

CABINET

20 April 2005

THE HOUSING OPTIONS APPRAISAL – DRAFT FINAL REPORT

REPORT OF THE DIRECTOR OF COMMUNITIES

Contact Officer: Richard Botham Tel No: 01962 848421

RECENT REFERENCES:

HO56 – The Major Repairs, Renewals and Maintenance Strategy 2005-10

HO57 – The HRA Business Plan 2004-34 – 2005 Annual Update

EXECUTIVE SUMMARY:

The Housing Options Appraisal process has undertaken a detailed review of how the Council can best meet the Decent Homes Standard and additional tenant aspirations. Tenants and leaseholders have expressed overwhelming support to “Stay with the Council”. The review is now nearing completion and the Council is required to submit a final report to the Government Office for the South East for “signing off” by July 2005. The draft final report for the review is appended to this paper and recommends that the Council continues to manage its housing stock, but commits to repeating an Options review within three years, in recognition of the potential increasing costs of maintaining the stock in the longer term.

RECOMMENDATIONS:

TO CABINET

- 1 That the Director of Communities be given authority to make minor editing amendments in consultation with the Portfolio Holder for Housing prior to final submission of the report.

TO COUNCIL

- 2 That the draft Housing Options Appraisal be approved for submission to the Government Office for the South East.
- 3 That the Council approves a retention strategy for its Housing stock and commits to repeating a detailed review of Housing Options within three years.

CABINET20 April 2005THE HOUSING OPTIONS APPRAISAL – DRAFT FINAL REPORTREPORT OF THE DIRECTOR OF COMMUNITIESDETAIL:1 Introduction

- 1.1 Attached is a draft final report in a format required by the Government Office for the South East (GOSE) that describes in detail the options process, the stages taken, assumptions made and final decisions and also lists all evidence which will be used to support the final decisions. Section 2 of the report gives an overview of the process and summary of the outcomes. Whilst some duplication exists between sections, this recognises the format required by GOSE and the evidence they have indicated they need to see against each of the criteria they will assess against. The format also follows a recent submission from another Council that has now been signed off by GOSE.
- 1.2 The report is the product of a two year comprehensive review appraising all Housing Options. The review, which has been managed by a Steering Group of Members, tenants and officers, was informed by major consultation studies into stock condition, housing finances and tenant aspirations and has also taken account of advice from GOSE and the Community Housing Task Force.

2 Outcomes of the Review

- 2.1 The Stock Condition Survey and financial appraisal work have highlighted that the Council is in a position to meet the basic decent homes standard by 2010, subject to a £400,000 shortfall in the annual maintenance programme and any further aspirations of tenants and leaseholders. In the longer term, maintenance costs are projected to increase and work will be required to address this in future years. The Major Repairs programme approved by Cabinet on 23 March 2005 (HO56 refers) detailed how the initial £400,000 shortfall would be addressed.
- 2.2 The Financial Appraisal report concluded that the Housing Revenue Account could remain in balance beyond 2010. However, it did highlight how sensitive this projection is to changes in Government subsidy policy.
- 2.3 Tenants' aspirations were tested in some detail and reported to the Steering Group. With a very high priority being given to meeting the Decent Homes Standard and no consistent demands for significant additional services over and above the standard, the Steering Group agreed a Decent Homes Plus standard as follows:
- a) To meet the basic Decent Homes Standard by 2010
 - b) Maintain current levels of service
 - c) Continue giving priority to providing showers and other aids and adaptations (subject to assessment)
 - d) Work with other organisations to improve safety and parking on estates

- 2.4 In the recent Test of Opinion survey, 65% of all tenants, leaseholders and licensees returned forms and of those, 95% support "Staying with the Council".
- 2.5 In light of the results of the Test of Opinion Survey and the conclusions of the Steering Group, the final report has been written assuming a retention strategy. It is clear from discussions with GOSE that any such recommendation would only be approved if a commitment is given to update the exercise prior to 2010, particularly in light of the remaining uncertainties over the long term financial position.
- 3 The Decision Making Process
- 3.1 If approved by Cabinet, the report will then need to go to full Council, preferably on 29 June 2005, prior to submission to GOSE for sign off in July 2005.
- 3.2 GOSE have already requested that evidence is submitted gradually from now to assist with their assessment process. Once approved by Cabinet, it is proposed that the final report will also be submitted in draft form and subject to Council approval to allow GOSE staff to give initial comment and raise any concerns prior to final submission.

OTHER CONSIDERATIONS:

4 RELEVANCE TO THE CORPORATE STRATEGY

- 4.1 The Housing Options process has concentrated on how the Council can most effectively achieve the Decent Homes Standard, which is a key corporate commitment. It also considered the potential for the Housing stock to contribute to the affordable housing agenda and this is discussed in detail in section 3.5 of the Appendix.

5 RESOURCE IMPLICATIONS:

- 5.1 As detailed in paragraph 2 above

6 TACT COMMENT

- 6.1 TACT have been key players in the Options Process from the start, supported by an Independent tenant Advisor (TPAS). 5 TACT members have attended all Steering Group meetings and been fully involved in the decision making process to date.
- 6.2 In light of the importance of the final decision, TACT would welcome the opportunity to be involved in the discussion at the Cabinet meeting.

BACKGROUND DOCUMENTS:

The City Council Stock Condition Survey 2004
 Butlers Financial Appraisal 2004
 Other Evidence files held in the Health and Housing Department

APPENDICES:

Appendix 1 – Housing Options Appraisal – Final Report (draft). Because of its size, the draft Final Report is attached for Cabinet Members and Group Leaders only. A copy is also available in the Members' Library, in local District Libraries and on the Council's Website under the Cabinet and Committees pages for the 20 April Cabinet meeting.