

Runnymede Borough Council

HOUSING AND COMMUNITY SERVICES COMMITTEE

Wednesday 16 January 2008 at 7.30 p.m.

in the Council Chamber

at the Civic Offices, Addlestone



Members of the Committee

Councillors P.J. Waddell (Chairman), Mrs C.E. Gant and P.I. Roberts (Vice-Chairmen), J.R. Ashmore, H.A. Butterfield, Ms. D.V. Clarke, Mrs R.M. Denby, Mrs Y.P. Lay, Mrs J. Norman and Mrs M. Roberts.

and all other Members for information

A G E N D A

Notes:

- i) Any report on the Agenda involving confidential information (as defined by section 100A(3) of the Local Government Act 1972) must be discussed in private. Any report involving exempt information (as defined by Section 100I of the Local Government Act 1972), whether it appears in Part 1 or Part 2 below, may be discussed in private but only if the Committee so resolves.
- ii) The relevant 'background papers' are listed after each report in Part 1. Enquiries about any of the Agenda reports and background papers should be directed in the first instance to **Mr. M.L. White, Committee Administrator, Department of Administration and Leisure, Civic Offices, Station Road, Addlestone (Tel. Direct Line: 01932 425623). (Email: malcolm.white@runnymede.gov.uk).**
- iii) Agendas and Minutes are available on a subscription basis. For details, please ring Mr. B.A. Fleckney on 01932 425620. Agendas and Minutes for all the Council's Committees may also be viewed on www.runnymede.gov.uk.
- iv) In the unlikely event of an alarm sounding, members of the public should leave the building immediately, either using the staircase leading from the public gallery or following other instructions as appropriate.

LIST OF MATTERS FOR CONSIDERATION

PART I

Matters in respect of which reports have been made available for public inspection

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PART II

Matters involving Exempt or Confidential Information in respect of which reports have not been made available for public inspection.

- a) Exempt Information
(No reports to be considered under this heading)

- b) Confidential Information
(No reports to be considered under this heading)

GLOSSARY OF TERMS AND ABBREVIATIONS

TERM	EXPLANATION
ACC	Surrey Adults and Community Care Services formerly known as Social Services.
ALMO	Arms Length Management Organisation. This is an organisation established specifically to manage Council stock. The properties remain Council owned and tenants retain their secure tenancies. This can provide opportunities for extra funds to meet the Decent Homes Standard if all government requirements are satisfied.
BFI	Benefit Fraud Inspectorate. The BFI is part of the DWP and is independent of those responsible for administering benefit. The BFI reports directly to the Secretary of State on the performance of local authorities and central government agencies, with particular emphasis on counter-fraud and security performance.
BHM	'Balancing Housing Markets'. This assessment looks at the whole housing market, considering the extent to which supply and demand are "balanced" across tenure and property size.
BME	Black and Minority Ethnic Groups. This is a collective name used by various bodies.
BNAM	'Basic Needs Assessment Model'. This is the main method for calculating affordable housing requirements suggested in Government guidance – <i>"Local Housing Needs Assessment: A guide to Good Practice"</i> .
COMPACT	This is a requirement of Central Government. It entails developing an agreement between the Council and tenants or voluntary organisations about the way in which they will be consulted on the services they receive or deliver.
CPA	Comprehensive Performance Assessment. An external process to assess the quality of individual Council's Performance (set out in the Local Government White Paper 2001). It brings together evidence from a range of internal and external sources, in addition to an on site inspection, in order to arrive at an overall category.
DCLG	Department of Communities and Local Government. Government department responsible for local government and housing functions. See the DCLG website at www.communities.gov.uk .
DFG	Disabled Facilities Grant. This is a grant made available to disabled persons to provide adaptations to their property. Dependent on the type of work, it is a mandatory grant. The amount of grant awarded is subject to a test of resources of the disabled person.
DHCS	Director of Housing and Community Services.
DIYSO	Do It Yourself Shared Ownership Scheme. This scheme allows applicants with sufficient income to part purchase accommodation in the Borough. As the title suggests, the applicant is able to find their own accommodation for purchase. The scheme is run by Thames Valley Housing Association who purchase up to 50% of the property value. The tenant pays rent to the Housing Association for the share the Association retains.
DWP	Department of Work and Pensions (Government Department)
ESP	Existing Satisfactory Property. This scheme involved working with a Housing Association to purchase low cost housing in the private sector. Originally the scheme involved the repurchase of ex-Right to Buy Council properties. However, the scheme was broadened to include any low cost housing in the Borough.
GOSE	The Government Office for the South East. This is the local office of the Office of the Deputy Prime Minister (formerly the Department of Transport, Local Government and the Regions) for the South East region of England. Its role includes development of the Regional Housing Strategy.

HCSHG	Housing Corporation Social Housing Grant. This is the main public subsidy paid to Housing Associations by Central Government, through the Housing Corporation to finance new homes. It can be used to pay for rented schemes as well as low cost home ownership schemes. (See ADP above).
HMO	House in Multiple Occupation. In general terms this is a property that is let to three or more tenants. However, for an exact definition reference must be made to the Housing Act 2004.
HOUSING CORPORATION	This is the National Housing Agency for England. The Housing Corporation is a Government Agency and was created by the Housing Act 1964 to register, fund, promote and supervise the Housing Association (now Registered Social Landlord) movement.
HRA	Housing Revenue Account. This is a statutory account that sets out the expenditure and income arising from the provision of social housing by the Local Authority as a landlord. Expenditure in the HRA includes repairs and improvements, and management expenses. Income is mainly from rents. HRA subsidy is a significant item in the HRA.
LDF	Local Development Framework. Government replacement for the Local Plan.
LSP	Local Strategic Partnership – Leads on the Community Strategy.
PFI	Private Finance Initiative. A long-term contractual private/public partnership under which the private sector takes on the risks associated with the delivery of public services in exchange for payments tied to agreed standards of performance. This can provide an opportunity to raise extra funds for investment in housing stock. Several Councils are currently acting as pathfinders.
PPG3	Planning Policy Guidance. This is Guidance issued by the Secretary of State detailing National Planning Policy within existing legislation. There are many examples of Guidance and PPG3 is the one that is the most relevant to housing. This sets out the requirements relating to the provision of affordable housing.
RARP	Runnymede Accommodation Referral Panel. This group has been established to assess the accommodation requirements of people with mental health, learning disability and physical disabilities. The group considers each individual case and makes a recommendation as to the level of support required. Representatives on the group include the following: Officer from the Borough Council's Housing Department. Officer from the Community Support Team (Social Services). Officer from the Community Mental Health Team (Social Services/Health). Occupational Therapist.
RCRA	Runnymede Council Residents Association, formerly the Tenants' and Leaseholders Services Group. This group was formed in February 1999. The members of the group are Council Tenants and Leaseholders. They meet prior to each Housing and Community Services meeting to consider policy and management issues that impact on Tenants and Leaseholders.
RHB	Regional Housing Board. The RHB has been established by the Government to prepare and oversee the Regional Housing Strategy. The Strategy for the region will set out the approach to housing investment and give a clear framework for spending decisions. One RHB exists for the whole of the South East of England.
RSL	Registered Social Landlord. This is a Housing Association which is registered with the Housing Corporation. Registration entitles an association to bid for Social Housing Grant but requires that the association does not trade for profit. The association is established for the purpose of the provision, construction, improvement or management of social housing.

RTB	Right to Buy. The regulations that allow Council tenants to purchase the freehold or leasehold of their home.
SAFE	The Security Against Fraud and Error (SAFE) scheme encourages local authorities to implement and run anti-fraud measures, including national data matching exercises.
SAP	Standard Assessment Procedure. This is the Government's procedure for assessing the energy efficiency of a property.
SMART	How targets should be set if they are to be effective – Specific, Measurable, Achievable, Realistic, Timely.
SNHSG	The Special Needs Housing Strategy Group was established to look at the level of housing needed by people with special needs. This includes those with mental health problems, learning disabilities, physical disabilities, young people leaving care, victims of domestic violence, those with drug and alcohol problems, and older people. The group has representatives from a number of different agencies. The Chairman from each of the Local Special Needs Forums is also represented on the Special Needs Housing Strategy Group.
TCI	Total Cost Indicator. This was a system used by the Housing Corporation for assessing the maximum cost for new Registered Social Landlord dwellings.
TPAS	Tenant Participation Advisory Service. The independent tenant advisers. Their role is to help tenants understand the complexities of the stock options and to audit the Council's statements and figures.
VF	The Verification Frameworks (VF) provides best practice guidance from the DWP for the secure and accurate administration of Housing and Council Tax Benefit.

1. FIRE PRECAUTIONS

The Chairman will read the Fire Precautions which set out the procedures to be followed in the event of fire or other emergency.

2. NOTIFICATION OF CHANGES TO COMMITTEE MEMBERSHIP

3. MINUTES

To confirm and sign, as a correct record, the Minutes of the meeting of the Committee held on 14 November 2007. These Minutes were included in the December 2007 Council Summons/Minutes Book.

4. APOLOGIES FOR ABSENCE

5. DECLARATIONS OF INTEREST

If Members have an interest in an item please record the interest on the form circulated with this Agenda and hand it to the Legal Representative or Committee Administrator at the start of the meeting. A supply of the form will also be available from the Committee Administrator at meetings. Members who have previously declared interests which are recorded in the Minutes to be considered at this meeting need not repeat the declaration when attending the meeting. Members need take no further action unless the item in which they have an interest becomes the subject of debate, in which event the Member must leave the room if the interest is personal and prejudicial.

6. SURREY COUNTY COUNCIL CONSULTATION ON A STRATEGY FOR WORKING WITH THE VOLUNTARY AND COMMUNITY SECTORS (DHCS)

1. Purpose of Report

1.1 **To inform the Committee of the content of the consultation document and obtain Members' views on the proposals.**

2. Background Information

- 2.1 Surrey County Council (SCC) are consulting stakeholders on their proposed strategy for working with the voluntary and community sector. The consultation period is from the 5 October 2007 to the 14 January 2008. However, Runnymede Borough Council (RBC) has been granted an extension until 17 January 2008, to allow this Committee time for consideration of the issues.
- 2.2 A copy of the consultation document has been placed in the Members' Room. Members were also invited to a presentation on the draft strategy organised by Runnymede Association of Voluntary Services (RAVS) which took place at Chertsey Hall on the 28 November 2007.

SCC states the aim of the strategy is to:

- work coherently with voluntary organizations
 - repair damaged relationships after the SCC Business Delivery Review
 - address anticipated pressure on SCC funding streams
 - recognise voluntary organisations valuable contribution and work better together.
- 2.3 SCC spends some £16 million on the voluntary sector and expects this level of funding to remain constant.
- 2.4 RBC provides approximately £500,000 per annum in voluntary sector funding including £225,000 on core grant funding for those community organisations with a service level agreement.
- ## 3. Report
- 3.1 The proposals cover funding, volunteering, infrastructure, engagement and resources. They include arrangements for organisations such as Runnymede Association of Voluntary Services (RAVS), which provide both advice on funding and also recruit volunteers.
- 3.2 The salient points of the proposals are as follows:
- i) The length of funding term for financial agreements will be decided on a case by case basis;
 - ii) A centralised funding database will be created;
 - iii) Work will take place with partners to agree a joint and local approach to full cost recovery. It is understood that this could mean that voluntary organisations can request that funders meet the full cost of services, including management costs. This is in contrast to the current arrangements whereby the real cost of a service is subsidised by fundraising or other sources.
 - iv) Some agreements for 2008/9 will move from grants to contracts;
 - v) Six months notice will be given for all funding changes to allow organisations to have time to find alternative funding if appropriate;
 - vi) Voluntary organisations will be encouraged to submit joint funding applications;
 - vii) Explore joint commissioning models with public sector partners;
 - viii) Set up a SCC funding group for the voluntary sector;
 - ix) Change the support for infrastructure organisations such as RAVS, from grant, to contracts including the application of a full tendering process;
 - x) Review existing funding levels with partners in the interest of being more consistent;

- xi) Ensure SCC property used by voluntary organisations is consistent, fair, and provides best value;
- xii) Set up a strategic working group to monitor and improve the relationship between SCC and the voluntary sector;
- xiii) Set up a website to disseminate information to the voluntary sector including funding renewals.

4. Suggested Response

4.1 Runnymede Borough Council has submitted a joint response with other Borough Councils at Appendix 'A'. However, it is also recommended that this Council provides an individual response to the consultation as follows:

- There should be consistency and fairness on funding agreements as opposed to the proposed case by case funding approach. Indeed, SCC should be working towards 3 year service level agreements to allow voluntary sector organisations to plan services effectively.
- The proposed full cost recovery system is a good aspiration but it is not something that all other funders can commit to.
- A SCC funding group is unnecessary as it would duplicate and overlap with the work already being carried out both within the Surrey Infrastructure Development Plan and the Community and Voluntary Service network.
- The Borough Councils had asked for duplication between Surrey Community Action and infrastructure organizations like RAVS to be addressed. There is, however, no reference to this in the draft strategy document.
- It is felt that grants, supported by service level agreements, are the most appropriate form of funding voluntary organisations. If formal contracts were introduced they would have to be between SCC, Runnymede Borough Council, Surrey PCT and the voluntary organisations. Grants are more flexible and enable changes to services more rapidly in a less costly manner. It must also be acknowledged that voluntary organisations do not have the expertise to understand the legal implications of contracts. Indeed, the Change Up research highlighted that legal advice for voluntary organisations in Surrey was an unmet need and this proposal would increase the need for legal advice. It is, therefore, proposed that the Council rejects the proposal to use contracts.
- The requirement to tender is also of concern as there is no assurance in the document that competitive tendering would be restricted to Surrey organisations. National organisations, and those based in London, could undercut the smaller local organisations.
- Notification of renewal of funding posted only on the web is unacceptable as not all organisations have access to the internet.
- Runnymede Officers have spent a great deal of time at meetings with County Council Officers addressing voluntary sector issues. This work is not reflected in the draft strategy and seems to have been wasted.
- There is concern that the proposals will de-stabilise the voluntary sector. It is also felt that the SCC strategy should have regard to partnership work within Borough/District Councils and the Surrey Primary Care Trust. The proposals do not appear to have considered these points.

4.2 Members are asked to endorse or amend the above comments.

OFFICERS' RECOMMENDATION that –

the Committee approves the proposed response to be made to Surrey County Council with regard to their Voluntary and Community Strategy.

(TO RESOLVE)

Background Papers

A Strategy for Working with the Voluntary and Community Sector - SCC

7. REVENUE ESTIMATES FOR 2008/09 (DF)

Members are asked to consider the draft Revenue Estimates for 2008/09.

A budget is the expression in financial terms of the Council's policies over the next year and is a statement of intention against which achievement can be compared. The main objectives of budgeting are:

- Satisfaction of statutory requirements
- Determining the amount which needs to be raised from Council Tax or rents
- Assisting in the planning and policy making process
- Policy implementation and control
- A means of measurement, and
- Strategic planning

The report is attached as Appendix 'C'. This Appendix is circulated separately with the Agenda to Members of Committee only. The Estimates are separated into the following sections:

- i) Housing Revenue Account (Annex 'A', pages 1-34);
- ii) General Fund Housing Services (Annex 'B', pages 35-58);
- iii) Community Services (Annex 'C', pages 59-88);
- iv) Current and proposed fees and charges (Annex 'D' pages 89-93);
- v) Assumptions used in setting the budgets for 2008/09 (Annex 'E' pages 94-97).

The Officers' Recommendation covers all the above service areas.

OFFICERS' RECOMMENDATION that -

- i) the draft Revenue Estimates for 2008/09 be approved as submitted and the Corporate Management Committee be requested to make provision accordingly; and**
- ii) the proposed increases in rents and charges for 2008/09, as set out in Annex 'D' to the Estimates, be approved to be effective either from the first rent week of April 2008 or 1 April 2008 as appropriate.**

(TO RESOLVE)

Background Papers

1. Draft Housing Revenue Account (Item 8) and Draft Housing Revenue Account Subsidy Determinations 2008-2009: (DCLG) dated 23 November 2007.

2. Correction of errors in HRA subsidy determination spreadsheets end on 23 November, sent by e-mail from DCLG on 10 December 2007
3. Housing Benefit and Council Tax Benefit Circular HB/CTB S4/2007, dated November 2007.
4. Letter dated 20 September 2007 from the DWP dated 20 September 2007 on HBSD/IAD Scan Funding Allocation.

8. THE HOUSING AND REGENERATION BILL (DHCS)

1. **Purpose of Report**

1.1 **To advise Members of the proposals contained within the Government's Housing and Regeneration Bill.**

2. Background Information

2.1 At the last meeting details were provided of the Government's Housing Green Paper, *Homes for the Future: More Affordable, More Sustainable*. On the 16 November 2007 the Government published a Bill which seeks to implement many of the proposals contained within that Green Paper.

2.2 The Bill runs into 169 pages and has 280 clauses and 10 schedules. It is a complex piece of legislation, incorporating major changes to existing legislation, including the Housing Acts 1985, 1988 and 1996.

3. Report

3.1 This report sets out the most significant proposals within the Bill.

4. Homes and Communities Agency

4.1 The Government intend to create a new Homes and Communities Agency. This new organisation will take on the existing functions of the Housing Corporation (in respect of housing investment) and will also incorporate the roles of the Urban Regeneration Agency, the Commission for New Towns and English Partnerships.

4.2 The HCA will be an extremely powerful body and will control funds of around £2.3 billion.

4.3 Clause 2 of the Bill outlines the objectives of the HCA which are as follows:

- i) To improve the supply and quality of housing in England; and
- ii) To secure the regeneration of development and land or infrastructure in England; and
- iii) To support in other ways the creation, regeneration or development of communities in England or their continued well being, with a view to meeting the needs of people living in England.

4.4 The HCA will have a range of powers including the following relating to land:

- i) Acquiring, holding, improving, managing, reclaiming, repairing or disposing of housing, plant machinery, equipment or other property and,
- ii) Carrying out building and other operations (including converting or demolishing buildings).

4.5 The Bill also gives the HCA powers to provide infrastructure and to acquire interest in corporate entities.

4.6 In addition to its regeneration role the HCA will assume various duties in relation to social housing. These powers reflect the existing powers of the Housing Corporation and will include the provision of social housing grant.

- 4.7 In exercising its powers the HCA will have to consult with the new Office for Tenants and Social Landlords (see below).
5. Regulation of Social Housing
- 5.1 The Government proposes to establish a new body to be known as the Office for Tenants and Social Landlords (OTSL or Oftenant). The OTSL will undertake all of the regulatory functions previously undertaken by the Housing Corporation in relation to the management of Registered Social Landlords. In approximately 2 years time it is also proposed that the new body will oversee the role of Local Authority housing providers and replace the regulatory duties currently undertaken by the Audit Commission.
- 5.2 The fundamental objectives of the OTSL are set out in Clause 86 of the Bill and incorporate the following:
- i) To encourage and support a supply of well-managed social housing, of appropriate quality, sufficient to meet reasonable demands;
 - ii) To ensure that actual or potential tenants of social housing have an appropriate degree of choice and protection;
 - iii) To ensure that tenants of social housing have the opportunity to be involved in its management;
 - iv) To ensure that registered providers of social housing perform their functions efficiently, effectively and economically;
 - v) To ensure that registered providers of social housing are financially viable and properly managed;
 - vi) To encourage registered providers of social housing to contribute to the environmental, social and economic wellbeing of the areas in which the housing is situated;
 - vii) To encourage investment in social housing;
 - viii) To avoid the imposition of an unreasonable burden (directly or indirectly) on public funds and to guard against the misuse of public funds; and,
 - ix) To regulate in a manner which minimises interference and is proportionate, consistent, transparent and accountable.
- 5.3 The new regulator will have a wide range of discretionary powers which will cover issues relating to standards of housing, enforcement, management and constitution of registered providers including the removal and replacement of Officers.
- 5.4 Abolition of the Term RSL
- 5.4.1 The Bill proposes a change of name from Registered Social Landlords to Registered Providers of Social Housing. It also proposes clearer definitions of what is, and what is not, social housing. Sections 67 through to 70 of the Bill define low cost rental accommodation and low cost home ownership accommodation.
- 5.5 Sustainability Certificates
- 5.5.1 Clauses 242 – 256 of the Bill introduce a requirement for all new homes to have a sustainability rating. The standards prescribed will cover issues such as the efficient management of the property, its construction, energy efficiency, use of water and minimising flood risk, waste management, protection or enhancement of the environment and the prevention or detection of crime.
- 5.5.2 These new requirements will ensure the sustainability of new housing but are also likely to lead to an increase in the cost of new housing.

5.6 Tenant Empowerment

- 5.6.1 The Bill gives Local Authority tenants the power to consider the options for the future management of the housing stock and enables them to effect a change of landlord (subject to certain conditions) if they so desire.

5.7 Family Intervention Tenancies

- 5.7.1 This is a new type of tenancy which will be different from the current secure and assured tenancies used by the Council and RSLs. It will be used in cases where a family requires behaviour support in order to avoid eviction. The way in which these tenancies will operate is yet to be clarified.

5.8 Right to Buy Changes

- 5.8.1 It is proposed to introduce measures to restrict the right to buy in a limited number of circumstances. These changes will be subject to the response from a consultation paper but it is proposed that a provision will be made that prevents tenants who are subject to a possession order, or who occupy property that the Authority plans to demolish, from purchasing their home.

5.9 Local Authority Housing Provision

- 5.9.1 A number of proposals have been inserted into the Bill to enable Local Authorities to keep rental income from new supply of dwellings and to opt out of the Housing Revenue Account subsidy system. It is intended that this will make it easier for Local Authorities, and in particular Arms Length Management Organisations, to build new social housing.

5.10 Armed Forces and Local Connection

- 5.10.1 The Bill also provides for changes in the law relating to the provision of accommodation for service men and women. It enables members of the armed forces to establish a local connection with the district where they are living or working not only in respect of applications for social housing (under Part VI of the Housing Act 1996) but also in respect of applications for homelessness assistance (under Part VII of the 1996 Act).

5.11 Gypsies and Travellers

- 5.11.1 Clause 272 of the Bill provides that the same security of tenure, and other rights and responsibilities be given to gypsies and travellers on Local Authority sites as exist for those on private sites. This measure is introduced in response to the European Court of Human Rights ruling in the case of *Connors v. United Kingdom*. It will affect the occupants of the Council's gypsy sites.

6. Commencement Date

- 6.1 In general, the provisions of the Bill will be brought into force by order made by the Secretary of the State on "such day as may be appropriate". Certain provisions of the Bill will come into force on the day the Act is passed and many will be implemented two months later.

7. Financial Impact Assessment

- 7.1 The Government estimate that the financial cost of the Bill will be £37.5 million of which one off costs amount to £23.5 million. The bulk of the cost relates to the establishment of the HCA.
- 7.2 There will undoubtedly be a need to use existing resources to assess the full impact of the changes. The extent of ongoing expenditure is difficult to estimate at this time as more detail and information is required on many aspects of the Bill. Officers will endeavour to determine the full implications and will report further as the legislation progresses.

8. Other Issues

- 8.1 The Bill is likely to be subject to changes during its passage through Parliament as there a number of areas requiring clarification.
- 8.2 As usual with new primary legislation much of the detail will be incorporated into regulations to be issued under the Bill.

9. Conclusions

- 9.1 The Housing and Regeneration Bill is a substantial piece of proposed legislation. It is anticipated that it will have implications for a wide range of the Council's housing functions. Over the next few months Officers will endeavour to assess the full extent of any change and will report significant issues to this Committee.

(FOR INFORMATION)

Background Papers

None stated

9. ENERGY EFFICIENCY INITIATIVES (DHCS)

1. Purpose of Report

1.1 The purpose of this report is to:

- i) **advise Members of the progress that has been made in introducing energy efficiency initiatives; and**
- ii) **request approval for the allocation of funds recently received for energy efficiency in order to assist vulnerable private sector households with energy efficiency improvements.**

2. Background Information

- 2.1 Under the Home Energy Conservation Act (HECA) 1995 and The Sustainable Energy Bill 2003 all local authorities are required to take action to promote and improve the energy efficiency of homes in their area. Runnymede has a designated post holder to manage and promote energy conservation and fuel poverty initiatives; the post-holder's line manager has responsibility as HECA Officer for the Borough.
- 2.2 In November 2001, a Fuel Poverty Strategy was prepared by the HECA Officer and adopted by Members. Following this, a Borough-wide energy efficiency survey was carried out in order to directly target those households most in need of assistance. Areas where fuel poverty existed were identified by both postcode and Ward and then targeted for promotion of those energy efficiency grants that were available through the various agencies. This strategy is to be revised in 2008 following a further Borough-wide survey.
- 2.3 Runnymede Borough Council was charged with achieving a 30% reduction in home energy consumption. This was achieved in 2006.
- 2.4 The Council is also expected to take a lead role in increasing the number of Decent Homes in the private sector. To achieve Decent Homes adequate heating and insulation must be provided.
- 2.5 The census and other survey results have shown a significant number of households living in both owner-occupied and privately rented homes in the Borough are still without central heating and thermal insulation. Whilst some of these will be through choice, in other cases it is due to a lack of financial resources and/or the ability to organise the work. This, in turn, increases fuel poverty and has a significant impact on the health of these residents. These households include families with children as well as elderly households.

- 2.6 The Council's Energy Project Manager has undertaken a number of initiatives to promote the energy efficiency grants that are available to private homeowners under the Warm Front Grant Scheme. Government grants up to the value of £2,700 may be available to some householders depending on their circumstances; these are managed by The Eaga Partnership (The Energy Action Grants Agency).
- 2.7 There is now available, through Eaga, a free Benefits Health Check Service that can identify those missing out on a qualifying passport benefit. For those households not eligible for a Warm Front grant, a discounted insulation scheme is offered with funding from The Energy Efficiency Commitment (EEC) Programme via all energy suppliers.
- 2.8 Ongoing targeted Warm Front mail-outs to those residents on Council Tax and Housing Benefit within the Borough are sent involving over 1,900 properties. Borough-wide mail-outs to all private sector households offering discounted insulation initiatives with EEC funding continue each year. Ongoing promotions have been held at various public events, outlining all schemes available to our residents and publicised through the local press and radio, and through The Runnymede Voice Magazine and the RBC web page. These initiatives help many households but more direct targeting at individual vulnerable groups is also needed.
- 2.9 In January 2005 the Corporate Management Committee approved a capital estimate of £25,862, funded from grant received from British Gas to fund energy efficiency schemes for vulnerable groups in the private sector. This scheme has been very successful and 86 vulnerable households have been assisted to date.
- 2.10 Energy Management in the Borough is a matter for the Economic Development Committee, but, as this report affects a number of the Housing and Community Services Committee's functions, it is being presented here for approval and then for ratification by the Economic Development Committee on the 6 March 2008.
3. Proposal
- 3.1 The Council has received a further £40,000 of Energy Efficiency Commitment (EEC) funding, as a result of energy efficiency improvement work to our housing stock. Further funding applications will be made for additional work carried out to Council owned stock in subsequent years. This funding will be windfall payments that have not been taken into account in the approved Financial Forecast.
- 3.2 The Council must use the funds received to improve energy efficiency and has the option of either spending these on the existing Council stock or using them to facilitate improvements in the private sector. Application of the funds in the private sector has the potential of levering in yet still more funding to help eradicate fuel poverty and would also be seen as a positive move in meeting the Government's target to ensure Decent Homes within the private sector. Achievement of this is also likely to be assessed in any subsequent inspection undertaken by the Audit Commission.
- 3.3 It is proposed that the £40,000 be used to create a capital budget for providing assistance to vulnerable households in the private sector to pay for the installation of certain energy efficiency measures. It is proposed that this assistance is offered on a first come first served basis. The eligibility criteria for the scheme are proposed as follows:-
- i) Households living in privately rented or owner occupied housing, where they currently lack cavity wall insulation and/or loft insulation, and,
 - ii) the household includes children, a pregnant woman, a disabled person or a person over 60 years of age, and,
 - iii) the Household is not currently eligible for similar assistance under the Warm Front Grant Scheme or the EEC discounted Insulation Scheme, but the total household income is still less than £18,000 per year.
- 3.4 The assistance offered will be to arrange and pay for the full cost of cavity wall insulation, and/or loft insulation and a hot water cylinder jacket up to a maximum of £1,500 per property.

- 3.5 The average cost of the works are likely to be in the region of £450 per household. The likely number of households, therefore, that can be assisted through this initiative, and the number of homes improved, are in the region of 90 – 100. This will generate considerable savings for these households in future years as their fuel costs reduce and some positive impact on their health is also achieved. An increase to the overall Borough energy rating will also be recognised.
- 3.6 Demand for this assistance will be closely monitored and measured so as to substantiate any further bids for funding by the Energy Project Manager.
- 3.7 The Energy Project Manager and Private Sector Housing Team will promote the scheme through local press, distribution of flyers and the Council website. Any costs of promotion will be kept to a minimum and will be covered by existing budgets.
4. Resource Implications
- 4.1 The grant received of £40,000 is available to spend.
- 4.2 A capital estimate is required to establish the Authority to spend on this scheme.
5. Risks
- 5.1 This will be a cash limited initiative and the scheme may be closed once funds are exhausted.
6. Policy Implications
- 6.1 The initiative is in line with Government policy to improve energy efficiency and to reduce carbon emissions.
7. Conclusions
- 7.1 The Council has an obligation to reduce energy consumption under the Home Energy Conservation Act 1995. It is also required to give consideration and support to vulnerable people living in homes within the private sector that do not meet the Decent Homes Standard. The money received via the Eaga Partnership is available to progress initiatives to assist such households with energy efficiency measures. It therefore seems appropriate that the funding should be used to assist vulnerable people in the private sector.

OFFICERS' RECOMMENDATION that –

the Economic Development Committee be requested to agree to the proposals for awarding assistance towards energy efficiency measures as set out in this report, and make the reference to the Corporate Management Committee to approve a capital estimate in the sum of £40,000 accordingly, to be financed from the grant received from the EEC funding scheme.

(TO RESOLVE)

Background Papers

None stated

10. AFFORDABLE HOUSING PROVISION (DHCS)

1. Purpose of Report

1.1 **To advise Members of the action being taken to provide additional affordable housing within the Borough.**

2. Background Information

2.1 In December 2007, the Council adopted a new Housing Strategy which included a target to provide an additional 500 units of affordable housing over a 5 year period. This report sets

out the progress that is being made against the target and also provides information on specific schemes.

3. Report

3.1 Historically, the Council's affordable housing programme has consisted of different initiatives designed to increase the delivery of affordable housing. The current programme is predominantly for the provision of new affordable housing however existing units are also acquired as part of the Open Market Homebuy Scheme which is operated by Thames Valley Housing Association.

3.2 It is very difficult to ensure a regular supply of new affordable housing. This is because the phasing of new developments is outside of the Council's control and dependent on third parties such as private developers and Registered Social Landlords (RSLs). There are also many detailed processes to complete before any new housing development can proceed. These include attracting grant from the Housing Corporation, consultation with local residents, securing planning consent and dealing with land assembly issues such as the extinguishment of rights of way.

3.3 Because of the various factors that influence affordable housing supply there will inevitably be peaks and troughs in provision and, although it is important to be clear about the number of units delivered each year, the overall performance needs to be assessed over a number of years.

3.4 Table 1 below sets out the number of new units constructed and the number of properties acquired under the Open Market Homebuy Scheme since January of this year. It also provides the total number of units currently under construction. This includes schemes at Roakes Avenue Chertsey (42 units), Wapshott Road Egham (first phase 62 units), Bridge Walk Chertsey (9 units), Pretoria Road Chertsey (first phase 26 units) and St Ann's School site Virginia Water (28 units).

3.5 It can be seen that, although there have been a limited number of units delivered during 2007, a total of 200 units are likely to be delivered over the first two years of the current programme.

Table 1 - Affordable Housing Completions and units under construction	
Type of Provision	No. of units
New Provision	
Completions	18
Schemes under construction	167
Open market Homebuy	
Completions to December 2007	15
Total Completions and units under construction	200

3.6 A number of other opportunities to provide affordable housing will arise during the 5 year period. These will come from windfall sites or acquisitions, and, additional purchases under the Open Market Homebuy Scheme. There are also a number of other new schemes that are in the early stages of planning which may well come to fruition during the 5 year programme and have the potential to deliver 375 units. These schemes, and further details of the schemes under construction, are listed in Appendix 'B'.

3.7 When this supply is added to the units listed in Table 1 a total of 575 potential units is reached. This is encouraging, however, it does not mean that the Council should reduce its efforts to provide affordable housing, as the following issues also need to be acknowledged:

- i) There are many factors that may prevent the final delivery of all of the units in the current programme.
- ii) The Council's target of 500 units over 5 years does not meet the total level of need identified within the Housing Needs Assessment.

iii) Some of the units (144) in the current programme replace existing affordable housing.

3.8 It is therefore necessary to continue to explore other possibilities for new affordable housing provision. A number of other schemes are also being considered and are listed in Exempt Appendix 'A'. As the full details of some of these are not within the public domain or are still at the point of being negotiated with the developer they remain confidential.

4. Progress on Specific Schemes

4.1 There have been some recent changes to the schemes at St Anne's School site in Virginia Water and Franklands Drive, Addlestone.

St Anne's School Site Virginia Water

4.2 The scheme at St Anne's School was granted planning consent in March 2002. It was one of the first planning consents that included a provision for 40% affordable housing. A Section 106 agreement was drawn up for the site which allowed for the affordable housing to be provided as shared ownership or rented accommodation. This was appropriate at the time as shared ownership was still affordable to many people in housing need. However, the cost of shared ownership has risen substantially in recent years and the Council's Housing Needs Survey has shown that only schemes on very low equity shares are now affordable to people in housing need.

4.3 The new owners of the site (Charles Church) have commenced construction and have approached Thames Valley Housing Association (TVHA) requesting that they purchase the properties as shared ownership units. As indicated above this was permitted under the terms of the Section 106 agreement but in order to make these units more affordable grant funding was needed to reduce the equity shares to be purchased from 50% to 30%.

4.4 To make the units available at 30% equity grant of £700,000 was required. TVHA have confirmed that they currently have 55 households with a Runnymede connection who would be able to afford the units at 30% equity. TVHA are the Zone Agents for low-cost home ownership properties in Surrey and maintain the waiting list for this area. They are confident that these units will be popular with applicants and that there will be take up from people in Runnymede or the surrounding areas.

4.5 At a meeting of this Committee on 7 March 2007 it was agreed that the Director of Housing and Community Services should be given delegated authority, in consultation with the Chairman and Vice-Chairmen of the Committee and the Director of Finance, to agree grant to those schemes that required a commitment to be given between meetings of the Committee. A decision on the St Anne's school site was needed by December 2007 as construction work had started and the RSL needed to contract with the developer. Following discussions with the Chairman, other Councillors and the DF, the DHCS has therefore agreed to fund this scheme. However, it should be noted that funding will only be provided for those residents who take up the units at 30% equity and who have a Runnymede connection.

Franklands Drive Site Addlestone

4.6 There have also been developments regarding the scheme at Franklands Drive. The land for this scheme has now been sold to the two Registered Social Landlords who were party to the planning application (Elmbridge Housing Trust and Accent Peerless).

4.7 This scheme will provide a total of 350 units (170 social rented units, 140 Homebuy/shared ownership units and 40 intermediate rented units). Outline planning consent was granted by the Secretary of State in November 2006 and at a meeting held with Officers from the two RSLs in October 2007 they advised that it is proposed that they will submit a detailed planning application for consideration in the late Spring/early Summer of 2008. The RSLs have also applied to the Housing Corporation for grant funding and are hoping to commence development of the first phase of their scheme (114 units) in February 2009.

4.8 The Franklands Drive scheme will consist of 3 phases planned over 4 years and is projected to complete in February 2013. The final phase of the scheme will not therefore be completed within the current affordable housing programme timetable.

5. Resource Implications

5.1 The Council's ability to fund the affordable housing provision within the Borough is limited and, therefore, wherever possible Registered Social Landlords are asked to initially apply to the Housing Corporation for assistance with grant.

5.2 The Housing Corporation invited bids for grant in the summer of 2007 and 4 of the Council's RSLs applied for assistance with schemes within Runnymede. A total of £21,401,000 grant was requested for schemes at Franklands Drive, Civic Offices site, Addlestone and, Freemantles School site in Chertsey. The Council will not know until the Spring 2008 whether or not the grant applications for these schemes will be successful.

5.3 If RSL's are unsuccessful in obtaining grant from the Housing Corporation during the current bid round then the Housing Corporation have advised that there is the possibility of a further application being made during March of 2008. An application for grant funding will also be made in March for the Pinefields Scheme.

5.4 Every effort will be made to secure grant from the Housing Corporation for new housing however there will be occasions when this is not possible and in these circumstances the Council will have to consider using its own resources from the Housing Capital programme.

5.5 The Housing Capital Programme makes an annual provision of £1.5 million for new affordable housing schemes. The provisions for 2007/08, 2008/09 and 2009/10 have been ear-marked for a number of schemes, including for the St Anne's School site and the Civic Offices/Police station site, with only £300,000 not yet committed. However, there are no commitments for the 2010/11 provision at the current time.

6. Environmental Implications

6.1 In order to attract grant from the Housing Corporation Registered Social Landlords will need to comply with a range of sustainability indicators which will ensure that units will be energy efficient. In some schemes the dwellings may also utilise renewable energy sources.

7. Conclusions

7.1 A number of schemes are being developed to enable the provision of more affordable housing within the Borough. It is difficult to ensure that there is a regular and consistent supply of units as schemes are often being developed by third parties over which the Council has limited control. However a substantial number of units are in the process of being constructed and 33 units have been acquired during the last calendar year. The Council is also confident that 167 units will be completed within the foreseeable future, making a total of 200 for the first two years of the programme. There is also potential for the supply of an additional 375 units over 5 years.

(FOR INFORMATION)

Background Papers

None stated

11. EXCLUSION OF PRESS AND PUBLIC

If the Committee is minded to consider any of the foregoing reports in private, it is the

OFFICERS' RECOMMENDATION that –

the press and public be excluded from the meeting during discussion of the following reports under Section 100A(4) of the Local Government Act 1972 on the grounds that the reports in question would be likely to involve disclosure

of exempt information of the description specified in appropriate paragraphs of Part I of Schedule 12A of the Act.

(TO RESOLVE)

PART II

Matters involving Exempt or Confidential Information in respect of which reports have not been made available for public inspection.

a) Exempt Information

(No reports to be considered under this heading)

b) Confidential Information

(No reports to be considered under this heading)