



GREAT YARMOUTH
BOROUGH COUNCIL

Housing and Neighbourhoods Committee

Date: Thursday, 04 February 2021

Time: 17:30

Venue: Remotely

Address: [Venue Address]

AGENDA

Open to Public and Press

1 APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2 DECLARATIONS OF INTEREST

You have a Disclosable Pecuniary Interest in a matter to be discussed if it relates to something on your Register of Interests form. You must declare the interest and leave the room while the matter is dealt with.

You have a Personal Interest in a matter to be discussed if it affects

- your well being or financial position
- that of your family or close friends
- that of a club or society in which you have a management role
- that of another public body of which you are a member to a greater extent than others in your ward.

You must declare a personal interest but can speak and vote on the matter.

Whenever you declare an interest you must say why the interest arises, so that it can be included in the minutes.

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|--|---|----------------|
| 3 | <u>MINUTES</u> | 4 - 13 |
| <p>The Committee to confirm the minutes of the last meeting by assent.</p> | | |
| 4 | <u>MATTERS ARISING</u> | |
| <p>To consider any matters arising from the above minutes.</p> | | |
| 5 | <u>FORWARD PLAN</u> | 14 - 14 |
| <p>Report attached.</p> | | |
| 6 | <u>SELECTIVE LICENSING REPORT</u> | 15 - 20 |
| <p>Report attached.</p> | | |
| 7 | <u>HOUSING & NEIGHBOURHOODS PERFORMANCE REPORT Q1 AND Q2</u> | 21 - 27 |
| <p>Report attached.</p> | | |
| 8 | <u>HRA BUDGET REPORT 2021-22</u> | 28 - 46 |
| <p>Report attached.</p> | | |
| 9 | <u>RETAINED RIGHT TO BUY RECEIPTS POLICY</u> | 47 - 57 |
| <p>Report attached.</p> | | |

10 GREAT YARMOUTH HOMELESS ALLIANCE

58 - 66

Report attached.

11 ANY OTHER BUSINESS

To consider any other business as may be determined by the Chairman of the meeting as being of sufficient urgency to warrant consideration.

12 EXCLUSION OF PUBLIC

In the event of the Committee wishing to exclude the public from the meeting, the following resolution will be moved:-

"That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1 of Part I of Schedule 12(A) of the said Act."

Housing and Neighbourhoods Committee

Minutes

Thursday, 01 October 2020 at 16:00

PRESENT:-

Councillor Grant (in the Chair); Councillors Cameron, Candon, Flaxman-Taylor, Galer, Grant, Hacon, D Hammond, Martin, Talbot, Smith-Clare, Wainwright & Williamson.

Mrs P Boyce (Strategic Director), Mrs N Turner (Housing Director), Ms K Sly (Finance Director), Mr S Hubbard (Strategic Planning Manager), Mrs J Beck (Head of Property & Asset Management), Mrs S Robinson (Early Help Hub Manager), Mrs S Bolan (Enabling & Empty Homes Officer), Ms H Notcutt (Neighbourhood Manager), Mr R Heath (Resident Engagement Officer) & Mrs C Webb (Executive Services Officer).

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Cara Walker.

2 DECLARATIONS OF INTEREST

Councillor Grant declared a personal interest in item 11, however, in accordance with the Council's Constitution, was allowed to both speak and vote on the matter.

3 MINUTES

The minutes of the meeting held on 27 February 2020 were agreed by assent.

4 MATTERS ARISING

In regard to minute number 5, Forward Plan, Councillor Wainwright informed the Committee that a review of the Selective Licensing Scheme had not been added to the Forward Plan. Councillor Williamson reported that his request that the Committee consider the results from the study by York University on the decline of life expectancy had not been resolved. Councillor Martin asked if the Neighbourhoods that Work workshop scheduled for 30 April 2020 would be rescheduled in the near future.

The Chairman agreed that the Selective Licensing Scheme would be added to the Forward Plan. The Neighbourhood Manager would forward information regarding the recent study on the decline of life expectancy by York University to the Committee. The Chairman informed Councillor Martin that her concerns would be addressed under agenda item 12.

5 FORWARD PLAN

The Committee received & considered the Forward Plan.

The Chairman agreed that the Review of the Selective Licensing Scheme be added to the Forward Plan.

RESOLVED:-

That the Committee note the Forward Plan with the addition of the Review of the Selective Licensing Scheme.

6 GREAT YARMOUTH BOROUGH COUNCIL HOUSING DELIVERY ACTION PLAN 2020

The Committee received & considered the report from the Strategic Planning

Manager.

The Strategic Planning Manager reported that the Council had to prepare a Housing Action Plan due to under-delivery of housing in the past three years, even though, the under-delivery was not due to the shortcomings of the Council itself. A significant number of mitigation and improvement measures were already in place which were now coming to fruition and starting to prove successful.

Councillor Wainwright asked if the setting up of a small site sub-group of the Developer Forum had progressed. The Strategic Planning Manager reported that he would discuss this matter with the Director of Planning & Growth and the Planning Manager and report back.

Councillor Williamson asked when the new Planning White Paper was introduced, whether the Housing Delivery Test would be abolished. The Strategic Planning Manager reported that the Housing Delivery Test would be retained but it was proposed to remove the element of the 5 year Housing Land Supply.

Councillor Martin asked whether housing schemes designed for older and disabled residents would be encouraged as there was a high need for adaptive homes in the Borough. The Strategic Planning Manager reported that all new housing must meet the Adaptable Homes Standard to meet the changing needs of occupiers over their lifetime. This was highlighted in the Local Plan Part 2 - Stage 3 Access. The Chairman reported that the majority of the housing need for elderly/disabled would be met by the Council and not by private developers.

Councillor Flaxman-Taylor referred to pre-application charging and requested feedback/evidence of the effectiveness of this service be provided to the Committee as she had recently received negative feedback on several occasions from residents.

RESOLVED:-

That the Committee:-

(i) Noted that the Council had not met the National Housing Delivery Test for the period 2016/17 to 2018/19 and so needed to prepare and publish a Housing Action Plan; and

(ii) Endorsed the update to the Housing Action Plan as appended to the report.

7 COUNCIL HOMES PROGRAMME

The Committee received and considered the report from the Enabling & Empty Homes Officer and the Housing Director.

The Enabling & Empty Homes Officer reported that the report showed that there was a development pipeline achievable for the Council Homes programme. Although it was recognised that the identified sites within the initial piece of work might not come forward, it did provide confidence that those already identified and those that would come through in the future, could achieve the increase in Council homes which was aspired to.

The Enabling & Empty Homes Officer reported that identifying purchasing options continued but as highlighted in the report, capacity and expertise in development would see outputs increase and a continuing pipeline of developments created.

Councillor Martin asked whether local building companies/tradesmen would be utilised wherever possible. The Enabling & Empty Homes Officer reported that they would be selected from a Local Framework.

Councillor Williamson asked that Ward Councillors be consulted on any identified sites that were situated in their wards. The Housing Director confirmed that Ward Councillors would be consulted on identified sites.

RESOLVED:-

That the Committee note the report and progress to date.

8 TENANCY STRATEGY 2020

The Committee received and considered the report from the Housing Strategy, Policy & Performance Officer and the Housing Director.

The Housing Director reported that a new Tenancy Strategy had been developed following the review of the Council's Tenancy Strategy 2013. The Tenancy Strategy set out the matters to which Registered Providers of Social Housing should have regard to when formulating their own Tenancy Policies. The strategy would be going out to consultation for a six week period, and, once approved, minor changes might be made once the feedback from Registered Providers & stakeholders had been considered.

Councillor Wainwright referred to page 44 of the agenda report as he was concerned regarding the stages indicated to assess the resident's individual circumstances and whether the Council currently had the capacity to undertake this amount of work. The Housing Director explained the rationale behind the processes and suggested that the report be re-worded as follows; During the review process, resident's individual circumstances should be assessed and the following considered, as applicable.

Councillor Williamson was concerned that this might lead to tenants losing the guarantee of having a fixed tenancy. The Housing Director reported that

this was a review process and she could not guarantee that some tenants would not lose their fixed term tenancy and not be issued with another tenancy. However, these tenants could approach the Council who would assist them through the homelessness process.

Councillor Wainwright asked for clarification regarding how this new strategy would affect mutual exchanges.

Councillor Candon referred to page 44 of the agenda report; 8.2 Decision not to renew a tenancy and asked for clarification regarding a registered provider not renewing a tenancy as the property was permanently under-occupied.

Councillor Martin reported that it was an excellent report with good protective measures in place to provide tenancy with secured five year tenancies.

RESOLVED:-

(i) That the Committee approves the Tenancy Strategy subject to consultation with Registered Providers and stakeholders; and

(ii) That the Committee delegated authority to the Housing Director to make any minor changes to the strategy following consultation, with the caveat that any major changes would be presented to a future Housing & Neighbourhoods Committee.

9 RESIDENT ENGAGEMENT STRATEGY

The Resident Engagement Officer gave a presentation to the Committee on Delivering Engagement & Strengthening the Tenant Voice.

Councillor Wainwright thanked the Resident Engagement Officer for his informative presentation but was dismayed that no reference had been made to the involvement of Members in any of the processes.

The Resident Engagement Officer assured the Committee that he was keen to work with Members and include them, wherever possible, in community engagement.

Councillor Wainwright reported that the previous Tenant Forum had to be disbanded due to lack of funding and asked what the budget provision was for tenant engagement. The Housing Director reported that there was a small budget but she did not have the exact figure to hand and would respond to Councillor Wainwright after the meeting.

The Housing Director reported that resident engagement was embedded across the tenancy services team to encourage tenants to engage with us to

help improve our services.

Councillor Smith-Clare highlighted technology poverty as one of the leading barriers to effective communication with residents and asked whether performance indicators had been set to allow the Committee to monitor the effectiveness of tenant engagement.

Councillor Flaxman-Taylor reminded the Resident Engagement Officer that many Members sat on Outside Bodies which could be an effective way to increase engagement.

Councillor Martin asked whether the Resident Engagement Officer was aware of the door knocking exercise to be undertaken by the Shrublands Community Trust, who intended to knock on every door in Gorleston to survey the views of residents on a raft of local issues. She suggested the Resident Engagement Officer might be able to piggyback on this survey.

The Housing Director thanked Members for their feedback and stated that the Resident Engagement Strategy would be brought to Committee for their approval and endorsement.

RESOLVED:-

That the Committee noted the update on Tenant Engagement.

10 HRA BUDGET MONITORING PERIOD 4

The Committee received and considered the report from the HRA Service Accountant.

The Finance Director took the Committee through the salient areas of the report and requested that Members consider the 2020/21 Housing Revenue & Capital Budget monitoring position, as at the end of period 4.

The Finance Director reported that the majority of the HRA revenue income & expenditure budgets were on track to meet 2020/21 budget provisions, with the exception of reduced income streams following the Covid19 pandemic.

Councillor Wainwright trusted that the Council would not take a heavy-handed approach to rent arrears as Covid19 had taken its toll on local residents who were already struggling. The Housing Director reported that the Council had adopted a supportive approach and was signposting tenants to other agencies to help maximise their income and affordable payment plans were being implemented, as we were well aware that debt had a massive impact on mental health and well-being.

RESOLVED:-

That the Committee note the report.

11 ACQUISITION OF COUNCIL HOMES

The Committee received & considered the report from the Housing Director.

The Housing Director reported that the current Covid19 pandemic had highlighted the need to increase the number of one-bedroom homes within the Council's housing stock to meet the need from single people and childless couples. The report sought approval to procure the delivery of 36 new one-bedroom homes to meet some of the increased demand.

The Housing Director reported that this reflected the Council's prevention focus and increases in homelessness for this group as a result of Covid19. Modular homes would provide the Council with the opportunity to provide homes which met the Council's requirements for good quality accommodation within a much shorter timescale and the ability to use frameworks to deliver the homes also reduce the timescale for delivery of completed homes.

The Housing Director reported that the procurement of Broadland Housing Association would provide the relevant development skills and capacity to ensure the timely delivery and quality of the new homes and overall scheme in terms of construction and design. A modular company had been identified which could meet the Council's requirements.

Councillor Wainwright congratulated the Housing Director on an excellent report with an ambitious deadline as the Borough was desperately short of 1 and 2 bedroom properties.

Councillor Talbot asked whether these properties would be classed as supportive housing. The Housing Director responded that they would be classed as general needs housing.

Councillor Flaxman-Taylor asked that if the modular build programme was successful, could this avenue could be explored for larger modular properties.

Councillor Williamson welcomed the size of the proposed one bedroom flat of 50m² which was larger than the prescribed national guidelines.

Councillor Candon remarked on the longevity of the units which was unusually high for a modular building and very impressive.

The Chairman thanked the Housing Director and her team for the excellent report.

RESOLVED:-

That the Committee:-

(i) approve the use of an appropriate framework or frameworks to procure, on a turnkey basis, 36 one-bedroom modular homes,

(ii) delegate decisions in the relation to the procurement of the 36 homes to the Housing Director and Section 1515 Officer, reflecting the prior approval by Full Council on 30 July 2020 of £5.2m capital expenditure and HRA borrowing; and

(iii) request a progress report on the delivery of the new homes, following the completion of the procurement process.

12 LOCALITY UPDATE

The Strategic Director, Neighbourhood Manager & Early Help Hub Manager gave a joint presentation to the Committee on Locality.

Councillor Wainwright thanked the officers for their in-depth presentation and asked that the presentation be forwarded to all Members. He also requested that an All Member Briefing on Locality be arranged in the near future. The Strategic Director agreed to forward the presentation and to arrange an All Member Briefing in November.

Councillor Flaxman-Taylor reported that she had dialed into the Neighbourhoods that Work meeting last Friday and was impressed with the multi-agency approach already in operation across the Borough, particularly the Primary Care network, and that all partners were singing from the same hymn sheet.

Councillor Talbot asked that obesity caused by stress eating/comfort eating/sugar addiction be treated as a mental health condition, as per anorexia and bulimia, as opposed to a stand-alone issue. The Strategic Director agreed to pass this observation to the Clinical Lead for Mental Health Services.

Councillor Williamson reiterated the need for an All Member Briefing and asked for clarification as to whether Halfway House, which was in his ward, would remain with MESH. The Strategic Director reported that Halfway House would stay in the Primary Health Care Trust which covered it.

Councillor Martin reported that she was disappointed that the Neighbourhoods that Work workshop had been unable to go ahead due to Covid19 and that the Council had lost its valued Community Development Workers. She was pleased that most of them had secured similar employment with other agencies but they had been invaluable in building bridges between the Council and its communities.

The Strategic Director reported that our VCSE/community sector partners continued to have community-facing workers available, given that these can be funded via external grant pots. Thus, partnership working was the way

forward with a desire to undertake joint commissioning with statutory partners e.g. Norfolk County Council. The Council still has access to Community Development Workers. In addition, Children's Services have Community Development Workers focused on children and family support. The Lottery had also indicated that they would be interested in co-funding Community Development Workers in the future. However, it was imperative that we go forward with the structure we have in place now.

RESOLVED:-

(i) That the Committee note the Locality update; and

(ii) That the Strategic Director to forward the presentation to all Members and arrange an All Member Briefing on Locality.

13 ANY OTHER BUSINESS

The Chairman reported that he had no other business being of sufficient urgency to warrant consideration at the meeting.

14 EXCLUSION OF PUBLIC

RESOLVED:-

That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1 of Part I of Schedule 12(A) of the said Act.

15 CONFIDENTIAL APPENDIX - ACQUISITION OF COUNCIL HOMES

The Committee received, considered & noted the confidential appendix on the Acquisition of Council Homes.

16 CONFIDENTIAL - DRAFT GYN LIAISON BOARD MINUTES

The Committee received, considered and noted the draft confidential GYN Liaison Board minutes held on 20 August 2020.

The meeting ended at: 18:00

Forward Plan for Housing & Neighbourhoods Committee

	URN	Matter for Decision	Report by	Pre Agenda Meeting (PAM)	Housing & Neighbourhoods	Policy & Resources	Council
1		GYN Board Minutes	Strategic Director (PB)				
2	20-143	Right to Buy Retained Receipts Policy	Director of Housing	26/01/21	04/02/21		
3	20-179	Performance Reports - Housing and Neighbourhoods Q1 and 2	Director of Housing	26/01/21	04/02/21		
4	20-180	Housing Revenue Account Budget Setting 2020/21	HRA Service Accountant	26/01/21	04/02/21		23/02/21
5	20-197	Homeless Alliance	Director of Housing	26/01/21	04/02/21		
6	20-162	Selective Licensing Review	Strategic Director (KW)	26/01/21	04/02/21		
7	20-201	Housing Strategy Update	Director of Housing	23/02/21	04/03/21		
8	20-202	Community Housing Fund Update	Director of Housing	23/02/21	04/03/21		
9	20-084	Great Yarmouth Locality Strategy	Strategic Director (PB)	23/02/21	04/03/21		
10	20-198	Social Housing White Paper	Director of Housing	23/02/21	04/03/21		
11	21-013	Development Standard Task and Finish Group	Director of Housing	23/02/21	04/03/21		
12	20-199	Empty Homes Policy	Director of Housing	TBC	TBC		
13	20-200	Temp Accommodation Strategy Update	Director of Housing	TBC	TBC		
14	21-018	HMO Guesthouse Programme	Director of Housing	TBC	TBC		

URN: 20-162

Subject: Selective Licensing Update Report

**Report to: Executive Leadership Team – Wednesday 20th January 2021
Housing and Neighbourhoods Committee – Thursday 4th February 2020**

Report by Kate Watts, Strategic Director and Jason Williams, Community Protection Manager

SUMMARY

This report provides an update of the Council's Selective Licensing Scheme to Members of the Housing and Neighbourhoods Committee.

Members of the Housing and Neighbourhoods Committee are therefore asked to note the content of this report and resolve to receive a further update in six months' time.

1. BACKGROUND

- 1.1 On the 13th September 2018 full Council resolved to introduce a Selective Licensing Scheme for the most challenged parts of the Nelson Ward. This scheme commenced on 7th January 2019 and will initially run for five years, until 6th January 2024 (unless extended following another stakeholder consultation and designation).
- 1.2 The Selective Licensing Scheme aims to tackle significant and persistent levels of Anti-Social Behaviour (ASB), crime, poor housing conditions, low housing demand, and high deprivation, related to the private rented housing sector within these areas.
- 1.3 Applications for a licence were received at a moderate rate and the imposition of a late penalty fee to be applied following the first 6 months of the scheme, from the 7th July 2019, provided effective. Inspections of properties commenced at the beginning of September 2019 after a short trial in July 2019.
- 1.4 The scheme is administered in partnership with the Home Safe Scheme, who deliver most of the routine inspections alongside the issuing of licenses.
- 1.5 Routine inspections were interrupted by the national lockdown imposed due to Coronavirus at the end of March 2020, and although resumed for a brief period in September 2020 they are again halted. However, there is still provision to deal with inspections and enforcement issues where there are matters of imminent risk through the Council's Environmental Health

Officers.

2. INTRODUCTION

- 2.1 This report has been written to provide Members with a progress update regarding this scheme.

3. SELECTIVE LICENCE APPLICATIONS

- 3.1 We have had 619 applications covering 1,484 properties since the commencement of the scheme with 1403 properties now licensed. However, there are outstanding matters with the remaining 81 properties such as incomplete applications or fee payments that are currently being worked through.
- 3.2 Out of the 1403 licensed properties, 1,169 have now been inspected, with 4,850 issues being identified which equates, on average, to 4.1 issues per property. These issues do range in risk from minor to imminent risk.

4. INSPECTION OUTCOMES

- 4.1 Out of the 4,850 issues identified during inspection 2,272 were defined as high priority with 78% of properties inspected containing one or more high priority issue. Follow up work has resolved 1,501 of these matters and work is ongoing with the remaining issues. Ultimately if these are not addressed enforcement will be commenced.
- 4.2 In addition to the above, 2,305 medium risk issues have been identified and 273 low risk issues. Again, compliance with these issues is being followed up, with timescales and expected actions set on a risk assessed basis.
- 4.3 Pleasingly 12.4% of properties inspected (145) had no issues identified.
- 4.4 The “top 10” issues identified are:
- 50% Windows in poor working order – decayed – do not have working latches and safety catches or opening restrictors – can’t be opened and latched shut – damaged glazing.
 - 36% Damp and mould.
 - 28% Not 300mm of work-top to either side of the cooker.
 - 22% Insufficient number of working carbon monoxide detectors in appropriate places.
 - 20% All ceiling and wall plaster is not in a sound and secure condition, capable of being decorated with no signs of leaks or possible structural damage.
 - 18% Gutters not adequate or in working order.
 - 15% A handrail either not accessible or securely fitted for the full length of the staircase.
 - 14% Less than six electrical socket points in the kitchen – socket points free from damage – minimum of four socket points above the worktops.

- 13% Insufficient number of smoke alarms, that are either hard wired compliant with BS 14604 (or as amended) or fitted with a 10-year lithium battery in a sealed unit. All alarms must be accessible for testing, located correctly and in full working order.
- 12% Interior doors either damaged or not in full working order.
- 4.5 In working with our landlords to address these matters this scheme is helping to significantly improve the standard of living accommodation within the selective licensing area.

5. OUTSTANDING INSPECTIONS

- 5.1 The aim is to recommence and complete this first round of inspections as soon as possible, but in strict compliance with Covid regulations. As such routine inspections are currently on hold during this third period of National lockdown. However, the aim is that once we can, the outstanding properties will be inspected and then the second and third inspections will be delivered during the duration of this scheme as previously timetabled.

6. ADDITIONAL OUTCOMES

- 6.1 During the planning stage of this scheme, a focus was placed on the potential to identify and tackle wider health and social inequalities in the Nelson Ward during the inspection process. It was originally planned to employ community connectors to work alongside the inspectors to assist tenants with issues they may be experiencing.
- 6.2 However, to reduce the costs of licenses, funding for community connectors was omitted from the final Committee report to Council. It was decided instead to use existing Neighbourhoods That Work resources instead, with inspectors to identify issues during inspections, and passing these through to the Neighbourhoods and Communities team or Early Help Hub, after which existing community connectors could be used if applicable. A questionnaire-based approach where tenants could seek assistance from various health and educational partners, was discussed, but it was considered better to provide tenants with a leaflet about typical issues that the Council and its partners could help them with.
- 6.3 Unfortunately, this approach did not result in the level of engagement expected. Work is currently underway with colleagues in the Community Hub/Early Help team in identifying a more productive approach to aid tenants in need. Assistance in this may be accessible through the soon-to-be MHCLG-funded Outreach Workers but also using our current COVID Marshals resource.
- 6.4 Separately to this, we have been working with a Norfolk Councils consortium, led by Broadland District Council, to administer Green Homes Grants for properties in the Nelson and Cobholm Wards along with Park Homes (residential caravan) sites in the Borough. Working from a total pot of £1.24M, landlords and tenants of licensed properties and owner-occupiers in these areas have been approached to apply for grants to improve the energy efficiency of homes with Energy Performance Certificates rated below 'E'. These works include the installation of external wall, cavity wall and loft insulation along with air source heat pumps where possible. Where tenants have a combined annual income of less

than £30k, grants of up to £5K are available with landlords having to contribute at least 1/3 of the cost. Qualifying owner-occupiers are eligible for 100% grants of up to £10k.

7. NEXT STEPS

- 7.1 Whilst the scheme is working well in securing better living standards for tenants, work needs to be undertaken to address matters with regards to the 81 properties we are aware of but have not yet been able to issue licences for. This could result in subsequent enforcement action.
- 7.2 In addition to this there are rented properties within the selective licensing scheme area which have not been registered by their landlords. We currently estimate this to range from 80 – 100 properties. It is imperative that this issue is addressed, and again could result in enforcement action.
- 7.3 Environmental Services has recently established (Dec 20) a small Housing, Licensing and Enforcement team to deal with these properties. It was originally envisaged that enforcement work would commence earlier than this but due to the inability to recruit to an enforcement post, the existing Community Protection Team has been re-organised to accommodate this.
- 7.4 The Environmental Health Officer (EHO) in this team is taking the lead with all enforcement matters, working closely with nplaw to bring cases through to prosecution where we have failed to achieve compliance with landlords. The Housing Officer is undertaking inspections and site visits, including following up any matters of imminent risk and referring compliance issues back to the EHO. This includes the identification of properties not yet engaged with the scheme.
- 7.5 This team is being managed by the Community Protection Manager who is providing support in the development of the enforcement function and dealing with appeals made by landlords against the imposition of late fees. The Community Protection Manager has set a workplan (see Appendix 1) and performance measures (Appendix 2) to assist in the management and progression of the scheme.
- 7.6 As a result of establishing this team to focus on compliance matters within the selective licensing area it is likely that legal matters will commence within the first half of 2021.

8. CONCLUSION

- 8.1 The Selective Licensing Scheme is working well in securing improvements in living conditions for tenants in the Nelson Ward where landlords have applied for and been issued a licence. However, we have a mix of properties part way through the licensing application process and landlords not engaging at all with the scheme that we need to address. While the hope is that compliance can be achieved through the newly implemented Selective Licensing and Enforcement team it is likely that some matters will be progressed via legal action.

9. RECOMMENDATION

- 9.1 Members of the Housing and Neighbourhoods Committee are asked to note the content of this report and resolve to receive a further update in six months' time.

APPENDIX 1 – WORKPLAN

To date, all landlords identified as having outstanding license and/or late application fees have been contacted advising them that if these are not forthcoming, further legal action will be taken.

Contact has been made with the residents of properties within the Selective Licensing area where no contact has been received by landlords during the initial stages of the scheme. Responses have been received from some of these, identifying that they are indeed tenants meaning that these properties require licensing.

In addition to the above, the team is currently working to identify new properties believed to be licensable where a license has not been applied for. As stated previously, we believe there may be up to 100 of these, including unlicensed HMOs.

The above work will form the basis of our evidence for legal proceedings. Further evidence to produce legal cases will be required, at the direction of the Council's solicitors. Discussions are being held on what timescale we can put on the progression of these cases. Once we receive our solicitor's advice, a workplan with full timescales will be brought together.

Current workplan

Action	By
Send correspondence to all landlords with outstanding payments	Completed
Send correspondence to occupants of non-engaging landlords	Completed
Collate all responses and update master spreadsheet	Completed
Identify unlicensed properties potentially requiring a license	February 2021
Consider representations received	February 2021
Produce corrected master spreadsheet with all properties identified/categorised	February 2021
Present initial evidence to solicitors and agree timescales for legal processing	February 2021
Identify initial prosecution cases	March 2021
Triage further cases for prosecution / offer of civil penalty	TBC
Commence civil recovery of late fees	TBC
Commence criminal proceedings	TBC

Enforcement priorities

In respect of enforcement actions, we have 2 options

1. Direct prosecution in the magistrate's court

2. Offering the landlord a civil penalty in lieu of prosecution. This is an opportunity for landlords to accept the offence and pay the Council a set amount to avoid prosecution. If accepted and paid, court action is not required. If rejected, we may prosecute.

Potential enforcement cases can be broken down into 2 distinct sets:

1. Those already engaged with the scheme who have payments outstanding (the 81 identified above)
2. Landlords/agents believed to be either avoiding licensing altogether or are unaware of the scheme and haven't applied (the 80-100 above).

When setting enforcement priorities, it is envisaged that those cases with a greater potential impact will be tackled first and via direct prosecution. This would include those where multiple properties are involved (we have one landlord with 12) in set 1 above and those where licensing has been avoided altogether (potential rogue landlords) – set 2. This would send out a positive message and motivate landlords to accept a civil penalty. The main disadvantage when taking direct prosecution would be the time taken to make a legal case, especially where an appeal to the First-Tier Tribunal is made.

Following the initial round of direct prosecutions, civil penalties will then be considered for cases with a lower impact (e.g. involving single properties). New cases with a greater impact will continue to be dealt with via direct prosecution.

APPENDIX 2 - PERFORMANCE MEASURES

Cases

Number	Cases made	Submitted for legal action

Enforcement

Number of cases	Civil Penalty Offered	CP accepted	Direct Prosecution	Prosecutions Total

Recovery

Licence fees	£
Civil	£
Criminal	£

The above will be reconfigured to allow for performance management when timescales are agreed with nplaw

URN:

Subject: HOUSING & NEIGHBOURHOODS PERFORMANCE REPORT –
Quarters 1 & 2 2020/21

Report to: Housing & Neighbourhoods Committee 4th February 2021

Report by: Trevor Chaplin – Housing Transformation Manager

SUBJECT MATTER

HOUSING & NEIGHBOURHOODS PERFORMANCE REPORT - Quarters 1 & 2 2020/21

RECOMMENDATION

That the Housing & Neighbourhoods Committee note this report.

1. Introduction / Background

1.1 A report on key performance indicators (KPI's) will be provided to the Housing & Neighbourhoods Committee each quarter.

2. Performance Indicators

2.1 The indicators reported to committee are those where targets are set and performance can be measured against. For this committee, we are reporting on both Q1 & Q2 for 2020/21.

3. Indicators to Note

HN01: Housing Rent Collection

Rent collection has been challenging during the pandemic with tenants' incomes. The impact on the financial year will be reduced rent collection overall, however staff resources have been increased temporarily to enable support to be provided to tenants through this process to maximise rent receipts. Performance has improved as the year progresses, however rent collection remains lower than the previous year.

The HNO1 rent targets are therefore being reviewed with new targets to be set for 2021/22.

HN04: Average cost of a Void repair (Q2)

Costs are under close scrutiny and work is underway to reduce overheads in this area. Agreement has been reached for the GYN Client Asset role to be returned to GYBC management from 1st April 2021. This will see all void works over £20k managed through the in-house process.

HN06: Costs – Total Voids Works (service provision) as a % of Total repairs Costs (Q1 & Q2)

Access to contractors and materials during the first quarter was difficult with usual suppliers unavailable and access to materials limited, this impacted on both timescales and costs.

The comments above for HN04 are also relevant to this indicator.

HN08: Number of Disabled Facilities Grants (DFG's)

It was not possible to complete any jobs during Q1 due to the pandemic and subsequent lockdown. This will impact over the full year with increased timescales for job completion.

4. Financial Implications

None

5 Risk Implications

None

6 Legal Implications

None

7. Background Papers

None

Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?

Area for consideration	Comment
Monitoring Officer Consultation:	N/A
Section 151 Officer Consultation:	N/A
Existing Council Policies:	N/A
Financial Implications (including VAT and tax):	N/A
Legal Implications (including human rights):	N/A
Risk Implications:	N/A
Equality Issues/EQIA assessment:	N/A
Crime & Disorder:	N/A
Every Child Matters:	N/A

PERFORMANCE INDICATORS – SUMMARY REPORT QUARTER 1 (APR – JUN) 2020/21



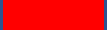
HOUSING AND NEIGHBOURHOODS COMMITTEE

Indicators	This Quarter	Target	Qtr 1 2019/20	19/20 Outturn	20/21 Annual Target	Status	Trend	
							Last Period	Last Year
HN01: Great Yarmouth Community Housing rent: GYCH rent collection rate								
a) % of rent & arrears collected	91.34%	Under Review	93.47%	99.39%	80%	R	↓	↓
b) Arrears as a % of rent debit	2.45%	Under Review	1.65%	1.93%	3.5%	R	↓	↓
c) Total rent arrears (Quarterly Cumulative)	£571,568	Under Review	£377,732	£423,709	£755,000	R	↓	↓
Rent collection has been challenging during the pandemic with tenant's income falling. The impact on the financial year will be reduced rent collection overall, however, staff resources have been temporarily increased to enable support to be provided to tenants to maximise rent receipts.								
HN02: Number of		N/A						
a) Social housing applicants in allocation pool	949	Demand Lead	451	943	Monitor	N/A	↓	↓
b) Social housing new applicants awaiting assessment (Snapshot at last day of quarter)	186	150	324	174	150	A	↓	↑
HN03: Average Time to Re-let Local Authority Housing (Quarterly Cumulative)	48 days	50 days	19 days	24 days	30 days	G	↓	↓
HN04: Average cost of a Void repair (Quarterly Cumulative)	£2,991.72	£2,745	£3,320.14	£2,978.62	£2,745	A	↓	↑
HN05: Percentage of residents very or fairly satisfied with the repairs service they received (Quarterly Cumulative)	Not Available	95%	98%	97.2%	95%	N/A	N/A	N/A
The customer survey system is not currently available due to a licensing issue however this is anticipated to be resolved for September and resident views will be available for the three month on the 2nd quarter going forward.								
HN06: Costs – Total Void Works (service provision) as % of Total Repairs Costs (Quarterly Cumulative)	10%	8.1%	24.27%	10.1%	8.1%	R	↓	↑
Access to contractors and materials during the first quarter has been difficult with usual suppliers unavailable and access to materials limited, this has impacted both timescales and costs. Whilst current performance is above target it is below the 2019/20 comparable figure.								

Indicators	This Quarter	Target	Qtr 1 2019/20	19/20 Outturn	20/21 Annual Target	Status	Trend	
							Last Period	Last Year
HN07: Costs – total responsive repairs as a percentage of total repairs costs	23.54%	22.1%	75.73%	16.33%	22.1%	A	N/A	↑
HN08: Number of Disabled Facilities Grant (DFGs) Numbers of calendar days from initial request to works complete Numbers of calendar days from initial request to works complete (Quarterly Cumulative)	No jobs completed in the 1st quarter	Monitor	239 days	289 days	Monitor	N/A	N/A	N/A
HN09: Neighbourhoods That Work programme (Reporting period for this indicator runs from Oct 2015- Sept 2020)								
a) Number of self-help resident led community groups supported to develop. (Cumulative)	169	30	N/A	167	120	G	↑	↑
b) Number of residents who have overcome issues preventing them from getting and holding down a job, resulting in them sustaining employment. (Cumulative)	158	24	N/A	137	150	G	↑	↑
c) Number of residents with complex needs supported to overcome at least one personal challenge. (Cumulative)	403	100	N/A	396	400	G	↑	↑

Key

Status

	Current performance has met or exceeded target/ has met or exceeded trend
	Current performance is below target but within tolerance/ is below trend but within tolerance
	Current performance is below target and tolerance/ is below trend and tolerance

↕ Performance for quarter is improving (up) or deteriorating (down) compared to previous quarter.

↕ Performance for period (quarter) is improving (up) or deteriorating (down) compared to same quarter last year.

PERFORMANCE INDICATORS – SUMMARY REPORT QUARTER 2 (JUL - SEP) 2020/21




HOUSING AND NEIGHBOURHOODS COMMITTEE


Indicators	This Quarter	Target	Previous Quarter	Qtr 2 2019/20	19/20 Outturn	20/21 Annual Target	Status	Trend	
								Last Period	Last Year
HN01: GYBC Housing : rent collection rate									
a) % of rent & arrears collected	96.51%	Under Review	91.34%	99.15%	99.39%	80%	R	↑	↓
b) Arrears as a % of rent debit	2.01%	Under Review	2.45%	1.45%	1.93%	3.5%	R	↑	↓
c) Total rent arrears (Quarterly Cumulative)	£468,969	Under Review	£571,568	£330,709	£423,709	£755,000	R	↑	↓
HN02: Number of									
a) Social housing applicants in allocation pool	828	N/A Demand Lead	949	690	943	Monitor	N/A	↑	↓
b) Social housing new applicants awaiting assessment (Snapshot at last day of quarter)	189	150	186	242	174	150	A	↓	↑
HN03: Average Time to Re-let Local Authority Housing (Quarterly Cumulative)	42 days	50 days	48 days	22 days	24 days	30 days	G	↑	↓
HN04: Average cost of a Void repair (Quarterly Cumulative)	£3,072.80	£2,745	£2,991.72	£2,582.09	£2,978.62	£2,745	R	↓	↓
Costs are under close scrutiny and work is underway to reduce overheads in this area. Agreement has also been reached for the GYN Client Asset role to be returned to GYBC management from 1st April 2020 this will see all voids works over £20k managed through an in-house process.									
HN05: Percentage of residents very or fairly satisfied with the repairs service they received (Quarterly Cumulative)	Not Available	95%	Not Available	93.85%	97.2%	95%	N/A	N/A	N/A
Issues with the Survey Monkey system have resulted in data being unavailable this has now been rectified and performance information will be available for quarter									


Indicators	This Quarter	Target	Previous Quarter	Qtr 2 2019/20	19/20 Outturn	20/21 Annual Target	Status	Trend	
								Last Period	Last Year
HN06: Costs – Total Void Works (service provision) as % of Total Repairs Costs (Quarterly Cumulative)	12.38%	8.1%	10.17%	7.86%	10.1%	8.1%	R	↓	↓
Costs are under close scrutiny and work is underway to reduce overheads in this area. Agreement has also been reached for the GYN Client Asset role to be returned to GYBC management from 1st April 2020 this will see all voids works over £20k managed through an in-house process.									
HN07: Costs – total responsive repairs as a percentage of total repairs costs	24.83%	22.1%	23.54%	20.5%	16.33%	22.1%	R	↓	↓
Increase on Q1 from 23.54% to 24.83% this is due to the downturn in Capital works this financial year, as sales increase the percentage should drop. Last year the end figure was 16.63%									
HN08: Number of Disabled Facilities Grant (DFGs) III									
a) Numbers of calendar days from initial request to works complete	187 days	Monitor	No jobs completed in the 1st quarter	190 days	289 days	Monitor	N/A	N/A	↑
b) Number of calendar days from OT recommendation to completion (Quarterly Cumulative)	146 days	Monitor	No jobs completed in the 1st quarter	N/A	N/A	Monitor	N/A	N/A	N/A
HN09: Neighbourhoods That Work programme (Reporting period for this indicator runs from Oct 2015- Sept 2020)									
a) Number of self-help resident led community groups supported to develop. (Cumulative)	170	120	169	154	167	120	G	↑	↑
b) Number of residents who have overcome issues preventing them from getting and holding down a job, resulting in them sustaining employment.(Cumulative)	158	150	158	121	137	150	G	↔	↑
c) Number of residents with complex needs supported to overcome at least one personal challenge. (Cumulative)	403	400	403	260	396	400	G	↔	↑

Key

Status

	Current performance has met or exceeded target/ has met or exceeded trend
	Current performance is below target but within tolerance/ is below trend but within tolerance
	Current performance is below target and tolerance/ is below trend and tolerance

 Performance for quarter is improving (up) or deteriorating (down) compared to previous quarter.

 Performance for period (quarter) is improving (up) or deteriorating (down) compared to same quarter last year.

URN:

Subject: Housing Revenue Account Budget setting 2021/22

Report to: ELT
Housing and Neighbourhoods Committee

Report by: HRA Service Accountant

SUBJECT MATTER/RECOMMENDATIONS

This report sets out the Housing Revenue Account (HRA) budget 2021/22 to 2025/26, HRA Capital Programme 2021/22 to 2025/26, HRA Rent and Service Charge proposal 2021/22 and the revised HRA revenue and capital forecasts for 2020/21.

RECOMMENDATIONS

It is recommended that Housing and Neighbourhoods Committee agree and recommend to Full Council:

- The increase in rents of CPI + 1%, as set out in the new Rents for Social Housing policy for 2021/22. For 2021/22 this equates to 1.5%
- The Revenue budget for 2021/22, along with the forecast projections for the period up until 2025/26, including the extended borrowing to support the provision of additional HRA homes
- The Capital budget for the period 2021/22 to 2025/26
- The HRA Service charges for 2021/22
- The revised HRA Capital and Revenue forecasts for 2020/21.

1. Introduction

1.1. The Housing Revenue Account (HRA) is the ring-fenced rent account that funds the Council's activity as a landlord. The HRA records all the income and expenditure associated with the provision and management of Council owned homes in the borough. This account funds a significant range of services to 5762 homes for Great Yarmouth Borough tenants and their families and to 369 homes for leaseholders. This includes housing management, repairs and improvements, sheltered housing services, caretaking and capital investment on housing.

- 1.2. The Council is required by law to avoid budgeting for a deficit on the HRA (Local Government & Housing Act 1989, section 76). This means that the budget must not be based on total HRA revenue reserves falling below zero. In practice the Council is expected to maintain a reasonable balance of reserves and this provides a contingency against unforeseen events and known risks. Great Yarmouth Borough Council's HRA currently maintains a minimum balance of £2 million.
- 1.3. In April 2012 the HRA moved to a Self-financing model which accompanied a limit on the amount of housing debt that an authority could hold within an HRA. The limit was based on a calculation of the level of debt that a landlord/council could support, based primarily on the valuation of each authority's current housing stock, along with income and expenditure assumptions. A total borrowing limit was set for each landlord, which for Great Yarmouth Borough Council was £89 million. From October 2018, the Government removed the debt cap limitations on how much councils can borrow against their HRA Assets. Such borrowing, must however, be affordable within the HRA.
- 1.4. Following the above changes, the self-financing arrangements have led to the development of a 30-year business plan supporting the delivery of the HRA. The 30-year business plan makes assumptions regarding the level of income available based on the expected levels of rent, along with the key risks facing housing service delivery within this timeframe. The main areas of this are the management and timing of debt use, affordability and the impact of changes as Government policies are enacted. This results in a rolling 30 year HRA Business Plan covering both capital and revenue expenditure projections.
- 1.5. The budget process for 2021/22 onwards has taken due consideration of the HRA's 2017/18 stock condition survey results. Implications highlighted by the stock condition survey have been reflected within the capital programme going forward.
- 1.6. The budget and forecasts presented do assume additional borrowing in the medium term to support the Housing Transformation Programme and affordable homes delivery. The later includes borrowing to support match funding of Retained Right to Buy receipts as well as the additional borrowing approved in July 2020. Due to reductions in day to day revenue repairs, the HRA business plan has budgeted for further additional borrowing to support the wider Council Home Programme. As a consequence £1.5 million of funding will be used to support further borrowing to deliver additional homes within the HRA, through acquisitions or new build programmes from 2021/22.

2. Rent setting policy changes – Increase of CPI + 1%

- 2.1. Each year local housing landlords must set rents and budgets for the forthcoming financial year and provide each individual tenant with statutory notice of any proposed rent change. This report sets out proposals regarding the budget, rents, service charges and other charges to tenants for the 2021/22 rental year.

- 2.2. The self-financing HRA remains governed by guidelines on rent setting for tenants. The council no longer has flexibility on the approach to rent setting due to the policy announced as part of the Welfare Reform and Work Act 2016.
- 2.3. Rent setting following the end of the 1% reduction to all social rents in 2019/20, is on the basis of increases of CPI + 1%. For 2021/22 this equates to 1.5%, on both social and affordable rent in line with the Rents for Social Housing policy for 2021/22.
- 2.4. The average rent for 2021/22 will be £88.82 per week over a 50 week period. Future rent increases have been factored into budgets within Appendix B.
- 2.5. Estimated rent charges for 2021/22 on average:

Property Type	Average weekly Rent 2020/21 £ (50 wk.)	Average weekly Rent 2021/22 £ (50 wk.)
Bedsit	60.32	61.23
1 Bedroom	69.33	70.37
2 Bedroom	76.56	77.71
3 Bedroom	82.86	84.10
4 Bedroom	91.50	92.78
5 Bedroom	99.32	100.81
>5 Bedroom	134.06	134.73
Average for all properties	87.71	88.82

3. Proposed Rent Service Charges 2021/22

- 3.1. The proposals in relation to service and agreement charges are set out in Appendix A. The increases proposed and applied are in line with the Rents for Social Housing policy for 2021/22, being set at least at CPI + 1%. For 2021/22 this equates to 1.5%, to close the gap in terms of recovery of costs.
- 3.2. Service charges for 2021/22 (excluding caretaking charges) have been reviewed to ensure that each individual service charge element is recharged on a cost basis.

4. Housing Revenue Account Budget 2021/22 – 2025/26 and Revised Forecast 2020/21

- 4.1 The approach to HRA budget setting focuses on three separate areas for 2021/22:
 - Expected income and proposals on rent and service charge levels;
 - Expenditure plans that reflect local priorities and the impact of the self-financing business model on service delivery; and,
 - The reserves and provisions needed to ensure that the HRA is delivering strong financial performance over a longer period of time
- 4.2. The HRA receives income from tenant rents and service charges levied on tenants and leaseholders. The self-financing HRA remains governed by guidelines on rent setting for

tenants. Income from rents is a key driver of the total income available to the HRA, making up approximately 90% of the total income. The approach and policy for rent therefore affects the resources available to re-invest in expenditure plans across the HRA to deliver the outcomes outlined in the HRA business plan for all tenants.

- 4.3. Expectations for income, and therefore the rent budget, are driven by three key elements:
- Expected stock levels for 2021/22;
 - The CPI + 1% increase on the 2020/21 actual rents charged. For 2021/22 this equates to 1.5%; and,
 - The resourcing needs outlined in the HRA Business Plan.
- 4.4. For 2021/22, the average stock level across Great Yarmouth Borough Council is expected to be 5,739 properties. This is based on known changes to the current stock profile of 5,762 (as at 1 April 2019) including adjustments for projected Right to Buy sales, disposals and acquisitions
- 4.5. The repairs and maintenance programme includes the planned cyclical upkeep to the specific areas of heating, lighting, lifts, smoke alarms, garden maintenance and minor neighbourhood planned works. It also relates to day to day repairs for tenants and refurbishment of empty properties in between tenant occupancy.
- 4.6. The Council also undertakes adaptation works to tenants homes to meet specific identified needs. In 2020/21 and 2021/22, the revenue adaptations budget had been increased by £150,000 per annum to address an existing backlog in adaptations work. Following the effects of the pandemic, this has been subject to programme slippage, meaning that the additional provision is now forecast to be delivered within 2021/22 and 2022/23.
- 4.7. Leasehold service charges are required to be transparent and reflect the actual cost of the services incurred. It is recommended to set leaseholder service charges in line with actual expenditure plans as per the approach in previous years. Service charges will be based on 2019/20 expenditure levels and final charges for 2020/21.
- 4.8. The HRA currently holds a 2020/21 opening reserve balance of £9.5 million. The HRA reserve is higher than previously forecast, this is due to prior year savings and underspends of estimated budgets, specific planned budgets being carried forward to future years and programmes not being completed at the original time anticipated.
- 4.9. The HRA 30 year business plan demonstrates how reserves are reduced and managed over the next five years within the housing major works capital programme. Capital works were significantly increased from 2018/19 to ensure that both homes identified as part of the 2017/18 Stock Condition Survey as non decent and future homes, which become non decent, are addressed over a five year period. It is recommended that a further survey is undertaken following the initial five year period.

4.10. Revised 2020/21 position

4.11. The original 2020/21 budget reported a forecast deficit of £1.699 million. Monitoring year to date has identified that this needs to be revised, resulting in an increase to the original 2020/21 deficit by £91k, to an estimated £1.790m deficit at year end.

2020/21	Revised budget	Variance	Reason	Financed from
	£000	£000		
Capital Expenditure funded by Revenue	2,822	(435)	Reduced revenue financing capital due to borrowing being used to fund the Housing transformation programme and the increased use of RTB receipts.	N/A
Capital Grants & Contributions receivable	(25)	25	Reduced leasehold works completed resulting in reduced contributions in year	N/A
Dwelling Rents	21,115	638	Reduced rental income forecast in year as a result of the ongoing Covid-19 pandemic. Works will continue to recover loss of income following the pandemic.	N/A
HRA Earmarked reserves	(20)	(20)	Earmarked reserve to offset works on the continued Middlegate Feasibility study	Earmarked Reserves
Interest Payable and Similar Charges	2,863	(203)	Reduced interest payable due to reduced borrowing, following the additional 36 housing units being delivered as part of the Affordable Housing Programme using 1-4-1 receipts.	N/A
Repairs & Maintenance	9,004	20	Increased expenditure as part of completing the Middlegate Feasibility study. Expenditure is offset by Earmarked reserves.	Earmarked Reserves
Supervision and Management	2,963	53	Increased compensation budget following increased Disrepair claims.	HRA Revenue
		168		

4.12. Proposed growth/savings in HRA Revenue 2021/22 budget

4.13. The following table summaries the more significant movements compared to the previous business plan as approved in February 2020.

Income/ Expenditure	2021/22 Revised Budgets	2021/22 Growth (Saving)	Details	Financed from
Dwelling Rent	(21,495)	322	Reduced Dwelling rent following the change in forecast CPI rates. Prior budgets have been forecast at CPI of 2%. 2021/22 rent base is CPI of 0.5%	HRA Revenue
Charges for Services and Facilities	(1,366)	76	Reduced Charges income following the change in forecast CPI rates. Prior budgets have been forecast at CPI of 2%. 2021/22 charge base is CPI of 0.5%. These charges are raised on cost basis so reflect the current climate.	HRA Revenue
Supervision and Management (Staff Pay)	2,580	141	Increased employee costs following Housing restructure to ensure an efficient and effective service is maintained	HRA Revenue
Supervision and Management	2,955	45	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.	HRA Revenue
Depreciation	3,738	(41)	Revised depreciation based on stock numbers following prior years sales and acquisitions.	N/A
Rents, Rates, Taxes and Other Charges	284	35	Increased insurance premiums due to the COVID-19 pandemic	HRA Revenue
Repairs & Maintenance	9,257	273	Increased Asset team costs following the Asset Management Transfer. These increased costs are mitigated by the reduced asset programme cost overall. Increased communal area budget of £30k following the increase spend in prior years. Legionella also reflects an increase of £50k to support the programmed works going forward.	HRA Revenue
Capital Expenditure funded by Revenue	2,334	(675)	Reduced capital financing following the additional 36 housing units being completed as	N/A

Income/ Expenditure	2021/22 Revised Budgets	2021/22 Growth (Saving)	Details	Financed from
			part of the Affordable Housing programme using 1-4-1 receipts	
Employer's Pension Adjustment	513	113	Revised assumptions based on the forecast estimates provided	HRA Revenue
HRA Earmarked reserves	(30)	(30)	Earmarked reserves to support expenditure for the Middlegate Feasibility works.	Earmarked Reserves
Interest Payable and Similar Charges	2,945	71	Increased interest payable following increased borrowing for the Housing Transformation project and additional housing being delivered	HRA Revenue
Total		350		

4.14. The next table summarises the revised forecast for 2020/21 and the draft 2021/22 budget for the Housing Revenue Account. Further detail is shown in appendix B.

	2020/21 Original Budget	2020/21 Revised Budget	Variance	2021/22 Draft Budget
	£000	£000	£000	£000
Dwellings Rents	(21,753)	(21,114)	639	(21,495)
Non Dwelling rents	(275)	(275)	0	(275)
Interest & Investment income	(15)	(15)	0	(15)
Charges for services and facilities	(1,442)	(1,430)	12	(1,366)
Total Income	(23,485)	(22,834)	651	(23,151)
Repairs & Maintenance	8,984	9,004	20	9,257
Supervision and Management (Direct Employee)	2,439	2,439	0	2,580
Supervision and Management	2,910	2,963	53	3,126
Rents, Rates, Taxes and Other Charges	249	249	0	284
Depreciation	3,780	3,780	0	3,738
Capital Expenditure funded by the HRA	3,257	2,822	(435)	2,334
HRA Interest Payable	3,066	2,863	(203)	2,945
Provision for bad and doubtful debts	150	150	0	150
Employer's Pension Adjustment	399	399	0	513
Total Expenditure	25,234	24,669	(565)	24,927
Transfers (from)/to Earmarked Reserve	0	(20)	(20)	(30)
Capital Grants & Contribution receivable	(50)	(25)	25	(20)
Net (surplus)/Deficit for the year	1,699	1,790	91	1,726
HRA Reserves Balance B/Fwd.	9,559	9,559	0	7,769
Deficit/(Surplus) in year	1,699	1,790	91	1,726
HRA Reserves Balance C/Fwd.	7,860	7,769	(91)	6,043

5. Housing Major Works Capital Programme (HMWCP) 2020/21 to 2025/26

- 5.1. This section of the report sets out the new housing capital investment requests for the five year period covering 2020/21 to 2025/26.
- 5.2. The HMWCP is subject to ongoing review and continues to take into account the priorities and objectives which have been derived from our understanding of the stock; the needs

of current and future tenants; the opportunities presented by funding streams and options for procurement and delivery of our investment plans.

5.3. There are two key strands to the investment plans:

- Maintaining and improving the Council's housing stock;
- New Affordable Council housing, including new housing to replace sales under RTB in line with Government guidance.

5.4. The plans are prepared over the medium term and are reviewed and updated annually. Future investment decisions will be based on local decision making and local knowledge of the condition of the stock and the components.

5.5. The housing major works capital programme has been adapted to meet the needs of the housing stock identified within the 2017/18 stock condition survey, as well as maintaining progress to address the newly arising non decent homes each year.

5.6. During 2020/21, the conduction of a root and branch review of data in our asset management system has been undertaken. This includes reviewing data gathered from the results of the 2017/18 stock condition survey and using the existing surveying resource when available, to re-visit some of the findings from the survey to check whether they remain true. This approach has led to the reduction in non-decency from 21% (15% end of year percentage for 2019/20 plus 6% newly arising need for 2020/21) at the start of the financial year, to the 7% at the end of October 2021, reported at November GYN Liaison Board. As much of the work programmed to address decency was completed at that point, decency at the end of the year is not expected to fluctuate from this percentage.

5.7. For 2021/22, the starting non decency figure will be 25% (7% plus 18% newly arising need for the year). During this year, we will be undertaking a data migration project and there will be a need to commence a rolling Stock Condition Survey. The new system facilitates more detailed investment modelling and scenario planning, therefore for the 2022/23 programme, further work will be undertaken to fully analyse the aging and any new stock condition data, ensuring not only Decent Homes is achieved, but also how works are to be procured and delivered; Whole Home approaches, decarbonisation, or through traditional individual component workstreams.

5.8. In the interim, it is anticipated that the current backlog of 7% can be fully addressed during next and the following year, this does not take account of any newly arising need that cannot be addressed within 2020/21, 2021/22 or 2022/23, due to referrals from responsive, leasehold consultation issues, refusals by residents, budgets and of course, any on-going repercussions from the pandemic. As a result, the backlog in any given year is not a static, but a movable volume.

5.9. The 2021/22 programme includes the continuation of the kitchen and bathroom programme, an enhancement to the boiler and heating replacement schemes and investment into empty homes. Budget provisions also include the delivery of external

wall insulation, insulation and roofing works, which aim to improve the energy efficiency of council homes.

- 5.10. These schemes offer both the opportunity to modernise properties, sustain them for the future and increase the thermal comfort of tenants. They also continue to bring potential savings from future revenue repairs budgets.
- 5.11. The HRA is still part of a retention agreement, meaning the HRA can retain receipts to support up to 30% of the cost of replacement homes if incurred in a 3 year period. Any receipts not spent in this period are required to be paid to Central Government. The Affordable Housing Programme budget included within the capital programme is estimated in line with the 1-4-1 receipt restrictions, subject to the Right to Buy sales of council dwellings in previous years. These estimates reflect the minimum expenditure required to ensure full usage of all receipts. Within the Affordable Housing budget for 2020/21 and 2021/22 an additional budget beyond the requirement of the minimum expenditure needed has been factored to reflect use of receipts to support the £5.2m spend on 36 new additional housing units within the HRA.
- 5.12. The HRA proposes to increase the availability of affordable housing with a combination of direct new build, grant contributions to Housing Association developments and purchasing the appropriate empty and suitable homes on the open market, to maintain the level of spending required to meet the retained receipt demand.
- 5.13. The Right to Buy discounts have increased since the introduction of Self Financing. The maximum discount increases each year based on the consumer price index (CPI). The business model has been amended to incorporate this change which is currently estimated at 0.5% CPI, forecasting a maximum discount of £84,600 for 2021/22.
- 5.14. Year to date Right to Buy sales for 2020/21 have reflected a significant decline in comparison to prior years, this appears to be an impact of the current Covid-19 pandemic. The Council has completed only 7 sales year to the end of Quarter 2, with no completions in Quarter 3. In comparison to 27 completions in the 2019/20 financial year.
- 5.15. The impact of the reduction of Right to Buy sales will impact on the availability of capital receipts to fund the programme. This impact will continue to be monitored in 2020/21 and revised projections produced to ensure the capital programme is fully funded, this may require additional revenue contributions.
- 5.16. A total of 37 sales have predicted as part of the 2021/22 budget in line with sales prior to the pandemic.
- 5.17. An additional provision will be provided using revenue funding totaling £1.5 million, released in 2021/22 and the following three financial years. Additional funds are available following the reduction of spend on revenue day to day repairs, as a result of reductions in demand. This funding will support prudential borrowing to provide an increased capital programme for the delivery of additional homes in the HRA. The HRA will continue to borrow specifically for the Affordable Housing Programme and the new

Council Home Programme so the HRA reserves balances can be used on investment on the current stock.

5.18. Revised 2020/21 position for HRA Major works Capital Programme

5.19. The following table summaries the in-year 2020/21 virements within the capital budget.

	2020/21 Revised Budget	Variance to original budget	Reason	Financed from
	£000	£000		
Affordable Housing Programme - Right to Buy receipts	3,363	83	Budget now includes costs associated with 36 housing units being delivered as part of the affordable 1-4-1 receipt programme means increased expenditure forecast beyond the minimum requirement to meet the 1-4-1 Retained Right to Buy receipts.	RTB Receipts
Affordable Housing and Council Home Programme Additional Non 1-4-1 Provision	0	(6,650)	Original budget reduced as a result of a revised spend profile. Planned expenditure to be completed within 2021/22 and form part of the Affordable Housing Programme funded by Retained Right-to-Buy receipts.	N/A
Specific Planned Projects	600	(20)	Third party management fee no longer charged as part of the GYN contract	N/A
		(6,587)		

5.20. Proposed growth/savings in HRA Capital Programme 2021/22

5.21. The following table summaries the more significant movements compared to the previous business plan as approved in February 2020.

	2021/22 Revised Budgets	2021/22 Growth/ (Saving)	Details	Financed from
	£000	£000		
Energy & Efficiency Improvements	1,173	(12)	Programme saving as a result of the asset management transfer back to the council.	N/A
Windows & doors Improvements	592	(59)	Programme saving as a result of the asset management transfer back to the council.	N/A

	2021/22 Revised Budgets	2021/22 Growth/ (Saving)	Details	Financed from
Kitchen & Bathroom Improvements	2,869	(181)	Programme saving as a result of the asset management transfer back to the council.	N/A
Neighbourhood Plans	91	(479)	Programme saving (£10k) as a result of the asset management transfer back to the council. Budget reductions to both neighbourhood plan and concrete repair budgets to allow for increased provisions in other capital areas.	N/A
New Affordable Housing - Right to Buy receipts	3,648	48	Increase to include to delivery of 36 housing units beyond the minimum requirement of 1-4-1 receipts.	Borrowing
Planned Maintenance	611	(55)	Reduced rewiring budget to allow for further legionella works to be completed	N/A
Specific Planned Projects	546	(174)	Programme saving as a result of the asset management transfer back to the council. Reduction to the stock condition survey provision, due to this be reviewed and delivered within revenue.	N/A
Affordable Housing and Council Home Programme Additional Non 1-4-1 Provision	250	(250)	Revised phasing of the additional house budget which delivers £1.5m for additional housing beyond the affordable housing programme between 2021-2024/25	N/A
De-Carbonisation	1,738	298	Increased external wall insulation programme, working towards increasing the energy efficiency of homes.	HRA Revenue
Housing Transformation	211	211	Further budget to aid the completing of the Housing Transformation programme which should be complete in 2021/22	HRA Revenue
		(653)		

5.22. The table below summarises the revised forecast for 2020/21 along with the draft 2021/22 Capital programme for the Housing Revenue Account. Further detail is shown in Appendix C & Appendix D.

HRA Capital programme	Original Budget 2020/21	Revised Forecast 2020/21	Variance	Revised Draft Budget 2021/22
Expenditure:	£000	£000	£000	£000
Kitchens & Bathrooms	3,050	3,050	0	2,869
Windows & Doors	650	650	0	592
Planned Maintenance	665	665	0	611
Energy Efficiency Improvements	1,185	1,185	0	1,173
Specific Planned Projects	620	600	(20)	546
Empty Properties	700	700	0	700
New Affordable Housing - Right to Buy receipts	3,280	3,363	83	3,648
New Affordable Housing – Additional Non 1-4-1 Provision	6,650	0	(6,650)	250
Decarbonisation	1,520	1,520	0	1,738
Neighbourhood Plans	570	570	0	91
Housing Transformation Budget	415	415	0	211
Total Expenditure	19,305	12,718	(6,587)	12,429
Financing:				
Borrowing	9,930	3,778	(6,152)	4,108
Capital Receipts	2,288	2,313	25	2,227
Revenue	3,257	2,822	(435)	2,336
Depreciation	3,780	3,780	0	3,738
Leasehold Contribution	50	25	(25)	20
Total Financing	19,305	12,718	(6,587)	12,429

6. Other implications to the Housing Revenue Account

- 6.1. Since the introduction of self-financing in 2012, the 30 year HRA business plan has continued to be challenged by a number of changes, such as increased Right to buy discounts and sales and the 1% rent reduction policy.
- 6.2. In response to these changes the Council has, in the short term, previously kept the HRA reserves levels high in order to mitigate this loss of revenue. The Council still needs to prepare for further reductions in resources available to manage, maintain, improve and add to its housing stock and manage the implications from the stock condition survey.
- 6.3. Currently, within 2020/21, the Council is enduring the unprecedented financial strain of the Covid-19 pandemic. Although the wider impact of the pandemic is not yet fully known, the Council aims to continue to aid and support its tenants and continues to monitor its ongoing financial position. Although income losses are expected in year, it is expected that income recovery will be achieved to mitigate the loss in the short to medium term.
- 6.4. The HRA is continually reviewed to ensure the budgets accurately reflect service demands and to challenge where savings could be achieved. The capital programme, which is funded in large part by contributions from revenue, is monitored regularly during the year and has been reviewed in detail to inform the 2021/22 budget reflecting the outcomes of the 2017/18 stock condition survey. The overall capital programmes in prior years have significantly increased, due to additional works needed, careful consideration has been taken to the deliver these works and to manage the financial impact.

7. Financial Implications

- 7.1. The detail within the report highlights the significant variances for the current year to date, including a full year impact to the HRA revenue and Capital budgets for future years.
- 7.2. The income and expenditure will continue to be monitored in detail during the current year, including the known impacts of the Covid-19 pandemic, including additional reviews of the HRA 30 year business plan.
- 7.3. The HRA is dependent mainly on the rental income stream of the social housing rents, and the Council have a dedicated team monitoring tenant arrears on a regular basis and supporting tenant's to pay their rent and other charges.
- 7.4. The HRA had a 2020/21 opening reserves balance of £9.559 million. The 2021/22 opening reserve balance is forecast at £7.769 million, reflecting a 2020/21 forecast deficit of £1.790 million.
- 7.5. The removal of the debt cap has allowed the Council to increase the amount it can borrow on a prudential basis, to extend the affordable housing programme beyond the requirements of spending retained Right to Buy receipts as set out in the report. Commitments, value for money and spend will be closely monitored and subject to regular budget monitoring and reporting.

8. Risk Implications

- 8.1. It is recognised that since the results of the 2017/18 stock condition survey, a significantly increased Major Works Capital programme has been maintained following the 2018/19 budget setting process. Continual programmed works have been maintained to ensure that both the homes identified as non Decent as a result of the Stock Condition Survey and future homes, which become non Decent are addressed over a five year period. Overall ensuring that all homes within the dwelling stock are Decent.
- 8.2. Where service delivery plans have changed, the budget setting process must reflect the subsequent impact on resources and also recognise known risks for the HRA and ensure there are adequate balances in place to these as they materialise.
- 8.3. Further review of the detail of the HRA budget for both capital and revenue spend will be carried out during 2021/22, in preparation for the longer term investment requirements in the stock, new affordable housing programme and to inform future budget setting decisions to identify efficiencies within the program of works.
- 8.4. There continues to be an ongoing risk to the HRA of non-collection of tenant rental arrears and maintaining budgeted collection rates. This continues to be monitored and managed along with any further implications arising following the final migration of housing benefit to universal credit.

9. Background Papers

Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?

Area for consideration	Comment
Monitoring Officer Consultation:	
Section 151 Officer Consultation:	
Existing Council Policies:	
Financial Implications (including VAT and tax):	
Legal Implications (including human rights):	
Risk Implications:	
Equality Issues/EQIA assessment:	
Crime & Disorder:	
Every Child Matters:	

Appendix A – Fees and charge proposals 2021/22

2021/22 Rent increase and Service Charges (Exclusive of VAT where applicable)	2020/21	2021/22	2021/22
	Average Charge 50 Wks	Average Charge 50 Wks	Increase/ decrease per wk
Tenant Rent	£87.71	£88.82	£1.11
Garages Basic - Tenants	£11.39	£11.56	£0.17
Garages Premium - Tenants plus Town Centre Surcharge	£15.20	£15.43	£0.23
Caretaking charge - Basic	£1.02	£1.03	£0.01
Caretaking charge - Enhanced	£1.02	£1.03	£0.01
Maintenance of Aged Persons gardens			
Up to 30 minutes maintenance	£4.25	£4.27	£0.02
Over 30 minutes maintenance	£7.50	£7.54	£0.04
Communal Heating	£5.38	£5.46	£0.08
Communal Water	£4.51	£4.51	£0.00
Digital Communal TV Aerials	£0.96	£0.96	£0.00
Sewerage charge	£7.05	£7.16	£0.11

Sheltered Housing Support Charges 2020/21	2020/21	2021/22
	Average charge 50 wk	Average Charge 50 wk
Standard tenancies plus Alarm Charge	9.38	9.38

YARE CARE CHARGES	Weekly Charge		
	2021/22 Exc VAT	2021/22 Inc VAT	
52 Week Calculation for Private users			
Private - Rental + Monitoring	£3.25	£4.06	
Private - Monitoring	£1.42	£1.77	
50 week calculation for Community Housing Tenants			
Council - Rental + Monitoring	£3.38	£4.22	
Council - Monitoring	£1.47	£1.84	
Yarecare Installation Charge	2020/21	2021/22	2021/22
	Average Charge	Average Charge	% Average Increase
Yarecare Installation Charge (Plus VAT)			
Charge within Borough	£46.53	£47.97	£1.44
Charge outside of Borough	£52.82	£54.46	£1.64
Community Alarm Set-up & Postage Fee		£45.00	£45.00

Appendix B – Revenue Income and Expenditure 2020/21 – 2025/26

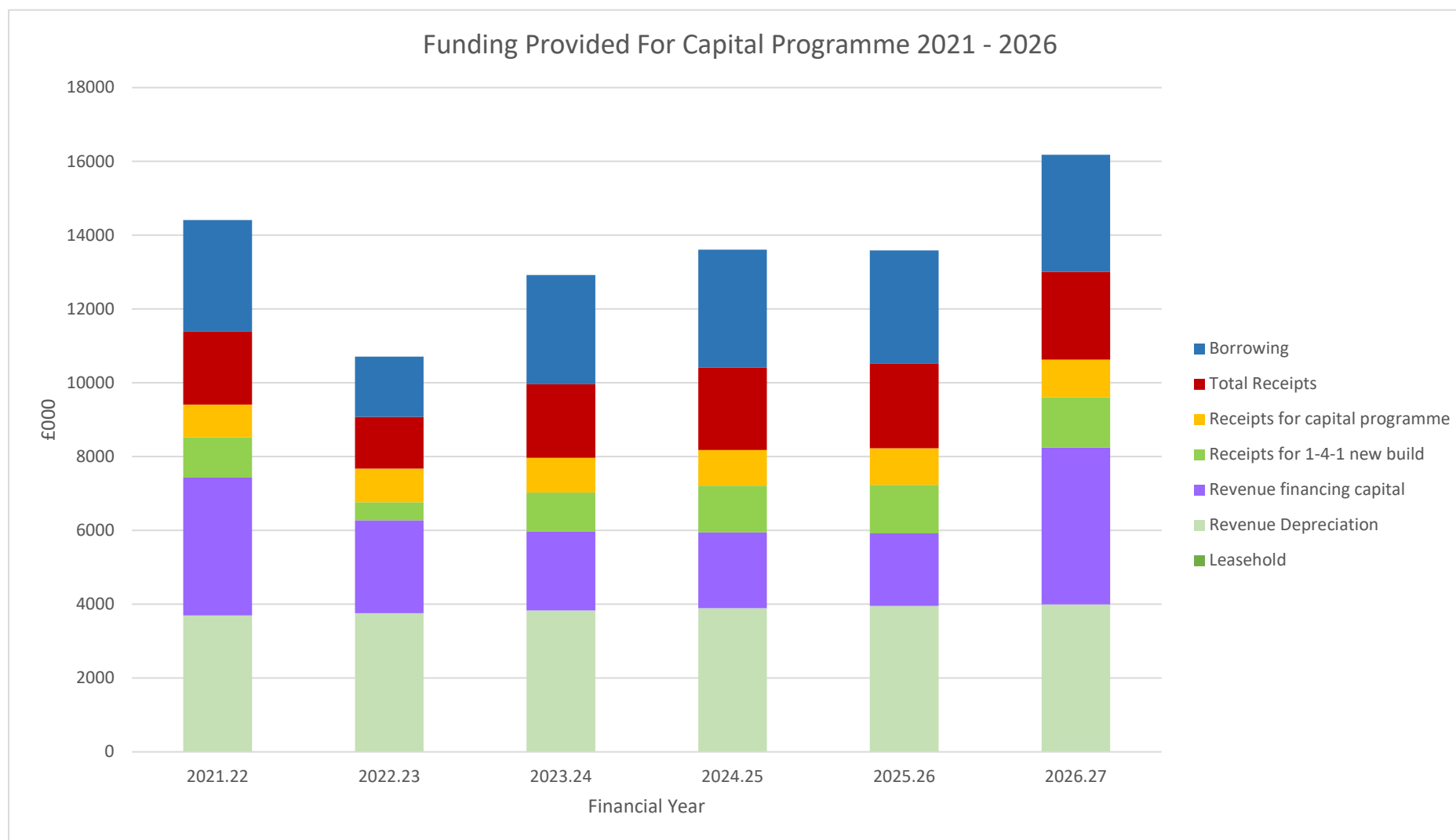
				Forecast Projections				
Income/ Expenditure		Budget	Revised	Budget	Budget	Budget	Budget	Budget
		2020/21	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Income	Charges for Services and Facilities	-1,441,750	-1,430,242	-1,365,757	-1,398,413	-1,441,046	-1,479,298	-1,518,780
	Dwelling Rents	-21,753,144	-21,114,463	-21,495,026	-22,102,119	-22,724,439	-23,361,775	-24,013,916
	Interest and Investment Income	-15,000	-15,000	-15,420	-15,852	-16,296	-16,752	-17,087
	Non Dwelling Rents	-274,715	-274,715	-275,095	-285,458	-296,223	-307,405	-319,021
Income Total		-23,484,608	-22,834,419	-23,151,298	-23,801,842	-24,478,004	-25,165,230	-25,868,804
Expenditure	Capital Expenditure funded by Revenue	3,257,115	2,822,211	2,333,519	1,592,259	605,333	244,316	116,691
	Depreciation and Impairment of Fixed Assets: Dwellings	3,612,910	3,612,910	3,567,149	3,674,163	3,784,388	3,897,920	4,014,857
	Depreciation and Impairment of Fixed Assets: Non - Dwellings	166,889	166,889	171,272	174,491	177,774	181,122	184,538
	Interest Payable and Similar Charges	3,065,627	2,862,815	2,944,514	2,985,886	3,106,421	3,239,247	3,369,326
	Provision for bad and doubtful debts	150,000	150,000	150,000	150,000	150,000	150,000	150,000
	Rents, Rates, Taxes and Other Charges	248,941	248,941	284,036	216,995	220,135	223,337	226,604
	Repairs & Maintenance	8,984,154	9,004,154	9,257,264	9,313,280	9,293,190	9,452,641	9,617,619
	Supervision and Management	2,910,190	2,963,480	2,954,842	2,787,287	2,837,690	2,888,175	2,402,479
	Supervision and Management (Staff Pay)	2,439,276	2,439,276	2,580,337	2,641,988	2,628,736	2,703,113	2,769,508
Expenditure Total		24,835,101	24,270,676	24,242,932	23,536,349	22,803,667	22,979,871	22,851,622
Below The Line	Employer's Contributions Payable to or from Norfolk County.	565,225	565,225	664,127	703,975	746,213	790,986	838,445
	HRA Earmarked reserves	0	-20,000	-30,000	-30,000	0	0	0
	Impairment of Fixed Assets	0	0	0	0	0	0	0
	Net Charges made for Retirement Benefits in accordance with IAS 19	-617,531	-617,531	-629,981	-642,681	-655,635	-668,847	-682,324
	(Gain) / Loss on Sale of HRA non-current Assets	0	0	0	0	0	0	0
	In Year Pension Adjustments	19,000	19,000	14,967	15,266	15,571	15,882	16,200
	Capital Grants & Contributions receivable (Leasehold income)	-50,000	-25,000	-20,000	-20,000	-20,000	-20,000	-20,000
	Pension Backfunding	432,645	432,645	463,644	494,632	528,102	538,664	549,437
Below The Line Total		349,339	354,339	462,757	521,191	614,251	656,685	701,758
Net (surplus)/Deficit for the year		1,699,832	1,790,596	1,554,390	255,698	-1,060,086	-1,528,674	-2,315,425

Housing Revenue Account Reserves	Year	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	B/Fwd	-9,558,934	-9,558,934	-7,768,339	-6,213,948	-5,958,251	-7,018,337	-8,547,010
	In Year	1,699,832	1,790,596	1,554,390	255,698	-1,060,086	-1,528,674	-2,315,425
	C/Fwd	-7,859,102	-7,768,339	-6,213,948	-5,958,251	-7,018,337	-8,547,010	-10,862,435

Appendix C – HRA Major Works Capital Programme 2020/21 – 2025/26

			Forecast Projections				
	Original Budget 2020/21	Revised Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26
Kitchen & Bathrooms Improvements							
Kitchens planned	1,630,000	1,630,000	1,483,300	1,483,300	1,483,300	1,483,300	1,483,300
Bathrooms planned	780,000	780,000	709,800	728,000	546,000	546,000	546,000
Kitchen Voids	450,000	450,000	444,750	238,750	238,750	238,750	238,750
Bathroom Voids	190,000	190,000	231,000	38,092	38,092	38,092	38,092
Windows & Doors Improvements							
Windows & Doors Improvements	650,000	650,000	591,500	455,000	455,000	455,000	455,000
Planned Maintenance							
Major R&M	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Rewiring Dwellings	390,000	390,000	335,500	335,500	335,500	335,500	335,500
Major Adaptations	200,000	200,000	200,000	150,000	150,000	150,000	150,000
De-Carbonisation							
External Wall Insulation	400,000	400,000	791,700	791,700	791,700	791,700	791,700
Roofing	1,120,000	1,120,000	946,400	882,700	882,700	882,700	882,700
Neighbourhood Planned works							
Neighbourhood Plans	370,000	370,000	-	-	-	-	-
Concrete improvement works	100,000	100,000	-	-	-	-	-
Upgrade Stair Enclosures	100,000	100,000	91,000	91,000	-	-	-
Energy & Efficiency Improvements							
Heating and Boiler replacements	1,185,000	1,185,000	1,173,000	1,173,000	1,173,000	1,173,000	1,173,000
Specific Planned Projects							
GYN Management	20,000	-	-	-	-	-	-
Whole House Inc Long Term Voids	600,000	600,000	546,000	546,000	546,000	546,000	546,000
Empty Properties							
Major Voids	700,000	700,000	700,000	200,000	200,000	200,000	200,000
New Affordable Housing							
Affordable Housing (Retained Receipts)	3,280,288	3,363,300	3,647,700	1,622,763	3,512,158	4,210,614	4,366,188
Additional Housing Housing – Non 1-4-1	6,650,000	-	250,000	500,000	500,000	250,000	-
Housing Transformation Budget							
Housing Transformation Budget	415,000	415,000	210,556	-	-	-	-
Total	19,305,288	12,718,300	12,427,206	9,310,805	10,927,200	11,375,656	11,281,230

Appendix D – Funding Provided for the Capital Programme 2021/22 – 2025/26



Subject: Retained Right to Buy Receipts Policy

Report to: Housing and Neighbourhoods Committee 4 February 2021
Policy and Resources Committee 9 February 2021

Report by: Christine Spooner
Housing Strategy, Policy and Performance Officer

SUBJECT MATTER/RECOMMENDATIONS

This report requests that committee approve the updated Use of Retained Right to Buy Receipts Policy to reflect operational changes and requirements as set out in the report.

RECOMMENDATIONS

It is recommended that:

1. Committee approve the updated Use of Retained Right to Buy Receipts Policy and recommend the adoption of the policy by Policy and Resources Committee.
2. That Policy and Resources Committee approve the Use of Retained Right to Buy Receipts Policy and delegate approval of expenditure in accordance with the Use of Retained Right to Buy Policy to a Strategic Director in conjunction with the Section 151 Officer.

1. INTRODUCTION

- 1.1. This report seeks approval and adoption of the Use of Retained Right to Buy Receipts Policy. The Use of Retained Right to Buy Receipts Policy has been updated to reflect clarifications required to delegations.

2. THE USE OF RETAINED RIGHT TO BUY RECEIPTS POLICY

- 2.1. The Retained Right to Buy Receipts Policy was approved by Housing and Neighbourhoods Committee on 6 September 2018 and relates to the use of that element of Right to Buy Receipts which, subject to the Council's agreement with Government are ring-fenced to support the delivery of additional affordable housing.

2.2 The following alteration to the Policy, now added, was approved by Housing and Neighbourhoods on 20 June 2019:

- to introduce a new price limit of £350,000 for acquisitions of homes which will meet specific needs for adapted or adaptable homes and for the acquisition of homes with 4 or more bedrooms.
- to amend the payback period for all acquisitions for up to 40 years.

2.3 The Policy has been updated to clarify the delegations related to expenditure incurred in accordance with the policy which will be reported annually to Housing and Neighbourhoods Committee and Policy and Resources Committee.

3. FINANCIAL IMPLICATIONS

None associated with the Policy. Spend of Retained Right to Buy Receipts is monitored to ensure full spend within the required timescales. Spend is also monitored as part of the capital programme.

4. RISK IMPLICATIONS

The amended Use of Retained Right to Buy Policy ensures that there is one document which clearly sets out the Council's use of Retained Right to Buy receipts following previous changes. This report also seeks to update the delegations in relation to spend.

5. LEGAL IMPLICATIONS

The policy details the legal framework for the use of Right to Buy Retained Receipts.

6. CONCLUSIONS

This report seeks approval and adoption of the updated Use of Retained Right to Buy Receipts Policy. The Use of the Retained Right to Buy Receipts has been updated and refreshed and clarifies the delegated decision making in relation to expenditure incurred in relation to the policy.

7. BACKGROUND PAPERS

Use of Right to Buy Retained Receipts Policy approved at 6 September 2018 by Housing and Neighbourhoods Committee.

Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?

Area for consideration Comment	Comment
Monitoring Officer Consultation	Via ELT
Section 151 Officer Consultation	Via ELT
Existing Council Policies	- Corporate Plan
Financial Implications	See section 3

Legal Implications (including human rights)	See section 4
Risk Implications	See section 4
Equality Issues/EQIA assessment	None
Crime & Disorder	None
Every Child Matters	None



Use of Retained Right to Buy Receipts Policy

Author	Christine Spooner
Date	18/09/2020
Document Status	Policy Review for Approval

Contents

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1. Introduction/Background

In 2012, the Council in common with most stock owning authorities entered into a retention agreement with, the now, Ministry of Housing, Communities and Local Government (MHCLG) regarding receipts from the sale of council properties under the Right to Buy (RTB) legislation.

Where a local authority enters into an agreement to Retain receipts, those receipts can only be used for the provision of additional social housing, which may be by development of new properties or acquisition of existing properties.

2. Purpose of Policy

The purpose of the policy is to set out the Council's approach to how RTB Retained Receipts are used for the provision of additional social housing.

3. Policy Aims

The aim of the policy is to increase the supply of additional suitable affordable housing either owned and managed within the Housing Revenue Account or by a Registered Provider (RP)), recognising the increasing demand on the housing register, whilst providing opportunity to re-balance the mix of housing owned by the Council. The Council will achieve this by:

- Developing as many new Council owned properties as possible
- Utilising receipts to provide grant contribution to support local Housing Association/RP developments
- Acquiring properties on the open market with priority given to empty homes and properties where there is a demand that cannot be met from with the wider social housing stock
- Seeking value for money in the use of property acquisition whilst considering the need for properties in high demand.

4. Relevant Legislation

The Right To Buy was introduced by the Housing Act 1980 as amended by the Housing Act 1985. Under current legislation council tenants and housing association tenants who transferred with their homes from council landlords have the Right To Buy their home at a discount with the amount of discount dependent on the length of time as a social tenant.

In April 2012, the Right to Buy was reinvigorated by the Government and the maximum Right To Buy discounts were increased. Councils could enter into an agreement with Government to retain the additional sales receipts generated by the Right to Buy to fund the provision of

replacement housing stock. These agreements were made under section 11(6) of the Local Government Act 2003 and the receipts which can be retained are referred to as Retained Receipts.

In addition, under the Right to Buy Retained Receipts agreement the following terms apply:

- Retained RTB Receipts can only be used for 30% of the cost of development or acquisition (including refurbishment costs) of additional social housing. The remaining 70% of funding is taken from the Housing Revenue Account (HRA) Capital Programme.
- Retained RTB Receipts can be used to support development of new properties by other registered providers (Housing Associations). It is not currently possible to use RTB receipts together with grant from Homes England on the same development.
- Retained RTB Receipts must be spent within three years or any uncommitted funding must be paid to MHCLG plus interest. This requirement relates to the financial quarter in which the Right to Buy Receipt relates, i.e. the quarter in which the property was sold through the Right to Buy

The removal of the HRA Debt Cap has removed a restraint on the Council's ability within the HRA, however, borrowing must still be on a prudential basis.

5. How Retained Right to Buy Receipts will be used

5.1 Council Development

The primary purpose of retaining RTB receipts is to support the development of new housing by the Council within the HRA. Such developments maybe on sites owned within the HRA or acquired from the General Fund or private owners.

5.2 Grant Contribution to Housing Associations and Registered Providers

If the Council is not able to use the Retained Receipts to develop property itself or it is more beneficial to support the delivery of a scheme being developed by a Housing Association or Registered Provider, as it meets specific needs the Council cannot meet through its own development programme or acquisitions at that time, the Council will provide Retained Receipts to the Housing Association/Registered Provider. Funding will be provided to make a scheme viable to be provided or to increase the number of affordable homes being delivered on a site.

Appendix 1 provides details of the specific requirements for providing grant funding to a Housing Association/Registered Provider.

5.3 Acquisitions

Acquisitions provide an opportunity to increase the supply of homes within the HRA more quickly than through development, to respond to opportunities to purchase homes under the Right to Buy Buy Back provisions and to meet specific needs for properties which are in short supply within the HRA housing stock.

Each potential acquisition will be assessed on a case-by-case basis; in line with the acquisition criteria set out in Appendix 2 considering the financial implications of the acquisition and the relative merits in value for money terms.

6. Delegated Decisions

In order for this policy to be effective delegated authority is provided through this policy to key officers within the Council to authorise expenditure:

- Delegated authority to a Strategic Director in consultation with the Section 151 Officer to approve property purchases (Acquisitions)
- Delegated authority to a Strategic Director in consultation with the Section 151 Officer to enter into agreements with Housing Associations/ Registered Providers to provide grant to support the provision of affordable housing
- Delegated authority to a Strategic Director in consultation with the Section 151 Officer to approve the use of Retained Receipts to develop new homes within the HRA or to acquire homes from Housing Associations/ Registered Providers.

An annual report to Housing and Neighbourhoods Committee and Policy and Resources Committee will be provided on spend of Retained Right to Buy Receipts, total expenditure and the number of homes delivered by source (Acquisition, development within HRA or grant contributions) and location.

7. Monitoring and Review of the Policy

An annual report to Housing and Neighbourhoods Committee and Policy and Resources Committee will be provided on spend of Retained Right to Buy Receipts, total expenditure and the number of homes delivered by source (Acquisition, development within HRA or grant contributions) and location.

The policy will be monitored and be subject to bi-annual review unless there is a fundamental change of legislation which requires an earlier review.

Appendix 1: Grant contributions to Housing Associations/Registered Providers

There are a number of steps to determine whether Retained Receipts can be used to assist Registered Providers with development.

Where a site is identified as requiring contribution from Retained Receipts to be viable or to provide additional affordable units; the Council will discuss the site's viability taking account of the size of the site, number of units to be delivered and timescales.

The Housing Association/Registered Provider will provide a breakdown of costs to the Council for review. Particular attention will be paid to profit, market housing estimates and land value. As a minimum the submitted data will contain the following:

- Tenure
- Unit Mix
- Building Standard
- Profit %
- Market Comparisons
- Land Value
- Total Scheme Costs
- Grant Required
- Start On-Site Date
- Anticipated Practical Completion Date

A decision in principle will be made by the Housing Director. At this point the Housing Association/Registered Provider will be in a position to negotiate with the landowner. A draft Retained Receipts Agreement will be provided to the Housing Association/Registered Provider to enable them to take legal advice as necessary on the conditions which will apply to the provision of Retained Receipts which will be classed as grant funding.

The decision in principle will be passed to a Strategic Director who, in consultation with the Section 151 Officer, will provide the final approval. This will allow the Housing Association/Registered Provider to finalise their offer for the site. Funds will be released to the Housing Association/Registered Provider after the Retained Receipts Grant Agreement is signed by both parties. The Retained Receipts will be paid in tranches, with 50% paid at Start on Site and 50% at Practical Completion, however if there is a need to bring forward payment the Housing Association/Registered Provider can make a request to the Council.

Delivery will be monitored through regular liaison meetings with the Housing Association/Registered Provider.

Appendix 2: Acquisitions

A proposed acquisition will only be progressed if it meets one of the criteria below and meets the required financial criteria of repaying the cost of the purchase price, purchase costs and expected repairs and maintenance within 40 years:

- A property which has had, or is particularly suitable for, significant disabled adaptations which would meet the needs of an identified applicant with disabilities and particularly a wheelchair user
- A property which is in disrepair, causing concerns in the locality, and where works undertaken to allow letting would improve not only the dwelling, but also the surrounding area.
- A property in specific demand at any time – i.e. larger properties (four or more bedrooms) suitable for larger households, one-bedroom dwellings suitable for downsizing.
- An existing market unit on a new build development sites, where this would increase the number of affordable homes on the site above the policy requirement/Council assessed viability of the site to provide affordable housing
- Leasehold flats, where the Council is the freeholder, reducing the risk to the HRA, for example in the identification and subsequent collection of Section 20 charges.
- A property in a specific location that could free up land or access to land, or otherwise facilitate affordable housing development.
- A property being offered to the Council through the Right to Buy Buy Back provisions.
- A property or properties being developed by a Housing Association / Registered Provider which the Council will purchase (subject to their being no Homes England or other public grant funding being used to part fund the construction of the homes).
- A property which is suitable for use as Temporary Accommodation which shall be held in the General Fund.
- Any property considered must be within the borough of Great Yarmouth.
- Any other property, where for whatever reason, it may be in the Council's interests to repurchase and value for money can be clearly demonstrated.

Assessing Suitability of Individual Properties

The number of acquisitions the Council can make is unlimited.

The following criteria will apply be considered when assessing whether individual properties are suitable for acquisition:

- The purchase price of an individual property will not exceed £350,000
- Type of property will meet a housing need
- 3 bed and larger properties will have outdoor space
- Where possible an extra downstairs toilet should be available for larger family homes
- 3 bed and larger properties should have access to a bath
- No downstairs only bathrooms in 3 bed and larger properties
- No bathrooms off bedrooms, except where a dividing wall can be erected
- No bedrooms off bedrooms, except where a dividing wall can be erected
- Preferably out of flood risk zones, or with clear safe egress
- No flats in private developments due to leasehold issues
- Smallest bedroom is no smaller than 7.5m² and is at least 2.15m wide/long
- Kitchens need to be square not galley style for ground floor accommodation for potential wheelchair access

- Ground floor only accommodation should have a wet room or the possibility that one can be installed
- No steep stairs, open stairs or stairs with entrance steps to bedrooms

The Council will take account of the number of applicants waiting for this particular type of property and consider any potential housing management issues.

Property Services will carry out a valuation and survey of the property to ascertain the asset value for the Council. The survey will identify issues / works required. The valuation is to consider comparable recent sales in the area.

The authorisation from the Housing Director must be obtained before an offer is made.

Once a price is agreed a Strategic Director in consultation with the Section 151 Officer must authorise the purchase of the property, this gives authorisation to enter into contract to purchase, no funds are released until exchange and completion.

URN:

Subject: Great Yarmouth Homeless Alliance

Report to: ELT 20 January 2021

Housing and Neighbourhoods Committee 4 February 2021

Report by: Nicola Turner, Housing Director

SUBJECT MATTER/RECOMMENDATIONS

This paper introduces the work undertaken by the Great Yarmouth Homeless Alliance, a multi- agency group established to support reductions in homelessness across the borough. It seeks member endorsement of the Great Yarmouth Homeless Alliance Commitment.

RECOMMENDATIONS

That Committee:

1. Endorses the Great Yarmouth Homeless Alliance Commitment.
2. Requests an annual update on the work of the Homeless Alliance.

1. Introduction

- 1.1. This paper introduces the Great Yarmouth Homeless Alliance which was set up to work collaboratively to address and reduce homelessness and the impacts of homelessness. The alliance recognises that by working together more can be achieved than if organisations work separately. The alliance has developed a formal commitment which reflects the ambitions of the alliance and members are asked to endorse the Commitment.

2. The Great Yarmouth Homeless Alliance

- 2.1 The Great Yarmouth Homeless Alliance grew out of conversations between local voluntary, community and social enterprises (VCSE) in the borough who had come together at the start of the first Covid pandemic Lockdown in Spring 2020 to provide mutual support. The Covid pandemic has highlighted and exacerbated homelessness

and the group decided to explore the idea of a local alliance, holding a meeting on 14 August 2020 to gauge interest. This meeting was attended by a representative of the Pathways homelessness service in Norwich. Following the meeting it was agreed to explore the development of a homeless alliance for the borough.

- 2.2 DIAL are part of the network of organisations and successfully applied to the Lloyds Bank Foundation (LBF) to support the development of the homeless alliance. LBF's development team are supporting the development of the alliance and have provided funding to DIAL for six months from October 2020 to fund a part time post to facilitate and guide the development and work of the alliance ensuring momentum and enthusiasm is maintained.
- 2.3 There are currently 17 organisations including the Council involved in the alliance and it is expected this number will continue to grow:

Dial	Feathers Futures	Herring House Trust
The Living Room	Foodbank Plus	Imagine Norfolk Together
GYROS	DWP	Change Grow Live (CGL)
Norfolk Constabulary	Norfolk County Council	Public Health
Norfolk Community Foundation	NHS Primary Care	Future Projects
National Lottery Community Fund	Great Yarmouth Borough Council	

- 2.4 The alliance has developed the Great Yarmouth Homeless Alliance Commitment which sets out the role and aspirations of the alliance (see section 3 below). To deliver the commitment a number of sub-groups have been established:

Terms of Reference Group.

This group will develop and agree the governance for both a strategic group and an operational group building upon the strong local operational arrangements which already exist. It will review how existing groups are working and ensure the links between the operational and strategic groups reflect local needs and allow innovation and new working arrangements to be developed collaboratively.

Co-production Group.

This group will ensure that the lived experience of homelessness is embedded into the work of the alliance. It will help to build a better understanding of the causes of homelessness and how we can develop effective preventive services and ensure existing services meet the needs of service users.

Operational Mapping Group.

This group will map existing services to build a wider understanding of what exists, how easy services are to access, how they link to together and where the overlaps are. It will allow a whole system approach to be developed and support pathway approaches which support people in the most effective way. The group will also consider what a good system of service will look like – informing the strategic group and supporting service delivery and innovation.

Live Response Group.

This group will reflect on the impact of the current Covid pandemic and what has already been learnt about the causes of homelessness and what we can continue to learn. The group will consider how we can use the continuing learning to inform the development of a strategy and the wider system approach to preventing and relieving the impacts of homelessness.

Commitment Group.

This group developed the commitment and retains oversight of whether the commitment continues to reflect the position of the alliance. It will also promote the commitment to other organisations and seek endorsement of the pledges within the commitment to ensure it can be delivered.

The wider homeless alliance is the overarching strategic group to which the sub-groups will report, ensuring wider engagement within the work of the sub-groups.

- 2.5 In July 2020, Policy and Resources Committee adopted the Rough Sleeping Strategy and Action Plan 2020 which was produced to reflect the increases in rough sleeping and homelessness amongst single people and childless couples as a result of the Covid pandemic. The strategy identified the need to work collaboratively with partners across the statutory and voluntary sectors and to build a strong preventative approach to service delivery. The Great Yarmouth Homeless Alliance will be key to this approach and will also deliver a wider approach to addressing and relieving the homelessness of families which supports the Council's Preventing Homelessness and Rough Sleeping Strategy 2018-2023.
- 2.6 The Great Yarmouth Homeless Alliance will complement the work of the county wide Norfolk Strategic Housing Partnership which is also working to reduce homelessness. Links between the two groups have already been made.

3. The Great Yarmouth Homeless Alliance Commitment

- 3.1 A copy of the Great Yarmouth Homeless Alliance Commitment is attached at Appendix 1, in summary the aim of the alliance is:
 - To end homelessness in Great Yarmouth and working together to develop a shared vision and ambition about how services will work together to prevent homelessness.

This is translated into five commitments:

- To work collaboratively together involving people who are homeless now or have previously been homeless.
- To work towards the shared vision of ending homelessness and understand the causes of homelessness and championing change.
- Ensuring equity of participation – everyone’s voice will be heard and members will be willing to listen to new ideas and share views.
- Treating everyone with dignity and respect and being a champion for the homeless.
- Being open and transparent and providing honest feedback on how services operate to support system and service change.

4. Financial Implications

None

5. Risk Implications

None

6. Conclusions

Building upon the increased awareness of homelessness which is a result of the impact of the current Covid-19 pandemic, a group of VCSE organisations and statutory organisations have come together to form the Great Yarmouth Homeless Alliance to work collaboratively together to prevent homelessness across the borough. The alliance has developed the Great Yarmouth Homeless Alliance Commitment to set out its aims and the specific commitments it asks all partners to endorse. This paper seeks member endorsement of this commitment reflecting the benefits this joint working will bring.

7. Background Papers

Great Yarmouth Homeless Alliance Commitment (attached as Appendix 1)

Preventing Homelessness and Rough Sleeping Strategy 2018-2023

Rough Sleeping Strategy and Action Plan 2020

Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?

Area for consideration	Comment
Monitoring Officer Consultation:	Via ELT
Section 151 Officer Consultation:	Via ELT

Existing Council Policies:	Not applicable
Financial Implications (including VAT and tax):	None
Legal Implications (including human rights):	The Council has legal duties to prevent and relieve homelessness as a result of the Homelessness Reduction Act 2017 which enhances the Council's duties as set out in Part VII of the Housing Act 1996. The operation of the Great Yarmouth Homeless Alliance will not offset the Council's duties. Endorsing the alliance and being part of the work it delivers to prevent homelessness and relieve the impacts of homelessness will complement the Council's discharge of its legal duties.
Risk Implications:	None
Equality Issues/EQIA assessment:	The alliance has a clear mandate of providing equality of service.
Crime & Disorder:	None
Every Child Matters:	The needs of families who are homeless will be included in the work of the alliance.



The Great Yarmouth Commitment

The Great Yarmouth Homelessness Alliance is made up of organisations, groups, individuals, and businesses actively working together to tackle and prevent homelessness in Great Yarmouth.

Our aim is to end homelessness in Great Yarmouth and ensure that every person is empowered and equipped to live their lives with the freedom to make their own choices and with easy access to all relevant services. We believe that every person, no matter what their background, has the right to stable, safe, and secure housing.

We believe more can be achieved by working together and have established a shared ambition and vision about the way we will work to prevent homelessness. Involving people who have lived experience will be essential to ensure the Great Yarmouth Alliance delivers positive action to tackle homelessness.

Background

What do we mean by homelessness?

People can be homeless if they have nowhere to stay and are sleeping on the streets. They can also be considered homeless (also known as the hidden homeless) even if they have a roof over their head. This means that homelessness can also include examples such as people who are:

- Sofa surfing (temporarily staying with friends or family)
- Staying in a hostel, night shelter or bed & breakfast accommodation
- Squatting
- Homeless because of violence or abuse in their home
- Living apart from their family because they do not have a place to live together.

What is the scale of the issue in Great Yarmouth?

Much like the national picture, Great Yarmouth has seen increasing numbers of people who are homeless or are at risk of homelessness. During the Covid-19 lockdown, Great Yarmouth Borough Council housed 51 rough sleepers and 102 people thought to be at risk of homelessness - with 85 people sheltered by the authority at the peak of the pandemic between 23 March and 30 June.

Homelessness can affect anyone, and people can become homeless for lots of different reasons. There are social causes of homelessness, such as a lack of affordable housing, poverty, non-eligibility to benefits, unemployment and certain life events that cause individuals to become homeless.

People can also become homeless when they leave prison, care, the armed forces, or accommodation for asylum seekers, and have no home to go to. Some people are homeless as they have escaped violent relationships and some people become homeless simply because they can no longer afford the rent.

Life events like a relationship breaking down, losing a job, mental or physical health problems, or substance misuse can be the trigger to someone becoming homeless. Being homeless can in turn make many of these problems even harder to resolve.

The Alliance's partnership working will involve people who are homeless and people who have experienced homelessness as an integral part of what we do. It is vitally important that these views are reflected, and services reflect these needs and aspirations.

Our Commitment

We are stronger together

- To work collectively to achieve the best outcomes for people who are faced with homelessness or who are homeless.
- We will involve people who are homeless and people who have experienced homelessness as an integral part of what we do.

We have a shared Vision

- To work towards our shared vision to end homelessness in Great Yarmouth.
- To actively identify the root causes and gaps in provision and champion for change.

Equitable Participation

- We will promote diversity ensuring everyone has the right to have their voice heard.
- There will be a willingness to listen to new ideas and share views.

Dignity and Respect

- We believe that everyone deserves to be treated with dignity and respect including those who are homeless.
- We will champion for the person who is homeless to be at the centre of the services that support them.

Honesty

- All members of the Alliance will be open to receiving and providing honest and constructive feedback on services including their own and contribute to supporting system change.
- To be open and transparent, wherever possible with information sharing to support the coordination of Alliance's response to homelessness.

Our Aims

- Provide multi-sector leadership and shared vision and coordinating a collective response
- Communicate a clear vision to the wider public
- Help to harness and enable greater partnership working
- Gain a greater understanding of the purposes, expertise and capabilities of those involved
- Improve communication between local organisations
- Develop an inclusive approach including involving people who are or who have been homeless that puts them at the centre of the services that support them.
- Provide a framework for learning, improvement and sharing experience between Alliance members and to enable and monitor change at a system level.
- Enable Alliance members to support and advise one another

- Raise awareness of services providing support and work to prevent homelessness locally
- Identify areas for action and work together to tackle these challenges
- To continuously seek to shape and develop support services to meet the needs of those who need support
- To reduce the number of people rough sleeping, year upon year until we end homelessness in Great Yarmouth

How can you get involved?

For more information about the Alliance and to see how you can get involved please contact:

Daniel Hastings at DIAL Great Yarmouth



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dhastings@dial-greatyarmouth.org.uk



Lloyds Bank Foundation for England and Wales is working with and supporting the Homelessness Alliance through its [People and Communities](#) work, as Great Yarmouth is one of six communities across England and Wales the Foundation is partnering with. An aspect of this support is resourcing the capacity needed to take the work forward, as well as providing direct support through the Development Team at the Foundation and drawing on additional insights and expertise to provide tools to help develop the work. Finally, the Foundation is interested in learning, as part of the Alliance, about what it takes to create long term and systemic change.