:				
<ul style="list-style-type: none"> Quarterly updates on number of successful projects and schemes in the district to help private home owners and businesses meet the retrofit challenge Annual reporting on capacity to service the district's businesses and homes with support for retrofit. Baseline drawn from the first annual report due Feb 2022 Establish a working group to consider Retrofit Centre for Excellence and establish aims, objectives and identified projects (working group in place Summer 2022, work plan identified by Jan 2023). 				
SDC contributes to PIs at national, regional or county level:				
<ul style="list-style-type: none"> Number of enquiries to Warm & Well Advice line Number of measures installed through Warm & Well Scheme 				
EC6	Renewable energy Increase the proportion of energy generated by renewable sources in the district and work on decarbonising existing networks			
EC6.4 	Deliver key low carbon demonstrator projects , including a project for 7 homes in Draycott, Cam			
Governance		Timescale		Lead officer
		Start	End	
Retrofit task and finish group	Housing Committee	2021	Ongoing	Joe Gordon
How will we measure success?				
SDC measures:				
<ul style="list-style-type: none"> Delivery of the Draycott bungalows and other demonstrator projects by 2023 				
CW1	Community resilience Support communities to help each other and build resilience through a network of community hubs and other community-led networks, with mental and physical health and wellbeing at its heart			
CW1.4 	Work to reduce the impacts and causes of anti-social behaviour by developing a district wide policy in partnership with the Community Safety Partnership			
Governance		Timescale		Lead officer (s)
		Start	End	

	Community Services & Licensing Committee / Housing Committee	2021	2022	Kevin Topping / Mike Hammond		
How will we measure success?						
SDC measures:						
<ul style="list-style-type: none"> Reduction in anti-social behaviour instances/ reports (performance measures to be informed by Stroud Community Safety Panel – pending) Achieve Safer Communities (performance measures to be informed by Stroud Community Safety Panel – pending) Agreed work outcomes with OPCC 						
SDC contributes to PIs at national, regional or county level:						
<ul style="list-style-type: none"> Measures to be confirmed 						
CW2	Affordable homes Build affordable, energy efficient homes and deliver high quality services for all tenants by investing in the renovation of existing council homes and meet a range of housing needs for those who experience disadvantage and creating a culture of tenant engagement and empowerment					
CW2.1 	Deliver new affordable homes across the District, through planning policy and work with partners including community-led housing groups, housing associations and via our own New Homes Programme, which will deliver EPC-A rated properties in line with our Strategy for New Council Homes 2020-2024					
Governance		Timescale		Lead officer (s)		
		Start	End			
Voids and Repairs Task and Finish Group		Housing Committee		2021	2024	Alison Fisk / Pippa Stroud
How will we measure success?						
SDC measures:						
<ul style="list-style-type: none"> Number of new affordable Council homes completed: <ul style="list-style-type: none"> 2021/22 – 36 2022/23 – 49 2023/24 – 76 2024/25 – 50 120 new affordable homes completed p.a. by partners 						

CW2.2 	Invest £30m over the next 5 years to repair, maintain and invest in current council housing stock and bring empty council homes back into use as soon as possible			
Governance		Timescale		Lead officer
		Housing Committee	2021	2026
<p>How will we measure success?</p> <p>SDC measures:</p> <ul style="list-style-type: none"> • A rolling 5-year investment plan is agreed (as part of the MTFP) • Quarterly actual delivery tracks 5-year investment plan • Spend per property in upper quartile compared with peers • Empty property (void) ready to let turnaround time in upper quartile compared with peers 				
CW2.3 	Prioritise the prevention of homelessness by delivering the Next Steps Accommodation Programme and invest in temporary accommodation and specialist support, including working with partners countywide to develop the specialist housing and support needed			
Governance		Timescale		Lead officer
		Housing Committee	2021	2024
<p>How will we measure success?</p> <p>SDC measures:</p> <ul style="list-style-type: none"> • Increase the number of homeless cases prevented by 25% pa (from a 20/21 baseline of 62 cases pa) • Reduce the number of households in temporary accommodation after 56 days by 25% pa (from a 20/21 baseline of 49) 				

CW2.4	Provide more opportunities for resident involvement in housing decisions through delivery of the Charter for Social Housing Residents and our continuing commitment to build on resident involvement opportunities			
Governance		Timescale		Lead officer
		Start	End	
Tenant engagement & empowerment Task and Finish Group	Housing Committee	2021	2023	Kevin Topping
<p>How will we measure success?</p> <p>SDC measures:</p> <ul style="list-style-type: none"> • At least 80% of tenants are satisfied with the training they receive through • At least 80% of tenants are satisfied with the quality and relevance of SDC tenant events they attend • 10% increase in the overall number of tenants engaged* • Increase the number of tenant engaged who are under 30 years old* • Cross service tenants' scrutiny panel established with half yearly report to HC on work programme delivery. <p>* Including all consultation events, scrutiny panels and performance management activity. Baselines to be confirmed</p>				
CW2.5	Continue to invest and deliver the programme to modernise our Independent Living homes for older people			
Governance		Timescale		Lead officer
		Start	End	
	Housing Committee	2021	Ongoing	Alison Fisk
<p>How will we measure success?</p> <p>SDC measures:</p> <ul style="list-style-type: none"> • Number of Independent Living Schemes modernised: 2021/22 – 2 2022/23 – 2 2023/24 – 2 2024/25 – 2 				

HOUSING COMMITTEE

7 DECEMBER 2021

WORK PROGRAMME

Date of meeting	Matter to be considered	Notes (e.g. lead Member/Officer)
01.02.22	Independent Living – Approval of Schemes for 2022/23	Project Manager
	Decant Policy	Head of Housing Services
	Play Areas Strategy	Head of Housing Services, Community Services Manager
	Annual Review of HRA	Head of Housing Services
	Older Persons Strategy and action plan review	Head of Housing Services Service Delivery Manager (Independent Living)
	Member/Officer Reports a) Tenant Representatives b) Performance Management Q2 c) Retrofit/Carbon Reduction Task and Finish Group Update d) Tenant Engagement and Empowerment Task and Finish Group Update e) Housing Repairs and Voids Task and Finish Group Update	Lead Members
05.04.22	Update on Corrective Action to Strengthen the Council's Out of Hours Call Out Provision	Head of Contract Services
	Budget Monitoring 2021/22 – Quarter 3 Report	Accountancy Manager
	Tenant Handbook	Housing Manager
	Tenant Involvement & Empowerment Strategy	Housing Manager
	New Homes Programme Update	Project Manager
	Member/Officer Reports a) Tenant Representatives b) Performance Management Q3 c) Retrofit/Carbon Reduction Task and Finish Group Update d) Tenant Engagement and Empowerment Task and Finish Group Update e) Housing Repairs and Voids Task and Finish Group Update	Lead Members

Items to be considered at a future meeting

- De-pooling Rent and Service Charges - General Needs (TBC) – Head of Housing Services, Principal Accountant
- Corporate ASB Policy – Head of Housing Services / Head of Community Services

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Future Information Sheets:

- Pet-friendly temporary accommodation (Feb 2022)– Head of Strategic Housing Services (interim)
- Updated Local Plan Affordable Housing Policies (Spring 2022)– Head of Strategic Housing Services (interim)
- Review of the Action Plan for the Strategy for New Council Homes (April 2022) - New Homes & Regeneration Manager