

Date: 20 December 2013
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To: Members of the Housing Review Board:
(Councillors Pauline Stott (Chairman), Susie Bond,
Douglas Hull, Jim Knight, Peter Sullivan.
Tenant/leaseholder representatives Sue Saunders (Vice
Chairman), Mike Berridge, Victor Kemp, John Powley, Pat Rous.
Independent community representatives Julie Adkin, Rob Finch)

East Devon District Council
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Other Members of the Council for Information
Members of the Tenant Scrutiny Panel
Members of the Tenant Representative Group
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**Meeting of the Housing Review Board
Thursday, 9 January 2014 at 6.00 pm
Council Chamber, Knowle, Sidmouth**

The above meeting will be held in the Council Chamber at East Devon District Council Offices, Knowle, Sidmouth, to consider the matters detailed on the agenda below.

Members of the public are welcome to attend this meeting.

- There is a period of 15 minutes at the beginning of the meeting to allow members of the public to ask questions.
- The Chairman has the right and discretion to control questions to avoid disruption, repetition and to make best use of the meeting time. The Chairman is entitled to interrupt the speaker to ask for their question to be put.
- In addition, the public may speak on items listed on the agenda. After a report has been introduced, the Chairman (Leader of the Council) will ask if any member of the public wishes to speak and/or ask questions.
- All individual contributions will be limited to a maximum period of 3 minutes – where there is an interest group of objectors or supporters, a spokesperson should be appointed to speak on behalf of the group.

This meeting is being recorded for subsequent publication on the Council's website. Audio recording is permitted by press representatives and members of the public from the public area, subject to their notification to the Chairman prior to the start of the meeting of a wish to record all or part of that meeting. If you are exercising your right to speak during Public Question Time, but do not wish to be recorded, please inform the Chairman who will instruct those taking a recording to cease while you speak.

Should anyone have any special needs or require any reasonable adjustments to assist them in making individual contributions, please contact Alethea Thompson (contact details at top of page). A hearing loop system will be in operation in the Council Chamber.

Councillors and members of the public are reminded to switch mobile phones to silent during the meeting.

AGENDA

PART A	Page/s
1 Public question time – standard agenda item (15 minutes) Members of the public are invited to put questions to the Board through the Chairman. Councillors also have the opportunity to ask questions of the Chairman and/or Portfolio Holders present during this time slot. Members of the public are given priority at this part of the agenda.	
2 To confirm the minutes of the meeting of the Housing Review Board held on 7 November 2013.	5 - 13
3 To receive any apologies for absence.	
4 To receive any declarations of interests relating to items on the agenda.	
5 To consider any items which, the Chairman thinks, should be dealt with as matters of urgency because of special circumstances. (Note: such circumstances need to be recorded in the minutes; any individual wishing to raise a matter under this item is requested to notify the Chairman before the meeting).	
6 To agree any items to be dealt with after the public (including the press) have been excluded. There are no items which Officers recommend should be dealt with in this way.	
7 Housing Review Board forward plan.	Head of Housing 14
8 Draft Housing Service Plan 2014-15	Head of Housing 15 - 29
9 Draft Housing Revenue Account 2014-15	Head of Housing 30 - 37
10 Code of practice for the Housing Revenue Account	Head of Housing 38 - 51
11 Housing Revenue Account budget monitoring report.	Housing Accountant 52 - 60
12 Systems Thinking - rent management	Landlord Services Manager 61 – 67
13 Preventing tenancy fraud	Head of Housing 68 - 77
14 Downsizing and mutual exchange	Housing Needs and Strategy Manager 78 – 96
15 Commissioning sheltered housing support services	Landlord Services Manager 97 - 115

Decision making and equality duties

- The Council will give due regard under the Equality Act 2010 to the equality impact of its decisions.
- An appropriate level of analysis of equality issues, assessment of equalities impact and any mitigation and/or monitoring of impact will be addressed in committee reports.
- Consultation on major policy changes will take place in line with any legal requirements and with what is appropriate and fair for the decisions being taken.
- Where there is a high or medium equalities impact Members will be expected to give reasons for decisions which demonstrate they have addressed equality issues.

Members and co-opted members remember!

- You must declare the nature of any disclosable pecuniary interests. [Under the Localism Act 2011, this means the interests of your spouse, or civil partner, a person with whom you are living with as husband and wife or a person with whom you are living as if you are civil partners]. You must also disclose any personal interest.
- You must disclose your interest in an item whenever it becomes apparent that you have an interest in the business being considered. Make sure you say what your interest is as this has to be included in the minutes. [For example, 'I have a disclosable pecuniary interest because this planning application is made by my husband's employer'.]
- If your interest is a disclosable pecuniary interest you cannot participate in the discussion, cannot vote and must leave the room unless you have obtained a dispensation from the Council's Monitoring Officer or Standards Committee.

Getting to the Meeting – for the benefit of visitors



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The following buses all terminate at the Triangle in Sidmouth. From the Triangle, walk up Station Road until you reach the Council Offices (approximately ½ mile).

From Exeter – 52A, 52B

From Honiton – 52B

From Seaton – 52A

From Ottery St Mary – 379, 387

Please check your local timetable for times.

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The Committee Suite has a separate entrance to the main building, located at the end of the visitor and Councillor car park. The rooms are at ground level and easily accessible; there is also a toilet for disabled users.

For a copy of this agenda in large print, please contact the Democratic Services Team on 01395 517546

EAST DEVON DISTRICT COUNCIL

Minutes of a meeting of the Housing Review Board held at Knowle, Sidmouth on 7 November 2013

Present:

Councillors:

Pauline Stott (Chairman)
Susie Bond
Douglas Hull
Jim Knight

Co-opted Tenant Members:

Sue Saunders (Vice Chairman)
Mike Berridge
Victor Kemp

Officers:

Sue Bewes, Landlord Services Manager
Dennis Boobier, Housing Needs and Strategy Manager
Emma Charlton, Housing Projects Officer
James De Leburne, Senior Graphic Designer
Amy Gilbert, Housing Support Services Manager
John Golding, Head of Housing
Paul Lowe, Housing Enabling Officer
Jane Reading, Tenant & Communities Section Leader
Giles Salter, Solicitor
Alethea Thompson, Democratic Services Officer

Also Present:

Councillors:

Paul Diviani – Leader
Christine Drew
Stephanie Jones – Deputy Portfolio Holder for Sustainable Homes and Communities
Phil Twiss – Portfolio Holder for Corporate Services

Tenants:

Eric Howard – Tenant Scrutiny Panel
Jose Ireland – Tenant Scrutiny Panel
Sylvia Martin – Tenant Scrutiny Panel
Roger Pell – Tenant Scrutiny Panel

Apologies

Councillors:

Peter Sullivan (Board member)
Jill Elson - Portfolio Holder for Sustainable Homes and Communities
Deborah Custance Baker
Steve Gazzard
Andrew Moulding

Tenant:

John Powley

**Apologies
(cont'd)**

Co-opted Independent Community Representatives:
Julie Adkin
Rob Finch

The meeting started at 6.00pm and ended at 8.10pm.

***32 Public question time**

There were no questions raised by members of the public.

The Chairman welcomed everyone present to the meeting. She especially welcomed new tenant member Mike Berridge to his first meeting of the Housing Review Board and to the members of the Tenant Scrutiny Panel who were in attendance.

***33 Minutes**

The minutes of the meeting of the Housing Review Board held on 5 September 2013, were confirmed and signed as a true record.

Councillor Knight withdrew his request to further investigate car parking at Bucknall Close, Branscombe (minute 25, recommendation 3, 05.09.13 refers).

***34 Declarations of interest**

Board Member	Minute number	Type of interest	Nature of interest
Sue Saunders		Personal	Sheltered housing tenant.
Douglas Hull		Personal	Sister lives in a Council owned property.
Jim Knight		Personal	Daughter lives in a Council owned property.
Mike Berridge		Personal	Family member lives in a Council owned property.

***35 Urgent item**

The Chairman agreed for the Head of Housing to report to the Board in Part B of the meeting on anti social behaviour issues that had occurred at a block of Council owned flats.

***36 Exempt Information**

RESOLVED: that the classification given to the documents to be submitted to the Housing Review Board be confirmed. There were two items which Officers recommended should be dealt with in Part B.

***37 Housing Review Board forward plan**

The Head of Housing presented the forward plan.

It was noted that a new report template had been used for the agendas and feedback from the Board was requested.

The Chairman reported that Devon County Council's (DCC) Leader had assured her that the County Council would be considering Danby House and Exe Bank after April 2014.

RESOLVED: that the forward plan be noted.

38 Home Safeguard rebranding exercise

The Board received a presentation from the Senior Graphic Designer and the Housing Support Services Manager on proposals for a new Home Safeguard logo. The logo would be linked directly to a revised Home Safeguard marketing strategy that was currently being produced and would set out the service aspirations over the next five years. The Board were invited to comment on the new logo proposals and the Senior Graphic Designer expressed his appreciation for the Board's input.

The Housing Support Services Manager was pleased to report to the Board that Home Safeguard had recently undergone a Telecare Services Association (TSA) inspection, which it had passed with no improvement notices.

RECOMMENDED: that a new Home Safeguard logo be approved, in order to better reflect what the service delivers.

39 Voids management – response to the Tenant Scrutiny Panel report

The Board had received a presentation and report from the Tenant Scrutiny Panel (TSP) at its last meeting (5 September 2013) on its review of the voids process. The report made a number of recommendations and the Housing Needs and Strategy Manager's report set out a response to this.

The Housing Needs and Strategy Manager's report provided a response to all the recommendations made by the TSP. It was suggested that the Board considered the report and the recommendations before any revisions were made to the void procedure.

The report considered the three key recommendations from the TSP report, and suggested that a tenant and member led group be set up to review the void/lettable standard. This group could include representatives from those who had recently become tenants and a survey of new tenants could inform the review. The group could also consider the written information given to tenants on the work to be carried out on their new home, and the standard they could expect the property to be in at the start of their tenancy.

39 **Voids management – response to the Tenant Scrutiny Panel report (cont')**

The Housing Needs and Strategy Manager stressed the need to limit the proposed Task and Finish Forum (TaFF) to the particular function of the void standard, rather than considering the void procedure itself, as this had been the subject of a Systems Thinking Review. Members were invited to put their names forward for the TaFF and the following names were noted:

- Tenant Mike Berridge
- Councillor Susie Bond
- Tenant Victor Kemp
- Councillor Jim Knight
- Councillor Pauline Stott

The third key TSP recommendation was that tenants should be given choice over dates and times of viewings. The opportunity to view a property was already part of the void procedure. Potential tenants were offered accompanied viewings at three different time slots over two days. The limiting factor was the capacity of the contractor and the Void and Allocation Officer. The purpose of an accompanied viewing was to allow the potential new tenant to view the property and decide whether to accept the offer of housing; and to allow the technical staff and contractor to decide what essential work needed doing, and how quickly the property could be relet. The time slots offered represented a compromise between giving tenants a choice of viewing times and the need to relet a void property as quickly as possible.

The cost of void works was noted, including the number of elements of repair works. On average there were 250 voids per year and the average cost of void works was £7,750. In addition there was rent loss due to voids. It was feared that there could be a significant increase in void costs as a result of implementation of the TSP recommendations. However, until the lettable standard had been reviewed and any additional works identified, it was not possible to estimate all the additional costs to void works.

The Chairman thanked the Tenant Scrutiny Panel for their hard work in reviewing the voids process and for attending the meeting.

- RECOMMENDED:**
- 1 that a Task and Finish Forum be set up to review the void/lettable standard.
 - 2 that the current arrangements relating to the dates and times of viewings offered to potential tenants of void properties be continued.
 - 3 that the officer's response to the recommendations made by the Tenant Scrutiny Panel, contained in Annex A to the report, be agreed.

40 **Devon Home Choice – policy update**

The Housing Needs and Strategy Manager's report updated the Board on the changes to the Devon Home Choice (DHC) policy. DHC was the Council's adopted housing allocations policy. The DHC Board undertook a review of the allocations policy used across Devon to prioritise housing applications and to let social housing. The result of the review was that a number of changes to the policy were being implemented from October 2013. The key changes were outlined in the report, with the main one being the change in age that people (of the same sex) were assessed as needing their own room from 21 back to 16.

RECOMMENDED: that the changes to the Home Choice Policy be endorsed.

41 **Downsizing policy review – options for change**

A review of the Council's downsizing policy had been carried out and the Housing Needs and Strategy Manager's report presented options for consideration following an increased demand for downsizing due to the spare room subsidy rules (bedroom tax). The report proposed at this stage to continue to provide financial incentives to encourage tenants to downsize.

The report included a comparative table showing the key factors/financial incentives provided by East Devon Homes and other landlords in Devon and elsewhere in the country. The incentives offered varied, with some landlords offering no incentive at all.

Since April 2013 20 transfers and 14 mutual exchanges had been approved. There had been an increase in tenants wishing to move within general needs accommodation. The Housing Allocation Assistant's role over the last two years had been to proactively encourage and support tenants downsizing. This has resulted in a large increase in the numbers of downsizing tenants compared with previous years.

The report suggested at this stage the Council should continue to:

- Provide the same level of financial incentive.
- Proactively encourage tenants to downsize.
- Provide support where required to help tenants downsize.
- Maximise the numbers of family housing available for reletting.

Members were asked to approve a change to the existing downsizing policy. This was to restrict the opportunity to downsize and receive the financial reward to one application within a five year period. Members were asked to otherwise maintain the current policy and to undertake a further review in 12 months time. In the meantime the current budget and policy should be maintained to maximise the number of tenants downsizing.

During consultation by the Tenant Representative Group (TRG) several tenants had expressed concern over what they perceived as vagueness between downsizing and mutual exchange, as well as differences in the information provided in the two editions of a downsizing leaflet. The TRG proposed three additional recommendations which were debated by the Board and put to the vote. These were:

41 **Downsizing policy review – options for change (cont'd)**

- That written clarification of both the mutual exchange and downsizing processes should be provided in Plain English and be approved by the Board.
- That HRB approved guidelines for the classification of tenants wishing to downsize should be introduced.
- That tenants should be made aware that paper application forms were freely available.

In response the Head of Housing stated that EDDC had a generous downsizing scheme which it intended to keep. However, there needed to be some limitations on the scheme. Although there was no intention to remove the policy, it had been refined within the policy parameters already set by the Board. He felt that there was a clear distinction on the Council's website between downsizing and mutual exchange, and that tenants had a clear choice to make. Paper copies of the leaflet and application forms were available, but as part of the Council's 'paper light' agenda online applications were encouraged. Officers reported that this was becoming standard practice and that application forms were very rarely sent out as most people were able to access the internet through a variety of different ways.

- RECOMMENDED:**
- 1 that the existing policy and current budget level in 2014/15 be maintained.
 - 2 that the financial assistance given to repeat applicants who wish to downsize be restricted to one application in five years.
 - 3 that officers continue to be allowed to apply the policy flexibly to maximise the number of tenants who wish to downsize.
 - 4 that written clarification of the downsizing and mutual exchange processes be provided in Plain English and approved by the Board.
 - 5 that the Housing Review Board introduce approved guidelines for the classification of tenants wishing to downsize.
 - 6 that tenants be made aware that paper application forms were available.

42 **Energy company obligations**

Consideration was given to the report of the Housing Needs and Strategy Manager concerning the Green Deal and Energy Company Obligation (ECO) funding proposals to improve the energy efficiency and thermal insulation of housing stock. Members had previously agreed to monitor the development and implementation of the Green Deal and to consider any change to the agreed approach at a future date. The proposals to access funding from ECO earlier this year provided East Devon Homes an opportunity to access funding to help improve the energy efficiency and thermal insulation of its homes. The report proposed a partnership with SSE energy company to take forward a pilot proposal for a small number of 'off gas' properties in rural areas to find out the level of funding that could be available. There was no financial commitment or obligation for the Council to go any further than assessing around 300 of its homes and understanding more clearly the level of funding that could be provided by SSE.

42 **Energy company obligations (cont'd)**

RECOMMENDED: that officers progress feasibility work with SSE to clarify the funding available through Energy Company Obligation that the Council could access.

*43 **HRA financial monitoring report 2013/14 – month 6 September**

The Board received a report from Head of Housing, presented on behalf of the Housing Accountant giving a summary of the overall financial position on the Housing Revenue Account (HRA), HRA Capital Programme and the Business Plan for 2013/14 at the end of month six (September 2013). Regular monitoring would highlight any areas of concern or unforeseen expenditure in the HRA and associated capital programme and enable corrective action to be taken as required. Any significant variances would be reflected in the Business Plan.

Current monitoring indicated that:

- The Housing Revenue Account Balance would be maintained at or above the adopted level.
- The position on the HRA Business Plan remained in a healthy position.

It was noted that the capital programme would see large expenditure in the future, with the shared house proposal previously brought to the Board expected to exchange contracts the following week.

RESOLVED: that the variances identified as part of the HRA revenue and capital monitoring process up to month six be acknowledged.

*44 **Benchmarking of housing costs and performance**

Consideration was given to the report of the Head of Housing, which presented the results of a cost and performance benchmarking exercise using the last financial year's data. The report compared EDDC with its peers in a number of key areas of housing management service delivery. The data related primarily to 2012/13 although the report also showed the Council's costs and performance in 2011/12 as a comparison. EDDC was a member of HouseMark and participate in their housing benchmarking project, which the Board agreed was a useful exercise to undertake.

A number of factors which stood out from the results included:

- High levels of tenant satisfaction.
- Relatively low overheads as a percentage of turnover and direct costs.
- High satisfaction with anti-social behaviour case handling.
- High cost of void works.
- Relatively low percentage of responsive repairs completed on time.
- High proportion of urgent responsive repair jobs.
- Low cost of housing management per property.
- Low level of rent arrears.

RESOLVED: that the results of the benchmarking survey be noted.

45 **Community development**

The Tenant & Communities Section Leader's report explained the valuable work that the Community Development team undertook and brought the Board up to date with the different activities and events carried out over the last 12 months. The report advised on the progress being made to improve the 14 housing Community Centres and the role of the Community Development Worker appointed to carry out that work, as well as how the programme might be extended.

There were currently two part time permanent Community Development Workers (youth). A third full time temporary officer was recruited in November 2012 to carry out the recommendations made by the Tenant Scrutiny Panel to improve the 14 community centres, promote greater community use and increase revenue, as well as to spend one day a week on community development work. It was suggested that this officer should become a full time permanent employee and that a fourth Community Development Worker should be employed, with a slightly different set of targets, focusing on family type issues.

Some of the range of ways the Community Development Officers worked with communities included:

- The very successful SWITCH project in Axminster and Exmouth.
- Arranging and running community festivals and fun days.
- Recruiting, training and supporting community volunteers.
- Supporting and adding value to other groups such as youth clubs.
- Promoting community development by giving talks to interested groups.

The Chairman thanked the Community Development Workers on behalf of the Board for the marvellous work that they did and for providing such an invaluable service.

- RECOMMENDED:**
- 1 that the Community Development activities undertaken in the past 12 months be noted.
 - 2 that the post of Community Development Worker with specific responsibilities for Community Centres be made permanent.
 - 3 that an additional Community Development Worker be recruited.
 - 4 that the annual Community Development budget be increased by £10,000.
 - 5 that the Community Development Workers be awarded a virtual bouquet on behalf of the Housing Review Board in appreciation of the valuable work that they carry out.

*46 **Exclusion of the Public**

- RESOLVED:** that under Section 100(A) (4) of the Local Government Act 1972, the public (including the press) be excluded from the meeting as exempt information, of the description set out on the agenda is likely to be disclosed and on balance the public interest is in discussing these items in private session (Part B).

47 **Affordable housing acquisition proposal**

The Housing Enabling Officer's report outlined a proposal to purchase a property using Housing Revenue Account funding and Right to Buy receipts. The property was situated in Exmouth and would provide much needed additional Council owned accommodation in the town. The property was a modern purpose built small block of flats with off road parking spaces.

- RECOMMENDED:**
- 1 that it be agreed that this type of accommodation would be a beneficial addition to the current Council property portfolio, making available accommodation for single people/couples within the district.
 - 2 that the Chief Executive be given delegated authority to acquire the proposed property.
 - 3 that funding from the Housing Revenue Account and Right to Buy receipts be used to purchase the proposed property.
 - 4 that the Chief Executive be authorised to make similar purchase offers, subject to contract.

48 **Anti social behaviour at Council owned flats**

The Head of Housing briefly outlined some incidents in Council owned flats in Exmouth. The Council had been working jointly with the police and the Community Safety and Anti Social Behaviour Coordinator to resolve the issues. Efforts were being made to improve the blocks generally with new lighting and repairs, and improvements to bin stores, as well as anything else that could be done to improve the appearance and safety in the blocks. The Council had also increased its presence in the area over the past few weeks. The Head of Housing would keep the Board updated on these issues.

RESOLVED: that the incidents of anti social behaviour in Council owned flats in Exmouth and actions being taken to address these, be noted.

Chairman

Date

HOUSING REVIEW BOARD – FORWARD PLAN

This forward plan identifies reports and other agenda items for future meetings of the Housing Review Board. It is also intended to assist agenda management and act as a reminder of items to come forward to future meetings.

Report title	Meeting date	Author
Draft Housing Service Plan 2014-15	January 2014	Head of Housing
Draft Housing Revenue Account 2014-15	January 2014	Head of Housing
Code of practice for the Housing Revenue Account	January 2014	Head of Housing
Systems Thinking - rent management	January 2014	Landlord Services Manager
Tackling Tenancy Fraud	January 2014	Head of Housing
Downsizing and mutual exchange	January 2014	Housing Needs and Strategy Manager
Commissioning sheltered housing support services	January 2014	Landlord Services Manager
Telecare services	TBC	Home Safeguard Manager
Danby House/Exbank – DCC updated proposals	Reliant on DCC timetable	Head of Housing
Quarterly performance reports and regular report		
Responsive repairs	Quarterly report	Asset and Property Manager
Letting of Council homes/voids	Quarterly report	Housing Needs and Strategy Manager
Devon Home Choice	Quarterly report	Housing Needs and Strategy Manager
Rent management	Quarterly report	Landlord Services Manager
Systems Thinking leading & lagging measures	Quarterly report	Head of Housing
New Tenants Survey		
Forward Plan	Every meeting	Head of Housing
Formal Complaints	Annual report	Housing Needs and Strategy Manager
Benchmarking survey	Annual report	Head of Housing
Evaluating the achievements of the Board	Annual report	Head of Housing

Board Members can propose agenda items during meetings/debates that can be included on the Forward Plan for future meetings, or outside the meetings with the agreement of the Chairman and Vice chairman.

Meeting dates – 6 March 2014; 8 May 2014.

Report to: **Housing Review Board**

Date of Meeting: 9 January 2014

Public Document: Yes

Exemption: None



Agenda item: 8

Subject: **Draft Housing Service Plan 2014-2015**

Purpose of report: This report presents the draft Service Plan for the Housing Service covering the period 2014-2015.

The Service Plan is a document produced annually, and sets out the key achievements over the past year and the forthcoming issues to be faced by the Service, a range of Service improvements are identified, performance data reported, consultation proposals outlined, budget information etc.

The Service Plan is presented in draft form for the Board's consideration.

Recommendation: **To consider, comment on and approve the Housing Service Plan for 2014 – 2015.**

Reason for recommendation: To enable the Housing Review Board to influence the production of the Service Plan.

Officer: John Golding, Head of Housing. Tel: 01395 517567

jgolding@eastdevon.gov.uk

Financial implications: There may be financial implications in the service plan which will be addressed at the appropriate/relevant time.

Legal implications: To be completed by Legal.

Equalities impact: Low Impact

Risk: Low Risk

Links to background information: [Housing Service Plan 2013/14](#)

Link to Council Plan: Living in this outstanding place.

Report in full

1 Producing a Service Plan

- 1.1 For some time now all the Council's services have organised an annual Service Planning exercise and produced a Service Plan, which sets out details of past performance and achievements, and future challenges and targets. Service Planning events have in some services become a lighter touch exercise.
- 1.2 The Service Plan is produced using a corporate template and it shows how the service improvements link with the Corporate Strategy, identifies the key Service objectives, challenges ahead, and outlines areas of performance that we should measure. It also considers benchmarking and partnering/shared services opportunities, efficiencies, key risks, training needs and workforce planning.
- 1.3 For Housing the Service Plan links with and complements the Homes and Sustainable Communities Plan and Housing Revenue Account Business Plan, Homelessness Strategy, Private Sector Renewal Plan, Empty Homes Strategy, Energy Conservation Act Plan and other service specific policies, the Council Plan and various housing budgets.
- 1.4 The Service Plan is intended as a working document and the Service managers will cascade the contents of the Plan at their team meetings. It is a good discipline to complete an annual statement of what the Service expects to achieve, set out in a structured way, using a template, involving staff, service users, and members in the process. I have tried to capture both the core housing activities we undertake and the areas for service development/improvement.
- 1.5 We have refreshed a number of our policy documents during the course of the year and have given a number of new commitments as well as agreeing a series of 'stretch targets'.
- 1.6 The Service Plan reproduces our ten key aims in the Homes and Communities Plan. It also sets out a series of Systems Thinking purposes to capture 'what matters' to our customers.
- 1.7 I have drafted the Service Plan following consultation with Service managers to a point where it is ready for the Board's consideration. I have reproduced the draft Service Plan in **Annex 1**.
- 1.8 It will be noted that many of the dates in the Service Plan for particular actions are on-going activities for the service and therefore do not sit comfortably with the presumed start and completion date in the template.
- 1.9 I welcome the Housing Review Board's input into the Service Plan before it is finalised and reported to the Cabinet.



Service Planning 2014-15

Housing Service

Version 4 - 18/12/13

April 2014 – March 2015

Head of Service: John Golding

Portfolio holders: Cllr Jill Elson & Cllr Stephanie Jones

Housing Review Board Chair: Cllr Pauline Stott

Service Plan Template 2014-2015: Contents Page

Section 1	Brief description of service and purpose(s)
Section 2	Key achievements in 2013/14
Section 3	Looking forward: what we will do in 2014/15
Section 3a	Looking forward: any Service challenges or pressures for next 3 years
Section 3b	Looking forward: options for doing things differently
Section 3c	Looking forward: what we will measure, how often and for whom
Section 4	Resources and workforce planning
Section 5	Training and development
Section 6	Service risks: current and new/emerging
Section 7	Equalities

Section 1 – Brief description of service and purpose(s)	
What we do and who we deliver to	<p>In Housing we aim to secure - A decent home for all.</p> <p>We have also adopted the following purposes where we have undertaken Systems Thinking reviews:</p> <ul style="list-style-type: none"> ➤ <i>To match the right people with the right home (voids & allocations).</i> ➤ <i>Do the right repair at the right time, get it right first time, and stay fixed (responsive repairs).</i> ➤ <i>Do the right service/repair at the right time, and leave safe (gas servicing).</i> ➤ <i>To collect the right amount of rent at the right time (rent management).</i> ➤ <i>Deal with customer emergencies promptly (Home Safeguard).</i> ➤ <i>Better housing, better health (private sector housing).</i> ➤ <i>To deliver outstanding Support Services to residents of East Devon regardless of housing tenure.</i>
How we deliver and ensure equal access	<p><i>Service delivery is through a variety of direct or in-house provision and a number of contracts/partnerships with partners.</i></p> <p><i>In Landlord Services we work to an adopted specific housing diversity commitments and Housing Customer Charter.</i></p> <p><i>We set service standards with customers.</i></p>
How we compare	<p><i>We use HouseMark for periodic benchmarking exercises of Landlord Services and report the results to the Housing Review Board. We have also undertaken a STAR tenant satisfaction survey.</i></p> <p><i>The Devon Housing Options Partnership uses the Quality Standards Framework which we have reported to Cabinet.</i></p>
Statutory elements of the service	<p><i>Landlord services</i></p> <p><i>Homelessness/Housing Advice</i></p> <p><i>Housing Register and Allocations</i></p> <p><i>Tenancy Strategy</i></p> <p><i>Private sector housing enforcement, Private Water Supply assessment and enforcement, Caravan Site Licensing, Provision of Disabled Facilities Grants, Environmental Pollution associated with Rural Drainage, public health/statutory nuisance.</i></p>
Current net budget (excludes Internal support charges and capital budget)	<p><i>Housing Revenue Account has an annual turnover of £17.7 million.</i></p> <p><i>Housing General Fund budgets are annually circa. £272k for private sector housing; £450k for homelessness; and a trading surplus for Home Safeguard.</i></p>

Capital budgets for the HRA are £625k in 2014/15 and General Fund £402k.

Section 2 – Key achievements in 2013/14		
	<i>Briefly describe key achievements and what outcomes were created. This will inform Corporate Plan summary at year end.</i>	<i>Strategic link to Council Plan priorities</i>
1	<p>Housing Needs and Strategy 200 new affordable homes produced. Acquisition of HRA property. Fourth Annual Report to Tenants produced. Homeless prevention increased and reduced use of temporary accommodation. Rough Sleeping initiative introduced. Introduced a Local Welfare Support scheme Re-provision of software supporting Devon Home Choice Reduced numbers of applicants on Housing Register Housing management software upgrade approved.</p>	<p>Council Plan Homes and Communities Plan HRA Business Plan Homelessness Strategy</p>
2	<p>Landlord Services Maintaining a high proportion of rent collection. Home Safeguard maintaining TSA accreditation. Cluster offices for support staff established in towns. Get Digital project being rolled out. Extension and consolidation of community development activities. A programme of Tenancy Audits has been undertaken. SWITCH Project extended into Axminster. Grounds maintenance TaFF identified improvements. Housing Matters magazine introduced. Tenant Scrutiny report and review of voids produced and recommendations acted upon.</p>	<p>Council Plan Homes and Communities Plan HRA Business Plan Tenant Involvement Strategy</p>
3	<p>Property and Asset Services Maintaining Council homes in good condition. Mobilisation and introduction of the new responsive repairs contract. Procurement efficiencies progressed. Fire Risk Assessments being rolled out. Car parking and garage reviews undertaken and actions being implemented. Restructured service to increase staff capacity Met void turnaround target Began feasibility and evaluation of ‘off gas’ homes to enable us to access ECO funding</p>	<p>Council Plan Homes and Communities Plan HRA Business Plan</p>
4	<p>Private Sector Housing Long term empty homes brought back into use including first Enforced Sale Order action completed. Private water supplies monitoring and risk assessments and Drinking Water Inspectorate annual report. Improving housing conditions.</p>	<p>Council Plan Homes and Communities Plan Private Sector</p>

	<p>Produced a Home Energy Conservation Act Plan Disabled Facilities Grant (DFG) process redesigned to speed up process for customers. Increased number of statutory notices served to improve housing conditions. Improved financial controls implemented for DFG and Loan Schemes.</p> <p>DFG enquiries received 2013 = 102 DFG approvals 2013 (from Jan 1 up to Dec 5 2013) = 85 Approved expenditure = £433,430 Average approved DFG = £5,099</p> <p>Main adaptations approved are Stairlifts and Level Access Showers</p> <p>DFG completions 2013 (ditto) = 73 Approved expenditure = £364,450 Average completion expenditure = £4,992</p> <p>DFG withdrawals from enquiries (same time period) = 53 Main reasons for withdrawing are 'contribution too high' or 'deceased'.</p> <p>Loan enquiries received 2013 = 27 Loan referrals 2013 = 17 Loan drawdown 2013 = 8 Loan enquiries cancelled/declined 2013 = 3 Loan ongoing applications 2013 = 16 Capital committed = £84k Repaid = £14K</p> <p>Private Sector Housing related Service Requests received 2013 = 243 Housing Act 2004 Statutory notices served = 19 Housing Act 2004 Statutory notices complied = 7</p>	<p>Housing Renewal Plan</p> <p>Empty Homes Strategy</p>
5	<p>General Housing Revenue Account Business Plan updated. Risk Register reviewed and updated. Housing volatility fund created. HRA loan portfolio secured at favourable interest rates. HouseMark benchmarking survey undertaken. Plans and strategies updated. Housing Review Board considering a wide range of issues.</p>	<p>Council Plan</p> <p>Homes and Communities Plan</p> <p>HRA Business Plan</p>

Section 3 – Looking forward : what we will do in 2014/15				
Key Service Objectives (please include consultation or procurement activity required)	Financial/corporate resource	Lead Officer	Start date	End date
1) Living in this outstanding place				
Our Homes & Communities Plan aims are:				
1. Provide a range of affordable housing to meet housing needs.	HRA/Capital Plan	DB	Ongoing	
2. Prevent homelessness wherever possible, and otherwise ensure that accommodation is provided for those who do become homeless.	General Fund	DB	Ongoing	
3. Maintain and manage the council owned housing stock to a high standard, actively involving tenants in all aspects of the service.	HRA	SB	Ongoing	
4. Bring sub-standard housing (of all tenures) up to current standards.	HRA/General Fund/Capital Plan	MS	Ongoing	
5. Improve the use and safety of housing.	Ditto	MS	Ongoing	
6. Enable elderly persons, disabled people, and people with special needs to live as Independently as possible and remain in their own homes if they so wish.	Ditto	MS/SB	Ongoing	
7. Improve the sustainability and energy efficiency of housing and eliminate fuel poverty.	Ditto	MS/DB	Ongoing	
8. Widen the choice of housing, especially for those in priority need.	Ditto	DB	Ongoing	
9. Support the improvement and regeneration of local communities by encouraging social inclusion, involving children and young people in housing issues, and enabling residents to actively participate in their communities.	Ditto	SB	Ongoing	
10. Have consistently satisfied customers.	Ditto	All	Ongoing	
2) Working in this outstanding place				
3) Enjoying this outstanding place				
Run a range of activities and initiatives that promote community cohesion and inclusion.	HRA	SB	Ongoing	

4) Outstanding Council				
Core Service Specific Actions				
Produce at least 100 new affordable homes per annum.	Capital Plan/HRA	DB	Ongoing	
Produce at least one rural affordable scheme per annum.	Capital Plan	DB	Ongoing	
Maintain a healthy Housing Revenue Account, manage debt/loan portfolio, and programmes of maintenance, improvement and adaptations to tenant's homes.	HRA	JG	Ongoing	
Manage and utilise all housing assets to best effect and consider disposal where assets are not meeting their purpose.	HRA	JG	Ongoing	
Maintain high levels of rental and other income whilst achieving affordable homes and affordable warmth for tenants.	HRA	SB	Ongoing	
Procure services and programmes efficiently achieving value for money for service users.	HRA	JG	Ongoing	
Explore opportunities for introducing fair and proportionate service charges.	HRA	SB	Ongoing	
Comply with the regulatory framework and evidence achievement of the standards.	HRA	JG	Ongoing	
Support the Tenant Scrutiny process, Tenant Representative Group and Service Review Groups.	HRA	SB	Ongoing	
Deliver service efficiencies and improvements through the application of Systems Thinking techniques and ensure that we do 'what matters' for customers.	HRA/GF	All	Ongoing	
Improve the environment on selected estates.	HRA	SB	Ongoing	
Continue the programme of estate walkabouts and Blitz Days.	HRA	SB	Ongoing	
Deliver continuing improvements in communal cleaning and grounds maintenance.	HRA	SB	Ongoing	
Undertake Fire Risk Assessments in flats and implement any improvements required to comply with good practice advice.	HRA	DB	Ongoing	
Implement the Private Sector Housing Renewal Plan delivery actions.	GF	MS	Ongoing	
Implement the loan scheme to provide alternative assistance through partners for elderly and vulnerable home owners to carry out repairs to their properties and to remain in their own homes.	GF	MS	Ongoing	
Set up and support a Landlords' accreditation scheme.	GF	MS	Ongoing	

Improve conditions in the private rented sector using advice and enforcement, specifically targeting houses in multiple occupation.	GF	MS	Ongoing	
Implement the Home Energy Conservation Act Strategy aimed at improving the thermal efficiency of homes in the district.	Capital Plan/GF	MS	Ongoing	
Implement the Empty Homes Strategy and revise the action plan.	GF	MS	Ongoing	
Complete the risk assessments of private water supplies and maintain a sampling regime, providing an annual report on progress to the Drinking Water Inspectorate.	GF	MS	Ongoing	
Develop the Switch project for training and employment opportunities for younger people.	HRA	SB	Ongoing	
Develop targeted community projects and facilities for young people to develop their skills.	HRA	SB	Ongoing	
Develop the Devon Home Choice regional Choice Based Lettings scheme and ensure that we match the right people with the right home.	HRA/GF	DB	Ongoing	
Through decommissioning have less sheltered housing.	HRA	SB	Ongoing	
Increase Home Safeguard income and maintain Supporting People income.	GF	SB	Ongoing	
Expand the use of Home Safeguard including lone working and telecare services.	GF	SB	Ongoing	
Support tenants in holding an annual tenant conference.	HRA	SB	Ongoing	
Expand homeless prevention work and have less temporary accommodation in use.	GF	DB	Ongoing	
Continue to reduce the average void times and End to End times.	HRA	DB	Ongoing	
Achieve all responsive repairs within target timescales and at tenant's convenience.	HRA	DB	Ongoing	
Meet the local offers/standards commitments to tenants contained in Our Commitments to You.	HRA	JG	Ongoing	
Implement a new housing management IT system to improve customer journeys, self-service and facilitate mobile working.	HRA	JG	Ongoing	

Section 3 a – Looking forward: any Service challenges or pressures for the next three years? (Revenue/Capital)

1. Operating the Housing Revenue Account under the self-financing regime and managing high levels of debt whilst continuously improving services for customers.
2. Managing the transition to Welfare Reform which may lead to the loss of income if tenants struggle to pay their rent and service charges.
3. Improving housing standards in the private sector.
4. Preventing homelessness and increasing housing options.
5. Loss of Supporting People income.
6. Housing demand increasing faster than our ability to supply housing options.
7. Insufficient subsidy/grant/opportunities to provide new affordable homes.
8. Insufficient resources to achieve our private sector ambitions.
9. Implementing the Health and Wellbeing priorities.
10. Assisting the development of a sense of community in Cranbrook.
11. Improved tenancy sustainment and wellbeing of tenants and communities.
12. Changing the lives of identified Troubled families.
13. Implementation of a new housing management IT system and customer service hub.

Section 3 b– Looking forward: options for doing things differently – financial savings / increasing income

1. Establishing East Devon Homes as a standalone business unit of the Council
2. Self-financing of Council housing with the freedoms from government control.
3. Purchasing a new software package for housing, implementation and the introduction of mobile working.
4. Providing a mobile support service in the private sector.
5. Attracting more Home Safeguard business, including Telecare, through marketing and promotion of our services.
6. Facilitating more Localism/Big Society activities through our community development programme.
7. Introducing a Service Charge regime and considering charging affordable rents.
8. Greater enforcement presence in the private sector.

Section 3 c – Looking forward: Changes to measures and performance indicators - what we will measure, how often and for whom

Measure/indicator	How often – monthly, quarterly, bi-annually,	For whom? Cabinet, Overview and Scrutiny	Link to Corporate Priorities (listed on	Responsible Officer	Retain this measure (yes/no) or new
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	annually		page 3 1,2,3 or 4)		
1. Homes and Communities Plan.	Quarterly	Overview & Scrutiny	Living in an outstanding place	John Golding	Yes
2. Housing Revenue Account Business Plan.	Quarterly	Housing Review Board	Living in an outstanding place	John Golding	Yes
3. Housing Revenue Account budget.	Quarterly	Housing Review Board	Living in an outstanding place	John Golding	Yes
4. Private Sector Renewal Plan & Home Energy Conservation Act Plan.	Quarterly	Overview & Scrutiny	Living in an outstanding place	Meryl Spencer	Yes
5. NI155 Number of affordable homes delivered (gross) (LAA).	Quarterly	Overview & Scrutiny	Living in an outstanding place	Paul Lowe	Yes
6. NI156 Number of households living in temporary accommodation.	Quarterly	Overview & Scrutiny	Living in an outstanding place	Andrew Mitchell	Yes
7. NI158 % non-decent council homes.	Quarterly	Housing Review Board	Living in an outstanding place	John Golding	Yes
8. Capability at Point of Transaction - Ability to deal with customers at first contact	Quarterly	Overview & Scrutiny	Living in an outstanding place	John Golding	Yes
9. Percentage of Customer Satisfaction within the Housing Service.	Quarterly	Housing Review Board	Living in an outstanding place	John Golding	Yes
10. Percentage of preventable demand in the Housing Service.	Quarterly	Overview & Scrutiny	Living in an outstanding place	John Golding	Yes
11. Responsive repair End to End times & right first time.	Quarterly	Housing Review Board	Living in an outstanding place	Mark Dale	Yes
12. Number of empty properties returned to use.	Quarterly	Overview & Scrutiny	Living in an outstanding place	Meryl Spencer	Yes
13. Risk assessments of private water supplies.	Quarterly	Overview and Scrutiny	Living in an outstanding place	Meryl Spencer	Yes
14. % of rent due on council owned homes collected.	Monthly	Cabinet	NA	Sue Bewes	Yes
15. End to End time for a void property.	Monthly	Cabinet	NA	Mark Dale	Yes
16. Time taken between the start of a tenancy (keys to the new tenant) until	Monthly	Cabinet	NA	John Golding	Yes

the point when the first rent or benefit payment is received.					
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Section 4 – Resources and workforce planning	
Full time equivalents/Headcount as at 01/04/2013	FTE = 87.77 Headcount = 98
Turnover (April 2012 to March 2013)	Voluntary Turnover = 9.64% Voluntary & Non Voluntary Turnover = 9.64%
Absence (April 2012 to March 2013)	Days lost per person: 10.7 days
Which posts have you found it difficult to recruit for/retain in last 12 months?	Programme Works and Technical Officers
Number of staff rated below 'meets' in Performance Excellence Review?	<i>A small number of people are being performance managed with close supervision, support and task monitoring.</i>
Number of 'high potential staff'	<i>We have several officers on professional education courses and a Service Training programme that seeks to develop staff.</i>

Section 5 – Training and development			
Team based skills/development required	Who for	Expected outcome	When
1. Customer service	All staff	Improved customer service and complaint handling	2014
2. Equalities	All staff	Awareness of our responsibilities	2014
3. Safeguarding children	All staff	Awareness of the Councils policy and reporting procedure	2014
4. Safeguarding adults	All staff	Awareness of the Councils policy and reporting procedure	2014
5. Data protection and information security	All staff	Awareness of the Councils policy	2014

Section 6 – Risks			
New/emerging risks description – See attached Risk Register for current service risks	Impact [minor, significant serious, major]	Likely-hood [remote, unlikely, likely, very likely]	How managed/controlled <i>What action will you take to reduce/minimise risk</i>
From HRA Business Plan Loans taken out to meet the cost of self-financing of Council housing	3	2	Loans kept to the minimum required and negotiated at low/fixed interest rates. Maintain a healthy HRA surplus.
Rents do not rise or are not collected as anticipated due to Welfare Reform and/or other factors.	3	3	Provision made for increased bad debt. Welfare Advisors appointed. Promote Credit Unions and use of Discretionary Housing Payments.
Right to Buy receipts exceed predictions which need to be reinvested	2	2	Cancel the agreement with the CLG and repay receipts with interest.
Right to Buy sales are lower than planned.	1	2	Costs could be reduced, probably in the major repairs area. Loans could be increased.
Loss of Supporting People income and/or a cut in the funding for the community alarm system.	3	3	New business generated and/or service charges increased.
The programme to bring sheltered housing up to fit for purpose standards.	2	2	Reschedule costs, bid for external funding reprioritise work planned.
The cost of maintaining the planned cyclical repairs programme exceeds budget.	3	2	Costs in other areas could be reduced. Loans could be increased.
The achievement of the major repairs programme proves more expensive than anticipated.	3	3	Programme items may need to postponed or lengthened. Expenditure in other areas may need to be cut back, threatening other plan objectives Additional loans may be taken on to ensure slippages do not occur.
The demand for responsive repairs exceeds planned levels.	3	2	Costs in other areas could be reduced.
Failure of responsive repair contractor.	3	3	Other partnering contractor takes over the area.
Changing cost of borrowing.	3	2	Reschedule borrowing and/or work programmes.
Decent Homes Standard raised significantly.	3	2	Business Plan to be reviewed in light of changes.
Unforeseen expenditure required on	3	2	Programmes in other areas adjusted to

Council homes.			compensate.
New development schemes, locally and nationally creating labour shortages.	3	2	Other costs could be reduced.
Ability to attract and retain suitably qualified housing staff.	3	3	Ensure that recruitment packages are attractive.
Housing staff lone working	2	2	Policies in place to mitigate the risk and Home Safeguard monitoring.
General Fund risks			
Increase in homelessness	2	2	Homelessness Strategy actions.
Failure of private water supply	3	2	Risk assessments.
Home Safeguard system failure/interruption to service	2	2	Disaster recovery arrangements and maintenance contracts.
Data Protection	3	2	Corporate policies and training.
Lone working	2	2	Corporate policies and training.
Grant fraud	1	2	Checks as part of the application process.
Affordable housing scheme failure	1	2	Financial appraisal of development schemes.

Section 7 – Equalities

Equalities Analysis on policies / decisions which have a high or medium equalities relevance	Impact Level [High, Medium, Low]	How managed/controlled <i>What action will you take to reduce/minimise impact</i>
1. Homes and Communities Plan 2012	Medium	Equality Analysis undertaken with details.
2. HRA Business Plan 2012	Medium	Equality Analysis undertaken with details.
3. Homelessness Strategy	High	Equalities Analysis being refreshed with new strategy.
4. Private Sector Renewal Plan 2012	Medium	Equalities Analysis being refreshed with new strategy.
5. Devon Home Choice	High	Equality Analysis undertaken with details.
6. Tenant Involvement Strategy	Medium	Equality Analysis undertaken with details.

Report to: **Housing Review Board**

Date of Meeting: 9 January 2014

Public Document: Yes

Exemption: None



Agenda item: 9

Subject: **Draft Housing Revenue Account 2014/15**

Purpose of report:

This report provides the Housing Review Board with details of the draft Housing Revenue Account for 2014/15. This account shows the main areas of anticipated income and expenditure on landlord activities for the year ahead. Producing a Housing Revenue Account has been a statutory requirement for Councils who manage and own their housing stock, and therefore a key document for the Board to influence.

2012/13 saw the major reform to social housing finance and a move to self-financing, which involved the Council taking on debt rather than paying a subsidy to government from tenants' rents. As a result we are showing a healthy HRA balance going into the new financial year. The budget has been produced in accordance with our Housing Revenue Account Business Plan assumptions.

The Council has a timetable for the production of its budgets for 2014/15, which involves the development of draft estimates and scrutiny by various member and officer groups. This report presents an opportunity for the Housing Review Board to input into this process.

Recommendation: **The Housing Review Board is invited to approve the report on the 2014/15 Housing Revenue Account and recommend it to Cabinet.**

Reason for recommendation: To give the Housing Review Board an involvement opportunity to contribute towards the development of the main housing service budget.

Officer: John Golding Head of Housing – jgolding@eastdevon.gov.uk

Tel: 01395 517567

Financial implications: These are detailed in the report and budget book.

Legal implications: There are no legal implications requiring comment.

Equalities impact: Low Impact

Risk: Low Risk

Links to background information:

- [HRA Business Plan 2012](#)

Link to Council Plan: Living in this outstanding place.

Report in full

1 Housing Revenue Account for 2014/15

- 1.1 The Housing Revenue Account (HRA) is the landlord account and is a statutory account that is operated by all local authorities that own and manage their own housing stock. The account must be maintained in surplus and cannot go into a deficit position. The HRA sets a financial context for the operation of the Council's landlord service and now demonstrates some of the flexibilities we enjoy and considerable freedom from central government control.
- 1.2 The HRA has to be set out and operated in accordance with prescribed regulations. This means that it is not particularly easy to understand and interpret, and is usually prepared by our specialist Housing Accountant. The draft 2014/15 HRA is shown as **Annex 1** and will eventually appear, possibly in a modified form, in the Council's revenue budgets alongside the General Fund and Capital Plan. We have included a series of notes which explain the main variations from the 2013/14 HRA budget.
- 1.3 Our annual HRA is underpinned and influenced by a 30 year HRA Business Plan (updated September 2012), which was a requirement of the housing stock options appraisal, and is intended to demonstrate that the Council can afford to maintain and manage its housing stock to an acceptable standard over the long term. The HRA Business Plan considers income and expenditure over a 30-year period based upon known stock condition data, tenant aspirations, projections on staff costs, inflation and interest payments. The draft budget is closely aligned to the HRA Business Plan.
- 1.4 This Board is charged with keeping under review the options for the future ownership and management of the housing stock. I would suggest that the financial environment that we work in (including Welfare Reform) is likely to be one of the main influences on our thinking in respect of options other than the Council retaining the housing stock 'in-house'. We have made the change to the self-financing regime in April 2012. This involved the Council taking on a share of the national housing debt (£84.4 million).
- 1.5 We have created East Devon Homes as a business unit of the Council charged with providing landlord services for EDDC tenants. We are in a good position to maintain and improve the housing stock to a good standard and employ staff resources to deliver an excellent housing service. You will recall from the benchmarking work we have undertaken that we are lean when compared to many similar sized housing organisations and relatively high performing. Current projections suggest an improving financial picture for the HRA now that we have left the subsidy based system.
- 1.6 We have funded the acquisition of new homes in Exmouth from the HRA and retained Right to Buy receipts during 2013/14 without the need to borrow to finance the purchase. We have made no specific provision for new build or acquisitions in 2014/15, although a nominal budget of £30,000 has been included for feasibility work, and will present site specific proposals as and when they arise together with a statement on the financial impact.
- 1.7 The HRA is presented in a familiar format that shows a summary with a breakdown of income then a range of expenditure items grouped under headings for repairs (day to day, annual, cyclical and improvements), supervision and management (essentially direct and support staff costs with premises, transport etc), other expenditure and major repairs.
- 1.8 It can be seen from the draft 2014/15 HRA budget that income from rents and other charges amounts to an estimated £17.7 million. This assumes an average 5.29%

increase in Council home rents, in line with the government's rent convergence formula, and a 3% increase in garage rents. This will make our average rent £79.98 per week in 2014/15.

- 1.9 The major areas of expenditure are various repairs and maintenance activities - £8.8 million; Staffing, supervision and management costs (general) - £2.9 million; and the interest and principal repayments on PWLB loans - £3.1 million. This replaces the HRA subsidy where we paid £6 million in 2011/12 to the Treasury.
- 1.10 From the draft HRA you can see planned expenditure on repairs and improvements under the section headed Major Repairs (Major Repairs Account) - £5,150,000, other expenditure - £278,760 and, under the section Repairs and Maintenance, responsive maintenance - £1,870,270, annual programme maintenance - £620,000, cyclical maintenance - £122,000 and Repairs and Maintenance special works - £1,013,000. We are awaiting an estimate for the cost of Demolition and Refurbishment Asbestos Surveys that will need to be undertaken on some of our void properties, and we will build this into our Change of Tenancy budget when likely costs are known.
- 1.11 The budget page on Supervision and Management shows the staffing and associated costs. You can see that Housing Revenue Account employees cost £1,895,750 per annum, with a lesser amount (£1,158,710) for support services. It is estimated that £313,690 will be spent on premises, transport and supplies and services per annum. Special items which cover grounds maintenance, communal cleaning, play areas, Mobile Support Officers etc amount to £852,260 for the year ahead.
- 1.12 I have allowed £5,000 for the ongoing updating of the Business Plan. The budget shows £3,240 for the annual Residents' Conference. I have kept the removal expenses budget to £75,000 following the review of downsizing and increased funding for community development (£20,100). I have maintained a budget (£40k) for estate management works. The budget for Supporting People funding has been included at the 2013/14 level although there may be a reduction as we move to a new commissioning model imposed by DCC.
- 1.13 The staffing costs have been grouped into three teams – Housing Needs & Strategy, Landlord Services and Asset and Property Services in the supervision and management section of the budget.
- 1.14 We are showing greater investment in the repair and improvement of tenants' homes and there is a projected end of year surplus on the HRA of £6,903,483 (including £1,710,000 in a volatility reserve). I intend to maintain the surplus at a higher level during the next few years as we acclimatise to the self-financing regime. I have also made an increased provision for bad debts/voids rising from 1.5% and increasing each year by 0.5% until we reach 3% of the rent roll in 2014/15.
- 1.15 The HRA now meets its own capital programme requirements each year. We have used the capital funds identified for re-modelling sheltered schemes to part fund the demand for adaptations in sheltered housing and upgrade Home Safeguard equipment.
- 1.16 The capital programme is part financed by the sale of council homes under the Right to Buy and the sale of other assets. The contribution to capital from the HRA will be £525k in 2014/15. The capital programme for 2014/15 is reproduced below.

HRA Capital Programme	2014/15 £000
Major Improvements/Extensions to Existing Dwellings	175
Off Street Car Parking	50
Re-modelling of Sheltered Schemes	200
Social Services Adaptations	200
TOTAL EXPENDITURE	625

- 1.17 The HRA is still in draft and will take a journey through Overview and Scrutiny Committee/TaFF then to the Cabinet before being finalised and agreed by Council. Your officers will use the budget set for service delivery over the next financial year.

ANNEX 1

2013/14		HOUSING REVENUE ACCOUNT	2014/15	
Estimate			Estimate	Variance
Original	Revised			
£	£	£	£	
(17,200,000)	(17,200,000)	INCOME		
(65,000)	(65,000)	Gross Property Rent including Garages	(17,622,000)	(422,000)
(17,265,000)	(17,265,000)	Other Rents & Income	(71,600)	(6,600)
		Total Income	(17,693,600)	(428,600)
		EXPENDITURE		
		Repairs & Maintenance		
2,203,570	2,203,570	General	2,612,270	408,700
998,000	998,000	Special Works	1,013,000	15,000
		Supervision & Management		
2,602,020	2,602,020	General	2,925,440	323,420
885,680	935,680	Special	852,260	(83,420)
243,470	243,470	Other Expenditure	278,760	35,290
6,932,740	6,982,740	Total Management & Maintenance	7,681,730	698,990
		Depreciation - dwellings	1,106,740	28,790
1,077,950	1,077,950	- other	85,030	6,840
78,190	78,190	Transfer to Major Repairs Reserve	4,043,260	(28,790)
4,072,050	4,072,050	Total Expenditure	12,916,760	705,830
12,160,930	12,210,930			
		NET COST OF SERVICE	(4,776,840)	277,230
		Loan Repayments: Interest & Principal	3,140,450	571,250
2,569,200	2,569,200	Interest on Balances	(33,360)	2,770
(36,130)	(36,130)	Interest on Council House Sales	(80)	10
(90)	(90)			
2,532,980	2,532,980		3,107,010	574,030
		NET OPERATING EXPENDITURE - Deficit / (Surplus)	(1,669,830)	851,260
		Revenue Contribution to Capital Expenditure	525,000	(350,000)
(2,571,090)	(2,521,090)	Deficit / (Surplus) for the Year	(1,144,830)	501,260
		BALANCES		
875,000	875,000	Balance brought forward HRA	(4,048,653)	
		Balance brought forward Volatility Reserve	(1,710,000)	
		Predicted net overspend as at 30 November 2013	0	
(1,696,090)	(1,646,090)	Deficit / (Surplus) in year	(1,144,830)	
(4,413,317)	(5,758,653)	Balances carried forward	(6,903,483)	

2013/14		Staff Numbers Fulltime Equivalents	2014/15	Variance
2.0		Head of Housing & Support	2.0	0.0
19.0		Landlord Services	22.0	3.0
16.8		Housing Needs & Strategy	18.0	1.2
14.2		Asset & Property Team	17.2	3.0
2.1		Communal Areas Cleaning	2.1	0.0
18.3		Mobile Support Officers	18.7	0.4
72.4		Total	80.0	7.6

Significant changes and areas of interest in 2014/15

In line with HRA Self Financing accounting guidelines, the charge for **depreciation** on dwellings will be credited to the **Major Repairs Reserve** as will a contribution from the HRA for the difference between the Major Repairs expenditure and the depreciation figure. Major Repairs expenditure will then be funded from the Major Repairs Reserve.

Loan repayments of interest and principal include repayment of the first self financing loan of £574,297.

The **revenue contribution to capital expenditure** is to fund the HRA capital programme after a deduction for estimated usable capital receipts.

The increase in staff numbers is due to the restructure of the Asset & Property Team, a new Community Development Worker & Admin Assistant in Landlord Services and two staff who have been moved into the Needs & Strategy Team from the General

2013/14		HOUSING REVENUE ACCOUNT	2014/15	
Estimate			Estimate	Variance
Original	Revised			
£	£			
(16,800,000)	(16,800,000)	INCOME		
(400,000)	(400,000)	Gross Property Rents	(17,210,000)	(410,000)
(65,000)	(65,000)	Garage Rents	(412,000)	(12,000)
		Other Rents and Income	(71,600)	(6,600)
(17,265,000)	(17,265,000)	TOTAL INCOME	(17,693,600)	(428,600)
		REPAIRS & MAINTENANCE		
		Repairs and Maintenance - General		
1,550,270	1,550,270	Response Maintenance	1,870,270	320,000
		Annual Programmed Maintenance		
15,450	15,450	Communal Areas Maintenance	25,000	9,550
80,000	80,000	Solid Fuel Appliances - Servicing	80,000	0
10,000	10,000	Emergency lighting & fire alarms	30,000	20,000
400,000	400,000	Gas Appliances - Servicing	450,000	50,000
35,000	35,000	Lift Maintenance	35,000	0
540,450	540,450	Total Programmed Maintenance	620,000	79,550
		Cyclical Programmed Maintenance:		
100,000	100,000	External Painting Programme	100,000	0
12,850	12,850	Interior Decoration	12,000	(850)
0	0	Gutter Repairs	10,000	10,000
112,850	112,850	Total Cyclical Maintenance	122,000	9,150
2,203,570	2,203,570	Total Repairs and Maintenance - General	2,612,270	408,700
		Repairs and Maintenance - Special Works		
100,000	100,000	Social Services Adaptations (minor works)	100,000	0
2,000	2,000	Woodworm Treatment	2,000	0
55,000	55,000	Condensation & Damp Eradication	70,000	15,000
100,000	100,000	Carbon Management Programme	75,000	(25,000)
20,000	20,000	Improvements Voucher Scheme	20,000	0
3,000	3,000	Sanctuary Scheme	3,000	0
20,000	20,000	Structural Works - Subsidence	20,000	0
40,000	40,000	Asbestos Works	50,000	10,000
3,000	3,000	Grant Via Tenant Participation	3,000	0
10,000	10,000	Soundproofing	0	(10,000)
15,000	15,000	Energy Performance Certificates	15,000	0
20,000	20,000	Path Repairs	20,000	0
5,000	5,000	Minor Schemes	5,000	0
50,000	50,000	Fire Safety Works	50,000	0
10,000	10,000	Flat Roof Repairs	10,000	0
10,000	10,000	Chimney Repairs	30,000	20,000
15,000	15,000	Fence Programme	20,000	5,000
20,000	20,000	Replacement Floors	20,000	0
500,000	500,000	Catch up Repairs	500,000	0
998,000	998,000	Total Repairs and Maintenance - Special Works	1,013,000	15,000

Significant changes and areas of interest in 2014/15

Dwelling rents have been increased by an average of 5.29% (September RPI + 0.5% +/- £2) in line with the government's social rent convergence policy but have been offset by an increased provision for bad debts of 3% and an allowance for sales of properties. The average rent has increased from £75.88 to £79.98. Garage rents have been increased by 3%.

Response Maintenance includes increased budgets for day-to-day repairs, drain clearance and garage repairs.

Catch up Repairs will be those identified by the Stock Condition Survey and deemed necessary by the Maintenance Surveyors.

2013/14		HOUSING REVENUE ACCOUNT	2014/15	
Estimate			Estimate	Variance
Original	Revised			
£	£	£	£	
		SUPERVISION & MANAGEMENT		
		Supervision & Management - General		
1,616,430	1,616,430	Employees	1,895,750	279,320
94,130	94,130	Premises	64,180	(29,950)
104,090	104,090	Transport	113,640	9,550
134,880	134,880	Supplies & Services	135,870	990
1,150,660	1,150,660	Support Services	1,158,710	8,050
3,100,190	3,100,190	Total Expenditure	3,368,150	267,960
(2,000)	(2,000)	Income	(3,070)	(1,070)
3,098,190	3,098,190	Net Expenditure before Recharges	3,365,080	266,890
(496,170)	(496,170)	Recharges	(439,640)	56,530
2,602,020	2,602,020	Net Supervision & Management - General	2,925,440	323,420
		Net Expenditure Analysis by Cost Centre		
595,270	595,270	General Operational Management	607,750	12,480
252,720	252,720	Head of Housing & Support	233,640	(19,080)
794,480	794,480	Landlord Services	869,650	75,170
641,580	641,580	Housing Needs & Strategy	736,110	94,530
737,950	737,950	Asset & Property Team	838,500	100,550
20,950	20,950	Council House Sales	24,330	3,380
4,300	4,300	Sewage Treatment Works	4,740	440
50,940	50,940	Communal Areas Cleaning	50,360	(580)
3,098,190	3,098,190	Net Expenditure before Recharges	3,365,080	266,890
(496,170)	(496,170)	Recharges	(439,640)	56,530
2,602,020	2,602,020	Total Analysis by Cost Centre	2,925,440	323,420
		Supervision & Management - Special		
46,160	46,160	Community Centres	41,850	(4,310)
10,000	10,000	Choice Based Lettings	12,000	2,000
327,170	327,170	Maintenance of Grounds	299,000	(28,170)
30,430	30,430	Play Areas	20,040	(10,390)
40,000	40,000	Estate Management	40,000	0
10,000	10,000	Noise Nuisance Issues	0	(10,000)
2,000	2,000	Anti Social Behaviour	0	(2,000)
410	410	Caretaking & Window Cleaning	410	0
32,000	32,000	Communal Areas Lighting	34,240	2,240
24,000	24,000	Communal Areas Heating	30,000	6,000
0	0	STAR Survey	9,000	9,000
3,240	3,240	Tenants' Conference	3,240	0
0	50,000	New Build Feasibility	30,000	(20,000)
15,000	15,000	ASW Procurement	15,000	0
10,000	10,000	De-commissioning Costs	10,000	0
5,000	5,000	Business Plan Update	5,000	0
321,310	321,310	Mobile Support Officers	287,490	(33,820)
8,960	8,960	District Offices Running Expenses	14,990	6,030
885,680	935,680	Total Supervision & Management - Special Expenses	852,260	(83,420)

Significant changes and areas of interest in 2014/15

An allowance for a 1% pay award has been included in the **Employees** budgets.

General Operational Management includes internal recharges from other services, rates, insurance, fees for external audit, Treasury Management advice and the annual valuation of the housing stock.

There has been a decrease in the recharge from Streetscene for **Maintenance of Grounds & Play Areas**.

The recharge from Environmental Health for **Noise Nuisance Issues** is now included under Supervision & Management - General (General Operational Management).

A separate budget for **Anti Social Behaviour** is not considered necessary.

The **STAR Survey** is conducted every other year.

A sum of £30,000 has been included for feasibility costs relating to **new builds** and acquisition of existing properties.

Supporting People income under **Mobile Support Officers** is included at the current 2013/14 rate.

2013/14		HOUSING REVENUE ACCOUNT	2014/15	
Estimate			Estimate	Variance
Original	Revised			
£	£		£	£
		Other Expenditure		
13,080	13,080	Sewerage - Repairs, Maintenance & Emptying	13,480	400
38,050	38,050	Tenant Participation	53,500	15,450
5,150	5,150	Tenant Scrutiny	5,330	180
2,000	2,000	Storage	2,000	0
2,600	2,600	38 St Pauls Road Heathpark	7,000	4,400
9,750	9,750	Community Development Work	20,100	10,350
5,000	5,000	Minor Management Schemes	5,000	0
20,000	20,000	Road Repairs	20,000	0
1,000	1,000	Signs on Estates	1,000	0
6,000	6,000	Eviction Expenses	8,000	2,000
3,000	3,000	Off Street parking - Grants to Tenants	3,000	0
2,000	2,000	Pest Control Expenses	3,000	1,000
3,000	3,000	Gully Cleansing	3,000	0
29,940	29,940	Tree Felling and Planting	28,550	(1,390)
5,000	5,000	Landscaping	5,000	0
75,000	75,000	Removal Expenses (Downsizing)	75,000	0
400	400	Private Water Supplies - Service & Maintenance	300	(100)
15,000	15,000	Removal of Rubbish & House Clearances	18,000	3,000
7,500	7,500	Best Value - Housemark	7,500	0
243,470	243,470	Total Other Expenditure	278,760	35,290
		Major Repairs (capital expenditure)		
200,000	200,000	Central Heating Replacement	200,000	0
150,000	150,000	Electrical Updating	150,000	0
250,000	250,000	Roof Renewal	250,000	0
400,000	400,000	Replacement uPVC fascias etc	400,000	0
1,000,000	1,000,000	Replacement Kitchens	1,000,000	0
300,000	300,000	Replacement Bathrooms	300,000	0
600,000	600,000	Replacement Doors	600,000	0
800,000	800,000	Replacement Gas Boilers	700,000	(100,000)
250,000	250,000	Electrical Works on Change of Tenancy	250,000	0
1,200,000	1,200,000	Change of Tenancy Other Expenditure	1,300,000	100,000
5,150,000	5,150,000	Total Major Repairs	5,150,000	0

Significant changes and areas of interest in 2014/15

Tenant Participation has increased due to postage costs and training.

Community Development Work has been increased by £10,000 as agreed by HRB 07/11/13

Pest Control & Eviction Expenses are now shown separately.

Major Repairs are classed as capital expenditure and are now included in the HRA capital programme but are shown here for information. They are fully funded by the HRA through the Major Repairs Reserve.

Report to: **Housing Review Board**

Date of Meeting: 9 January 2014

Public Document: Yes

Exemption: None



Agenda item: **10**

Subject: **Voluntary code for self-financed Housing Revenue Account**

Purpose of report: This report presents the voluntary code for a self-financed Housing Revenue Account recently produced by the Chartered Institute of Public Finance and Accountancy in collaboration with the Chartered Institute of Housing. I am suggesting that we adopt the principles and provisions of the code as good practice.

Recommendation: **To adopt the principles and provisions of the voluntary code for a self-financed Housing Revenue Account.**

Reason for recommendation: The code represents a series of good practice guidelines.

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jgolding@eastdevon.gov.uk

Financial implications: The HRA will continue to be managed using the principles outlined in the code to ensure the financial integrity of the Business Plan.

Legal implications: The legal requirements are referred to in the CIPFA guidance which accompanies the report

Equalities impact: Medium Impact

Risk: Medium Risk

Links to background information: • None

Link to Council Plan: Funding this outstanding place.

Voluntary code for a self-financed Housing Revenue Account

1. Since April 2012 we have been operating the Housing Revenue Account under the so called self-financing regime. Members will recall our extensive preparations in the lead up to taking on debt and making a payment to the Treasury, which replaced the annual subsidy payment. We produced a detailed Business Plan factoring in loan repayments alongside our income and expenditure plans.
2. We welcomed the change because it gave much greater freedom to determine our priorities and run our housing business for the benefit of our tenants, and not according to central Government priorities. The change has enabled a change in culture and the creation of East Devon Homes as a landlord business unit. It has also allowed significant additional investment in the housing stock; housing services; and new build/acquisitions.

3. We have adopted a more businesslike approach to budgeting and asset management; risk assessment; and financial modelling to ensure that our Business Plan remains relevant, up to date and optimises opportunity. This coupled with lighter touch regulation means that we take on greater responsibility for ensuring that our housing operation is run on sound financial principles.
4. Our Business Plan shows room for growth in terms of housing services and housing stock. The Plan is based on a series of assumptions and considers risks and mitigation measures. A cautious approach is advocated in the early years of the Plan as we get used to managing debt and build up a healthy surplus.
5. Helpfully the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Chartered Institute of Housing (CIH) have considered the new regime and seen an opportunity to set out some guidance in the form of a voluntary code of practice. This code is reproduced in **annex 1**. We are already following most of the principles and provisions of the code.
6. The code outlines six principles under which sit a series of provisions. The principles are:
 - Co-regulation
 - Financial viability
 - Communications and governance
 - Risk management
 - Asset management
 - Financial and treasury management.
7. I am recommending that we adhere to these principles in the management of our Housing Revenue Account to keep our Business Plan strong and focused on good asset management and housing services that our tenant's value.

Voluntary code for a

self-financed housing revenue account



CIPFA, the Chartered Institute of Public Finance and Accountancy, is the professional body for people in public finance. Our 14,000 members work throughout the public services, in national audit agencies, in major accountancy firms, and in other bodies where public money needs to be effectively and efficiently managed.

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Foreword

The introduction of Housing Revenue Account (HRA) self-financing has given local authorities the freedom to develop and deliver a more positive, less constrained, vision for council housing. The Chartered Institute of Public Finance and Accountancy and the Chartered Institute of Housing believe that it is vital that local authorities have effective governance and financial management frameworks in place in order for self-financing to be a success.

In order to support local authorities in assessing and developing these frameworks the two institutes have worked together to produce a voluntary code of practice for the sector. The principles and provisions of this voluntary code will:

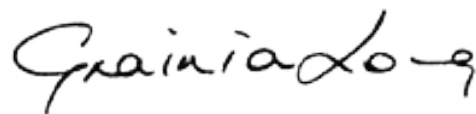
- assist housing authorities in ensuring effective governance, finance and business planning
- provide transparency to tenants, members and officers on how the housing business is being managed. The code will give tenants and members a framework against which to hold the authority to account
- allow housing authorities to assess where they may need further support and assistance.

In some cases, these principles are already covered through other regulatory or professional guidance. These are highlighted along with any specific provisions relating to a self-financed HRA.

These principles are designed to be self-regulatory and we believe that they represent a key tool in assisting local authorities to account for the management of the HRA to tenants and residents and those charged with governance.



Ken Lee
Chair, CIPFA Housing Panel



Grania Long
Chief Executive, Chartered Institute of Housing

Acknowledgements

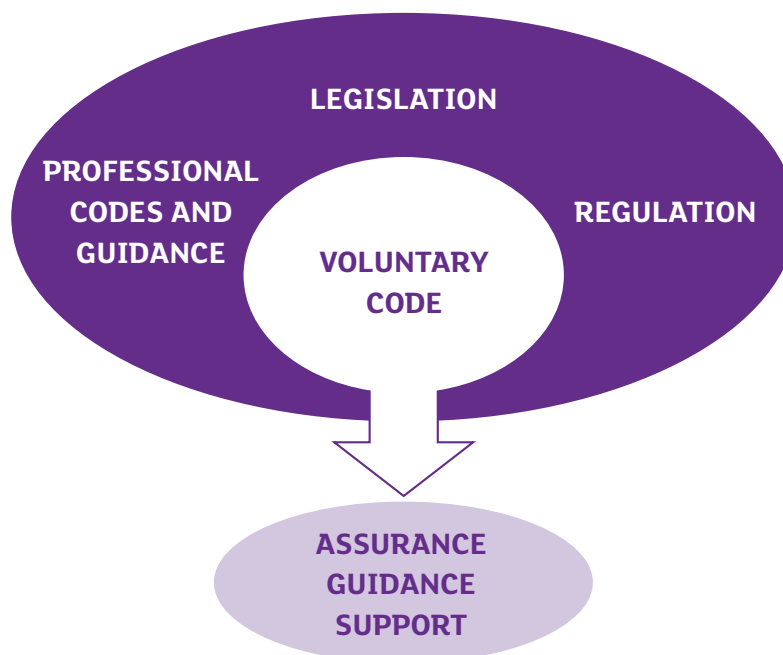
The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Chartered Institute of Housing (CIH) are grateful to the authors, Louise Dunne and Ben Taylor, and to the members of the project team who undertook the background research:

Julie Crook	<i>St Leger Homes of Doncaster</i>
Louise Dunne	<i>CIPFA</i>
Steve Partridge	<i>Chartered Institute of Housing</i>
Peter Pennekett	<i>Portsmouth City Council</i>
Ben Taylor	<i>Chartered Institute of Housing</i>

Introduction

Housing Revenue Account (HRA) self-financing commenced in April 2012. For the first time in generations, local housing authorities are able to fully retain the money they receive in rent in order to plan and provide services to their current and future tenants. This represents a monumental shift in outlook from the previous financial system, replacing an annual short-term focus with a longer term planning horizon with the freedom to develop and deliver a more positive, less constrained, vision for council housing.

With freedom and flexibility comes responsibility. Councils are keen to make the most of this opportunity and do so in a prudent, viable and measured way. There are already a number of checks and balances in the system, including formal regulation of consumer standards in housing by the Homes and Communities Agency and the financial and accounting framework operating for local government. This document is designed to support councils in their aim to ensure effective and sensible management of the housing business and to be consistent with existing frameworks.



Viable and sustainable council housing relies upon effective governance, financial and business planning. Decisions about appropriate arrangements for effective management of long-term housing business plans need to be decided and democratically accountable at the local level. However, there is an appetite within the sector for some guiding principles to assist in establishing those arrangements, and to demonstrate that councils are managing self-financing in a responsible and appropriate way.

Purposes

Councils have responded to the move to self-financing by putting in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their self-financed HRA.

To support this work CIPFA and the CIH have produced this voluntary code of practice and accompanying provisions to assist the local authority in its management of the HRA in the following ways:

- To assist councils in ensuring effective governance, finance and business planning.
- To provide transparency to tenants, members and officers on how housing business is being managed. The principles will give tenants and members a framework against which to hold the authority to account.
- To allow housing authorities to assess where they may need further support and assistance.

HOW THE CODE WORKS

This is a voluntary code of practice covering six principles. Along with these high level principles, the code comprises a series of supporting provisions which together describe what the sector considers as essential elements for the continued sustainability of a self-financed HRA. In some cases, these principles are already covered through other regulatory or professional guidance. In these cases, this is stated along with any specific provisions relating to a self-financed HRA.

The code is designed to be self-regulatory and compliance is not formally required. As such there are no formal entry level requirements and no formal sanctions for non-compliance. It will be for a housing authority to determine how it wishes to assess its compliance with the code on an on-going basis and this reflects our belief that this code is a tool to assist the authority to account for the management of the HRA to its stakeholders. One option available to housing authorities is to undertake reviews of compliance with the code and report these reviews to the appropriate scrutiny groups and include them within the authority's Annual Governance Statement. Where an authority does not feel it is complying with the code, it is a prompt to review its approach and question whether different things need to happen.

STATUS

The voluntary code has the support of a wide range of organisations, including those who work alongside tenants and residents – this set of principles and provisions is intended to support these groups and individuals to better challenge and scrutinise the performance of the HRA under self-financing.

Finally, it is not intended that any of the Principles or Provisions as set out in this code will override or countermand Statute.

The Principles

1. **Co-regulation.** The housing authority complies with the principles of co-regulation as set out in *The Regulatory Framework for Social Housing in England from April 2012*¹.
2. **Financial viability.** The housing authority has put in place arrangements to monitor the viability of the housing business and takes appropriate actions to maintain viability.
3. **Communications and governance.** The housing authority keeps under review the communications and governance arrangements with regards to the new operating environment and adopts governance arrangements appropriate to supporting viability and accountability of the housing business.
4. **Risk management.** The housing authority has in place an effective system for the on-going management, monitoring and reporting of risks to the HRA.
5. **Asset management.** The housing authority has in place arrangements to maintain its assets to maximise their value into the future. The authority complies with the principles of good asset management as they apply to HRA assets.
6. **Financial and treasury management.** The housing authority complies with proper accounting practices including CIPFA's *Code of Practice on Local Authority Accounting in the United Kingdom*² and CIPFA's *Treasury Management in the Public Services Code of Practice*³.

PRINCIPLE: CO-REGULATION

The housing authority complies with the principles of co-regulation as set out in *The Regulatory Framework for Social Housing in England from April 2012*.

Existing provisions:

There are six provisions outlined in the Regulatory Framework:

- Councillors and boards who govern providers are responsible and accountable for delivering their organisation's social housing objectives.
- Providers must meet the regulatory standards.
- Transparency and accountability is essential to co-regulation.
- Tenants should have opportunities to shape service delivery and to hold the responsible boards and councillors to account.

¹ *The Regulatory Framework for Social Housing in England from April 2012*, Homes and Communities Agency, March 2012

² *The Code of Practice on Local Authority Accounting in the United Kingdom*, CIPFA, annual

³ *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes*, CIPFA, 2011

- Providers should demonstrate that they understand the particular needs of their tenants.
- Value for money goes to the heart of how providers ensure current and future delivery of their objectives.

Voluntary code provisions

Financial and other performance information is presented in a format that is inclusive to all.

PRINCIPLE: FINANCIAL VIABILITY

The housing authority has arrangements in place to monitor the viability of the housing business and takes appropriate actions to maintain viability.

Voluntary code provisions

Provision 1:

The housing authority has put in place a business planning process underpinned by appropriate financial modelling that allows the cash flows of the business to be forecast. The process incorporates an appropriate set of assumptions relating to forecast:

- rent levels
- general income and expenditure levels
- interest rates on investment and borrowing, and associated costs
- levels of void properties and bad debts.

Provision 2:

The housing authority tests the viability of proposed major capital expenditure projects against the resources generated in the business plan. This ensures that additional activity (for example the development of new housing) is fully integrated into the business planning process and does not introduce liabilities that are unable to be fully funded within an appropriate timescale.

Provision 3:

The housing authority ensures that sufficient resources are allocated for the long-term maintenance of the stock and other assets, adopting an appropriate mechanism to transfer resources from revenue to a reserve ensuring that the peaks and troughs of lifecycle investment needs are able to be met.

Provision 4:

Assumptions are kept under regular review and tested against actual financial performance. Alterations to underlying assumptions are made in direct relation to the impact on the overall plan.

Provision 5:

The housing authority maintains accurate data about the cost of its services, and regularly reviews these in relation to its procurement and commissioning strategies. The business plan allocates resources to ensure the continued viability of high quality management services.

PRINCIPLE: COMMUNICATIONS AND GOVERNANCE

The housing authority keeps under review the communication and governance arrangements with regards to the new operating environment and adopts governance arrangements appropriate to supporting viability of the housing business.

Voluntary code provisions

Provision 1:

The housing authority undertakes to achieve openness in communication and sharing of information, and expresses all internal and governance communications in clear language.

Provision 2:

The housing authority engages in appropriate levels of consultation with tenants, members, officers and other stakeholders in a way that ensures it delivers efficient management and control of its business plan.

Provision 3:

The housing authority reviews on a regular basis the quality, accuracy and utility of all information pertaining to the management of its housing business including financial and performance based sources.

Provision 4:

The housing authority has an appropriate mechanism to assess its on-going compliance with the key principles and accounts to residents on this compliance. One option could be to undertake to publish a commentary on its compliance as part of its Annual Governance Statement or through other appropriate channels.

Provision 5:

The housing authority has adopted suitable governance arrangements consistent with the effective operation of a housing business, paying attention to the long-term nature of the business: incorporating for example the need to plan maintenance and investment over the long term and the need to manage large levels of long-term housing debt.

Provision 6:

The housing authority ensures that resources are appropriately allocated between investment, maintenance and management priorities in line with business plan objectives and that the balance of priorities is agreed with tenants, members and other stakeholders as appropriate.

PRINCIPLE: RISK MANAGEMENT

The housing authority has in place an effective system for the on-going management, monitoring and reporting of risks to the HRA. A different set of risks have been transferred to the housing authority from central government within the self-financing system.

Voluntary code provisions

Provision 1:

The housing authority carries out appropriate sensitivity analysis across the business plan to identify potential high, medium and low level risks to the financial viability of the HRA. In particular, attention is given to evaluating risks arising from: changes in government policy; treasury management risks; inflation; income recovery rates; void levels; changes to rent policy; changes in the composition of the stock; investment return; right to buy; debt levels and grants.

Provision 2:

The housing authority has a risk management system in place which, as a minimum, includes the following processes:

- identification of risk
- quantification of risk
- management of risk
- reassessment of risk
- communication of risk to appropriate decision-makers.

Provision 3:

The housing authority identifies appropriate mitigating actions where higher level risks to the overall sustainability of the business plan are identified, to ensure the long term viability of the HRA. These may include:

- an active treasury management strategy and procedures to manage treasury management risks in accordance with CIPFA's *Treasury Management in the Public Services Code of Practice*
- a suitable level of balance of reserves maintained by the HRA as a contingency against risks on inflation and income, bad debt increases as well as investment risk
- performance management frameworks effectively enforced to manage the risks of poor performance in voids, income collection and investment scheme delivery.

PRINCIPLE: ASSET MANAGEMENT

The housing authority has in place arrangements to maintain its assets to maximise their value into the future. The authority complies with the principles of good asset management as they apply to HRA assets.

Voluntary code provisions

Provision 1:

The housing authority takes a strategic approach to asset management ensuring that the long-term strategic vision for the authority is underpinned by a thorough understanding of current and future needs.

Provision 2:

The housing authority's strategic asset management and business planning processes are fully integrated. The business plan supports the maintenance and development of the asset base which in turn provides value to the business plan.

Provision 3:

The housing authority has agreed asset management standards with tenants, members and other stakeholders having regard to the financial resources generated within the business plan.

Provision 4:

The housing authority maintains accurate information relating to the condition, maintenance and investment needs of its housing stock and other HRA assets.

Provision 5:

Asset management information forms the basis for the asset investment programme of the housing authority driven by the business plan and set out over an appropriate medium-term financial period.

PRINCIPLE: FINANCIAL AND TREASURY MANAGEMENT

Existing provisions:

The housing authority complies with proper accounting practices including CIPFA's *Code of Practice on Local Authority Accounting in the United Kingdom* and CIPFA's *Treasury Management in the Public Services Code of Practice*.

Voluntary code provisions

There are two specific provisions in relation to the operation of a self-financed HRA relating to accounting for interest charges and depreciation.

Provision 1:

Housing is a long-term investment and HRA borrowing policy needs long term stability to ensure long-term planning is undertaken on a reasonable and consistent basis. The housing authority has set out a policy stating how a reasonable charge for borrowing costs of the HRA will be calculated, set for the long-term such that it enables long-term planning of HRA resources and borrowing.

Provision 2:

The depreciation charge to the HRA is calculated on a componentised basis in line with proper accounting practices⁴. The housing authority is moving to a full depreciation accounting charge in line with the transitional arrangements set out by the Department for Communities and Local Government.

⁴ For more information see *Housing Finance under Self-financing*, CIPFA, 2013.

Glossary

Co-regulation: the principle that underpins the Homes and Communities Agency's regulatory approach. Councillors who govern providers' service delivery are responsible for meeting the regulatory standards and being transparent and accountable for their organisation's delivery of its social housing objectives.

Housing authority: the same meaning as in the Housing Act 1985.

Housing business: the housing activity that is accounted for in the Housing Revenue Account.

Housing Revenue Account (HRA): the Housing Revenue Account of the local housing authority as defined by the Local Government and Housing Act 1989 (as amended).

Proper accounting practices: in relation to the accounts of a local authority these are defined in accordance with section 21 of the Local Government Act 2003.

Self-financing: a system for financing council housing introduced in April 2012 that replaced the Housing Revenue Account subsidy system.

Report to: **Housing Review Board**

Date of Meeting: 9 January 2014

Public Document: Yes

Exemption: None



Agenda item: 11

Subject: **HRA Financial Monitoring Report 2013/14 - Month 8 November**

Purpose of report: This report gives a summary of the overall financial position on the Housing Revenue Account, HRA Capital Programme and the Business Plan for 2013/14 at the end of month eight (November 2013).

Regular monitoring will highlight any areas of concern or unforeseen expenditure in the HRA and associated capital programme and enable corrective action to be taken as required. Any variances will be reflected in the Business Plan.

Current monitoring indicates that:

- The Housing Revenue Account Balance will be maintained at or above the adopted level.

The position on the HRA Business Plan remains healthy.

Recommendation: **That the variances identified as part of the HRA revenue and capital monitoring process up to month eight be acknowledged.**

Reason for recommendation: The report updates the Board on the overall financial position of the Housing Revenue Account and Business Plan following the end of each month and includes recommendations where corrective action is required for the remainder of the financial year.

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Financial implications: Details are contained within the report.

Legal implications: There are no legal implications requiring comment

Equalities impact: Low Impact

Risk: Low Risk

Current monitoring indicates that the HRA and Business Plan balances are being maintained at or above the adopted levels. In compiling this report we have looked at all large, high risk and volatile budget areas. Predicted spending patterns have been linked to operational activity and all material budgets have been subject to thorough risk assessments by operational managers and finance staff. Any continuing variances in spending patterns will be considered and incorporated into the Business Plan.

Links to background information: • [Housing Revenue Account Business Plan](#)

Link to Council Plan: Funding this Outstanding Place.

Financial Monitoring Report 2013/14 – To Month 8 November

1. Introduction

1.1 The purpose of this monitoring report is to update members of the Board on the overall financial position of the Housing Revenue Account and Business Plan following the end of month eight.

2. Housing Revenue Account Position

2.1 A summary of the predicted over and under spends to the year end is shown below:

	Variation at Month 8 £000	Predicted Outturn Variation £000
HRA contribution to capital for purchase of 4 flats in Exmouth	0	336
Variations from month 6	231	231
Total variations	231	567

2.2 The following table shows the original budget surplus set for the year and the total variations as identified above, which are likely to affect the budget to give a revised budget surplus for the year.

	£000
Original Budget surplus	(1,696)
Supplementary estimate for feasibility studies for potential developments on garage sites (HRB 05/09/13)	50
Month 8 predicted net (under)/overspend to year end	567
Predicted Budget Surplus	(1,079)

Appendix A gives a more detailed breakdown of the HRA budgets and actual expenditure and income to date.

- 2.3 These variations will have the following effect on the Housing Revenue Account Balance:

	£000
Housing Revenue Account Balance (01/04/13)	(2,970)
Predicted budget surplus as above	(1,079)
Predicted HRA Balance (31/03/13)	(4,049)

The recommended level for the HRA balance has been agreed at £2.1m (£500 per property). The current balance is well above the recommended level and will be used for further investment in the housing stock, to offset any adverse effects of Welfare Reform and to ensure sufficient funds are available to make the first repayment of principal on the self-financing loans due in 2014/15.

In addition £1.710m is held in a volatility reserve.

3. Capital Programme Position

- 3.1 The following table shows the HRA Capital Programme totalling £1.905m and the expenditure to date. Capital receipts and a S106 receipt will be used to fund part of this sum with the balance to be met by a revenue contribution from the HRA.

HRA Capital Programme Summary	Budget £000	Spend to date £000
New Housing IT System	350	9
Major improvements/extensions/loft conversions to existing dwellings	175	65
Off street car parking	50	1
Re-modelling of sheltered schemes	200	124
Social Services Adaptations	200	110
Purchase of HMO in Exmouth	450	244
Purchase of 4 flats in Exmouth	480	1
Total Programme	1,905	554

3.2 The following table shows the capital receipts received in the year to date and how those receipts must be used.

Capital Receipts	£000
Sale of council houses/flats	(1,432)
Other receipts including sales of land/garages	(106)
Total capital receipts received	(1,538)
Allocation of receipts:	
Retained for provision of new social housing	(775)
Retained for funding other HRA capital expenditure	(501)
Paid to HM Treasury	(262)
Total capital receipts allocation	(1,538)

There have been 18 Right to Buy sales and 11 garage sales completed so far this year. Under the terms of the agreement we've signed with the government which enables us to retain Right To Buy receipts, we must commit to spend those receipts within a rolling 3 years or they have to be paid over to the government with interest.

4. HRA Business Plan

4.1 Appendix B shows the Business Plan Operating Account which reflects the above changes in 2013/14 and the subsequent impact on balances for future years.

**EAST DEVON DISTRICT COUNCIL
REVENUE BUDGET MONITORING 2013/2014**

**SUMMARY OF HOUSING REVENUE ACCOUNT
Period to 30 November 2013**

2013/2014			Service	2013/2014	2013/2014	
Budget				Actual	Variance	
Original	Revised	Year to Date		£	£	
£	£	£				
			INCOME			
1	(17,200,000)	(17,200,000)	(11,246,170)	Gross Property Rent including Garages	(11,256,196)	(10,026)
2	(65,000)	(65,000)	(55,000)	Other Rents & Income	(70,757)	(15,757)
3	(17,265,000)	(17,265,000)	(11,301,170)	Total Income	(11,326,953)	(25,783)
				EXPENDITURE		
				Repairs & Maintenance		
4	2,203,570	2,403,570	1,655,817	General	1,894,883	239,066
5	998,000	998,000	652,080	Special Works	366,304	(285,776)
				Supervision & Management		
6	2,602,020	2,633,020	2,020,900	General	2,041,781	20,881
7	885,680	935,680	821,260	Special	721,390	(99,870)
8	243,470	243,470	177,590	Other Expenditure	166,310	(11,280)
9	6,932,740	7,213,740	5,327,647	Total Management & Maintenance	5,190,668	(136,979)
10	0	0	0	Adjustment to Bad Debt Provision	0	0
11	2,155,900	2,155,900	0	Depreciation - dwellings	0	0
12	78,190	78,190	0	- other	0	0
13	5,150,000	5,150,000	3,433,280	Major Repairs Account	2,948,595	(484,685)
14	(2,155,900)	(2,155,900)	0	Transfer to Major Repairs Reserve	0	0
15	12,160,930	12,441,930	8,760,927	Total Expenditure	8,139,263	(621,664)
16	(5,104,070)	(4,823,070)	(2,540,243)	NET COST OF SERVICE	(3,187,690)	(647,447)
17	(36,130)	(36,130)	0	Interest on Balances	0	0
18	2,569,200	2,569,200	1,284,610	Principal & Interest Payable (PWLB loans)	1,256,870	(27,740)
19	(90)	(90)	(70)	Interest on Council House Sales (mortgages)	(48)	22
20	2,532,980	2,532,980	1,284,540		1,256,822	(27,718)
21	(2,571,090)	(2,290,090)	(1,255,703)	NET OPERATING EXPENDITURE - Deficit / (Surplus)	(1,930,868)	(675,165)
22	875,000	1,211,000	0	Revenue Contribution to Capital Expenditure	0	0
23	(1,696,090)	(1,079,090)	(1,255,703)	Deficit / (Surplus) for the Year	(1,930,868)	(675,165)
				BALANCES		
24	(2,717,227)	(2,969,563)	(2,969,563)	Balance b/f	(2,969,563)	0
25	(1,696,090)	(1,079,090)	(1,255,703)	Deficit / (Surplus)	(1,930,868)	(675,165)
26	0	(1,710,000)	0	Volatility Reserve	(1,710,000)	0
27	(4,413,317)	(5,758,653)	(4,225,266)	Balance C/F	(6,610,431)	(675,165)

EAST DEVON DISTRICT COUNCIL
REVENUE BUDGET MONITORING 2013/2014

HOUSING REVENUE ACCOUNT - DETAILED STATEMENT

Period to 30 November 2013

2013/2014			Service	2013/2014			Comments	
Budget				Actual	Variance	Committed		
Original	Revised	Year to Date						
£	£	£	£	£	£			
			INCOME					
1	(16,800,000)	(16,800,000)	(10,984,630)	SB	Gross Property Rents	(10,987,934)	(3,304)	
2	(400,000)	(400,000)	(261,540)	SB	Garage Rents	(268,262)	(6,722)	
3	(65,000)	(65,000)	(55,000)	SB	Other Rents and Income	(70,757)	(15,757)	service charges, garden licences, IGM
4	(17,265,000)	(17,265,000)	(11,301,170)		TOTAL INCOME	(11,326,953)	(25,783)	0
			REPAIRS & MAINTENANCE					
			Repairs and Maintenance - General					
5	1,550,270	1,750,270	1,186,963	DB	Response Maintenance	1,386,521	199,558	! incl £60k Connaught settlement + anticipated overspend £140k
			Programmed Maintenance					
6	15,450	15,450	10,320	DB	Communal Areas	961	(9,359)	
7	0	0	0	DB	Fire Extinguishers	0	0	
8	10,000	10,000	6,640	DB	Emergency Lighting and Fire alarms	75	(6,565)	
9	80,000	80,000	53,360	DB	Solid Fuel Appliances	31,169	(22,191)	
10	400,000	400,000	299,973	DB	Gas Appliances - Servicing	386,124	86,151	! timing
11	35,000	35,000	23,360	DB	Lift Maintenance	29,708	6,348	!
12	540,450	540,450	393,653		Total Programmed Maintenance	448,037	54,384	0
			Cyclical Maintenance					
13	100,000	100,000	66,640	DB	External Painting Programme	43,626	(23,014)	£45k saving to offset overspend on damp eradication
14	0	0	0	DB	Extras to Painting Programme	13,532	13,532	!
15	0	0	0	DB	Gutter Repairs	1,207	1,207	!
16	12,850	12,850	8,560	DB	Interior Decoration	1,960	(6,600)	
17	112,850	112,850	75,200		Total Cyclical Maintenance	60,325	(14,875)	0
18	2,203,570	2,403,570	1,655,817		Total Repairs and Maintenance - General	1,894,883	239,066	0
			Repairs and Maintenance - Special Works					
19	100,000	100,000	66,640	DB	Adaptations For Disabled	34,879	(31,761)	
20	0	0	0	DB	Water Service Renewal	12,352	12,352	! no budget
21	0	0	0	DB	Window Renewal	1,630	1,630	! no budget
22	2,000	2,000	1,360	DB	Woodworm Treatment	1,678	318	!
23	55,000	55,000	23,360	DB	Dampness Eradication & Condensation	88,364	65,004	! likely spend £100k
24	100,000	100,000	66,640	DB	Carbon Management Programme (loft insulation)	24,510	(42,130)	
25	20,000	20,000	13,360	DB	Improvements Voucher Scheme	14,629	1,269	!
26	3,000	3,000	2,000	DB	Sanctuary Scheme	1,839	(161)	
27	40,000	40,000	26,640	DB	Asbestos Works	64,157	37,517	! budget for year overspent
28	20,000	20,000	13,360	DB	Structural Works - Subsidence	17,603	4,243	!
29	3,000	3,000	2,000	SB	Grant Via Tenant Participation	1,002	(998)	
30	0	0	0	DB	External Light	0	0	
31	15,000	15,000	10,000	DB	Energy Performance Certificates	13,250	3,250	!
32	20,000	20,000	13,360	DB	Path Repairs	28,873	15,513	!
33	10,000	10,000	6,640	DB	Soundproofing	0	(6,640)	
34	5,000	5,000	3,360	DB	Minor Schemes	880	(2,480)	
35	50,000	50,000	33,360	DB	Fire Safety Works	6,909	(26,451)	
36	10,000	10,000	6,640	DB	Flat Roof Repairs	4,674	(1,966)	
37	10,000	10,000	6,640	DB	Chimney Repairs	30,452	23,812	! budget for year overspent
38	15,000	15,000	10,000	DB	Fence Programme	17,426	7,426	!
39	20,000	20,000	13,360	DB	Replacement Floors	1,197	(12,163)	
40	500,000	500,000	333,360	DB	Catch Up Repairs (per Stock Condition Survey)	0	(333,360)	will offset overspends in Major Repairs
41	998,000	998,000	652,080		Total Repairs and Maintenance - Special Works	366,304	(285,776)	0

EAST DEVON DISTRICT COUNCIL
REVENUE BUDGET MONITORING 2013/2014

HOUSING REVENUE ACCOUNT - DETAILED STATEMENT

	2013/2014			Service	2013/2014			Comments
	Budget				Actual	Variance	Committed	
	Original	Revised	Year to Date					
	£	£	£	£	£	£		
				SUPERVISION & MANAGEMENT				
				Supervision & Management - General				
1	1,616,430	1,616,430	1,083,430	Employees	1,064,418	(19,012)		vacancies
2	94,130	125,130	125,060	Premises	130,803	5,743		! insurance premiums £31k
3	104,090	104,090	77,070	Transport	77,909	839		!
4	134,880	134,880	82,210	Supplies & Services	98,675	16,465		!
5	1,150,660	1,150,660	1,150,660	Support Services	1,150,660	0		
6	3,100,190	3,131,190	2,518,430	Total Expenditure	2,522,465	4,035		
7	(2,000)	(2,000)	(1,360)	Income	15,486	16,846		!
8	3,098,190	3,129,190	2,517,070	Net Expenditure before Recharges	2,537,951	20,881		
9	(496,170)	(496,170)	(496,170)	Recharges	(496,170)	0		
10	2,602,020	2,633,020	2,020,900	Net Supervision & Management - General	2,041,781	20,881	0	
				Net Expenditure Analysis by Cost Centre				
11	595,270	626,270	606,640	JG General Operational Management	605,825	(815)		insurance premiums £31k
12	252,720	252,720	216,150	JG Head of Housing	214,898	(1,252)		
13	794,480	794,480	581,170	SB Landlord Services	630,072	48,902		! Targeted Families Officer - no budget
14	641,580	641,580	473,890	DB Housing Needs & Strategy	462,285	(11,605)		
15	737,950	737,950	578,220	DB Asset & Property	564,348	(13,872)		vacancies
16	20,950	20,950	19,950	SB Council House Sales	19,771	(179)		
17	4,300	4,300	4,180	DB Sewage Treatment Works	6,763	2,583		!
18	50,940	50,940	36,870	SB Communal Areas Cleaning	33,989	(2,881)		
19	3,098,190	3,129,190	2,517,070	Net Expenditure before Recharges	2,537,951	20,881		
20	(496,170)	(496,170)	(496,170)	Recharges	(496,170)	0		
21	2,602,020	2,633,020	2,020,900	Total Analysis by Cost Centre	2,041,781	20,881	0	
				Supervision & Management - Special				
22	46,160	46,160	34,570	SB Community Centres	28,032	(6,538)		
23	10,000	10,000	6,640	DB Choice Based Lettings	3,476	(3,164)		
24	0	0	0	SB Targeted Families Programme	0	0		
25	327,170	327,170	324,810	SB Maintenance of Grounds	320,620	(4,190)		
26	30,430	30,430	22,030	SB Play Areas	9,493	(12,537)		
27	40,000	40,000	26,640	SB Estate Management	(20)	(26,660)		
28	10,000	10,000	6,640	SB Noise Nuisance Issues	0	(6,640)		
29	2,000	2,000	1,360	SB Anti Social Behaviour	0	(1,360)		
30	410	410	300	SB Caretaking & Window Cleaning	205	(95)		
31	32,000	32,000	21,360	DB Communal Areas Lighting	20,630	(730)		
32	24,000	24,000	16,000	DB Communal Areas Heating	9,145	(6,855)		
33	3,240	3,240	3,240	SB Tenants' Conference	2,741	(499)		
34	0	50,000	25,000	DB New Build Feasibility	9,041	(15,959)		HRB 05/09/13 supp estimate £50k
35	15,000	15,000	15,000	JG ASW Procurement	13,935	(1,065)		
36	10,000	10,000	6,640	SB Decommissioning Costs	3,910	(2,730)		
37	5,000	5,000	3,360	JG Business Plan Update	0	(3,360)		
38	8,960	8,960	7,330	SB District Offices running expenses	14,728	7,398		!
39	321,310	321,310	300,340	SB Mobile Support Officers	285,454	(14,886)		
40	885,680	935,680	821,260	Total Supervision & Management - Special	721,390	(99,870)	0	

**EAST DEVON DISTRICT COUNCIL
REVENUE BUDGET MONITORING 2013/2014**

HOUSING REVENUE ACCOUNT - DETAILED STATEMENT

	2013/2014			Service	2013/2014			Comments
	Budget				Actual	Variance	Committed	
	Original	Revised	Year to Date					
	£	£	£	£	£	£		
	OTHER EXPENDITURE							
1	13,080	13,080	9,360	DB	Sewerage - Repairs, Maintenance & Emptying	6,239	(3,121)	
2	38,050	38,050	30,600	SB	Tenant Participation	34,501	3,901	!
3	5,150	5,150	3,440	SB	Tenant Scrutiny	1,789	(1,651)	
4	2,000	2,000	1,360	SB	Storage	1,422	62	!
5	2,600	2,600	1,960	SB	Honiton -38 St Pauls Road Heathpark	2,110	150	!
6	9,750	9,750	6,480	SB	Community Development Work	4,257	(2,223)	
7	5,000	5,000	3,360	SB	Minor Management Schemes	2,110	(1,250)	
8	20,000	20,000	13,360	DB	Road Repairs	10,597	(2,763)	10,000
9	1,000	1,000	640	SB	Signs on Estates	910	270	!
10	0	6,000	4,000	SB	Eviction Expenses	6,208	2,208	
11	3,000	3,000	2,000	DB	Off Street parking - Grants to Tenants	2,141	141	!
12	8,000	2,000	1,350	DB	Pest Control Expenses	1,985	635	!
13	3,000	3,000	2,000	DB	Gully Cleansing	768	(1,232)	
14	29,940	29,940	26,580	DB	Tree Felling and Planting	27,334	754	!
15	5,000	5,000	3,360	DB	Landscaping	1,807	(1,553)	
16	75,000	75,000	50,000	DB	Removal Expenses (downsizing)	45,621	(4,379)	
17	400	400	240	DB	Private Water Supplies - Service & Maintenance	0	(240)	
18	15,000	15,000	10,000	SB	Removal of Rubbish	9,632	(368)	
19	7,500	7,500	7,500	SB	Best Value - Housemark	6,879	(621)	
20	243,470	243,470	177,590		TOTAL OTHER EXPENDITURE	166,310	(11,280)	10,000
	MAJOR REPAIRS ACCOUNT							
21	200,000	200,000	133,360	DB	Central Heating	377,143	243,783	! all to be spent
22	800,000	800,000	533,360	DB	Gas Appliance Replacement	89,684	(443,676)	560,000
23	150,000	150,000	100,000	DB	Electrical Updating	107,475	7,475	!
24	250,000	250,000	166,640	DB	Roofing Renewal	100,821	(65,819)	
25	1,000,000	1,000,000	666,640	DB	Replacement Kitchens	376,010	(290,630)	771,000
26	600,000	600,000	400,000	DB	Replacement Doors	211,381	(188,619)	440,000
27	400,000	400,000	266,640	DB	Replacement uPVC fascias etc	157,277	(109,363)	377,000
28	300,000	300,000	200,000	DB	Replacement Bathrooms	56,398	(143,602)	138,000
29	250,000	250,000	166,640	DB	Electrical Works on COT	430,689	264,049	!
30	1,200,000	1,200,000	800,000	DB	COT: Other Expenditure	1,041,717	241,717	! high number of COTs at start of year. ! Some kitchens & bathrooms included
31	5,150,000	5,150,000	3,433,280		TOTAL MAJOR REPAIRS ACCOUNT	2,948,595	(484,685)	2,286,000

APPENDIX B

East Devon DC
HRA Business Plan
Operating Account
(expressed in money terms)

Year	Year	Income					Expenditure										Net Operating (Expenditure) £,000	Provision for repayment of loans £,000	Transfer from / (to) MRR £,000	RCCO £,000	Surplus (Deficit) for the Year £,000	Surplus (Deficit) b/fwd £,000	Interest £,000	Surplus (Deficit) c/fwd £,000
		Net rent Income £,000	Other income £,000	Misc Income £,000	RTB Admin £,000	Total Income £,000	Managt. £,000	Depreciation £,000	Responsive & Cyclical £,000	Other Revenue spend £,000	HRA Cost of Rent Rebates £,000	Misc expenses £,000	Total expenses £,000	Capital Charges £,000										
1	2013.14	16,485	767	0	13	17,265	(3,569)	(1,156)	(3,401)	(243)	0	0	(8,370)	(2,564)	6,332	(5)	(4,072)	(1,211)	1,044	4,680	36	5,759		
2	2014.15	17,223	452	0	20	17,695	(3,812)	(1,153)	(3,662)	(311)	0	0	(8,938)	(2,563)	6,193	(580)	(4,043)	(525)	1,045	5,759	33	6,838		
3	2015.16	17,768	424	0	13	18,205	(3,786)	(1,151)	(4,069)	(256)	0	0	(9,261)	(2,559)	6,385	(1,029)	0	(4,336)	1,020	6,838	110	7,968		
4	2016.17	18,334	437	0	13	18,784	(3,900)	(1,148)	(4,186)	(262)	0	0	(9,496)	(2,562)	6,726	(1,490)	0	(3,861)	1,376	7,968	130	9,473		
5	2017.18	18,888	450	0	13	19,351	(4,017)	(1,145)	(4,306)	(269)	0	0	(9,737)	(2,541)	7,073	(1,310)	0	(4,030)	1,733	9,473	155	11,361		
6	2018.19	19,439	464	0	13	19,916	(4,137)	(1,143)	(4,430)	(275)	0	0	(9,986)	(2,521)	7,409	(1,587)	0	(4,176)	1,646	11,361	183	13,190		
7	2019.20	19,992	478	0	13	20,483	(4,261)	(1,140)	(4,558)	(282)	0	0	(10,242)	(2,495)	7,746	(1,917)	0	(4,326)	1,503	13,190	209	14,902		
8	2020.21	20,552	492	0	13	21,057	(4,389)	(1,137)	(4,689)	(289)	(5)	0	(10,510)	(2,459)	8,088	(2,259)	0	(4,479)	1,349	14,902	234	16,485		
9	2021.22	21,122	507	0	13	21,641	(4,521)	(1,135)	(4,824)	(297)	(6)	0	(10,782)	(2,410)	8,448	(2,619)	0	(4,751)	1,078	16,485	255	17,819		
10	2022.23	21,706	522	0	13	22,241	(4,656)	(1,132)	(4,963)	(304)	(8)	0	(11,063)	(2,349)	8,828	(2,889)	0	(4,916)	1,023	17,819	275	19,117		
11	2023.24	22,305	538	0	13	22,855	(4,796)	(1,129)	(5,085)	(312)	(9)	0	(11,330)	(2,277)	9,248	(3,288)	0	(6,133)	(173)	19,117	285	19,229		
12	2024.25	22,920	554	0	13	23,487	(4,940)	(1,126)	(5,231)	(319)	(10)	0	(11,627)	(2,190)	9,670	(3,718)	0	(6,336)	(384)	19,229	286	19,131		
13	2025.26	23,552	570	0	13	24,136	(5,088)	(1,124)	(5,381)	(327)	(11)	0	(11,932)	(2,087)	10,116	(4,180)	0	(6,545)	(608)	19,131	282	18,805		
14	2026.27	24,201	587	0	13	24,802	(5,241)	(1,121)	(5,536)	(336)	(11)	0	(12,245)	(1,967)	10,590	(4,675)	0	(6,759)	(844)	18,805	276	18,237		
15	2027.28	24,868	605	0	13	25,486	(5,398)	(1,118)	(5,696)	(344)	(12)	0	(12,568)	(1,829)	11,089	(2,427)	0	(6,979)	1,683	18,237	286	20,206		
16	2028.29	25,553	623	0	13	26,189	(5,560)	(1,116)	(5,859)	(353)	(14)	0	(12,901)	(1,756)	11,532	(2,710)	0	(8,357)	464	20,206	307	20,976		
17	2029.30	26,257	642	0	13	26,912	(5,727)	(1,113)	(6,028)	(361)	(14)	0	(13,243)	(1,673)	11,996	(3,081)	0	(8,621)	294	20,976	317	21,587		
18	2030.31	26,979	661	0	13	27,653	(5,899)	(1,110)	(6,201)	(370)	(14)	0	(13,594)	(1,576)	12,483	(3,483)	0	(8,892)	108	21,587	325	22,020		
19	2031.32	27,722	681	0	13	28,416	(6,075)	(1,108)	(6,380)	(380)	(16)	0	(13,959)	(1,464)	12,993	(3,915)	0	(9,170)	(92)	22,020	330	22,257		
20	2032.33	28,484	701	0	13	29,199	(6,258)	(1,105)	(6,563)	(389)	(16)	0	(14,331)	(1,336)	13,531	(6,063)	0	(9,455)	(1,988)	22,257	319	20,589		
21	2033.34	29,268	722	0	13	30,003	(6,445)	(1,102)	(6,752)	(399)	(17)	0	(14,716)	(1,135)	14,152	(6,735)	0	(9,184)	(1,767)	20,589	296	19,117		
22	2034.35	30,073	744	0	13	30,830	(6,639)	(1,100)	(6,946)	(409)	(18)	0	(15,112)	(910)	14,808	(7,413)	0	(9,469)	(2,075)	19,117	271	17,314		
23	2035.36	30,899	766	0	13	31,679	(6,838)	(1,097)	(7,146)	(419)	(18)	0	(15,518)	(660)	15,500	(8,137)	0	(9,763)	(2,400)	17,314	242	15,156		
24	2036.37	31,749	789	0	13	32,551	(7,043)	(1,094)	(7,352)	(430)	(20)	0	(15,938)	(387)	16,226	(8,911)	0	(10,064)	(2,749)	15,156	207	12,613		
25	2037.38	32,621	813	0	13	33,447	(7,254)	(1,091)	(7,563)	(440)	(21)	0	(16,370)	(83)	16,995	(225)	0	(10,374)	6,396	12,613	237	19,246		
26	2038.39	33,517	838	0	13	34,368	(7,472)	(1,089)	(7,781)	(451)	(22)	0	(16,815)	(77)	17,476	(20)	0	(11,629)	5,827	19,246	332	25,405		
27	2039.40	34,438	863	0	13	35,313	(7,696)	(1,086)	(8,004)	(463)	(23)	0	(17,272)	(78)	17,963	(21)	0	(11,982)	5,960	25,405	426	31,791		
28	2040.41	35,384	889	0	13	36,285	(7,927)	(1,083)	(8,234)	(474)	(23)	0	(17,742)	(80)	18,463	(22)	0	(12,343)	6,097	31,791	523	38,411		
29	2041.42	36,354	915	0	13	37,283	(8,165)	(1,081)	(8,471)	(486)	(24)	0	(18,227)	(81)	18,975	(23)	0	(12,715)	6,236	38,411	623	45,270		
30	2042.43	37,352	943	0	13	38,307	(8,410)	(1,078)	(8,715)	(498)	(25)	0	(18,726)	(82)	19,499	(25)	0	(13,097)	6,377	45,270	727	52,374		

Report to: **Housing Review Board**

Date of Meeting: 9 January 2014

Public Document: Yes

Exemption: None



Agenda item: 12

Subject: **Housing Rents – Systems Thinking review**

Purpose of report: This report sets out the findings of a Systems Thinking review of day to day rent account management for our tenants. The report highlights the findings of the 'Check' phase; the key areas of success and looks at the 'Redesign' phase. The report also identifies the challenges ahead and a possible option to shape the future of the rents team.

Recommendation: **Members are asked to consider the report and note the findings.**

Reason for recommendation: To ensure the Board is aware of the outcome of the housing rents Systems Thinking review.

Officer: Peter Richards Rental Manager Ext 2380
prichards@eastdevon.gov.uk

Financial implications: No additional financial implications have been identified. Rent collection is already 99.72%.

Legal implications: There are no legal issues on which to comment.

Equalities impact: High Impact
Rental income finances all the work of the Housing Service.

Risk: Low Risk
Actions arising out of the systems thinking review have brought little change for rent collections processes and so should not have a negative impact on income.

Links to background information: • None

Link to Council Plan: Living in this Outstanding Place

Report in full

1 Background

1.1 The Board has previously received reports on the Systems Thinking reviews that have been undertaken in housing. The reviews are a significant element of our programme for continuous improvement and have taken up a considerable amount of officer time involving a change in thinking and a renewed focus on 'what matters' to our customers.

- 1.2 We have previously reviewed the setting up of a new tenancy, including setting up the rent account at tenancy 'sign up'. We measure the time taken for the first rental payment to be received after the commencement of a tenancy.
- 1.3 This Systems Thinking review looks at day to day management of rent accounts. You will recall that the key phases in the Vanguard methodology for a review are 'Check' and 'Redesign'.
- 1.4 Our customer purpose identified during 'Check' is - **To help tenants pay the right amount of rent at the right time.**
- 1.5 We have moved onto phase two of the Systems Thinking methodology which is **Redesign**, and some of the prerequisites of moving into this phase are:
 - Consolidation of the understanding of the current assumptions/logics and principles of the current system (both explicit and implicit);
 - Clarity of purpose;
 - Baseline of current performance (capability to meet customer demand, what matters to the customer and our purpose);
 - A new framework of Systems Thinking principles to support and underpin the new system. These can be grouped into leadership, management and operational principles.

2. Check

- 2.1 The Check process identified that the majority of demand in this area of work is value demand. In other words it is demand from tenants that we want, whether that is to make a payment, a payment arrangement or request financial support and advice. It also identified clearly what matters to customers, staff and managers. Very little preventable demand was found in the system.
- 2.2 At the conclusion of Check we discovered that a high number of our customers are satisfied and rate the service very highly. Misdirected telephone calls accounted for the very small amount of waste or preventable demand.
- 2.3 What matters to customers, staff and managers?
 - Having a range of payment methods and frequencies
 - Regular rent statements
 - Affordable/modest rent increases
 - Being 'set up' right
 - Quick help (free financial help, support and advice when facing financial difficulties)
 - High percentage of rental income
 - Moving out, leaving clean

3. Redesign

- 3.1 Redesign involves confirming our purpose, establishing a series of measures, identifying value demands and plotting the value steps in the work. With a high level of satisfaction from our customers and the high performance of Rental Income Collection (99.72%) no waste demand was identified as needing to be redesigned out of the system.
- 3.2 Over many years the Rents team have continually monitored customer comments, any complaints, thanks and praise. If as a result of some of the comments/complaints it was felt there was a need to change or redesign the system, this would be discussed by the team and any changes would be made. These changes would then be monitored by customer feedback.

- 3.3 This continual monitoring process has resulted in robust systems for rent notification and collection together with a fit for purpose debt recovery system.
- 3.4 Because of the high performance of rental income collection there has, understandably, been an 'if it isn't broke don't fix it' attitude. With the concern that any changes may result in a downturn in performance.
- 3.5 Looking ahead there are a number of challenges that will shape the way in which we will work – a new housing system, office move, mobile working, home working, hot-desking, and further welfare reforms.
- 3.6 Earlier this year the Rents team met with the Landlord Services Manager to discuss possible ways of moving forward. One suggestion was to manage rent accounts on a patch/area basis. This would give each Rental Officer an area to manage and be responsible for.
- 3.7 What are the disadvantages of this set up?
- Officers work partly in specialist fields and training would be required for all officers to have all the specialist knowledge. Some officers may be more adaptable than others.
 - Who will cover when officers are off sick or on leave?
- 3.8 What are the advantages of this set up?
- More knowledge and awareness of individual customers
 - Continuity of case work
 - Ownership of area/patch
 - Responsibility
 - Control
 - Decision making/empowerment
 - Other teams know who is managing which area/patch
 - Performance management/monitoring on debt levels

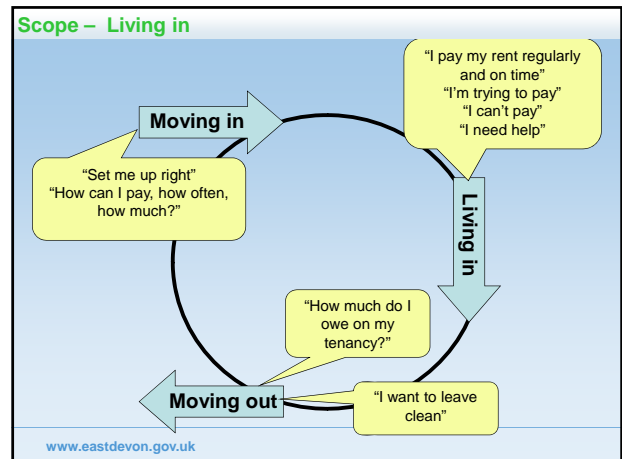
4. Conclusions

- 4.1 The outcome of this meeting was not to change at this time, primarily because of the high level of performance.
- 4.2 With the many challenges that we face - a new housing system, office move, home working, hot-desking, and further welfare reforms, it is a good time to look at and reshape the future of rent account management to meet the challenges that lie ahead. We will use the Systems Thinking principles identified through the review process, keep checking what matters to our customers, and ensure that our system for dealing with rent arrears and ensuring that we work – To help tenants pay the right amount of rent at the right time.
-

Housing - Living in

Systems Thinking in Rents

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Purpose

From a customer perspective what is the purpose of our rent management activity ?

- To help tenants pay the right amount of rent at the right time.
- Ensuring that tenants are organised to pay their rent (set up right).
- To collect the right amount of rent at the right time.
- Ensuring that an outgoing tenant pays all rent due to the end of the tenancy (leaving clean).

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What Matters and Purpose

<p>Purpose: Set me up right</p> <p>What Matters?</p> <ul style="list-style-type: none"> • Will I get any Housing Benefit? • How much rent will I have to pay? • How can I pay my rent? • When do I pay my rent? 	<p>Purpose: Managing my rent account</p> <p>What Matters?</p> <ul style="list-style-type: none"> • I need help, I can't pay my rent • I need some advice, I am having financial difficulties 	<p>Purpose: Leaving clean</p> <p>What Matters?</p> <ul style="list-style-type: none"> • How much do I owe to the end of my tenancy? • Paying what is owed before you leave
Moving in - sign up	Managing my tenancy - rent account	Tenancy terminated - moving out

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What matters

What is important to customers; staff and managers

- A range of payment methods & frequencies
- Regular rent statements
- Affordable/modest rent increase
- Being 'set up' right
- Quick help (financial help and advice) when going into arrears
- High percentage of rental income
- Moving out, leaving clean

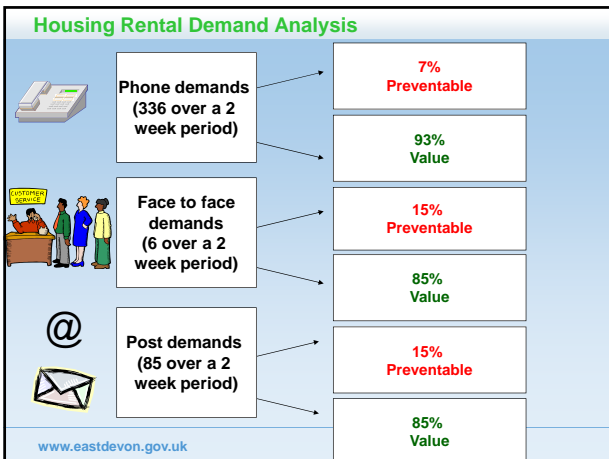
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Main housing rental value demands

Value Demands

- 'How much is my rent (now / increase ...'
- 'What ways can I pay my rent ...'
- 'Can I make an arrangement to pay my arrears ...'
- 'Am I eligible for benefit towards my rent ...'

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427 demands over 2 weeks in January 2010

Calls identifiable as value or preventable

Top 5 value demands =

- 137 = 32% Can I make a payment over the phone
- 73 = 17% How much rent do I owe
- 34 = 8% Can I make an arrangement to pay my arrears
- 21 = 5% I am responding to the letter I received
- 21 = 5% I am letting you know I will pay my rent on

Top 5 preventable demands =

- 9 = 2.1% I do not agree with what you say I owe
- 5 = 1.2% I don't understand the papers from the Court
- 4 = 0.9% Is my housing benefit application progressing
- 1 = 0.3% I want to move to another property
- 1 = 0.3% I want to change the name on my tenancy

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Customer shape

How do you categorise your customers?

- Good rent payers
- Benefit dependant payers
- Non payers – no rent to pay
- Poor/irregular rent payers
- Crisis payers/arrears

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Capability

Capability...

How well do we deliver what matters?

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Rental Income Collection

Performance

- Income Collection performance figures for last 3 years. These figures include rent arrears brought forward at the start of each year
- 2010/2011 99.48%
- 2011/2012 99.65%
- 2012/2013 99.72%
- Not only are the number of debts reducing, but the total amount of debt is reducing.
- Rent arrears have been reducing, year on year, for the last 8 years

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End to End Capability

Measuring capability

- Measuring the performance of rent accounts from the point they go into arrears to when they are paid in full is a capability that is not under the control of the Rents team.
- Paying rent accounts in full relies on payments from the customer. The capability of the Rents team is to influence customers in maintaining good rent account management and prevent arrears of rent.

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Timeline for capability charts

- From going into debt to rent paid
- This timeline assumes that arrears of rent are not paid until we get to an eviction date, but the arrears of rent can be paid at any point on this timeline and of course the vast majority of tenants do so.

- Assuming no payment, from missed rent to eviction date would be a minimum of 6 months.

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Redesign

Redesign is –

- Looking at your processes and taking out preventable demand and incorporating value demand.

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Waste in our processes?

What are our customers telling us?

With satisfied customers and excellent improving performance where do we go from here?

- The Scores and the feedback we received indicate that customers are very satisfied and rate the service they get very highly.
- There is very little waste in our processes and there were no areas identified as needing attention (Redesign).

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Redesign?

Where does that leave us?

- To be successful at rental income collection a robust system of rent notification and collection is needed that is easy for tenants to understand and use. In addition to this a fit for purpose debt recovery system is also required.
- We continually monitor customer comments and any issues arising. Over the years the Rents team have managed preventable demand and improved processes where necessary Cont'd

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The future

Looking forward

- This continual review has recently identified some 'double handling' of rent arrears cases. Rental Officers work in areas for some functions (serving Notices plus visits while in the area) and they also manage debts in amount categories, i.e. £5 - £50, £50 - £100, £100 - £250 and so on. This needs careful management, but does use a resourceCont'd

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The Future

Looking forward

- Because of the high performance of rental income collection there has been, understandably, an (if in isn't broke don't fix it) attitude.
- But there are challenges ahead, a new housing system, office move, home working, further welfare reforms and hot-desking.
- These challenges will shape the future way in which we work.

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The Future

Looking Forward

- Earlier this year the rents team met with the Landlord Services Manager to discuss ways of moving forward.
- A suggestion had been put forward that managing rent accounts on a patch/area basis may improve performance and customer service. It was suggest that this be done on a trial basis, that if didn't work could be reversed back to how we currently manage, but

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The Future

What are the advantages and disadvantages of patch/area working?

Disadvantages-

- Some retraining required
- Do we divide up specialist responsibilities like – Former tenants, ARBA(Arrears of Rent Batch processing), PCOL (Possession Claims On Line) or keep it for one officer?
- Who covers when officer on leave?

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The Future

Advantages

- More knowledge and awareness of customers
- Continuity
- Ownership
- Responsibility
- Control
- Decision making
- Other teams know who is managing which patch
- Performance management on debt levels

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The Future

How could we trial patch/area working

- What patches/areas
- When should we start
- For how long
- Specialist areas
- Training
- Measure failure or success

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The Future

Challenges

- The outcome of the meeting was to make no changes and continue with managing rent accounts in the same way.
- But with the challenges we are facing – a new housing system, office move, home working, hot-desking and further welfare reforms.
- Is now a good time to look at and reshape the future of rent account management?

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The End

Any questions?

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Report to: **Housing Review Board**

Date of Meeting: 9 January 2014

Public Document: Yes

Exemption: None



Agenda item: 13

Subject: **Preventing Tenancy Fraud**

Purpose of report: This report builds on our approach to preventing tenancy fraud and considers a recent good practice document published by the Chartered Institute of Housing.

Recommendation: **To have regard to the Chartered Institute of Housing good practice advice on tackling tenancy fraud when implementing our local policy and practice.**

Reason for recommendation: To ensure that we have a suitable approach to tackling tenancy fraud.

Officer: John Golding Head of Housing. Tel: 01395 517567
jgolding@eastdevon.gov.uk

Financial implications: There are no financial implications in adopting the CIH good practice advice although obviously preventing fraud could potentially save the HRA money.

Legal implications: The legal framework is set out within the guidance which accompanies the report

Equalities impact: Medium Impact

Risk: Medium Risk

Links to background information: • None

Link to Council Plan: Living in this outstanding place.

Report in full

Tackling Tenancy Fraud in social housing

1. Our approach to tenancy fraud is proportionate in that we recognise the risks and opportunities for tenancy fraud and have a number of measures in place that attempt to mitigate opportunities for fraud, identify occurrences and deal with any instances discovered.
2. I reported on this matter in January 2010 and this report contains our policy position on tenancy fraud. In March 2012 I updated the Board on progress in implementing key aspects of our policy.
3. Our approach to preventing tenancy fraud centres around our accompanied viewing and new tenancy 'sign up' processes, tenancy audits, publicity and whistle blowing.

4. We think this approach is working well and that we experience a relatively low level of tenancy fraud. We take any type of fraud seriously at a corporate and service level and are about to publish a learning package for staff about different types of fraud and how to prevent it. This learning package includes a tenancy fraud element.
5. The Chartered Institute of Housing has recently published a useful guide on How to tackle tenancy fraud which I have reproduced in **annex 1**.
6. The publication sets out a useful definition of tenancy fraud and the reasons for tackling the problem. It also outlines a series of good practice recommendations on how to tackle tenancy fraud with an emphasis on prevention and detection.
7. Most of the advice is already covered in our policy and adopted working practices, but there is a useful reminder of the value in using publicity and dedicated fraud officers that we have not embraced in the way that some social landlords have used to good effect.
8. I am suggesting that we have regard to the good practice advice in the Chartered Institute of Housing publication to supplement our approach to tenancy fraud, where appropriate.



How to...
tackle tenancy fraud



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How to... tackle tenancy fraud

Tenancy fraud presents a significant challenge to providers of social housing. Preventing the fraudulent misuse of socially rented properties is a priority for housing associations and local authorities alike, but concerns about where to start and how to make an impact without unnecessary expense can be a challenge.

This guide will provide an overview of the most effective counter-tenancy fraud measures based on good practice collected from providers across England.

What is tenancy fraud?

Tenancy fraud refers to a situation where a tenant has breached certain terms of their tenancy agreement. It has been dealt with as both a civil and criminal matter by different housing associations and local authorities.

Tenancy fraud generally falls into three categories:

1. Not using the property as the 'sole or principal home'. This includes:
 - abandoning the property
 - succeeding to or assigning the tenancy, without the landlord's permission, after the legal tenant has moved out or died
 - unlawfully subletting the entire property.
2. Attempting to obtain a property using false statements, for example, falsely claiming to be homeless
3. Attempting to obtain a property by using false documents, for example, using a forged passport or claiming to be someone else in order to access social housing.

Why tackle tenancy fraud?

Taking effective measures against tenancy fraud is important in terms of providing an effective housing management service, complying with the Homes and Communities Agency's Regulatory Framework, and safeguarding the public purse.

Housing management

When properties are used fraudulently, either sublet to unauthorised tenants, or left empty, it means that the housing provider has little or no control in terms of managing the property. If a landlord is unaware of who is living in their property, they jeopardise their ability to respond effectively to cases of anti-social behaviour, repairs issues and general neighbourhood sustainability.

Social housing is a public asset and ensuring that it is used appropriately is the responsibility of all housing providers. The fraudulent misuse of social housing is not only a waste of an important resource but it prevents landlords from offering suitable accommodation to those in most need.

Recovering a property lost to tenancy fraud means it can be re-let to another household, providing a secure home for a family. Housing associations who are demonstrating a real commitment to tackling tenancy fraud have said they feel it is their duty as a social landlord to protect their stock and to ensure its use for those who are genuinely in need.

The Regulatory Framework

The Homes and Communities Agency's [Regulatory Framework for Social Housing in England 2012](#) includes a direction to registered providers that they should 'publish clear and accessible policies which outline their approach to... tackling tenancy fraud'.

The Public Purse

Properties used fraudulently are not available for those in genuine need. This means that homeless families and individuals are often placed in temporary accommodation whilst they wait for an appropriate home to become available. On average, the cost of temporary accommodation for a household is £18,000 each year.

The National Fraud Authority (NFA) has identified tenancy fraud as the largest area of fraud loss across local government, at a cost to the public purse of an estimated £900 million each year in temporary accommodation charges.

How to tackle tenancy fraud?

The NFA has published a strategy for local authorities to better protect themselves from fraud, including tenancy fraud. The strategy, [Fighting Fraud Locally](#), outlines three strands of a successful counter-fraud approach: acknowledge, detect and pursue.

Effective counter-tenancy fraud measures can be adopted by housing providers with minimum financial outlay and based on good practice from across the sector, guided by the three strands of the NFA strategy.

Acknowledge

Acknowledging the risk of tenancy fraud within an organisation providing social housing is the first step in effectively addressing it.

Tenancy fraud can occur wherever social housing is provided and, according to estimates from the Audit Commission, affects one per cent of all socially rented properties. Examples from providers have shown that, once an organisation initiates counter-tenancy fraud measures, they see an increase in the number of reports of fraud.

Acknowledging the risk of tenancy fraud can be demonstrated by a formal recognition of the potential for fraudulent activity within the housing stock, and the commitment of resources to address it, including a corporate policy.

Prevent and detect

Measures to prevent tenancy fraud from entering the system in the first place are by far the most cost-effective way of tackling tenancy fraud.

Preventative measures are focused around verifying information provided by the tenant on applying for social housing, or when signing up to a new tenancy. The majority of applicants are in genuine housing need, however, occasionally individuals will use false documents to attempt to access social housing, will neglect to inform the local authority of a change in their circumstances whilst on the waiting list, or will make false statements on their application.

Identity verification

To effectively prevent tenancy fraud at the point of sign-up to a new tenancy, succession or transfer, housing providers should make additional checks to verify the applicant's details.

Verification checks should include checking forms of identification provided by the applicant, their tenancy history and their household circumstances.

This can include actions like running a credit reference check on an individual to verify their tenancy history or matching data with the local authority or other housing providers.

Staff with responsibility for lettings and transfers may benefit from training focusing on ID verification and identifying forged documents.

In some cases it may be necessary to conduct a home visit to the applicant's property to establish the size of the household and any other details provided in the application.

Further guidance on how to prevent tenancy fraud, including details on acceptable forms of identification and appropriate verification checks, can be found via the Making Best Use of Stock website www.cih.org/mbus

Data Sharing

Data sharing refers to the process where housing providers share information about their tenants with external credit referencing agencies, local authorities or other housing providers in order to detect fraud. Data sharing can be used to identify where an individual has provided different and even conflicting information about themselves to different organisations, for example claiming the Single Person Discount for council tax, but applying for rehousing on the grounds of overcrowding.

Further information on data sharing can be found in the MBUS guide 'Tenancy Fraud and Data Sharing' available from the MBUS website www.cih.org/mbus

Taking photographs

Increasingly, providers are taking digital photographs of tenants as part of the sign-up process. Linking photographs to tenant records is a good way of quickly checking during a visit that the person living in the property is the same person who signed up to the tenancy. Some providers have extended this to include photographing their tenants during tenancy audits to capture images of all existing tenants. Despite concerns from providers that tenants would object to having their photograph taken, in practice they have reported very low levels of resistance once the purpose of the exercise has been explained.

Tenancy audits

Tenancy audits can be a high-impact method for detecting and deterring tenancy fraud. Visiting tenants in their homes will allow the landlord to verify who is living there and can enable household data to be collected for effective housing management and to identify additional support needs.

Learning from others

Peabody Housing Association carries out unannounced estate 'blitzes' targeting homes in neighbourhoods where there are concerns about fraudulent behaviour for intensive tenancy audits. The housing officers wear high visibility vests throughout the exercise and will usually receive a number of 'tip-offs' from residents which are then followed up. According to Joe Joseph, Director of Neighbourhoods at Peabody "Legal residents love our high profile approach as it demonstrates our commitment to housing those in need".

Contact: Joe Joseph joe.joseph@peabody.org.uk

Guidance on how to conduct effective tenancy audits is available from www.cih.org/mbus

Involving customers

Local residents will often be aware of fraudulent activity taking place before it comes to the housing provider's attention. Housing providers which have promoted their counter-tenancy fraud approach to their tenants report much higher numbers of referrals of potentially misused properties.

Housing providers have benefitted from making it easy for their customers to report their suspicions of fraud by providing either a reporting 'hotline' or an online form.

Promoting the message that tenancy fraud can have serious consequences can also act as a deterrent for those who may have considered illegally subletting their property or not using it as their sole or principal home.

Learning from others

As part of the **Manchester Tenancy Fraud Initiative**, the 18 largest providers of social housing in Manchester set up a shared tenancy fraud hotline as part of their wider approach to tackling tenancy fraud in the city. This was accompanied by a publicity campaign with the tag line 'stop tenancy cheats taking our homes'.

Over 12 months, 76 individual reports were made to the hotline resulting in seven properties being recovered almost immediately and 35 separate fraud investigations launched.

Contact: Matthew Maouati m.maouati@southwayhousing.co.uk

Using publicity

In addition to providing reporting facilities and information aimed directly at customers, an effective method for both deterring and detecting tenancy fraud is to maximise publicity. Housing providers have reported that running articles on tenancy fraud in their tenant newsletters or on their websites results in higher numbers of referrals of potential fraudulent activity.

Other sources of publicity which housing providers have used include local radio stations, news channels and newspapers which are interested in running stories about tenancy fraud.

More generally, providers have found simple measures like providing leaflets and displaying posters are effective in raising awareness of tenancy fraud.

Dedicated officers

Employing a dedicated fraud investigator may not be a financially viable option for all housing providers. However, a specific resource with a specialism in tenancy fraud relieves the duty for fraud investigation from front-line housing officers which can lead to more thorough processes and more successful outcomes. Housing providers which have a dedicated counter-fraud post have reported higher levels of recovered properties than those who use their generic housing officers.

It may be useful to store the details of a referral, or an investigation, using a case management tool. Most existing local authority fraud investigation teams employ a software product of some kind to assist.

Training

Regardless of whether a dedicated fraud investigator post is an available option, all customer-facing staff would benefit from tenancy fraud awareness training. Basic training should cover issues like what to look for as indicators of fraud and how to progress reports of fraud. More advanced training for those staff members with specific responsibility for investigating tenancy fraud is advisable, and should cover topics like the surrounding legal implications of tenancy fraud, and how to collect and record evidence.

Pursuing cases

Civil cases

Once an instance of tenancy fraud is uncovered and the tenant has been approached with the evidence against them, the tenant tends to return the keys with no further need for court action. Returning the property is usually the main aim of counter-tenancy fraud action and many housing providers welcome the surrender of the tenancy without the need for potentially costly eviction procedures.

For tenants who do not surrender the tenancy, landlords should recover the property through civil action in the courts, serving Notices to Quit and Notices of Seeking Possession where appropriate.

Criminal cases

Occasionally the scale of the fraud uncovered, or level of deception involved, has prompted some housing providers to work with a local authority to bring a case for criminal prosecution against a tenant.

The most commonly used legislation in cases of tenancy fraud is the Fraud Act 2006 and the Forgery and Counterfeiting Act 1981. Whilst the level of resources required to bring criminal charges against an individual may be seen as prohibitive by some organisations, there is an increasing trend for providers who have employed these measures to win their cases.

Learning from others

On discovering that a tenant had used fraudulent documentation to acquire social housing, **Phoenix Community Housing Association** and **Lewisham Council** launched a joint investigation which resulted in the defendant being sentenced to eight months in prison under the Forgery and Counterfeiting Act 1981 in April 2012.

Contact: Nicola Evans nicola.evans@phoenixch.org.uk

Next Steps

The Prevention of Social Housing Fraud Bill intends to create a new criminal offence of subletting a social tenancy, or 'parting with possession' of a socially rented property. The potential penalties for the new offences includes up to two years' imprisonment and a fine of up to £50,000.

Housing providers will be required to work closely with their local authority to bring prosecutions under this new legislation which also has the potential to allow for enhanced data sharing to detect tenancy fraud.

The Bill also includes new measures for housing providers to make claims for any profit made by tenants who sublet their properties

At the time of writing the Bill is currently at the committee stage in the House of Commons.



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incase intelligence and tenancy fraud

InCase is an established case management system used by more than 20 London authorities for fraud investigations. Used by organisations nationally, InCase has been the tool of choice for fraud teams who are looking to profile, risk assess and investigate claims of fraud within their establishment.

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- Assistant Director of Finance (LB Greenwich)

Useful resources and information

The Making Best Use of Stock Team
www.cih.org/mbus

The Tenancy Fraud Forum
www.tenancyfraudforum.org.uk

Tacking Unlawful Subletting and Occupancy: Good Practice Guidance for Social Landlords (date), CIH
www.communities.gov.uk/publications/housing/housingfraudguidance

Protecting the Public Purse 2011 report (2011), Audit Commission
www.audit-commission.gov.uk/localgov/nationalstudies/Pages/ppp2011_copy.aspx

National Fraud Initiative
www.audit-commission.gov.uk/fraud/nfi/pages/default.aspx

Fighting Fraud Locally
www.homeoffice.gov.uk/publications/agencies-public-bodies/nfa/fighting-fraud-locally-strategy/



Chartered Institute of Housing

Octavia House
Westwood Way
Coventry CV4 8JP
Tel: 024 7685 1700

Report to: **Housing Review Board**

Date of Meeting: 9 January 2014

Public Document: Yes

Exemption: None



Agenda item: 14

Subject: **Downsizing and Mutual Exchange**

Purpose of report:

Following a report on Downsizing at the Board meeting on 7 November 2013 Members asked for clarification of the downsizing and mutual exchange processes to be provided in plain English for approval by the Board. This report sets out the current information available to the public and asks Members to consider any changes to the wording that may be necessary.

Recommendation:

Recommendation

Members are asked to:

1. Agree the wording of the existing leaflet, Tenant Handbook and website information for Downsizing; and
2. Agree the wording of the existing Tenant Handbook and website information for Mutual Exchanges.

Reason for recommendation:

Members asked for clarification on the downsizing and mutual exchange processes to enable them to consider any changes to wording that may be necessary.

Officer:

Dennis Boobier, Housing Needs and Strategy Manager
dboobier@eastdevon.gov.uk

Financial implications:

There are no financial implications.

Legal implications:

There are no legal issues on which to comment.

Equalities impact:

Low Impact

Risk:

Low Risk

Links to background information:

- None

Link to Council Plan:

Living in this Outstanding Place.

Report in full

1. Members asked for a report on the downsizing and mutual exchange processes following a discussion at the last Board meeting.
2. Downsizing - there is a clear plain English leaflet on Downsizing that is available in the Sidmouth Office reception area or a copy can be obtained by contacting the Housing Needs team. This leaflet is also on the Council's website. A copy of the Downsizing leaflet is at **annex A**.
3. There is also reference to Downsizing in the Tenant Handbook – a copy of which is also on the Council's website. An extract from that document is reproduced below:

Transfer to a smaller property

We have a shortage of family housing in East Devon. So if you are prepared to move from a three or four bedroom property to a smaller property then you may be eligible for financial assistance with your moving expenses and given priority over other people on the waiting list. Please speak to Housing Needs for further information.

4. Mutual Exchange – the information on Mutual Exchange is not in leaflet form. The information is contained on our website and in the Tenant Handbook. An extract from the Tenant Handbook is reproduced below:

Mutual exchange

You may find that a mutual exchange may be quicker than waiting for a transfer. You can swap your home with another council or housing association tenant providing both landlords agree. However, please note that tenants on an introductory tenancy cannot undertake a mutual exchange.

It is up to you to find someone who is also looking to swap. You can do this by registering with Homeswapper (see below) and you can consider advertising your property in local newspapers or shops. Once you have found another tenant and agreed the move in principle, then you must seek permission from us.

It is very important that you do not move until you have approval in writing.

Once a formal application to exchange has been received we have six weeks to make the decision. An exchange may be refused if:

- one of the tenants is in rent arrears
- one of the tenants is under notice to leave the property
- the properties are too big or too small for the people intending to move there
- one of the properties is designated for elderly or disabled persons.

With a mutual exchange, you will be asked to accept the property in the condition it has been left in by the previous tenant. We will carry out routine repairs in accordance with the tenancy agreement, but no demand can be made for specific work to be undertaken as a condition of accepting the exchange.

We do carry out health and safety checks as part of the approval process but it is your responsibility to undertake any repairs not covered by the tenancy agreement. This includes the repairs and maintenance of any alterations or additions made by previous tenants, and any defects which have arisen due to misuse or neglect of the property.

If you are on a flexible tenancy and wish to undertake a mutual exchange please speak to our Housing Needs team as soon as you have identified a potential exchange as in some cases different rules will apply depending on the type of tenancy held by the other party. You may have to surrender your tenancy and be re-issued with a new tenancy. Our Housing Needs staff will be able to advise you.

How to register for mutual exchange in East Devon or anywhere in the UK


To add your home to the register you need to visit www.homeswapper.co.uk and complete the online application. Registration is free to tenants of East Devon District Council.

5. Further information on Mutual Exchange is on our website and can be found following the link - http://www.eastdevon.gov.uk/housing_mutual_exchange.htm. For Members convenience an extract is provided below.

Council Home Mutual Exchange

East Devon tenants have the right to exchange their council home with another council or housing association tenant providing both landlords agree. East Devon no longer has its own Internal Mutual Exchange Register, this is because East Devon now subscribes to **Homeswapper**, this means that all East Devon tenants can subscribe free of charge. If you would like to subscribe or find out more information about Homeswapper then please follow the link - www.homeswapper.co.uk

You can also advertise for an exchange in local papers and shops; in the area that you are hoping to move to.

Once you have found someone to swap with and you have looked at each others properties and agreed to the move in principle you will need to apply in writing to The Housing Needs Team; please download the  **Mutual Exchange Application Form** (33KB Portable Document Format - 07 September 2012 - [PDF Help](#)) or contact the Housing Needs Team at the Council on **01395 516551** and request the forms get sent to you.

Please remember that you will be signing to take the property as seen and no re-decoration or improvement works will be carried out by the council.

What happens next?

Mutual Exchange - what happens next?

Once you have requested a Mutual Exchange the council will write back and acknowledge your request and let you know that we have 42 days to make a decision on the exchange.

Before the exchange can go ahead the Council has various checks that it has to carry out, these are:

- 1) There are no rent arrears
- 2) The tenant isn't under notice or has issues with anti social behaviour

3) The property is suitable for need - e.g. if supported housing is needed then you should swap with some-one who also lives in supported housing.

4) The property will not be over or under occupied

Once these checks have taken place then we will request that a building check on the property be carried out by one of the Councils inspectors, along side this gas and electric checks will be carried out. If the exchange is external we will also contact the other Housing Association or council involved for a report on their tenant.

If there are building issues you may be asked to rectify these before the exchange can go ahead.

Once all the reports have come back, they have been looked at and approved we can start looking to arrange the date for the exchange to go ahead.

UNDER NO CIRCUMSTANCES SHOULD AN EXCHANGE TAKE PLACE IF IT HAS NOT BEEN APPROVED IN WRITING.

Once a date has been arranged then both parties will need to attend the Knowle Sidmouth to carry out the required paperwork.

6. A copy of the Mutual Exchange Application Form referred to above is at **annex B** for information.
7. I consider that the information on the both Downsizing and Mutual Exchange processes is clear and concise and should be easily understood by tenants.
8. Members are asked to consider and recommend changes to the text of the Downsizing and Mutual Exchange information available to tenants.



Downsizing – the best move you may ever make!

By helping others you could also
help yourself to up to £3,000

About this booklet

This booklet provides information on our Downsizing scheme. If you require any further information or advice please contact us (details on back page).



To request this information in an alternative format or language please call 01395 516551 or email csc@eastdevon.gov.uk.

We consider requests on an individual basis.

Are you living in a house that is too big for your needs?

Is your garden now too much for you to look after properly?

Do you want to move closer to family or friends?

Do you need help with making this move?

If you have answered 'yes' to any of these questions, we may be able to help you!

Read on for information about our Downsizing Scheme.

About the scheme

Many tenants live in homes that are too big for their current needs. We also have lots of tenants and new applicants who are desperate for larger family accommodation. By 'downsizing' to a smaller home you could help each other. If you move from a general purpose house to a smaller one or two-bedroom property we will pay up to £3,000 to help you move, dependent on the type of property you choose to move to.

What size of home can I move to?

If you wish to move you will need to register on Devon Home Choice. To do this visit www.devonhomechoice.com or speak to a member of our Housing Needs team who will be able to help you. If you are unable to complete an online form, please contact the Housing Needs team on 01395 517469. Once registered, you can bid for properties that you like, in the areas that you like. You will be given priority over most other people on the waiting list.

The scheme applies to tenants who move from family-size accommodation to one or two-bedroom properties (which do not necessarily have to be sheltered accommodation). You choose where you want to live.

Normally payment will only be given to tenants moving to sheltered accommodation, as the purpose of the scheme is to free up family sized accommodation. If you are interested in moving to another general purpose property we can consider this on a case by case basis, however, you must contact us before bidding to allow the allocations manager to consider your request.

Can I apply if I have rent arrears?

Yes, but if you are accepted for the scheme any money payable will, in the first instance, be used to pay off your rent arrears. You will only receive any balance once the arrears have been paid.

What if my current property is adapted to meet my special needs?

If your current property has adaptations to enable you to live there, we will need you to move to a property that has already been adapted to suit your needs.

How much money will I receive?

The amount is made up of a £1,500 compensation payment and then £500 for each bedroom released, up to a maximum of £1,500. You can spend this money on whatever you wish – perhaps to help you furnish your new property, or meet the cost of removal.

See the table on the next page.

Compensation payments for downsizing

Property		Payments		
Current property (bedrooms)	New smaller property (bedrooms)	Standard compensation payment	Payment for bedrooms released	Total payment
Five	One	£1,500	£1,500*	£3,000
Five	Two	£1,500	£1,500	£3,000
Four	One	£1,500	£1,500	£3,000
Four	Two	£1,500	£1,000	£2,500
Three	One	£1,500	£1,000	£2,500
Three	Two	£1,500	£500	£2,000
Two**	One	£1,500	£500	£2,000

* Maximum payment

** Moves from two-bedroom properties to one-bedroom properties will only be eligible for the downsizing payment in certain circumstances and where a property suitable for a family is being released

Can anyone help me with the moving arrangements?

Yes. We have recently appointed an assistant allocations officer who can help you with some of the tasks that come with moving house, such as arranging for the connection of services (gas, electric, telephone, etc.), liaising with removal companies, and arranging for your carpets and curtains to be fitted.

Have other people benefitted from the scheme?

Mr and Mrs Saunders from Bidmead Close in Exmouth moved to a smaller home and said:

‘Our house was too big for us after the family had left home and we seemed to be rattling around inside of it. It took all our time to keep the grass cut, and there was the cost of heating a large house.

‘We now live in a bungalow where everything is designed to make life easy. We do not have to worry about looking after a home and garden that had become a burden. We downsized and it was the best move we ever made.’

How to contact us

Phone: 01395 517469
(Monday to Friday, 8.30 am to 5 pm)

Visit: East Devon District Council, Knowle, Sidmouth
(Monday to Friday, 8.30 am to 5 pm)

Write: Housing Needs, East Devon District Council,
Knowle, Sidmouth, EX10 8HL

Email: housingneeds@eastdevon.gov.uk

Online: www.eastdevon.gov.uk



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EAST DEVON DISTRICT COUNCIL MUTUAL EXCHANGES INFORMATION AND APPLICATION FORM

What is an Exchange and do I qualify.

Under the 1985 Housing Act all Local Authority and Housing Association tenants who hold a Secure or Assured tenancy have the right to Mutual Exchange.

Two or more tenants can exchange and these will be dealt with in the same way as a two-way exchange.

How to apply.

Once you have found some-one to swap with all parties will need to fill in the application at the end of this pack.

Failure to answer all the questions could result in you exchange being held up.

All parties involved in the exchange need to complete the East Devon District Council application forms.

We cannot start the exchange until all parties have submitted completed application forms.

Once you have completed the forms return them to Housing Needs Team, Knowle, Sidmouth, EX10 8HL.

What Next

Once we have received your forms we then have 42 days to make a decision.

A confirmation letter will be sent to all parties involved confirming the exchange with the 42 day decision date.

Checks will be made on the property by our Maintenance Surveyor who will check the standard of your property, and if necessary may ask you to complete works before the exchange can go ahead.

Checks will also be carried out by our Electrician and Gas Engineer.

If these checks are not carried out the exchange will be unable to proceed.

If the inspection hi-lights any problems or faults these will need to be put right, and another inspection will need to be carried out before the exchange can go ahead.

All Landlords will check the following:

- Your tenancy
- Your rent account
- Suitability of the property you wish to move to
- Notices of seeking possession
- Under or over occupation

Reports on your tenancy will be sent to the Landlord where you are hoping to move.

When can I move?

Once we have all the reports back from the Maintenance Surveyor, Gas Engineer, Electrician and Landlord involved; we can make a decision on if the exchange can proceed.

Once a decision is made we will then contact you regarding dates, when you would like to move, and when you can come to the Council Office to complete the Assignment Procedure.

You must not move until you have permission from the Landlords involved.

Reasons for refusal

Permission for an exchange will usually be granted but there may be times we have to refuse, the grounds for refusal are:

- The tenant or proposed tenant is subject to a possession order, or suspended or postponed possession order.
- Tenants have rent arrears or other outstanding debts – all arrears must be paid off before an exchange can proceed.
- The property is too large for your needs
- The property is too small for your needs

- The property has adaption's that are not needed by the person moving in
- The property does not have the adaption's required by the incoming tenant
- The property is Sheltered Accommodation and the incoming tenants do not need that accommodation.
- The incoming tenants required sheltered accommodation and the property is general purpose

Other information

- The Council will NOT make a decision on the exchange until all reports have been submitted
- The Council will NOT be responsible for any rubbish left at the property
- The Council will NOT carry out any adaption's on the party
- The Council will NOT be installing any new kitchen, bathrooms, or front and back doors, unless they are identified in the surveyors report
- You will be signing to say that you take the property as seen.

**EAST DEVON DISTRICT COUNCIL
HOUSING DEPARTMENT
REQUEST FOR MUTUAL EXCHANGE**

Application Form

Your Details

Tenant Name:

Tenant Name:

Address:

Phone Number:

Details of People Moving with You:

Full Name	Date Of Birth	Relationship to Applicant

NAME AND ADDRESS OF LANDLORD (IF NOT East Devon District Council)

Present Dwelling

Type – Please Tick

House	Flat (What Floor)	Bungalow	Bedsit	No of Bedrooms
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Weekly Rent:

Tenancy Start Date:

Reason for Exchange:

Is this Sheltered Accommodation: Yes No

Does your property have adaption's: Please Tick

Wet Floor Shower	Grab Rails - Please state where	Shower over Bath	Ramped Access – please state where – front or back
Maximum 3 Steps	Widened Doorways	Wheel Chair Accessible	

DETAILS OF THE FAMILY YOU WISH TO EXCHANGE WITH

Tenant Name:

Tenant Address:

Phone Number:

Name and Address of Landlord:

Please Answer All Questions Below

Do you have any rent arrears or other debt on your tenancy

Are you or any other member of your household subject to an Antisocial Behaviour Order.

Have you or any member of household been evicted for Antisocial Behaviour

Are you or any member of your household required to register with the police under the Sexual Offences Act 2003 or any other reason.

Do you or any member of your household receive support – if yes what is the support for, and who provides it.

Do you or any member of your family have Mental Health Problems

Do you or any member of your family have mobility problems that may result in stairs/slopes or bathing becoming a problem.

Are you in receipt of benefits – Please tick which

Housing Benefits	Income Support	E.S.A	D.L.A Care Low Medium High	D.L.A Mobility Medium High	J.S.A
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I/we confirm that the information given above is correct in every detail and if the Exchange is agreed I/we confirm will move on the date agreed by the Council and any other Authority involved

Signed

--	--

Date

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If this information is subsequently found to be false or you fail to occupy your new home, your application is liable to be cancelled or repossession proceedings may be taken against you.

**All parties involved in the exchange must complete this form and return to:
Housing Needs, Knowle House, Sidmouth, EX10 8HL.**

Report to: **Housing Review Board**

Date of Meeting: 9 January 2014

Public Document: Yes

Exemption: None



Agenda item: 15

Subject: **Older Persons Targeted Support**

Purpose of report: This report aims to bring the Board up to date with recent developments and emerging issues with regard to the future of Older Persons Targeted Support in Devon, and outlines current options for the future of the service.

Recommendation: **That the Board consider and comment upon the issues presented within this report.**

Reason for recommendation: To ensure that the Board is kept informed of emerging issues and possible options for the future of the service.

Officer: Sue Bewes, Housing Landlord Services Manager Ext 2200
sbewes@eastdevon.gov.uk

Financial implications: These are unknown at this stage pending the outcome of DCC's spending cuts. There could be a significant reduction in income for both the HRA and the General Fund (20% of Supporting People income is passed to the Home Safeguard service). Officers are working on possible alternative proposals in order to safeguard the service and the income it generates. Income has been included in the 2014/15 draft budget based on 2013/14 figures.

Legal implications: The report highlights the lack of Equality Act analysis carried out by Devon during the consultation process.

Legal Services will also provide any legal advice on procurement issues in the future once there is a tender bid.

Equalities impact: High Impact
Vulnerable customer base due to age and/or infirmity.

Risk: High Risk
Customers could be ineligible for financial help under Devon County Council's new proposals and therefore unable to access crucial support to enable them to remain living in their own homes.

Links to background information: • None

Link to Council Plan: Living in this Outstanding Place

Background

- 1.1 The Final Report of the Sheltered Housing Task and Finish Forum was put before the Board on 7 March 2013.
- 1.2 Members recognised that, relating to the Council Plan objective of ‘living in an outstanding place’ is the Homes and Communities Plan. Section 6 of this Plan details what the Council aims to do to enable elderly people, disabled people and people with special needs to live as independently as possible and remain in their own homes if they so wish.
- 1.3 This includes:
 - Preparing an individual client based support plan with each resident to identify the correct level of support based on their individual needs, and undertaking quality control checks on these;
 - Moving to a fully mobile housing related support service and cluster office arrangement for Council tenants in sheltered accommodation;
 - Working closely with Devon County Council (DCC) Supporting People Team to look at ways of maintaining Supporting People (now Targeted Support) income and decommissioning sheltered housing that is not ‘fit for purpose’;
 - Providing state of the art technology to help elderly and vulnerable tenants and residents remain in their own home through the provision of telecare (assisted electronic devices such as fall detectors, epilepsy sensors);
 - Exploring the provision of East Devon District Council (EDDC) support services to individuals in their own homes within the wider community and not just for those in East Devon District Council sheltered housing.
- 1.4 To this end the Board at its meeting in March 2013 recommended commencement of the new Targeted Support spot contract with Devon County Council from April 2014.
- 1.5 Together with the Devon Sheltered Housing Forum officers have revised the eligibility criteria for individuals receiving grant and, working across a variety of Housing teams, we have established the ‘Reshaping Support’ group which operates as a virtual housing team, developing new levels of service, updating pathways into the service, drawing up an appropriate charging policy, etc.
- 1.6 We are now in a position where our client records are more robust than was the case under the previous ‘block’ contract, and we are beginning to take on customers requiring support in our general needs accommodation. To mitigate any ‘shock’ to our systems we couple these new customers with those in sheltered accommodation who wish to opt out of the support service, and we look forward to expanding into the private sector in the near future.

2 Recent developments

- 2.1 In October of this year Devon County Council produced the Older Persons Targeted Support Consultation and Discussion Pack reproduced in **Annex 1**.
- 2.2 The document describes the DCC leader’s stark warning to local people about spending cuts to come, making it clear that “this is going to take tough choices. There will be no sacred cows. Unless we have got to provide a service by law, it is going to be reviewed”.
- 2.3 We have already seen and taken part in a review of DCC’s in house Day Service Provision, and now it is money that DCC has historically passed to sheltered housing landlords as ‘Supporting People’ grants that is to be one of these areas for review.
- 2.4 **DCC proposes** it would be fair to expect the allocation of any care and support needed by people in sheltered housing to be through Devon’s mainstream Social Care arrangements

from March 2015 onwards, and that it would be fair to expect any sheltered housing providers wanting to be part of delivering that care and support to compete for that business as part of the Social Care and support markets from that point.

3 Officer initial response

- 3.1 We have responded to DCC expressing our concern as to the lack of clarity around the description of the proposals, and lack of equalities analysis. We have voiced our concern that the service will be undermined until it becomes another example of the '15 minute visit' scenario we have seen criticised in the news recently, and we have predicted that their proposals will lead to further Social Care budget pressures in the future.
- 3.2 We have also suggested DCC test their proposals against their own Health and Wellbeing Strategy, with which their proposals appear to be in direct conflict.
- 3.3 The author of the DCC consultation and discussion pack, Max Sillars, Senior Commissioning Officer, has attended a meeting of the Devon Sheltered Housing Forum to discuss his document further, and following our response he has produced a proforma (**Annex 2**) for each consultee organisation to complete, expressing their views.
- 3.4 The main tenet of the county's proposal is that the allocation of any care and support needed by people in sheltered housing will be through Devon's mainstream Social Care arrangements from March 2015 onwards. It proposes that any sheltered housing providers intending to deliver services to people assessed as eligible by Social Care would need to take the necessary measures to establish themselves as part of the Social Care and support markets from March 2015 onwards.
- 3.5 In order to take up this work we would have to tender under the new framework agreement that DCC is developing. The work would be split into 'types' and 'zones' denoting geographical areas. We will not know the exact nature of these until after February 2014 when the consultation period has ended.
- 3.6 In addition, it is clear that the crucial element in terms of gauging how many of our current service users will continue to receive a support service post April 2015 is not possible to predict, as we do not yet know what the eligibility criteria will be. Until we get this information we are unable to build a firm business model on which to base a tender under the new framework agreement.

4 The way forward

- 4.1 A meeting has been arranged between senior officers from both DCC and EDDC, including our Chief Executive, to discuss these issues further, and we will by the time of your Board meeting have responded formally to the consultation.
- 4.2 We are already registered on DCC's procurement portal so we are able to respond quickly to any pre-qualification questionnaires and prepare to submit a tender for support work within our own area.
- 4.3 Officers are commencing work on an exit strategy, should the work under the framework agreement be organised in such a way that we do not wish to tender for it, or should our tender not be successful.
- 4.4 We are investigating models from other authorities that have been through similar county cost cutting exercises to see if any of these would suit us.

- 4.5 One model that we will scope out is to continue to provide the service as we do now, but financing it by means of a service charge regime, and with some customers given the option to self-finance where appropriate. In this way we could continue with our aspiration to grow into the private sector, if this model is proven to be a financially viable option. We could also consider not granting access to other providers into our properties, if we feel this to be appropriate.
- 4.6 Full and careful consultation with our customers will need to be undertaken so that they feel safe and supported through this further time of change.
- 4.7 A further report with detail on our options will be brought to the Board at a future meeting, once we have a clearer picture of DCC's proposals.

Devon County Council

Older Persons Targeted Support

Consultation and Discussion Pack

Version 1: October 2013

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1. Executive Summary

In September 2013 Devon County Council leader John Hart is issued a stark warning to local people about the scale of the spending cuts he will have to make over the next four years. Mr Hart has made it clear that “this is going to take tough choices. There will be no sacred cows. Unless we have got to provide a service by law, it is going to be reviewed”. To help inform these reviews he has invited local people to have their say on the potential cuts and for communities to come up with new ways of helping to support the services they don’t want to lose. (See <http://www.toughchoices.co.uk/>).

The money that Devon County Council has historically passed to sheltered housing landlords as ‘Supporting People’ grants has had to be one of these areas for review. This is because it is a resource that operates entirely outside of and on top of the normal processes for guaranteeing fairness of access and eligibility for Social Care resources. In undertaking this review Devon County Council has been careful to develop a full and sensitive understanding of how any change will impact upon people living in sheltered housing. In order to reach that level of understanding, a lot of detailed work and incremental change has been undertaken over recent years.

In 2007, Devon County Council consulted with sheltered housing user groups, landlords and health/Social Care partners over the future direction of its contribution into sheltered housing. The consultation explored how better value might be achieved by ‘targeting’ these Social Care resources upon just those people living in sheltered housing that had a need for support. The result was a multi-agency agreement to cease the automatic provision of support to everyone that happened to live in sheltered housing, and to instead ask providers to deliver it to just those people that they had identified as in need.

And in 2011, against a background of year-on-year public sector funding cuts, Devon County Council led a full options appraisal and further multi-agency consultation exercise. The aim this time was to explore whether it was still right to allow sheltered housing landlords to use their own internal processes to allocate these Social Care resources on behalf of Devon County Council. And, if it is feasible to continue renewing contracts worth £3.6m per annum outside of any competitive procurement exercise. The result was an acknowledgement that whilst changes were required, the sheltered housing market needed about 3 more years to complete the separation of their housing and landlord interests, from their delivery of care and support.

Throughout 2012 and 2013, Devon County Council’s Social Care Commissioning team has helped to facilitate and monitor the progress of landlords separating out these different interests. The team has contributed to the discussions between tenants and their landlords about the historical provision of housing management, community alarms and on-site warden services, and the options for how these could be provided in the future.

The result of this engagement is that Devon County Council proposes it would be fair to expect the allocation of any care and support needed by people in sheltered housing to be through Devon’s mainstream Social Care arrangements from March 2015 onwards. And, that it would also be fair to expect any sheltered housing providers wanting to be part of delivering that care and support to compete for that business as part of the Social Care and support markets from that point.

As a final stage to checking the safety and reasonableness of that proposal, Devon County Council will consult on these changes with Devon’s 40 sheltered housing providers - and any of their tenant representatives that wish to join them - between November 2013 and January 2014. As far as possible the method of consultation will be tailored to whatever suits providers and their tenant representative best, but the aim will be to have offered a conversation with each organisation before the closing of the process in January 2014. The feedback gathered from these conversations will be compiled into a summarised report that will be referred to in a full Impact Assessment that will be considered by Devon County Council prior to any final decisions that will be made by February 2014.

2. Background and Context

2.1. Scope of consultation

- 2.1.1. The resources under consultation relate to Devon County Council's Supporting People contracts for older people, issued in 2003.
- 2.1.2. Delivery of support under these historical contracts has traditionally been provision for people living within Sheltered Housing. The term 'Sheltered Housing' simply denotes a category of housing that that social landlords are allowed to reserve for people aged over 55. Devon County Council's contracts have never contribution to the 'bricks and mortar' costs of this housing itself, or to any aspect of the building related service charges. The physical buildings, their contents, alarm equipment and tenancy agreements/housing management provisions are therefore entirely outside the scope of this consultation.
- 2.1.3. The resource under consultation does not include the elements of a person's alarm call provision where these have or are eligible to be paid under Housing Benefit regulations, or by private 'self-payers' own contribution, or where these have been allocated as part of a Social Care package.

2.2. The number and location of sheltered housing services

- 2.2.1. Devon's sheltered housing comprises 270 services that are delivered by 40 providers. These include small charities and Housing Associations as well as 3 District Councils that have not transferred their stock to Housing Associations. In most cases these providers deliver both a landlord service, as well as any support service that is available to their tenants. The overall number of sheltered housing tenancies in Devon is approximately 8,700
- 2.2.2. The name of the Sheltered Housing providers affected by the proposals and the areas they serve are provided at Appendix 6.1

2.3. Brief history of Devon County Council's contractual relationship to Sheltered Housing

- 2.3.1. Prior to 2003, Devon County Council had no role in any aspect of Sheltered Housing provision. Services were largely acknowledged as being a combination of housing and housing management in nature, and as such were funded solely through the rent and service charges of each tenant's tenancy agreement.
- 2.3.2. In the run up to 2003 there was debate between Sheltered Housing providers and Department of Work and pensions (DWP) over which elements of these tenancy agreements would remain as housing charges, and which elements would transfer to Supporting People contracts administered by upper tier authorities – e.g. Devon County Council. In the end, costs now priced in the region of £3.6m per annum within these tenancy agreements were ultimately identified as being ineligible under the 2003 Housing Benefit regulations, having been described as care and support activities.

- 2.3.3. During the 2003 – 2009 years, these Supporting People contracts funded a type of care and support activities that could no longer be defined as housing or housing management costs. Neither however, could these activities reach the stage that they could be defined as a type of Social Care that was capable of being integrated into one Social Care package. In 2009 this was no longer viewed as a viable way to allocate Social Care administered resources, and in 2010 the decision was made to end the Supporting People programme, and to work towards fully integrating all of these resources into the mainstream arrangements for allocation that is based upon each person's eligible need.
- 2.3.4. In 2011, consultations resulted in an acknowledgement by Devon County Council that the work towards integrating these resources into the mainstream arrangements for Social Care allocation had not advanced fast enough for this market to join the adult community Framework Agreement at that stage. Interim contracts were consequently drafted in order to ensure service continuity in the run up to the next opening of the adult community Framework Agreement. The specification of these interim contracts is based wholly on the provision of support hours to an individual with an assessed level of need, and does not specify the provision of Sheltered Housing or any other housing specific activity.

2.4. Description of the activities delivered by historical contracts

- 2.4.1. There is not a single, dominant service delivery model for the Devon County Council funded support that has been provided to people in sheltered housing schemes under historical contracts. The types of support offered, and the methods for assessing the need for it vary enormously. What can be said is that in many cases some form of visiting or on site warden or support worker delivers the service. The support can include:

- Helping a person manage forms and paperwork, for example benefit claims
- Liaising with landlords, tenant groups, and other community groups
- Making regular checks on well-being, if required
- 'Call handling' i.e. answering an call made on the Community Alarm
- Responding to unplanned requests for support, following an alarm call
- Updating a person's individual plan for the support being provided
- Liaising with local doctors, social services and relatives, if required

Under historical contract terms and conditions, there are limits to the sorts of help that wardens can offer. Where a person does need help that is beyond the role of the warden, the warden can help them request and access a health and social care assessment.

Visiting or on site wardens do not provide care services, and are not funded by Devon County Council to carry out tasks like shopping or cleaning. However, some wardens are also funded by the tenants and landlords to carry out what are called 'housing management' tasks. These responsibilities may include:

- Arranging for repairs to the building
- Concierge or 'doorman', helping to keep the building safe
- Acting as representative of the landlord, at tenant forum meetings

2.4.2. Although the resource under consultation does not include some elements of a person's alarm call provision there are other elements of community alarm provision that have been part of historical contracts and therefore may need to be considered within the scope of this consultation. The nature and price of these elements can vary across scheme to scheme, because under historical contracts, providers have had a high degree of autonomy over how to configure delivery and charges for community alarms. However, generally it is the cost of alarm 'call handling' under historical contracts that may need to be considered as part of this consultation (see diagram 1 below).

2.5. Cost of historical contracts

2.5.1. Each year Devon County Council pays approximately £3.6 m to providers of the personal support that is going into about 6,700 of the sheltered housing tenancies

The charge for the support that can be available varies enormously, because there is no 'standardised' level of support. Some sheltered housing has no support service at all. In other services, the charge - for instance community alarm call handling - is as little as £1 per week. But Diagram 1 (below) demonstrates that the majority of Devon's services have some kind of support service delivered or at least available in the form of a visiting or on site 'warden', and that charges are typically in the region of £15 per week. Only a small number of services would describe themselves as 'enhanced sheltered', delivering higher levels of support to very frail elderly people for charges that are over £25 per week.

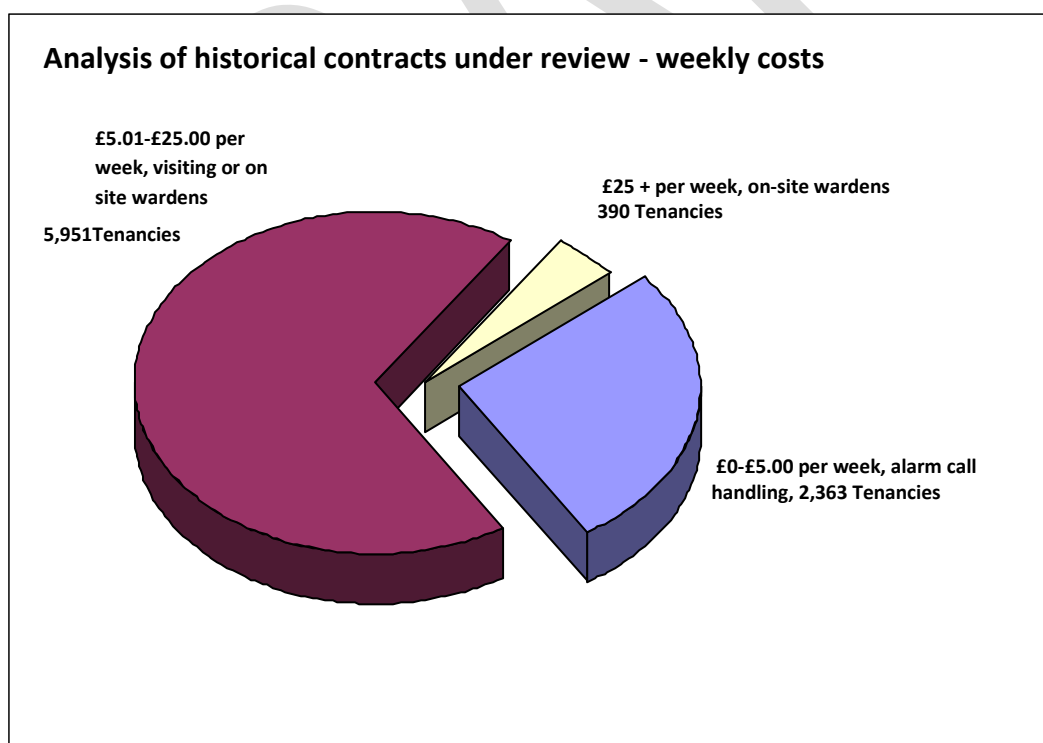


Diagram 1 Analysis of historical contracts under review - weekly costs

2.6. Eligibility and entitlement to resources under historic contracts

- 2.6.1. Historically, Sheltered Housing tenants have tended to get a very small support package allocated to them automatically whether they need it or not, when they get allocated their sheltered housing. For example, welfare checks by an on-site or visiting warden. Providers and local authorities have been allowed to administer sheltered housing support in this way because the funding has not traditionally been seen or governed as a legitimate component in a person's overall care and support package.
- 2.6.2. From 2011, in some cases the eligibility for and allocation of support by Sheltered Housing providers has started to become more formally managed by providers who have tried to function as 'trusted assessors' on behalf of Social Care, Health, and the District Council housing authorities. In recent years, in an attempt to improve the impact and value of this support, providers have voluntarily developed a common assessment framework to assess a person's need for support in sheltered housing, and they have used it to improve the targeting of the support allocations to people that need it the most.
- 2.6.3. Despite the above, all people living in Sheltered Housing have remained fully entitled to have a social care assessment, irrespective of whether they are also receiving sheltered housing support. Although there are some exceptions, in most cases, the decision over eligibility for and allocation of a Social Care package has been made without attempting to formally include any of the on-site or visiting warden service as part of a person's Care package.

2.7. The workforce that has been employed under historical contracts

- 2.7.1. At the outset of contracts in 2003, providers were invited to describe the total numbers of managers and wardens or support workers that they were employing to deliver the housing related support to people living in Sheltered Housing. At that point, providers informed Devon County Council that a total of approximately 280 people were being employed under these historical contracts. 212 of these people were described as delivering face to face support to older people, with 68 of them described as managers of these face to face workers.
- 2.7.2. There is a generally accepted view across providers and commissioners that these workforce numbers have incrementally reduced since 2003. The explanation for this is that in response rising costs, absence of inflationary uplifts, and organisational change, many providers have made efficiencies through freezing, rationalising or deleting posts at opportunities such as retirement or major restructures. Devon County Council's monitoring of services over the last 8 years has led to the view that the workforce is now approximately 120 people in total, 90 of whom are providing face to face support, and about 30 of whom manage this workforce.
- 2.8. One of the challenges of accurately quantifying the workforce associated with Sheltered Housing is the historic overlap between housing management and housing related support. In some provider organisations the workforce is very easily differentiated between those staff that have been delivering activities under the specification in Devon County Council's contracts, and those staff that have been delivering elements of housing management that could be considered outside of the purpose of these contracts. However, in other providers these activities are much more blurred.

- 2.9. There is also some evidence to suggest that even where there is clear differentiation between the workforce funded by historical Devon County Council contracts, and the workforce funded through service charge and/or Housing Benefit eligible costs, these 'splits' could have been (and still could be) quite legitimately configured in a number of different ways.

3. Description and context for the proposals under consultation

3.1. Definition and timescales for the proposed changes

- 3.1.1. Devon County Council proposes that the allocation of any care and support needed by people in sheltered housing will be through Devon's mainstream Social Care arrangements from March 2015 onwards.
- 3.1.2. Devon County Council proposes that any sheltered housing providers intending to deliver services to people assessed as eligible by Social Care, would need to take the necessary measures to establish themselves as part of the Social Care and support markets from March 2015 onwards.

3.2. Other Devon County Council strategy developments that relate to these proposals

- 3.2.1. The proposals within this consultation pack are underpinned by a range of Devon County Council Social Care strategy developments and initiatives. These include:

3.2.2. **Accommodation Strategy, covering:**

- Residential, Nursing and Extra Care Housing
- Supported Living and Shared Lives

The Accommodation Strategy brings together plans for any Social Care provisions that are in some way connected to the provision of housing, buildings or accommodation.

3.2.3. **'Community Life Choices' Strategy**

- This strategy describes the commissioning intentions of Devon County Council in respect of all adults (over 18years) who have eligible substantial and critical needs under Fairer Access to Care (FAC's) and therefore may use services currently provided under the Community Care Act 2003 by Devon County Council or by private and voluntary sector providers.
- The aim is to ensure that future provision is in line with the eligible needs and preferences of the people of Devon. It is informed by national policy and research, a robust needs assessment and gap analysis, a financially sustainable framework and by the views of vulnerable adults and carers themselves.

3.2.4. **Prevention Strategy, covering:**

- The role of Voluntary & Community Services
- Assistive technology
- Home Improvement services
- Social Care Reablement

One of the important aims of Devon's Prevention Strategy is the engagement and involvement of the community in the development of community wellbeing services.

3.2.5. Market facilitation, covering:

- The role of the Provider Engagement Network, or 'PEN'. (see link <http://www.devon.gov.uk/index/socialcarehealth/sc-partnerships/providerengagement/providerengagement-info.htm>)
- The Market Position Statement

Social Care market facilitation is about developing the sort of mechanisms that are needed to ensure the right sort of engagement with the market. The aim is support the market's ability to be high quality, responsive, and sustainable.

4. Understanding the implications of the proposed changes

4.1. Case examples of provider responses to the proposed change

4.1.1. **Provider A** has re-examined their provision funded by Devon County Council under a historical Sheltered Housing contract. The service provides support to 14 tenants. In their discussions with the local Housing Benefit team, it was clarified that the housing management activities being provided could be met by a combination of service charges, some of which would be Housing Benefit eligible, and some of which would have to be met by the tenant. The provider gave notice on their Devon County Council contract, and now continues to provide the same overall service through an alternative funding arrangement.

4.1.2. **Provider B** delivers a Community Alarm service to 300 tenants:

- 15 of the tenants have been assessed as eligible for a Social Care package, and the costs of their Community Alarm have been included in their Social Care charging assessment.
- 85 of the tenants already pay for these Community Alarms themselves.
- 200 of these tenants have had at least some elements of their Community Alarm costs paid for under Devon County Council historical contracts as a result of their entitlement to Housing Benefit.

On expiry of the historical contract in March 2015 any of the 200 tenants that have not subsequently been assessed as eligible for a Social Care package, will need to either withdraw from the landlord's provision of Community Alarm, or make their own arrangements to pay for the elements of it that were being funded previously by Devon County Council.

4.1.3. **Provider C** delivers a mix of housing management and support to 460 tenants, under historical Sheltered Housing contracts. 85 of the tenants have a Social Care assessed need, and are provided with Social Care commissioned services on top of their housing management provision. The provider has co-produced a draft plan with Devon County Council in which throughout 2015 the provider would use their historical contract to identify where any additional Social Care assessments were needed, and to work with Social Care practitioners to facilitate this happening. This would happen at the same time as the provider attending Provider Engagement Network events, in preparation of their entry into the Social Care market from April 2015 onwards.

4.1.4. **Provider D** delivers support to 35 very frail tenants in their late 80's and early 90's under a historical contract. The accommodation comprises 2 buildings in close proximity to each other on one site that includes substantial garden and grounds. 8 of these tenants already have domiciliary Social Care packages coming in from 3 different providers via the adult Social Care community services Framework Agreement. Initial indications from Social Care assessments of the remaining 27 tenants suggest that 12 of these people are likely to be eligible for a 2 hour per week domiciliary care package, creating an overall number of 20 people on one site with a need for Social Care. Under current thinking, conversion to an 'Extra Care' scheme with a dedicated on site Care team would not be feasible unless a minimum of 50 tenants with Social Care needs were identified on one site. The provider is therefore exploring the possibility of developing additional buildings on the site, through a partnership that would deliver Extra Care to the overall site in the future. At the same time, Devon County Council is exploring how feasible it would be for a fully established Extra Care scheme 6 miles away, to provide a form of Extra Care 'outreach'.

4.2. Case examples of tenant responses to the proposed change

4.2.1. **Tenant A** had been receiving a 'Welfare Check' Sheltered Housing support service from their landlord provider, by means of an on-site Warden. At the point of the Warden's retirement, the provider informed the tenant that due to their organisation's decision to not attempt entry into the Social Care market, they were taking this opportunity of serving 12 months' notice on their historical contract, at the end of which the service would cease. The service user contacted Devon County Council to request continuity of a service. The service user was assisted to have their Social Care eligibility assessed through the CareDirect pathway. The result of the assessment was that the tenant was not found to have any level of eligible Social Care need, and it was not therefore possible for re-instate an equivalent provision. However, after discussions with their family and a local Voluntary Community Sector adviser, when the service ended the tenant used the small reduction in their rent/ service charge to help pay for a pendant Community Alarm.

4.2.2. **Tenant B** had been receiving a 3 hour per week Sheltered Housing support service from their landlord provider, by means of a visiting support worker. As part of their future business planning and preparation for the future, the landlord provider assisted the service user to have a Social Care assessment through the CareDirect pathway. The result of the assessment was that the tenant was found to be in need of 2 hours per week of 'type 1' (unregulated) Community Based Support. Because the provider was already on the Social Care community services Framework Agreement at a competitive hourly rate, the tenant was able to continue receiving support from the same worker.

- 4.2.3. **Tenant C** had been receiving a 3 hour per week Sheltered Housing support service from their landlord provider, by means of a visiting support worker. As part of their future business planning and preparation for the future, the landlord provider assisted the service user to have a Social Care assessment through the CareDirect pathway. The result of the assessment was that the tenant was found to be in need of 2 hours per week of 'type 1' (unregulated) Community Based Support. Because the provider was not on the Social Care community services Framework Agreement, the tenant opted for a Direct Payment so that they could continue to receive support from the same worker.
- 4.2.4. In 2012 1000 of Devon's Sheltered Housing tenants were invited to participate in a survey and consultation exercise about the future of their housing management and support services. 32% of the people that participated in the survey, wanted to opt out of having services.
- 4.2.5. 6 representations and/or complaints made by Sheltered Housing tenants to their landlords/providers and Devon County Council were investigated during 2012/13. The issues raised included:
- Concerns that the reduction and absence of onsite staff dedicated to specific buildings is resulting in Sheltered Housing tenants feeling less protected from crime, social nuisance, and health emergencies.
 - Concerns that the non-replacement of landlord staff historically funded to provide routine welfare checks to everybody in Sheltered Housing, is resulting in unacceptable incidents of undiscovered deaths.
 - Concern that initiatives to maintain historic housing management and support provisions through re-structured service charges, is leaving some Sheltered Housing tenants financially worse off.
- 4.3. Case examples of Social Care service user responses to the proposed change
- 4.3.1. **Service User A** receives 2 hours per week of care + Community Alarm package from a Social Care community Framework Agreement provider, and 1 'welfare check' visit per week from the Sheltered Housing visiting support worker. The service user and Social Worker were advised that the landlord provider's welfare check service was to cease. The Social Worker/Care Co-ordinator re-assessed the service user's needs in light of this change, and concluded that no change to the care and Community Alarm package was required.
- 4.3.2. **Service User B** receives 2 hours per week of care + Community Alarm package, and lives in a Sheltered Housing service that provides an overnight sleep-in/support service, funded through a historical contract that is due to expire. The Social Worker/Care Co-ordinator re-assessed the service user's needs in light of this change, and redesigned the service user's care into a single, integrated package.
- 4.4. Case examples of Social Care commissioner/practitioner responses to the proposed change
- 4.4.1. In response to the proposed change, the Social Care Commissioning Team modelled the resources likely to be required for re-allocating support upon social care eligibility. The method used for establishing future requirement was structured around two dimensions for quantifying additional social care responses:

- The total number of additional social care assessments & reviews that may be needed, and the type and size of costs associated with this.
- The total amount of additional care and support that may be needed, and the type and size of costs associated with this.

Social Care commissioners will use the consultation period to develop and refine their projections of both these dimensions.

5. Assessing the Impact of the proposed changes

5.1. Assessing the Impact of the proposed change

- 5.1.1. Devon County Council's Impact Assessment will analyse the impact in terms of the relevant economic, environmental and social factors that need to be taken into account. The assessment will consider these factors as individual issues, as well their combined effect. The assessment will identify any changes that may be needed to the proposals or actions that may be required in order to mitigate the risks associated with them. The Impact Assessment will be published at http://www.devon.gov.uk/index/councildemocracy/improving_our_services/impact/impactreports.htm
- 5.1.2. Devon County Council's Commissioning Team officer will consult on these changes with Devon's 40 sheltered housing providers - and any of their tenant representatives that wish to join them - between November 2013 and January 2014.. The feedback gathered from these conversations will be compiled into a summarised report that will be referred to in a full Impact Assessment that will be considered by Devon County Council prior to any final decisions that will be made by February 2014.
- 5.2. All comments, representations, feedback, etc. should be forwarded directly to Max Sillars, Senior Commissioning Officer, Devon County Council, Ground Floor, The Annexe, County Hall, Topsham Road, Exeter EX2 4QR, 01392 382548; mobile 07976 598637; email: max.sillars@devon.gov.uk
- 5.3. In the event of being unable to get hold of Max Sillars in time to resolve an urgent query, please contact Lucie Spiers, Commissioning Officer, Social care commissioning, Devon County Council, The Annexe, County Hall, Topsham Road, Exeter, EX2 4QD Tel: 01392 383664 / 07970 908732; lucie.spiers@devon.gov.uk

6. Appendices

6.1. List of provider affected by the proposed changes

Abbeyfield (Colyton) Society Ltd	Eastern
Abbeyfield (Exmouth) Society Ltd	Eastern
Abbeyfield (Honiton) Society Ltd	Eastern
Abbeyfield Buckland Monachorum Soc Ltd	Southern
Abbeyfield Holsworthy Society Ltd	Northern
Abbeyfield Sidmouth Society Ltd	Eastern
Abbeyfield Society	Eastern
Abbeyfield South Molton Society Ltd	Northern
Abbeyfield South West Society Ltd	Northern
Abbeyfield Swest Society Kingsbridge	Southern
Abbeyfield Tavistock Society Ltd	Southern
Abbeyfield Teignmouth Society Ltd	Southern
Abbeyfield Tiverton Society Ltd	Eastern
Age Concern Exeter	Eastern
Anchor Trust	Southern
Crediton United Charities	Eastern
Dartington Housing Association Ltd	Southern
Devon & Cornwall Housing Association Ltd	Eastern
East Devon District Council	Eastern
Exeter City Council	Eastern
Ford Street & Maynard Almshouse Charity	Southern
Guinness Care & Support Ltd	Eastern
Guinness Trust	Eastern
Hanover Housing Association	Northern
Housing 21	Eastern
Methodist Homes Housing Association	Northern
Mid Devon District Council	Eastern
Newcombes (Crediton) Housing Assoc Ltd	Eastern
North Devon Homes Ltd	Northern
Peninsula Care Ltd	Southern
Red Devon Housing Ltd	Southern
Sanctuary Housing Association	Eastern
South Devon Rural Housing Association Ltd	Southern
South Western Co-Operative Housing Soc	Southern
Sovereign Housing Association	Southern
Springfields Supporting People Ltd	Southern
Tarka Housing Ltd	Northern
Teign Housing	Southern
Tor Homes	Southern
West Devon Homes Ltd	Eastern
Westcountry Housing Association Ltd	Southern

Sheltered Housing Provider Forum Discussion 26th November 2013

Killerton Room, Larkbeare, Exeter

Social impacts

Giving Due Regard to Equality and Human Rights

	In what way is this characteristic relevant, or not relevant, to the service, policy or practice?
Age:	
Disability:	
Gender/Sex (men and women):	
Marriage and civil partnership:	
Pregnancy and maternity:	
Race/ethnicity:	
Religion/belief:	
Sexual orientation:	
Trans-gender/gender identity:	
Other (e.g. socio-economic, general health and wellbeing, human rights, safeguarding):	

Economic impacts

	In what way is this factor relevant, or not relevant, to the service, policy or practice?
Impact on knowledge and skills:	
Impact on employment levels:	
Impact on local business:	

Combined Impacts

Linkages or conflicts between social, environmental and economic impacts:

'Social Value' of planned commissioned/procured services:

How will the economic, social and environmental well-being of the relevant area be affected?

Potential impacts on partner agencies: