

CABINET – 20 April 2004

HOUSING STRATEGY AND HOUSING REVENUE ACCOUNT BUSINESS PLAN 2004
AND BEYOND

REPORT OF THE DIRECTOR OF HEALTH AND HOUSING

Contact Officers: Richard Botham (Tel: 01962 848421)

RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

This report seeks Cabinet's endorsement of the Council's Housing Strategy – Shaping Up for the Future” and the Housing Revenue Account (HRA) Business Plan 2004-34. These documents along with the Capital Strategy and Asset Management Plan form part of the Council's Single Capital Pot Submission and have been drafted in accordance with guidance from the Office of the Deputy Prime Minister. They have also been subject to review by the Government Office for the South East (GOSE).

RECOMMENDATIONS:

- 1 That Cabinet approves the Housing Strategy in Appendix 1 and HRA Business Plan included at Appendix 2 to the report
- 2 That the Director of Health and Housing be given authority to make minor editing amendments in consultation with the Portfolio Holder for Housing, prior to final publication of the Plan.

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DETAIL:

1 Introduction

- 1.1 All councils are required to prepare a Housing Strategy in accordance with “Fit for Purpose” guidance from the Office of the Deputy Prime Minister (ODPM). Those councils who retain their stock also are required to produce a long term Business Plan for Housing Revenue Account (HRA) services.
- 1.2 The Government Office for the South East (GOSE) are required to assess these documents against the “Fit for Purpose” criteria. Once they are assessed as meeting all criteria and classified as “Fit for Purpose”, the requirement for annual assessment is relaxed. In 2002, both documents were assessed as average, falling short on the criteria in a number of areas, such as assessment of stock condition, appraisal of all options for service delivery, lack of clear and SMART action plans and overall presentation.
- 1.3 In recent months, drafts of both documents have been reviewed by GOSE. Those drafts have now been updated and amended following negotiations with GOSE representatives. Whilst still awaiting formal assessment, initial advice is that they now comply with the “Fit for Purpose” criteria.

2 Shaping Up for the Future – The Housing Strategy 2004-07

- 2.1 The Housing Strategy has been drafted with the aim of achieving a stronger and more strategic approach by the Council to all housing across the District, public and private. The document highlights how service priorities are identified taking into account strategic objectives, local need and wider regional and national priorities. The Strategy addresses housing need through looking at:
- a) **Access and Choice** – by exploring the issues which underpin the availability of homes in all tenures to meet future housing demand
 - b) **Housing and Support** – through identification of local needs in order to ensure that people across all tenures have access to support so that they can live independently
 - c) **Decent Homes** – to develop local services to ensure homes across all tenures are maintained and managed to a good standard
 - d) **Sustainable Communities** – through work with communities and others in order to improve their social and economic well being and create safe and healthy towns and villages.
 - e) **Priorities and Options** –to identify key issues emerging from national and regional priorities and local housing need.
- 2.2 Key service priorities which directly feed into the Action Plan include:

- a) Deliver Best Value Services and integrate best value principles in day to day work – Best Value Reviews have been carried out looking at four different aspects of the housing service, pulled together through an overview panel. An improvement plan has been agreed and is being implemented.
- b) Maximising the supply of affordable housing to meet local housing need - Priority action includes working with Planners to ensure that the Local Plan provides allocated sites and affordable housing policies, which improve the delivery of new homes. The Housing Enablement team is also working with a range of providers including housing associations and private landlords to increase the supply of affordable housing.
- c) Implementing the new preventative approach to Homelessness contained in the Strategy - The Homelessness Strategy 2003-08 in response to the Homelessness Act 2002 focuses on the preventative approach adopted by the Council.
- d) Maximising Choice in the Lettings Process - The Government is promoting the idea that social landlords introduce more choice for Customers when letting their homes. Winchester in collaboration with its Joint Housing Register Partners is to explore how such a policy would work within the context of a high demand area including scope for greater use of ICT.
- e) Implementing the Private Sector Housing Renewal Strategy and Energy Efficiency - The Private Sector Renewal Strategy in response to Regulatory Reform (Housing Assistance) Order 2002 focuses on the long-term approach to improve housing conditions in the Private Sector.
- f) Undertake administrative strategic and financial tasks associated with implementation of Supporting People policy in Hampshire. - Winchester works closely with Supporting People Hampshire teams to implement the new policy agreed in 2003. Work includes, mapping needs, identification of obsolescence and gaps in provision. As service provider, work also includes development and implementation of charging mechanisms for tenants receiving support.
- g) Ensure production of a deliverable Business Plan. - As a stock owning authority, Winchester has prepared a business plan, developed through consultation with stakeholders, which sets out future priorities, making accurate assumptions about rent restructuring and the impact of 'decent homes'.
- h) Implementing a maintenance and renewal strategy to ensure that the decent standard for all Council owned homes is reached by 2010. - Winchester will develop a strategy that is consistent with the business plan based upon the results of its Stock Condition Survey and the Outcome of the current Options Appraisal process.
- i) Work with communities and others to improve their social and economic well being. - The Housing Strategy rests within the Community Strategy and housing projects can contribute to a number of strategic objectives including social inclusion, neighbourhood regeneration, community cohesion, accessing non-housing services.

2.3 Key actions are detailed in Appendix 1 to the Strategy. The delivery of these actions, along with the Business Plan Actions will be monitored through regular reports to the Housing Performance Improvement Committee.

3 The HRA Business Plan

- 3.1 The HRA Business Plan has been updated in a number of areas since the 2003/04 Plan was published. Key changes include:
- a) Assessment of Stock Condition – The completion of the recent stock survey now means the Plan has a clear assessment of condition and future investment requirements.
 - b) Progress with Options Appraisal – The timetable detailing progress with this key project is included in the Plan along with commentary on progress
 - c) Resource Projections – Detailed revenue and capital projections are included along with sensitivity analysis. This demonstrates that the HRA is sustainable in the long term subject to external factors remaining reasonably constant. Additional capital resources are required, particularly in the period after 2010, when the age of kitchens and bathrooms has a real impact on resource requirements.
 - d) Key Objectives – The Action Plan in Appendix 1 now provides clear links to corporate priorities, details on expected outcomes, information on resources and how the actions can be funded and also provides a clear named officer responsible for each action.
- 3.2 Tenants have been involved in the preparation of the Business Plan from the beginning through the work of the Rents and Business Planning Forum. Key objectives have also been reviewed at a joint meeting of this forum and the Property and Contracts Forum.

OTHER CONSIDERATIONS:

4 RELEVANCE TO THE CORPORATE STRATEGY

- 4.1 The “corporate context” of the Strategy and Business Plan are clearly set out in the documents. Both documents address the role of the strategic priorities in determining service priorities. The Action Plan at Appendix 1 in each document also has clear links to both strategic and service priorities.

5 RESOURCE IMPLICATIONS:

- 5.1 Both documents clearly state where resources have been identified to support the delivery of the action plans. There are no additional resource implications arising immediately from the production of the documents although work is ongoing to secure future funding to support the provision of affordable housing and to invest in the Council's own stock.

6 TACT COMMENT

- 6.1 *We (TACT) are pleased that through The Rents and Business Forum we have been able to have direct involvement in the development of the Business Plan at an early stage. As a result we consider the consultation and involvement with regard to the Plan to have been meaningful and a great success. We are now looking forward to continual improvement in tenant involvement as the Forum becomes more established.*
- 6.2 *We are also delighted that our priorities and achievements have been recorded within the body of the Business Plan (Section 7 – Tenant and Stakeholder Participation in the Plan refers).*

BACKGROUND DOCUMENTS:

ODPM Guidance notes on the preparation of housing strategies and business plans

APPENDICES:

(Due to their size, the appendices are attached for Cabinet members only. Copies have also been placed in the Members' Library. Further copies are available on request and can be viewed on the Council's Internet site, www.winchester.gov.uk.)

Appendix 1 – Shaping Up for the Future – The Housing Strategy 2004-07 (draft)

Appendix 2 - HRA Business Plan 2004-34 (draft)