

# Housing and Community Services Committee

**Thursday 20 November 2008 7.30pm**

**Council Chamber  
Runnymede Civic Centre, Addlestone**

## Members of the Committee

Councillors P J Waddell (Chairman), H A Butterfield and Mrs R M Denby (Vice-Chairmen)  
J R Ashmore, C J Chapman, R J Edis, P A Francis, R N Jones, Mrs M Roberts and J J Wilson

## AGENDA

### 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, Administration and Leisure Department, Runnymede Civic Centre, Station Road, Addlestone (Tel: Direct Line: 01932 425620). (Email: [malcolm.white@runnymede.gov.uk](mailto: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](http://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**

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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)

<b>TERM</b>	<b>EXPLANATION</b>
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. Its duty is to inspect local authorities responsible for administering benefit on Housing and Council Tax. The responsibility for this function will pass to the Audit Commission from April 2008.
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> .
CLG	Communities and Local Government. Government department responsible for local government and housing functions. See the CLG website at <a href="http://www.communities.gov.uk">www.communities.gov.uk</a> .
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.
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.
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.
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.
NROSH	The National Register of Social Housing (NROSH) is a system for collecting social housing data on individual properties directly from local authorities and housing associations.
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 10 September 2008. These Minutes were included in the October 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. SERVICE PLAN FOR HOUSING AND COMMUNITY SERVICES 2008/10 (DHCS)

1. **Purpose of Report**

1.1 **The purpose of this report is to approve the Housing and Community Services' Service Plan for the period October 2008 to March 2010.**

2. Background Information

2.1 In the Spring of 2003, the Council introduced a revised Performance Management framework to ensure the best use of information and to improve services. This framework included the production of Service Plans for each Committee.

- 2.2 The Plans embody action points from other Strategies including the Sustainable Communities Strategy, the Housing Strategy, the Homelessness Strategy, the Private Sector Renewal Strategy and the Housing Revenue Account Business Plan.
- 2.3 The Service Plans are also a fundamental part of performance monitoring and are used by Managers to set staff appraisal targets.
3. Report
- 3.1 The proposed Plan for the next period is attached at Appendix 'A'. There will be a whole range of other activities that are not included in the Plan but that form part of the day-to-day functions of the department. However, the Plan is set to capture the most significant areas of additional work falling to the Department over the next 18 months.
- 3.2 Performance against the plan is not included at this stage, as this is the first draft of the plan. However, performance will be shown when the plan is reported in future.
- 3.3 The Government have amended the Performance Indicators that have been set for Local Authorities and this has meant that many of the previous Best Value Performance Indicators for Housing and Community Services are no longer required by the Government. However, four Indicators remain that fall under the jurisdiction of this Committee and targets for these have been set within the Plan.
- 3.4 The Surrey Local Area Agreement also includes a specific target to increase affordable housing provision and District Authorities will need to contribute to the delivery of this target and regularly report on performance.
4. Financial Implications
- 4.1 The resource implications for each target are outlined within the Plan. It may be necessary to identify additional resources to deliver some of the targets and reports will be brought to Committee outlining any requirements as necessary.
5. Council Policy
- 5.1 Service Plans assist the Council in achieving two of its strategic objectives:
- i) achieving quality services, and
  - ii) achieving continuous improvement.
6. Conclusions
- 6.1 A comprehensive Service Plan has been established for the forthcoming period to March 2010. Members are asked to examine the targets within it and endorse them or suggest amendments.

**OFFICERS' RECOMMENDATION that -**

- i) the Committee suggest and approve any amendments that are required to the Service Plan; and**
- ii) subject to amendments the Plan be adopted for the period to March 2010.**

**(TO RESOLVE)**

Background Papers

None stated

7. REVIEW OF EXTENSION MADE TO THE COMMUNITY ALARM TELECARE (CAT) DISCHARGE PROJECT (DHCS)

1. Purpose of Report

1.1 The purpose of this report is to:

- i) Review the Community Alarm Telecare (CAT) project that was extended to include people who had suffered from a distraction burglary;
- ii) Consider whether Careline should be offered on a free-trial to new customers over 75;
- iii) Consider the possibility of working in partnership with Elmbridge and Spelthorne to provide Telecare to residents within the Borough.

2. Background Information

- 2.1 The Runnymede Borough Council Community Alarm service is provided to vulnerable people and provides a 24 hour link to the Safer Runnymede Centre. The scheme is also known as "Careline".
- 2.2 In 2006, Runnymede Borough Council joined with the other Surrey Districts to provide support to those aged 65 and over who are discharged from hospital and who do not already benefit from a community alarm.
- 2.3 All 11 District Councils agreed to provide a community alarm free of charge for 12 weeks to those residents who had come out of hospital to help maintain their independence and prevent a swift return to hospital. This was known as the Community Alarm Telecare (CAT) project. The new alarms purchased for the project were funded by a grant (Preventative Technologies Grant) provided by the Department of Health to the County Council. This Grant was available for a 2 year period from April 2006 only.
- 2.4 In November 2007, this Committee agreed to extend this scheme to include residents who had been subject to a distraction burglary. The Committee asked that the scheme should be reviewed after one year and also that the possibility of providing free units to those over 75 should be considered.

3. Report

Continuation of CAT Project

- 3.1 The take-up of CAT's alarms continues to be high, with 66 having been installed in Runnymede since January 2008. Encouragingly, 51 of the clients with these units decided to keep them when the free 12 week trial ended. However, the funding available from the Preventative Technologies Grant (PTG) has now come to an end but Officers consider that there are significant benefits to warrant continuing with the scheme.
- 3.2 Of those 66 alarms installed since January, six were as a consequence of burglaries. Five of the clients have kept the alarms, but the other client sadly died within the 12 week period.

Free Trial of Alarms to Residents aged over 75

- 3.3 As requested by this Committee, consideration has been given to extending the free-trial period of alarms to those over 75. However, this would have a number of implications:
  - i) Income would be foregone for 12 weeks on all new users over 75 which is the majority of new clients (approximately 70%).
  - ii) Existing users who are over 75 who did not have a free-trial may feel disadvantaged.

- iii) There is likely to be a need to invest in significant additional equipment in order to cater for a higher number of installations. Unlike the CATs scheme there is no Preventative Technologies Grant to cover this.
  - iv) If there was a surge in take up there may also be a need for an interim staff resource to install units.
  - v) It would only be worth extending the free trial to all over 75 clients if it could be guaranteed that the fees lost in the first 12 weeks would be covered by extra fee income received from those who would not otherwise have had an alarm. This cannot be guaranteed.
- 3.4 For the above reasons, Officers would not recommend extending the free trial to this group.
- 3.5 Two other opportunities for enhancing the service have, however, arisen:
- 3.5.1 Telecare with Elmbridge and Spelthorne
- Careline is only one of the technological devices used to help people remain in their homes. Other forms of equipment such as bed sensors, fall detectors and smoke alarms are also available. These are collectively known as Telecare.
- 3.5.2 At Runnymede, involvement with Telecare has been limited as, although the initial outlay has in the past been covered by PTG, in the longer term it was feared that it would require additional revenue resources. However, two neighbouring Boroughs have provided Telecare and now have capacity that they wish to make available to Runnymede residents. Attached at Appendix 'B' is a proposal received from Elmbridge and Spelthorne.
- 3.5.3 The Elmbridge and Spelthorne scheme allows very frail residents of the Borough to have the option of utilising Telecare equipment at no additional cost to the Council.
- 3.5.4 As the proposal also involves providing Careline as part of the suite of Telecare projects it may mean that some Careline income is lost from Runnymede. However, it can be seen from the proposal that only a modest reduction in Careline use (3% at Spelthorne and 10% at Elmbridge) arises and, therefore, the potential loss of income is low. It should also be noted that without Telecare clients are often taken into residential care and therefore Careline income would be lost in any event.
- 3.5.5 It is proposed to run the scheme for a pilot period of 2 years (with an option to break after 12 months) during which time the impact on Careline could be monitored. Any marginal impact on Careline income will also be offset by the following County Council proposal.
- 3.5.6 Careline Funding from Social Services
- Although still requiring formal verification, the County Council's Social Care Team have said that they wish to get all of the older people whom they support in Runnymede onto the Careline scheme. They have said that if clients do not have the financial means to cover the weekly charge they will pay for the alarm. Their long term aim would be to ensure of all their clients have the means to make an emergency alarm call, whether they are self funded, or were part or wholly County funded.
4. Financial Implications
- 4.1 The Government grant for funding the CAT's project has ceased and so the cost of any additional units supplied would fall to this Council. It has been noted, however, that a high proportion of clients do keep the unit and so become fee paying clients. For those that do not the unit is returned and can be utilised again in another person's home. Officers estimate that the increased long-term income generated from new users will match the costs of continuing the CAT's project and it is therefore considered that the CATs project can be continued within existing budgets.

- 4.2 The initial analysis of the proposals for Telecare with Elmbridge and Spelthorne and Careline funding from Social Services suggest that they would be cost-neutral if taken together. Although some income from Careline would be lost from clients who take the Telecare support option, early indications are that the losses are unlikely to be substantial and the County scheme would potentially generate both more custom and income. Further work will be carried out on these proposals to assess their full budgetary impact before agreements are entered into.
5. Conclusion
- 5.1 The victims of burglary initiative and the CAT's scheme continue to be successful in helping vulnerable people to return home from hospital or remain independent following a burglary. Although the Government grant for new units is no longer available the additional fee income would be adequate to offset the cost of these schemes.
- 5.2 Extending a 12 week trial to all new customers over 75 would lead to a significant loss of fee income and increased expenditure on units and is therefore not recommended.
- 5.3 The two new initiatives proposed by Elmbridge and Spelthorne and SCC Social Services provide an opportunity to extend the service without any cost falling to Runnymede. It is therefore proposed that, subject to more detailed scrutiny of the terms of the proposals, these partnership initiatives be approved.

**OFFICERS' RECOMMENDATION that -**

- i) Careline units continue to be installed in the houses of distraction burglary victims and those discharged from hospital free of charge for a period of 12 weeks; and**
- ii) subject to confirmation that the proposals from Elmbridge and Spelthorne and the Surrey County Council Social Services team regarding extension to Telecare and Careline projects would not require additional budgetary resources, Officers be given authority to enter into the necessary agreements with these Authorities.**

**(TO RESOLVE)**

Background Papers

None stated

8. HAIRDRESSING AND CHIROPODY CHARGES WITHIN DAY CENTRES (DHCS)

1. Purpose of Report
- 1.1 **The purpose of this report is to receive information regarding comparative charges for hairdressing and chiropody services within Day Centres.**
2. Background Information
- 2.1 During the Best Value Review of Community Services which took place in 2004, a target was set to compare the hire charges that were recovered from service providers for chiropody and hairdressing services within the Day Centres. Unfortunately, this work has been delayed due to other more substantial projects such as the transfer of clients to Manor Farm from Queen Elizabeth House and major changes within the meals and transport services. However, progress has now been made.
3. Report
- 3.1 Historically, there has been a tiered payment structure for hairdressing within the four Day Centres, based on the facilities available for the hairdresser to use. The current hire fees are at an hourly rate as follows -

Day Centre	Hourly Charge
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Eileen Tozer	£5
Manor Farm	£6.10
The Orchard	£4.00
Woodham and New Haw	£6.10

The average use is 4 hours each day Monday to Friday.

- 3.2 The Chiropodist is charged the same day rate at each centre and this is currently £19.00 per day. Both the hairdressing and the chiropody rates are reviewed annually and increased by a little over inflation.
- 3.3 In order to compare the charges with other authorities requests for information were sent to each of the other Districts in Surrey. 6 of them responded. The findings are as follows:
- 3.3.1 Hairdressing
- Four authorities charged by the half-day and day, one had an annual charge and one took a percentage of the takings. Comparative hairdressing charges at other Boroughs ranged from £27 to £30 per day and £13.50 - £19.50 per half day.
- 3.3.2 Chiropody
- Three authorities charged by half-day and day, one by the hour, one took a percentage of takings and the other had no chiropody service. Comparative chiropody charges in other Boroughs ranged from £22 to £30 per day.
- 3.4 Officers have considered each of the above approaches to higher charges and modelled these against the existing hours of service at each of the Centres. Initially, an idea of a day or half day rate for hairdressing appeared attractive because of its simplicity. However, upon investigation it was felt that hairdressing income could fall if a day-rate was applied the reason being that hairdressers would inevitably cut their losses and utilise the half-day rate knowing that they could fill this rather than gamble and stay for a full day. It is therefore proposed that the Council continues with its current arrangement for hairdressing charges.
- 3.5 By contrast it would appear that the charging rate for chiropody at Runnymede is low as compared to other Districts and it is intended that proposals for an increase in charging be introduced as part of the budget setting process for 2009/10, leading to a very modest increase in income.

**(FOR INFORMATION)**

Background Papers

Head of Community Services file for hairdressing and chiropody comparisons.

9. CONCESSIONARY BUS PASSES (DHCS and DF)

1. **Purpose of Report**

1.1 **The purpose of this report is to:**

- i) **Update Members on progress made in implementing the new Concessionary Bus Travel Act 2007; and**
- ii) **Present the latest information about the cost of the new scheme; and**
- iii) **Request Members to decide on any financial contribution to other Surrey authorities as discussed at the Surrey Local Government Association**

1.2 A significant proportion of this report was made to the Corporate Management Committee meeting held on 30 October. This report would normally have been made to this Committee in the first instance but it was made to the Corporate Management

Committee in order to notify Members, as soon as possible, and inform the Financial Forecast process. This report has been updated to include the decisions made by the Corporate Management Committee together with further new information received.

## 2. Background Information

- 2.1 Free local bus travel was introduced by Government in April 2006. Before April 2006, the concession was for half-price travel. A new national free travel scheme was introduced from April 2008, allowing over 60s and disabled people to travel for free anywhere in the UK between 0930-2300 midweek and all day at weekends
- 2.2 The 11 District Councils in Surrey, together with the County Council, operate a joint countywide scheme of concessionary bus travel. This is a long established partnership arrangement. Regular meetings of the county-wide Concessionary Fares Working Group are held to co-ordinate the scheme.
- 2.3 The Surrey partnership is advised by consultants – the TAS Partnership – who advise on arrangements with the bus operators and collect and audit data from the bus companies. The arrangements with TAS were reported to the Housing and Community Services Committee in November 2007.
- 2.4 Runnymede grants free bus travel from 9.00am for the over 60s - an enhanced benefit that commences 30 minutes before the 9.30am start of the statutory entitlement. This concession has been agreed to allow Runnymede residents to benefit from local conditions that were in place prior to 1 April. Most of the other Surrey Districts (but not Surrey Heath) offer this additional concession.
- 2.5 The scheme does not apply to community transport services.
- 2.6 In order to take advantage of these concessions residents must obtain a permit from their local Council. The permit must be issued free of charge.
- 2.7 The Housing and Community Services Committee previously received a number of reports leading up to the implementation of the new scheme, and in June 2008 received a report reviewing the implantation process and considering future administrative arrangements.

## 3. Update on the implementation and operation of the scheme

- 3.1 The new scheme has been implemented successfully. There are now 9,300 passes distributed to customers in Runnymede. There continues to be a steady number of new applicants for bus passes (currently an average of 30 per week). These are people who have only recently learnt about the scheme or who have just become eligible.
- 3.2 The Council has a contract with Novacraft to supply the initial bulk issue of passes and the subsequent new passes. They were asked to continue producing passes on behalf of the Council until 31 March 2009.
- 3.3 At its meeting on 11 June, the Housing and Community Services Committee resolved to use the Novacraft *InNovator* card management system to replace the in-house developed database. *InNovator* is a web-based system that allows the bus pass team to enter new records, including pass holders' photos, onto a database that is immediately accessible by Novacraft. The Committee agreed that the system would be used for one year, initially, and then continued, if satisfactory, after review.
- 3.4 The *InNovator* system has proved robust and effective to date.
- 3.5 The Surrey Partnership are looking at the common disability criteria and a draft of their findings will be circulated to the Surrey Local Government Association (SLGA) Members Group on Concessionary Fares for consideration. It is likely that where changes affect individuals they would not lose their pass immediately but at the next reissue of their card (passes have a life of up to 5 years).

## 4. Cost of the Scheme

- 4.1 The major cost element in providing this service is payments to bus operators. This is to reimburse the bus operators for income foregone as a result of accepting concessionary fare passengers.
- 4.2 The arrangements for reimbursing the bus operators and the method that the costs were allocated to Districts changed on 1 April 2008.
- 4.3 In 2007/08, a Countywide subsidy of £6.208m was paid to the bus operators in order to reimburse revenue foregone by accepting the permits. The level of reimbursement to bus operators was based on a mileage rate negotiated with the operators on the basis of limited (and unaudited) patronage figures available and average standard local fares. This cost was broadly allocated amongst Districts in proportion to the number of permit holders in each area. The Runnymede share of the cost of payments to bus operators was £367,615.
- 4.4 From April 2008, the method of reimbursement to bus operators changed to one of actual usage, with the bus operators being reimbursed 65% of the normal fare for each journey undertaken. Operators are now obliged to record journeys (previously there was no incentive or requirement to do so). Each Surrey District is charged for journeys starting within their Borough boundary (previously charged to the District where the passholder lives).
- 4.5 In November 2007, TAS provided a set of initial costings that analysed the potential impact of the new national scheme, and the changes in reimbursing bus operators and allocating costs to Districts. TAS estimated that the sum payable to bus operators by Runnymede in 2008/09 would be £128,095, a significant reduction compared to the £367,615 paid in 2007/08. A provision of £200,000 was made in our 2008/09 estimates to allow some margin for increased use of buses, and potential data errors in the initial costings.
- 4.6 TAS has now provided data on the first quarter usage and cost apportionment for 2008/09. The result is significantly different to their initial estimate for Runnymede.
- 4.7 TAS supplied a report that sets out their findings in detail, reproduced at Appendix 'C', and a spreadsheet comparing costs to 2007/08 (Appendix 'D'). TAS has also since provided a "File Note" that helps explain the variations in more detail and this is supplied at Appendix 'E'.
- 4.8 Highlights from these documents are:
- Over 117,000 passes had been issued by the Surrey Districts by April 2008. The total issued is now likely to be much greater.
  - There were nearly 1.7m free journeys starting in Surrey during the first quarter of 2008/09.
  - The average cost per journey paid to bus operators is £1.03.
  - Bus operators are now estimated to receive reimbursement of £6.87m from Surrey Authorities, an increase of 7% over 2007/08 costs, and 3.7% over the initial estimate for 2008/09.
  - The change in the method of reimbursement to bus operators from the 37 pence mileage rate to the new scheme based on a reimbursement rate of 65% has led to significant changes in the amounts paid to individual operators.
  - The cost to Runnymede Borough Council for reimbursements to bus operators is now estimated to be £309,205 in 2008/09 (a considerable increase over TAS's initial estimate of £128,095).
  - There is a risk that the cost will increase further as a result of increased fuel prices, which will impact upon the calculation of average adult fare and therefore the value of concessionary journeys made.

- 4.9 The increase in payments from the initial estimate of £128,905 to a new estimate of £309,205 (with the prospect of further increases) is clearly very unwelcome. It is also well in excess of the provision of £200,000 made in the 2008/09 budget. Allowing for a modest contingency, a revised budget for 2008/09 of £320,000 is now considered prudent. This is £120,000 greater than allowed for in the budget. The Corporate Management Committee approved a supplementary estimate accordingly in this sum.
- 4.10 The TAS report discloses that the latest estimate of the overall cost of reimbursing bus operators is 3.7% above their previous forecast. However, the cost falling on individual councils is considerably different with the smallest difference being 8% (Reigate and Banstead). The variation in Runnymede is the greatest, at 141%.
- 4.11 At a meeting of the Concessionary Fares Working Group held on 15 September, TAS were questioned about the wide variations between the initial estimate and the first quarter figures. The Councils which had seen large increases since the initial TAS forecast (Epsom, Runnymede, Surrey Heath and Woking) expressed particular concern at the findings and requested further information.
- 4.12 TAS will now start operator surveys and audits in order to provide a better degree of scrutiny over usage and costs. However, TAS do not believe that figures are manipulated by drivers over stating journeys.
- 4.13 TAS have disclosed that their initial estimate was based on very limited data (see their File Note at Appendix 'E'). In particular, TAS allocated costs in their initial estimate based on a bus route mileage basis, rather than when the passenger was likely to board a bus. At that time, TAS had limited information about where people boarded buses. Because not all operators supplied data, TAS had to make guesses about the gaps in data. Therefore, where a route travelled across boundaries, assumptions were made regarding which Council would be liable for what. It seems that the geography of bus routes in Runnymede means that this heavily understated the usage on a number of routes. Officers were not aware of this methodology used in the initial estimate, albeit it is unlikely that they would have realised the impact of this estimation method too. Also, in Runnymede no returns had been received on routes formally operated by Tellings and Willtax (both now absorbed by Travel London), First Beeline, Peterbus or Dickens Travel.
- 4.14 Travel London is the bus operator providing the most used services in Runnymede. The following table shows the usage and subsequent costs to Runnymede of the services it operates:

<b>Travel London services in Runnymede: Data for April to June 2008</b>			
Service	Route	Passengers (Concessionary)	Cost £
426	Staines – Woking; via St Peter's Hospital, Ottershaw and Sheerwater	3,123	3,822
441	Heathrow Airport - Englefield Green; via Ashford Hospital and Pooley Green	11,082	11,218
446	Staines – Woking; via St Peter's Hospital, Ottershaw, Coombelands, New Haw, Woodham, West Byfleet and Sheerwater	6,077	6,900
451	Kingston – Staines; via Hampton Court, Byfleet and Thorpe Park	3,505	4,308
461	Kingston – Staines; via Hampton Court, St Peter's Hospital and Thorpe Park	6,734	8,284
471	Kingston – Woking; via Coombelands, Woodham, West Byfleet and Sheerwater	6,414	8,154

557	Hatton Cross – Addlestone; via Stanwell, Ashford Hospital, Upper Halliford, Chertsey and St Peter's Hospital	3,372	3,973
566	Staines - Knowle Hill; via Stroude and Virginia Water	774	789
567	Staines - Knowle Hill; via Virginia Water and Stroude	2,305	2,446
	Total	43,386	49,894

- 4.15 Bus operators in Surrey have not appealed (to date) against the level of reimbursement which they are receiving. They have done so in other areas, albeit it appears that these are where reimbursement rates (65% in Surrey) are lower. However, there remains a modest risk that bus operators may appeal to the Department for Transport that the reimbursement offered by the Surrey scheme is insufficient. A successful appeal would further increase the Council's costs.
- 4.16 The Department for Transport provided Runnymede Borough Council with additional grant of £162,300 for 2008/09. This grant award is fixed.
- 4.17 The new scheme still represents a reduction in overall cost over the old scheme. The revised estimate in 2008/09 of £320,000 is still below the payment made in 2007/08 (£369,365). The Department for Transport grant of £162,300 is also new income.
- 4.18 TAS forecast inflationary increases of 5% for 2009/10. This level of cost increase is also unhelpful given the Council's restrained level of Government grant and Council Tax.

## 5. Partnership Arrangements

- 5.1 There are currently two inter-authority groups discussing the detailed arrangements for concessionary fares in Surrey.
- 5.2 The **Concessionary Fares Working Group** has representatives from all Districts and is chaired by agreement by the County Council. The purpose of the Group is to discuss and achieve an agreement on administrative issues and decisions for which there is a general consensus.
- 5.3 In November 2007, the SLGA established a **Member Board** reporting to the SLGA to drive forward the delivery of the new scheme and to seek consensus on countywide issues and lobby Government as appropriate. It is modelled along the lines of the Members' Group on Waste, namely with one Member representative from each District (normally the relevant portfolio holder) and 3 from the County Council. The Group had two main aims. Firstly, it would consider any outstanding operational issues on which it would be necessary or desirable to reach common agreement before the new scheme came into operation. Secondly, it would keep the scheme under review and make recommendations for changes (if any were needed) to SLGA and Member authorities as the scheme progressed. It should be noted that this Group is not an executive body. It remains for authorities themselves to make decisions which are binding on them.
- 5.4 The latest meeting of the Members Board was on 9 October. The Board received another set of proposals for Surrey Districts to consider a scheme to pool money from Districts that gained in overall terms from the new arrangements to subsidise those that did not. A similar proposal was rejected earlier this year. Using the latest data, nine Districts are expected to be in "surplus" (including Runnymede) and two (Guildford and Surrey Heath) in "deficit". At the meeting there was no consensus on agreeing the proposal.
- 5.5 The matter was taken to the Surrey Local Government Association (SLGA) meeting on 22 October 2008. The attendees resolved that, in the interests of unity across the County, to review the costings of the Surrey Scheme at the year end to establish 'floors' to ensure that no single district would take a major financial hit arising from the distribution of funds. The representative for Surrey Heath also gave an undertaking that,

subject to the resolution being passed by all Districts, Surrey Heath would join the rest of Surrey with an 09.00 start for over 60s passholders.

- 5.6 There are a number of details to be agreed before the proposal can be finalised. In particular, it will be necessary to find an agreed definition of "major financial hit" and the choice of "baseline" to measure the "deficit" or "surplus". As a broad guide, it is estimated that Runnymede would have to contribute some £25,000 to this new Surrey pool for redistribution to the Districts (currently only Guildford and Surrey Heath) in "deficit".
- 5.7 It will be necessary for Runnymede Borough Council to resolve to participate in this proposal, and decide on the conditions that would be expected to be in place before any funds can be released. If Members are minded to support the SLGA proposal, Officers would recommend a financial ceiling for any Runnymede contribution. The suggested ceiling is £25,000. A supplementary estimate is required for this amount. It will also be necessary to establish new budgetary provisions in future years. There is no provision in the new Financial Forecast for such payments.
- 5.8 It is recognised that this action is at the discretion of Members, and accordingly the Officers Recommendation at the end of this report does not specify a firm course of action.
6. Legal Implications
- 6.1 The Concessionary Bus Travel Act 2007 came in to effect on 1 April 2008. Under this Act, travel concession authorities (District Councils in Shire areas) must provide all residents over the age of 60 and people with qualifying disabilities with free travel on buses between 9.30 am to 11 pm on week days and all day at weekends. Bus operators are obliged to honour the statutory concessions but must be reimbursed on a cost-neutral basis for doing so.
- 6.2 The Transport Act 1985 provides local authorities with discretionary powers to extend the scope of these concessions, although operators cannot be compelled to participate in an enhanced scheme.
7. Conclusions
- 7.1 9,300 bus passes have now been issued by Runnymede. The operational aspects of the scheme are generally running well and the service offered by Novacraft is good.
- 7.2 The data on reimbursement of costs to bus operators supplied by TAS for the first quarter represents a considerable increase over that allowed for in the 2008/09 budget. A supplementary estimate of £120,000 has been approved by the Corporate Management Committee.
- 7.3 The SLGA proposal to review the costings of the Surrey Scheme at year end to establish 'floors' to ensure that no single district would take a major financial hit arising from the distribution of funds is a matter for Members to decide.

**THE COMMITTEE IS ASKED:**

- i) whether it supports the SLGA proposal to review the costings of the Surrey Scheme at year-end to establish 'floors' to ensure that no single district would take a major financial hit arising from the distribution of funds; and**
- ii) if so, to indicate:**
- (a) the maximum level of contribution to be made to the Surrey pool for distribution to districts in deficit (suggested maximum is £25,000),**
- (b) any other conditions that should be in place before agreement is made,**

**(c) whether Runnymede Borough Council is contributing to the Scheme for the 2008/09 financial year, or for subsequent years or both;**

**iii) subject to the Committee's view on (i) and ii) above, to request the Corporate Management Committee to approve a supplementary estimate in the sum determined in response to (ii)(a) to meet the expected cost of this scheme in the 2008/09 financial year, and to make provision for future financial years if necessary.**

**(TO RESOLVE)**

Background Papers

1. Report from TAS on first the Surrey Concessionary Fares: Quarter 1 Reimbursement Costs; Surrey County Council and participating TCAs, August 08
2. File note from TAS on allocation of concessionary fare reimbursement costs, 30 September 2008.

10. THE NEW TENANT SERVICES AUTHORITY AND HOUSING INSPECTION FRAMEWORK (DHCS)

1. Purpose of Report

1.1 **This report sets out observations on the implications of the creation of the Tenants Services Authority as introduced by the Housing and Regeneration Act 2008. It also seeks views on a consultation exercise that the Audit Commission are undertaking for their proposed short notice inspection regime.**

2. Background Information

- 2.1 The Housing and Regeneration Act 2008 received Royal Assent on the 22 July and gives effect to the Government's proposals to create new housing organisations to deliver and regulate social housing.
- 2.2 Part I of the new Act creates the Homes and Communities Agency (HCA) which will replace the Housing Corporation, the Urban Regeneration Agency and the Commission for New Towns, which operated under the joint name of English Partnerships. The HCA will focus on delivering more new and affordable homes across all tenures and will invest in regeneration too.
- 2.3 Part II of the Act creates a new Social Housing Regulator, the Tenants Services Authority (TSA) and sets out its objectives and powers. The TSA will take on all of the regulatory functions previously undertaken by the Housing Corporation. This report outlines the implications for the Council of the establishment of the TSA.

3. Report

- 3.1 The Government have been keen to establish an organisation that will oversee the ownership and management of all social housing, including local authority housing. It wants to see parity for the services delivered to Regional Social Landlords (RSL) and Council tenants. Its method of achieving this is by bringing all regulations of housing under one organisation. It calls this "cross domain" regulation.
- 3.2 A specific advisory panel has been constituted by the Government to consider how cross domain regulation will be achieved. The panel has produced a report which makes a number of recommendations. The principle one is that the new Tenant Services Authority should be responsible for the regulation of landlord services provided by local authorities as well as RSLs
- 3.3 It is not anticipated that the TSA will commence regulation of local authorities until Spring 2010 and additional legislation, which sets out the functions to be regulated, will be required before any proposals are implemented. The Government have given a

commitment to full public consultation on the provisions of cross domain regulation and this will provide an opportunity for the Council to express its views.

- 3.4 It is proposed that the new TSA will have the power to commission the inspection of services by the Audit Commission. It is also intended that they will agree the Audit Commission's inspection activity for social housing.
- 3.5 The Audit Commission have also published a document entitled "Short Notice Inspections of Local Authority Housing Services and ALMO's". This sets out how they propose to organise social housing inspections. A copy of the Audit Commission's document has been placed in the Members' Room. They are inviting Local Authorities to respond to the consultation and have also asked for Authorities to volunteer to be part of a pilot programme.
- 3.6 It is proposed that the triggers for inspection will be poor performance, as measured by Performance Indicators, and feedback from regulators (TSA) on standards. A mix of Key Lines Of Enquiry (KLOEs) and new standards to be set by the TSA will be used to set the benchmark for services.
- 3.7 The TSA's remit covers the regulation of landlord and housing management services only and not the regulation of the other housing services delivered by local authorities such as the strategic housing role, private sector housing, housing needs and homelessness. These services, although not subject to the scrutiny of the TSA will come within the remit of the comprehensive area assessment (CAA) which is also being introduced for local public services from April 2009.
- 3.8 The TSA must first invite the Audit Commission to carry out any inspections. Inspections are to be risk-based and tailored to local circumstances. The scope of short notice inspections is likely to vary from a single service area such as Tenancy Management to a full range of landlord services in a geographical area.
- 3.9 The Audit Commission are proposing to pilot short notice inspections in five local authorities and three arms length management organisations.
- 3.10 The Audit Commission have asked local authorities to respond to a number of consultation questions. These are set out in Appendix 'F'.

#### 4. Resource Implications

- 4.1 There is currently insufficient information available to assess the resource impact of the above changes. The Advisory Panel report on the cross-domain regulation does indicate that a fee might be payable by Local Authorities to the new TSA but this is yet to be confirmed.
- 4.2 The burden of inspection by the Audit Commission has in the past been accommodated within existing staffing levels and this is likely to be the case for the future. The most likely cause of additional expenditure is compliance with any new standards that are set by the TSA that are above existing levels of service delivery. However, until proposed standards are published it is impossible to estimate the full financial impact.
- 4.3 At the last meeting of this Committee a report was considered that highlighted the fact that (in 2008/09 alone) the Council will pay nearly £6 million to the Government in negative HRA subsidy and that, in the longer term, this was likely to have a damaging effect on the Councils HRA Business Plan. One of the issues that will need to be addressed if cross-domain regulation is to deliver equality of services to RSL and Council tenants is the issue of fair treatment in the HRA subsidy system. The point will therefore be made in response to any consultation on the new regime that a much greater share of the rent raised locally from tenants will need to be retained if Council social housing providers are to be expected to deliver the same standards as RSLs.

#### 5. Conclusions

- 5.1 The Government have passed legislation that sets in place the new Tenant Services Authority for social housing. The intention is that further legislation will be produced that

in the longer term will result in the more detailed regulation of local authority social housing by the new TSA. The Audit Commission also intend to undertake short notice inspections of local authority housing functions following referrals from the TSA. The full implications of the new system are still uncertain and further reports will be brought when additional detail emerge.

**OFFICERS' RECOMMENDATION that -**

**the Director of Housing and Community Services be authorised to make a response to the Audit Commission consultation on short notice inspections consistent with the observations set out in this report.**

**(TO RESOLVE)**

Background Papers

None stated

11. GOVERNMENT'S FINANCIAL RESCUE PACKAGE FOR HOUSING (DHCS)

1. Purpose of Report

1.1 **The purpose of this report is to advise Members of the content of the Government's proposed financial rescue package for housing.**

2. Background Information

2.1 Since 1997, the number of households who own their own home has increased by one million and an additional 110,000 have benefited from shared ownership and shared equity programmes, enabling them to get a foot on the property ladder. However, the housing market is experiencing significant challenges as a result of turbulence in the global financial markets. Recently, house prices have fallen, first-time buyers are finding it harder to find a suitable mortgage, and house-builders are experiencing more challenging business conditions. In particular, buyers who have committed to fixed-term 100% mortgages are having difficulties which could lead to an increase in house repossessions.

2.2 The situation is constantly changing and the proposed reductions in interest rates may lead to more positive outcomes, particularly for borrowers. It is therefore important to remain optimistic about the future but the Council must be aware of, and to plan for, potential pitfalls.

2.3 The Government have announced a series of proposals that are aimed at assisting first time buyers and preventing repossessions. The details of these proposals are still emerging but the following are extracts from the Government documents that describe the rescue package:

2.4 Mortgage Rescue

This scheme is designed to provide an option to help families with dependent children, the elderly and other vulnerable households. It may not be able to help households with little or no equity and is not appropriate where homes are unreasonable to occupy because of disrepair, overcrowding or risk of violence.

The scheme is being worked up with Councils, lenders, National Housing Federation, Housing Corporation, RSLs, and with input from Chartered Institute of Housing, Local Authority Associations and money advice agencies.

Depending on their specific circumstances, eligible homeowners will be offered one of three products, following an assessment of their case by their Local Authority:

- Shared equity - RSL provides an equity loan enabling the householders' mortgage repayments to be reduced;

- Shared ownership - RSL buys a share (enabling purchaser to pay off some of their mortgage) and converts the property to shared ownership by issuing a shared ownership lease;
- Sale and rent back - RSL clears the secured debt completely and the applicant pays rent to the RSL at a level they can afford.

Councils will nominate suitable cases to the Homebuy Zone Agent, in Surrey this is Thames Valley Housing Association, who it is proposed will use the rescue package to purchase a share or the entire freehold of the property, allowing the existing household to remain in occupation.

The Government have said that:

*"This is a limited scheme which cannot help those who have borrowed excessively or acted recklessly. It is firmly targeted on those who "can't pay" rather than those who "won't pay". Local authorities are critical partners in the mortgage rescue scheme. Councils are often the first port of call for households at risk of losing their home. All English Councils have, by law, to give advice and information to any member of the public about homelessness and prevention of homelessness. Local Authorities also have to provide assistance and accommodation to vulnerable households - with commanding emphasis on prevention of homelessness."*

The Government plan to have the scheme in place at the end of December 2008. A mortgage repossession summit for the South East is taking place on the 7 November 2008 and a presentation by Government Officers will be made on the mortgage rescue package. Officers will therefore be able to find out more about the proposed scheme at this event and will come back to Members, in the New Year, with full details about how it is proposed that this scheme will work and the clients that would be eligible for assistance.

## 2.5 Homebuy Direct

First-time buyers are one of the groups finding it difficult to attain a mortgage. They would usually benefit from falling prices, but a combination of the higher cost of borrowing, bigger deposit requirements and weakening credit confidence means this has not happened.

HomeBuy Direct is a new shared equity scheme designed to clear completed or near-completed vacant properties that house-builders have been unable to sell, by helping up to 10,000 first-time buyers into affordable home ownership. The scheme has been allocated £300m of CLG funding.

The scheme will be offered on specific new build properties brought forward by developers. Buyers will be offered an equity loan of up to 30% of purchase price, co-funded by Government and the developer. The equity loan will be free of charge to the purchaser for the first five years. From year 6, a 3% charge will be levied. From year 10 onwards, the Bank of England Base Rate will be charged, increasing by RPI plus 0.5% each year.

Once launched, HomeBuy Direct will operate as follows:

- Developers will shortly be invited to submit bids to the Housing Corporation to provide HomeBuy Direct on selected properties and sites.
- The scheme will be administered by the regional HomeBuy Zone Agents – in Surrey this is Thames Valley Housing Association
- General eligibility for HomeBuy Direct will be the same as for the other HomeBuy products (i.e. households earning less than £60,000 who could not afford to buy a suitable property on the open market without assistance in the area where they live or work).

- Purchasers can redeem the equity loan in tranches, purchasing up to 100% equity after their initial purchase by buying additional equity at the market rate.
- Buyers will be able to sell their HomeBuy Direct home on the open market. When they do so, they will repay the equity loan by way of a share of the sale proceeds. This repayment will be shared equally between Government and the developer.

The type of properties available under HomeBuy Direct will depend on the properties that are brought forward by developers. It is proposed that the first HomeBuy Direct homes should be available to purchasers in January 2009.

## 2.6 Bringing Forward Affordable Housing Spending

The Government have stated that:

*"Social rented housing is vitally important at this time – not only because of urgent unmet need, but also because of the contribution to the economy made by Government-supported construction. However, current market conditions are impacting upon housing providers' ability to deliver new affordable housing schemes. A reduction in developer contributions (S106 schemes) and reductions in the proceeds from low cost home ownership sales (including staircasing receipts from sales in previous years) are making it hard to maintain delivery within current efficiency targets."*

The Government has announced that social housing money should be spent now to meet these immediate economic and social needs and ensure that more homes are delivered this year and next, rather than wait up to three years for new social homes to be delivered.

The Government is therefore bringing forward £400m from their 2010-11 affordable housing budget to be spent on new social housing this year and next. This could deliver up to 5,500 additional new social rented homes over the next 18 months.

At the same time, to respond to the current economic conditions in the housing sector, the Government have agreed with the Housing Corporation that they will apply limited flexibility to the efficiency targets that they are working within to achieve continued delivery of new housing schemes. Scheme bidding will continue to be undertaken within a competitive framework and it is expected that this will continue to be a strong driver of value for money, with those bids which meet the Housing Corporation's assessment criteria and offering best value for money being prioritised for funding.

## 3. Local Context

- 3.1 There has been a 29% increase in the number of repossession cases heard at Staines County Court in quarter 1 of this financial year as compared against the same period last year. The Council jointly funds with Spelthorne and Hounslow Borough Councils, a Court Desk Advisory Service at Staines County Court. The service is provided by the Citizens Advice Bureau and they have also reported an increase in the number of repossession cases they are dealing with.
- 3.2 Officers are concerned about the levels of press coverage that the mortgage rescue package has been given as there is a danger that it is raising expectations that may not be met. The package has not been finalised and consultation with local authorities is taking place over the next few months. There have been a number of enquiries from members of the public who are requesting that their properties are purchased but it is unlikely that the vast majority of homeowners will be eligible for the scheme.
- 3.3 As mentioned earlier in the report the scheme will not assist those in negative equity or those with additional charges against their homes. However, it is these cases which the Council is most likely to have to assist. The scheme is geared more to those whose incomes change i.e. lower self-employment income or one partner losing a job.

## 4. Financial Implications

- 4.1 These packages recently announced by the Government do not involve the Council in the direct purchase of property or granting of mortgages. However, the Council will be involved in assessing the eligibility of applicants. If this becomes a major activity then this may have resource implications.
- 4.2 There is a risk that the referrals generated by the mortgage rescue package will lead to a growth in homelessness. Officers will continue to monitor the number of repossessions and will bring a further report to Committee on any financial or other implications of the proposed financial rescue package once further information has been obtained on the individual elements of this package.
5. Legal Considerations
- 5.1 Local authorities have a duty to give advice and information to any member of the public about homelessness and prevention of homelessness. Local Authorities also have to provide assistance and accommodation to vulnerable households - with continuing emphasis on prevention of homelessness.
6. Policy Issues
- 6.1 Tackling homelessness is a key responsibility for Runnymede and is identified in the Strategic Plan 2005-2010 'Building on Excellence'. The Council's Housing and Homelessness Strategy also has an aim to minimise homelessness by providing appropriate assistance to vulnerable people and helping to prevent homelessness.
7. Conclusions
- 7.1 Recent developments in the housing and financial markets have the potential to lead to increased homeless households and significant difficulties for first time buyers. The Government have announced a range of measures to try to minimise the impact on individuals who are affected.
- 7.2 The full details of the proposals are not yet known and therefore it is difficult to be precise about the impact on services for local people or resources. Officers are attending a Government summit, in November, which will give further information on all elements of the financial rescue package. A further report will be brought to Committee in due course.

**(FOR INFORMATION)**

Background Papers

None stated

12. 30-32 POND ROAD, EGHAM – PROPOSED SUPPORTED ACCOMMODATION FOR YOUNG PEOPLE (DHCS)

1. Purpose of Report

1.1 **The purpose of this report is to advise the Committee of the proposed future use for 30-32 Pond Road, Egham.**

2. Background Information

- 2.1 The property at 30-32 Pond Road, Egham is a single property with 6 bedrooms and other shared facilities. It was built as part of the Charta Road estate redevelopment around 10 years ago and was intended to be a residential care home for clients with learning disabilities.
- 2.2 The demand for the unit has always been low and there have been several periods of time when it has not been fully occupied. It has now been empty since July 2007.
- 2.3 The emphasis for some years now has been to support vulnerable people to live independently and, therefore, the original care home use is not in keeping with current

needs. In September 2007, MENCAP and Social Services therefore approached the Council with a proposal to change the property into independent supported housing for clients with learning disabilities. It was proposed that Golden Lane Housing Association would lease the property, MENCAP would provide the housing related support and Social Services would provide the nominations and funding.

- 2.4 Although this initially seemed to be a way forward there have unfortunately been problems identifying suitable clients for the revised model of provision. Despite extensive contact and considerable pressure being placed on the County Council the building still remains empty. Officers have now taken the view that it cannot remain empty any longer and an alternative use for the building needs to be considered. The County Council and MENCAP have been notified accordingly.
3. Report
- 3.1 The Government have set a target to end the use of bed and breakfast accommodation for 16 and 17 year olds by 2010. Councils can only use bed and breakfast for young people in an emergency and then for no longer than six weeks. This means that other types of accommodation are needed for this vulnerable group.
- 3.2 There are currently only 223 units of supported accommodation across Surrey for young people and only 8 of these are in Runnymede. The Surrey Supporting People Strategy has acknowledged that this level of supply is inadequate and has identified provision for young people as an area of priority.
- 3.3 The Council has a homelessness duty towards 16 and 17 year olds and young people leaving care. It is imperative that there is adequate supported accommodation provision within the Borough to cater for the needs of this client group. Young people often need help and support to access education, employment and training. In addition to this the needs of 16 and 17 year olds are often more immediate as they have been rejected from their families and have not fully developed coping skills. The current practice of placing young people into the Council's general temporary accommodation does not meet generally accepted best practice.
- 3.4 Some limited provision for young people has already been made in Runnymede. Cemetery Lodge in Englefield Green provides 3 units. This unit is run by In Touch; the supported housing function within Hyde Housing Association. The accommodation is temporary in nature and aims to support the client and help them into independent living. On average young people stay up to two years in this accommodation.
- 3.5 The scheme at Cemetery Lodge works extremely well but there is often a long waiting list to access this accommodation. It assists the following young people referred by Runnymede Borough Council's Housing Needs Team:
- aged 16 –21 who have a local connection with Runnymede;
  - Care Leavers aged 16 – 21 years (under Section 24 of the Children Act 1989).
- 3.6 The following housing related support is provided:
- support that ensures the young person can access the accommodation effectively and set up home within the accommodation;
  - support to effectively manage their occupancy agreement;
  - support to assist the young person to manage effectively their finances including operating a basic bank account and budget plan;
  - support to access effectively key health services including general practitioner and identified specialist health services;
  - support to access, and participate effectively, within their local community including accessing specific cultural services and electoral register;

- support to identify long term positive support networks, either friends, family or professional, that will promote future independence following move on;
  - work towards a move on plan that looks at a variety of options that promote future independent living.
- 3.7 Following negotiations with Supporting People, Officers have managed to secure funds to expand the existing service provided by In Touch; initially this is for a three year period. The expanded service will enable five extra young people to be supported in Runnymede but a property needs to be identified in which this support can be given.
- 3.8 It is therefore proposed that 30-32 Pond Road, Egham, is utilised for the expansion of this scheme. The property can be used in its current layout and In Touch has the funding and staffing required. Officers have also identified suitable clients for the scheme.
- 3.9 As with the Cemetery Lodge scheme it is proposed that a responsible tenant will live within the scheme and provide ongoing support to the young people.
- 3.10 The opportunity of using this unit is extremely timely as if it had not arisen then five of the eight young people who are currently homeless and being assisted by the Council would have had to be placed in general housing without support.
- 3.11 The proposed use of the building is in line with the original planning consent.
- 3.12 The lease with In Touch will be for a term of 3 years and on similar terms to that previously held with MENCAP.
4. Financial Implications
- 4.1 Supporting People funding for the scheme has been identified and agreed for an initial period of three years. In Touch will be expected to negotiate with the Supporting People Team to obtain an extension to the grant after three years. As provision for young people is a high priority for Supporting People it is hoped that funding would continue in subsequent years. However, if this was not the case then the lease would be terminated and the future use of the unit would once again have to be reviewed.
- 4.2 This property is accounted for in the Housing Revenue Account.
5. Legal Implications
- 5.1 Section 8 of the Housing Act 1985 requires a local authority to consider the needs and support of vulnerable groups such as 16/17 year olds.
6. Policy Issues
- 6.1 Tackling homelessness is a key responsibility for Runnymede and is identified in the Strategic Plan 2005-2010 'Building on Excellence'. The Council's Homelessness Strategy also has an aim to minimise homelessness by providing appropriate assistance to vulnerable people and helping to prevent homelessness. The need to provide additional supported housing for young people is also recognised in the Housing Strategy.
- 6.2 Provision of accommodation for young people has been highlighted as a need in the Supporting People Strategy.
- 6.3 The Government have a target to reduce the use of bed and breakfast for 16 and 17 year olds and wish local authorities to ensure that this group are placed in supported housing. The Council therefore needs to provide alternative accommodation within the Borough to ensure that young people are provided with the support that they need.
7. Conclusions

- 7.1 An opportunity has arisen to use a vacant property owned by the Council to meet a need identified within the Housing Strategy and other key documents. The Council has secured additional funding from Supporting People to expand an existing scheme for young people in the borough. The property at 30-32 Pond Road, Egham is suitable for this expansion as it provides the 5 units of accommodation required. It is therefore proposed that a lease be issued to In Touch to provide supported accommodation for young people within the unit.
- 7.2 Officers are authorised to make such arrangements under the Scheme of Delegation but consider that the Committee would appreciate the briefing set out in this report.

**(FOR INFORMATION)**

Background Papers

None

13. SHARED OWNERSHIP POLICY (DHCS)

1. **Purpose of Report**

- 1.1 **The purpose of this report is to obtain approval for the introduction of a shared ownership policy which enables applicants to purchase a property which has one bedroom surplus to their household requirements.**

2. **Background Information**

- 2.1 Runnymede Borough Council in partnership with Spelthorne Borough Council, Elmbridge Borough Council, A2 Dominion and Elmbridge Housing Trust are launching a choice based lettings scheme in 2009.
- 2.2 A common lettings policy has been approved by this Committee and Officers are in the process of implementing the banding scheme in Runnymede.
- 2.3 Parts of the policy refer to "local rules may apply" and it is therefore important that the Council has policies that sit behind certain aspects of the common letting policy, e.g. local lettings policies or property size eligibility for shared ownership.
- 2.4 This report contains the first such policy required and Officers will come back to Members in the future with any further policy requirements.

3. **The Report**

- 3.1 When allocating a social rented unit the Council assesses the need of the applicant and determines the size of property suitable to meet the needs of the household e.g. a family with one child would be eligible for two-bedroom accommodation.
- 3.2 Shared ownership allows the purchaser to buy a share of a property whilst paying a rent on the equity that they do not own. If they choose, shared owners are then able to buy larger shares until they own the property outright.
- 3.3 The significant investment in the property by the applicant in the case of shared ownership and this investment makes it more difficult for the applicant to move to alternative accommodation should their circumstances change.
- 3.4 Current Council policy would allow a single person to only purchase a one-bedroom property. However, as the applicant is investing in the property it makes sense for the purposes of sustainability that, if they have the means, they be allowed to purchase a property with one extra bedroom in addition to what their household requires e.g. single person and couples can purchase a two-bedroom property.
- 3.5 This view is supported by the Housing Corporation and their capital funding guide offers the following information:

*"As a guide, one bedroom more than required based on current household composition is likely to be suitable. Generally this would mean a two-bedroom property for a single person or a couple, or a three-bedroom property for a family with one child. However, there may be exceptional circumstances when the above guidance may be treated with a degree of flexibility to meet a genuine need. It should be remembered that publicly funded low cost home ownership products are not designed to enable an applicant to obtain a home of a higher standard than they would be able to afford without such assistance".*

3.6 Though the guidance refers specifically to new build, it can apply to resales or indeed any product which has been publicly funded. While the Guide mentions the possibility of exceptions, these do not extend to a home of a better or larger standard than the household justifies.

3.7 Clearly, it would not be appropriate to offer a family unit to a couple where there are applicants with children in need of it. Therefore, where there is a family that qualifies for the size of a property, i.e. there is a two-bedroom property available and a family with one child wishes to purchase it, they will be given priority for this property over a single person or couple. However, where this is not the case it is proposed that applicants who can afford to purchase a unit with a spare room should be allowed to do so.

#### 4. Council Policy

4.1 The proposals within this report accord with Government objectives for long term sustainability.

#### 5. Resource Implications

5.1 The shared ownership programme in Runnymede is carried out in partnership with Thames Valley Housing Association who are able to access Housing Corporation Grant and borrow to finance the purchases. The introduction of this policy is not expected to require new funding from the Runnymede housing capital programme.

#### 6. Equality

6.1 The proposals within this report do not have any negative impact on equality and diversity issues.

#### 7. Conclusion

7.1 In order to ensure sustainability and in line with Housing Corporation guidelines it is recommended that a policy be introduced so that applicants who purchase a property through shared ownership are able to purchase a property with one extra bedroom more than their household requires.

### **OFFICERS' RECOMMENDATION that –**

**the Allocations Policy be amended to include provision for shared ownership units to be offered initially to households of the appropriate size for the unit but if there are insufficient applicants of this type to households who would underoccupy by one room.**

**(TO RESOLVE)**

#### Background Papers

None

### 14. FINANCIAL MONITORING STATEMENT (DF)

#### 1. Purpose of Report

1.1 **To inform the Committee of the latest financial projections for the 2008/09 financial year for General Fund housing services and community services.**

2. Background Information

2.1 The Financial Monitoring Statement was introduced to all Committees in September 2006 to inform Members of the current financial position of the services under the remit of each Committee. This Committee receives two statements, one for General Fund housing services and the other for Community services.

2.2 Each statement reflects an updated position based upon the 2008/09 original estimates approved by this Committee in January. The statement has been updated to reflect changes made in the revised Financial Forecast submitted to the Corporate Management Committee on 30 October.

3. Report

3.1 The two statements at Appendix 'G' are split into three parts:

- Projected budget and forecast
- Savings still to be delivered
- Current year key budget indicators

3.2 The projected budget and forecast sections show the anticipated variations in the current year's budget. These variations are categorised as approved changes and other potential changes. Implications for the following three years are included for completeness so that the full-year effect of any changes can be seen.

3.3 The achievement of the revenue reductions programme approved by the Council is one of the Council's key performance indicators. Savings targets not yet achieved are reported in the second section of each statement. These savings are all incorporated into the projected budget and forecast figures in section one.

3.4 The final section sets out the key budget indicators for the significant areas of this Committee's budget. This indicates the actual income received set against the amount expected (the budget) for the period covered by each statement.

**(FOR INFORMATION)**

Background Papers

None stated.

15. 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)