



## Cambridge City Council Housing Scrutiny Committee

**Date:** Tuesday, 23 June 2020

**Time:** 5.30 pm

**Venue:** This is a virtual meeting and therefore there is no physical location for this meeting

**Contact:** democratic.services@cambridge.gov.uk, tel:01223 457000

### Agenda

#### **Introduction to the Role of Tenant and Leaseholder Representative**

The Tenant and Leaseholder representatives will give an oral presentation regarding their roles and responsibilities.

- 1 Apologies
- 2 Declarations of Interest
- 3 Minutes (Pages 7 - 26)
- 4 Appointment of Vice-Chair (Tenant/Leaseholder Rep) for 2020/21
- 5 Public Questions

#### **Part 1: To be chaired by Vice Chair (Tenant/Leaseholder Representative)**

##### **Decisions for the Executive Councillor for Housing**

- 6 Housing Revenue Account Revenue and Capital Outturn, Carry Forwards and Significant Variances (Pages 27 - 48)
- 7 Estates & Facilities Review and Compliance (Pages 49 - 60)

#### **Part 2: To be taken by the Chair of the Committee**

- 8 Update on the Programme to Build new Council Homes Funded Through the Combined Authority (Pages 61 - 80)
- 9 Cambridge City Council's response to homelessness during Covid-19 - an update on progress and next steps (Pages 81 - 92)

- 10 To Note Decision Taken by the Executive Councillor  
for Housing

**Exclusion of Press and Public**

The appendix to the report on agenda item 10a contains exempt information during which the public is likely to be excluded from the meeting subject to determination by the Scrutiny Committee following consideration of a public interest test. This exclusion would be made under paragraph 1, 2 and 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

- 10a Confidential Decision: Sale of Shared Ownership  
Property (Pages 93 - 94)

**Exclusion of the Press and Public**

The appendix to the report on agenda item 10b contains exempt information during which the public is likely to be excluded from the meeting subject to determination by the Scrutiny Committee following consideration of a public interest test. This exclusion would be made under paragraph 1, 2 and 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

- 10b Confidential Decision: Disposal of Housing Revenue  
Account Property (Pages 95 - 98)

**Housing Scrutiny Committee Members:** Todd-Jones (Chair), Bird (Vice-Chair), Hadley, Sheil, Thittala, McGerty, Martinelli and Porrer

**Alternates:** Cantrill, Barnett, Smart and Page-Croft

**Tenants and Leaseholders:** Lulu Agate (Tenant Representative), Diane Best (Leaseholder Representative), Kay Harris (Tenant Representative), Diana Minns (Tenant Representative), Christabella Amiteye (Tenant Representative) and Jean-Louis Ayivor (Tenant Representative)

**Executive Councillors:** Johnson (Executive Councillor for Housing)

## Information for the public

Details how to observe the Committee meeting will be published no later than 24 hours before the meeting.

Members of the public are welcome to view the live stream of this meeting, except during the consideration of exempt or confidential items, by following the link to be published on the Council's website.

Any person who participates in the meeting in accordance with the Council's public speaking time, is deemed to have consented to being recorded and to the use of those images (where participating via video conference) and/or sound recordings for webcast purposes. When speaking, members of the public should not disclose any personal information of any individual as this might infringe the rights of that individual and breach the Data Protection Act.

If members of the public wish to address the committee please contact Democratic Services by 12 noon two working days before the meeting.

For full information about committee meetings, committee reports, councillors and the democratic process:

- Website: <http://democracy.cambridge.gov.uk>
- Email: [democratic.services@cambridge.gov.uk](mailto:democratic.services@cambridge.gov.uk)
- Phone: 01223 457000

<b>Housing Scrutiny Committee</b>	
<b>Terms of Reference</b>	
<b>A.</b>	Overview and scrutiny of the strategic and other housing functions for which the Executive Councillor for Housing is responsible, including responsibility for the development of housing strategies and policies, tackling homelessness, the Council's housing responsibilities with regard to the private rented sector, bringing vacant homes back into use, the development of new homes and partnership working with other housing providers.
<b>B.</b>	Overview and scrutiny of functions relating to the management of the Council's housing stock.
<b>C.</b>	To be the main discussion forum between the Council, its tenants and its leaseholders for all matters relating to the landlord function of Cambridge City Council.
<b>Membership</b>	
	City Councillors (Such number as shall be decided by the Council from time to time)
	Six elected tenants and leaseholders of Cambridge City Council of whom at least five shall be tenants of Cambridge City Council.
<b>Appointment of tenant and leaseholder members</b>	
	Tenant and leaseholder members shall be co-opted by the Scrutiny Committee following the procedure for election set out in the Overview and Scrutiny Procedure Rules in Part 4E.
<b>Voting</b>	
	Tenant and leaseholder members are voting members in respect of matters concerning the management of the Council's housing stock (Part 1 of the agenda.) Tenant and leaseholder members may contribute to discussion of other matters (Part 2 of the agenda) but shall not have a vote.
<b>Appointment of Chair</b>	
	The Chair of the Scrutiny Committee shall be appointed by the Council and be a councillor and shall chair Part 2. The Vice-chair shall be nominated by the elected tenants and leaseholders and shall chair Part 1 if present. If the Chair or Vice-chair is not present, a councillor shall be appointed as the Vice-chair for that meeting.

**Other matters relating to elected tenants and leaseholders**

These are set out in the Overview and Scrutiny Procedure Rules in Part 4E. They include information about the roles, responsibilities and training of tenant and leaseholder representatives, expenses and allowances, and the circumstances in which they may cease to be members of the Committee.

This page is intentionally left blank

**HOUSING SCRUTINY COMMITTEE**

15 January 2020

5.30 - 9.15 pm

**Present:**

**Scrutiny Committee Members:** Councillors Todd-Jones (Chair), Bird (Vice-Chair), Cantrill, Hadley, Matthews, Porrer, Sheil and Thittala

**Executive Councillor for Housing:** Councillor Johnson

**Tenant/Leaseholder Representatives:** Diana Minns, Diane Best, Kay Harris, Christabella Amiteye and Jean-Louis Ayivor

**Officers:**

Strategic Director: Suzanne Hemingway

Strategic Director: Fiona Bryant

Assistant Head of Finance and Business Manager: Julia Hovells

Head of Housing: David Greening

Housing Services Manager: James McWilliams

Head of Housing Development: Claire Flowers

Housing Strategy Manager: Helen Reed

Committee Manager: Toni Birkin

**FOR THE INFORMATION OF THE COUNCIL****20/1/HSC Apologies**

Apologies were received from Tenant Representative Lulu Agate.

**20/2/HSC Declarations of Interest**

Name	Item	Reason
Councillor Thittala	All	Personal: Council tenant
Councillor Cantrill	20/10/HSC	Personal: Trustee of Winter Comfort and Volunteer for Cambridge Churches

		Homeless Project. Did not take part in the vote on this item.
Kay Harris	20/6/HSC	Personal: Council Tenant and lives in the area under discussion
Councillor Hadley	20/10/HSC	Personal: Partner used to work for one of the agencies receiving a grant.

**20/3/HSC Minutes**

The Minutes of the meeting of the 26<sup>th</sup> September 2019 were signed and agreed as a correct record.

**20/4/HSC Public Questions**

None

**20/5/HSC To Note Decision Taken by the Executive Councillor for Housing**

None

**20/6/HSC Structural Repairs and Associated Works to Council-Owned Blocks of Flats**

This item was Chaired by Diana Minns (Vice-Chair)

**Matter for Decision**

- I. The Council owned a number of blocks of flats built in the 1950s and 1960s. Many of these flats had structural concrete elements. Estates and Facilities had been identifying and surveying blocks that had three stories or more and we had identified an initial list of properties where structural repair works were required as a priority. Detailed designs had been carried out and the work now needed to be tendered in order to award a contract to a building contractor.

**Decision of Executive Councillor for Housing**



- i. Approved the issue of tenders and, following evaluation of tenders, authorise the Strategic Director (following consultation with Executive Councillor, Chair, Vice Chair and Spokes of the Committee) to award a contract to a contractor to carry out structural repairs and associated repair works to Council housing flats.

### **Reason for the Decision**

As set out in the Officer's report.

### **Any Alternative Options Considered and Rejected**

Not applicable.

### **Scrutiny Considerations**

The Committee received a report from the Asset Manager.

In response to the report Leaseholder Representative, Diane Best suggested that the Tenant Representative / Vice Chair, Diana Minns be added to the consultees. The Committee agreed the recommendation was amended as follows (additional working in bold).

Approve the issue of tenders and, following evaluation of tenders, authorise the Strategic Director (following consultation with Executive Councillor, Chair, **Vice Chair** and Spokes of the Committee) to award a contract to a contractor to carry out structural repairs and associated repair works to Council housing flats.

The Asset Manager stated the following in response to Members' questions:

- i. It was expected that the work would begin in the summer months. This would be dependent on successful completion of the tender process
- ii. Confirmed that preventative programmes of work were in place and it was anticipated that this would be a rolling programme due to the ageing stock profile.
- iii. Balcony repairs had been identified as a health and safety matter and repair work had begun over five years ago.
- iv. A five-year rolling stock survey would dictate the future programme of cyclical repairs.
- v. Drainage repairs works were also planned for the future.
- vi. Agreed with the Tenant Representative's suggestion that tenants needed to be reminded to inform their household insurer of any works involving scaffoldings.

The Committee unanimously resolved to endorse the amended recommendation.

The Executive Councillor approved the recommendation.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

### **20/7/HSC Complaint Upheld by the Local Government and Social Care Ombudsman (LGSCO) Relating to a Housing Allocation**

This item was Chaired by Diana Minns (Vice-Chair)

#### **Matter for Decision**

- i. The Local Government and Social Care Ombudsman (LGSCO) has upheld a complaint relating to a housing allocation to a vulnerable customer who subsequently became the victim of anti-social behaviour (ASB) from a neighbouring tenant.
- ii. The report summarised the complaint, acknowledged that there were shortcomings in relation to working practices and set out the action taken in response.

#### **Decision of Executive Councillor for Housing**

- i. Noted the findings of the LGSCO in respect of this case and the actions taken by the Council in response to these findings.

#### **Reason for the Decision**

As set out in the Officer's report.

#### **Any Alternative Options Considered and Rejected**

Not applicable.

#### **Scrutiny Considerations**

The Committee received a report from the Head of Housing.

The Committee made the following comments in response to the report:

- i. Questioned the resource implications of the increased numbers of vulnerable tenants and how they would be supported.
- ii. Suggested that an annual tenant churn of 500 to 800 would be difficult to manage if significant numbers of those new tenants had support needs.

The Head of Housing stated that the small internal Tenancy Sustainment Team offered a bridging service to direct those in need to other support services.

The Committee unanimously resolved to endorse the recommendation.

The Executive Councillor approved the recommendation.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

## **20/8/HSC Local Policy Updates**

### **8a Local Lettings Policy**

This item was Chaired by Diana Minns (Vice-Chair)

### **Matter for Decision**

- i. The Local Lettings Policy sets out Cambridge City Council's (CCC) position on the management of its own social housing stock through the use of Local Letting Plans. A Local Lettings Plan is a set of guidelines or criteria governing which households can be allocated accommodation in a specific designated area. Local Lettings Plans are used to help create balance and cohesion where either a specific set of circumstances need to be addressed or where there are wider strategic objectives, such as helping to support the local economy.

### **Decision of Executive Councillor for Housing**

- i. Approved the Policy included in Appendix A of the Officers Report

### **Reason for the Decision**

As set out in the Officer's report.

### **Any Alternative Options Considered and Rejected**

Not applicable.

### **Scrutiny Considerations**

The Committee received a report from the Head of Housing.

In response to Members' questions, the Head of Housing confirmed that the report would return to this committee should there be any proposals to significantly change the policy.

The Committee unanimously resolved to endorse the recommendation.

The Executive Councillor approved the recommendation.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

### **8b Housing First Caretakers**

This item was Chaired by Diana Minns (Vice-Chair)

### **Matter for Decision**

- i. The Council had been working with the County Council to develop a Housing First programme for Cambridge City.
- ii. There were plans to develop and test various Housing First models over the coming years so that the Council can evaluate the efficacy of these different approaches, but also because the needs of customers who sleep rough or who are at risk of rough sleeping cannot be met with a one-size-fits-all option and local consultation suggests they are in favour of a range of options.
- iii. One of the models being developed involved a 'caretaker' living adjacent to customers in designated Housing First flats.
- iv. The caretaker would be employed by the Council and consideration needed to be given to how to recruit the best person for the role and the process for allocating the accommodation.

### **Decision of Executive Councillor for Housing**

- i. Delegated authority to the Head of Housing to allocate accommodation to Housing First caretakers outside of the Council's Lettings Policy.
- ii. An update report to be brought to Housing Scrutiny Committee when the initial project had been running for 6 months.

### **Reason for the Decision**

As set out in the Officer's report.

### **Any Alternative Options Considered and Rejected**

Not applicable.

## Scrutiny Considerations

The Committee received a report from the Head of Housing.

The Committee made the following comments in response to the report:

- i. Welcomed the idea but suggested that the pay band might be rather low for what could be a very demanding role.
- ii. Questioned the level of support that would be provided to the Caretakers.
- iii. Suggested that there was a lot to be learnt from the first incumbents of the roles and asked if they could be invited to meet members of this committee.

The Head of Housing said the following in response to Members' questions:

- i. The Caretakers were not intended to be support workers.
- ii. The recruitment process would be rigorous.
- iii. Confirmed that, in terms of Housing First programmes more generally, extensive research into what had been successful in other areas had been carried out but that the Council had not discovered many examples of this caretaker-type arrangement. However, the Head of Housing had seen a similar model in action in London.
- iv. This was a pilot project and would be reviewed.
- v. Caretakers would be line managed by the Supported Housing Service.

The Committee suggested that the recommendations should be amended to reflect their desire for feedback from the initial project.

The following additional recommendation was agreed:

**An update report to be brought to Housing Scrutiny Committee when the initial project had been running for 6 months.**

The Committee unanimously resolved to endorse the amended recommendations.

The Executive Councillor approved the recommendations.

## Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)

No conflicts of interest were declared by the Executive Councillor.

**20/9/HSC HRA Budget-Setting Report (BSR) 2020/21**

Recommendations (part 1) a to k were chaired by Diana Minns (Vice Chair /Tenant Representative) and recommendations (part 2) l to v were chaired by Councillor Todd-Jones

**Matter for Decision**

- i. As part of the 2020/21 budget process, the range of assumptions upon which the Housing Revenue Account (HRA) Business Plan and Medium Term Financial Strategy were based, had been reviewed in light of the latest information available, culminating in the preparation of the HRA Budget Setting Report.
- ii. The HRA Budget-Setting Report provided an overview of the review of the key assumptions. It sets out the key parameters for the detailed recommendations and final budget proposals, and was the basis for the finalisation of the 2020/21 budgets.

**Decision of Executive Councillor for Housing**

Under Part 1 of the agenda, the Executive Councillor resolved to:

**Review of Rents and Charges**

- a) Approve that council dwellings rents for all social rented properties be increased by inflation of 1.7%, measured by the Consumer Price Index (CPI) at September 2019, plus 1%, resulting in rent increases of 2.7%, with effect from 6 April 2020. This equates to an average rent increase at the time of writing this report of £2.65 per week on a 52 week basis.
- b) Approve that affordable rents (inclusive of service charge) are reviewed in line with rent legislation, to ensure that the rents charged are no more than 80% of market rent, with current rent levels increased by no more than by inflation of 1.7%, measured by the Consumer Price Index (CPI) at September 2019, plus 1%, resulting in rent increases of up to 2.7%. Local policy is to cap affordable rents (inclusive of all service charges) at the Local Housing Allowance level, which will result in rent variations in line with any changes notified to the authority in this level if these result in a lower than 2.7% increase.
- c) Approve that rents for shared ownership are reviewed and amended from April 2020, in line with the specific requirements within the lease for each property.

- d) Approve that garage and parking space charges for 2020/21, are increased in line with inflation at 1.8%, with resulting charges as summarised in Section 3 of the HRA Budget Setting Report
- e) Approve the proposed service charges for Housing Revenue Account services and facilities, as shown in Appendix B of the HRA Budget Setting Report.
- f) Approve the proposed leasehold administration charges for 2020/21, as detailed in Appendix B of the HRA Budget Setting Report.
- g) Approve that caretaking, building cleaning, estate services, grounds maintenance, temporary housing premises and utilities, sheltered scheme premises and utilities, digital television aerial, gas maintenance, door entry systems, lifts, electrical and mechanical maintenance, flat cleaning, third party management and catering charges continue to be recovered at full cost, as detailed in Appendix B of the HRA Budget Setting Report, recognising that local authorities should endeavour to limit increases to inflation as measured by CPI at September 2019 (1.7%) plus 1%, wherever possible.

## **Revenue – HRA**

### **Revised Budget 2019/20:**

- h) Approve with any amendments, the Revised Budget identified in Section 4 and Appendix D (1) of the HRA Budget Setting Report, which reflects a net reduction in the use of HRA reserves for 2019/20 of £146,310.

### **Budget 2020/21:**

- i) Approve with any amendments, any Non-Cash Limit items identified in Section 4 of the HRA Budget Setting Report or shown in Appendix D (2) of the HRA Budget Setting Report.
- j) Approve with any amendments, any Savings, Increased Income, Unavoidable Revenue Bids, Reduced Income proposals and Bids, as shown in Appendix D (2) of the HRA Budget Setting Report.
- k) Approve the resulting Housing Revenue Account revenue budget as summarised in the Housing Revenue Account Summary Forecast

2019/20 to 2024/25 shown in Appendix J of the HRA Budget Setting Report.

Under Part 2 of the agenda, the Executive Councillor for Housing resolved that recommend to Council:

### **Treasury Management**

- l) Approve the need to borrow over the 30-year life of the business plan, with the first instance of this anticipated to be in 2022/23, to sustain the current level of investment, which includes £10,000,000 per annum for the delivery of new homes.
- m) Recognise that any decision to borrow further will impact the authority's ability to set-aside resource to redeem 25% of the value of the housing debt by the point at which the loan portfolio matures, with the approach to this to be reviewed before further borrowing commences.

### **Housing Capital**

- n) Approval of capital bids and savings, shown in Appendix D (3) of the HRA Budget Setting Report, to include funding to begin to improve the energy efficiency of the existing housing stock.
- o) Approval of the latest Decent Homes Programme, to include an updated recharge of capitalised officer time and timing of decent homes expenditure for new build dwellings, as detailed in Appendix E of the HRA Budget Setting Report.
- p) Approval of the latest budget sums, profiling and associated financing for all new build schemes, including revised scheme budgets for Akeman Street, Meadows and Buchan Street and Campkin Road, based upon the latest cost information from the Cambridge Investment Partnership (CIP) or direct procurements, as detailed in Appendices E and H, and summarised in Appendix K, of the HRA Budget Setting Report.
- q) Approval of re-phasing of budget for the Estate Improvement Scheme, to also include reallocation of the resource between capital and revenue based upon the projects identified to date, as detailed in Appendix E, and summarised in Appendix K, of the HRA Budget Setting Report.



- r) Approval of the revised Housing Capital Investment Plan as shown in Appendix K of the HRA Budget Setting Report.

## **General**

- s) Approval of inclusion of Disabled Facilities Grant expenditure and associated grant income from 2020/21 onwards, based upon 2019/20 grant levels, with approval of delegation to the Head of Finance, as Section 151 Officer, to approve an in year increase or decrease in the budget for disabled facilities grants, in direct relation to any increase or decrease in the capital grant funding for this purpose, as received from the County Council through the Better Care Fund.
- t) Approval of delegation to the Strategic Director to review and amend the level of fees charged by the Shared Home Improvement Agency for disabled facilities grants and repair assistance grants, in line with any decisions made by the Shared Home Improvement Agency Board.
- u) Approval of delegation to the Strategic Director, in consultation with the Head of Finance, as Section 151 Officer, to draw down resource from the ear-marked reserve for potential debt redemption or re-investment, for the purpose of open market land or property acquisition or new build housing development, should the need arise, in order to meet quarterly deadlines for the use of retained right to buy receipts or to facilitate future site redevelopment.
- v) Approval of delegation to the Head of Finance, as Section 151 Officer, to make the necessary technical amendments to detailed budgets in respect of the outcome of the review of recharges between the General Fund and the HRA and the outcome of the review of the pension fund deficit contribution, with any net impact for the HRA to be incorporated as part of the HRA Medium Term Financial Strategy in September 2020.

## **Reason for the Decision**

As set out in the Officer's report.

## **Any Alternative Options Considered and Rejected**

Not applicable.

## **Scrutiny Considerations**

The Committee received a report from the Assistant Head of Finance and Business Manager.

The Committee noted that since publication of the report, the authority had received final confirmation of the pension figures, which were marginally lower than anticipated. The Assistant Head of Finance and Business Manager highlighted that a delegation to the Head of Finance had been included in the HRA BSR Covering Report to allow the required adjustments to be made once this figure was confirmed, and that this delegation would now be applied.

The Committee made the following comments in response to the report:

- i. Noted the commitment in the budget to the Housing First Caretaker scheme.
- ii. Welcomed the Housing First Caretaker roles but suggested that they should be employed on a higher pay grade as the job would be complex and demanding.

The Assistant Head of Finance and Business Manager, assisted by other officers (Head of Housing, Strategic Director, Head of Housing Development and Head of Housing Maintenance and Assets) stated the following in response to Members' questions:

- i. Explained why the figure for disabled adaptations had been reduced. This was based on previous demand trends which had reduced. This was in part due to the number of properties within the portfolio that had already been adapted. Confirmation was given that demand would be reviewed and the budget reconsidered in future years if demand increased.
- ii. Confirmed that the Energy Officer would initially look at energy efficiency in the Council's own housing stock.
- iii. Explained that the Tenancy Auditor was for an initial pilot period of one year. In the long-term any post may be expected to be self-financing as it should help identify tenancy fraud, preventative repairs and tenants in need of additional support services. Extending the project to include Leasehold properties could be considered later.
- iv. Confirmed that Cambridge had been late in the roll out programme of Universal Credit and the full impact had not yet been seen.
- v. Confirmed that the net unavoidable revenue pressure in cyclical maintenance was the net position for the cost centre after virements between areas of spending. The officer confirmed that under the Council's financial standing orders, cost centre managers have the ability to move funds between expenditure heads within a cost centre to better deliver services. The Assistant Head of Finance and Business Manager

undertook to circulate the detailed virements that resulted in the net revenue pressure, after the meeting, for information.

Councillor Cantrill introduced the Liberal Democrat Amendment to the 2020/21 Housing Revenue Budget.

The Committee made the following comments in response to the report:

- i. Suggested that targeting rent reduction to larger homes would be targeting support to larger families who may not need that support rather than to those on lower incomes. Stated that this would be unfair, and that the reduced rental income would in turn reduce the ability to build more properties.
- ii. Stated that a move to Passive House Building methods would require an evidenced based analysis of what could be achieved. It would also significantly increase the spend on new build properties.
- iii. Agreed that further advice on alternatives was needed before gas boilers were replaced like for like.

The following vote was chaired by Diana Minns (Vice Chair / Tenant Representative)

The Liberal Democrats Group alternative budget: **3 votes in favour to 8 against**. The amendment was lost.

Resolved (**8 votes to 0**) to endorse the original recommendations a to k of the budget proposal.

The following vote was chaired by Councillor Todd-Jones

Resolved (**5 votes to 0**) to endorse the original recommendations l to v of the budget proposal.

The Executive Councillor approved the recommendations.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

## **20/10/HSC Homelessness Prevention Grants to Agencies**

This item was chaired by Councillor Mike Todd-Jones

### **Matter for Decision**

The report outlined grant funding to organisations providing homelessness prevention services. It provided an overview of the process, eligibility criteria and budget in Section 3 and Appendix 1 of the Officer's report detailed the applications received with recommendations for 2020-21 awards.

### **Decision of Executive Councillor for Housing**

- i. Approved the Homelessness Prevention Grants to voluntary, community and statutory organisations for 2020-21, as set out in Appendix 1 of the Officer's report, subject to the budget approval in February 2020 and any further satisfactory information required of applicant organisations.

### **Reason for the Decision**

As set out in the Officer's report.

### **Any Alternative Options Considered and Rejected**

Not applicable.

### **Scrutiny Considerations**

The Committee received a report from the Housing Services Manager.

The Committee made the following comments in response to the report:

- i. Requested further information on what level of legal representation the Citizens Advice Bureau were able to provide. The Housing Services Manager undertook to investigate this outside the meeting.
- ii. Raised concerns that shorter grant fund periods could result in services losing valuable, high skilled workers.

The Housing Services Manager said the following in response to Members' questions:

- i. Confirmed that some previous recipients of grants might not receive full support in future in order to allow other services to be supported.
- ii. Confirmed that Winter Comfort's application for a full time Drug and Alcohol Worker had been received at a time of uncertainty regarding dual diagnosis services but that the Dual Diagnosis Street Team had subsequently been reformed.

- iii. Confirmed that where funding was refused the grants team do their best to signpost applicants to other options.
- iv. Confirmed that applications were assessed on the value they would be adding and the length of time the service would be required. Services also needed to demonstrate that they had looked for or secured funding from other sources.
- v. Acknowledged that awarding grants for longer periods assisted applicants to secure additional funding from elsewhere.

The Committee resolved **(by 7 votes to 0)** to endorse the recommendation.

The Executive Councillor approved the recommendation.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

### **20/11/HSC Update on the Programme to Build New Council Homes Funded Through the Combined Authority**

This item was chaired by Councillor Mike Todd-Jones

#### **Matter for Decision**

The report provided an update on the programme to deliver 500 Council homes with funding from the Combined Authority.

#### **Decision of Executive Councillor for Housing**

- i. Noted the continued progress on the delivery of the Combined Authority programme.
- ii. Noted the funding structure for the Combined Authority programme.

#### **Reason for the Decision**

As set out in the Officer's report.

#### **Any Alternative Options Considered and Rejected**

Not applicable.

#### **Scrutiny Considerations**

The Committee received a report from the Head of Housing Development.

The Assistant Head of Finance and Business Manager confirmed that to-date no approach had been made to the Secretary of State regarding cross budget funding arrangements. The current recommendations only relate to housing development and not to the Community Centre.

The Committee resolved by 5 votes to 0 to endorse the recommendations.

The Executive Councillor approved the recommendations.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

## **20/12/HSC Housing Development - Options for Homeless People**

This item was chaired by Councillor Mike Todd-Jones

### **Matter for Decision**

- i. The report provided details of POD homes for single homeless people to be gifted from Hill Partnership. This project is proposed to be delivered as part of a wider compliment of Housing First provision.

### **Decision of Executive Councillor for Housing**

- i. Delegate authority to the Strategic Director in consultation with the Executive Councillor for Housing to approve use of Council land as sites for PODs on an individual basis based on the criteria set out in this report.
- ii. Approved the Budget of £140,000 to aid the delivery of PODs programme.
- iii. Delegate authority to the Strategic Director in consultation with the Executive Councillor to agree the final approach in which the PODS are let, owned and managed, which is expected to be through a third party charitable organisation.

### **Reason for the Decision**

As set out in the Officer's report.

### **Any Alternative Options Considered and Rejected**

Not applicable.

### **Scrutiny Considerations**

The Committee received a report from the Housing Services Manager.

The Committee made the following comments in response to the report:

- i. Welcomed the scheme but questioned the size of the units that did not meet space standards.
- ii. Asked if an approach could be made to the provider of the PODs for larger internal space standards.
- iii. Expressed concerns regarding integration with existing communities and community safety.
- iv. Suggested that those offered POD type accommodation might feel they are receiving an inferior option to other housing applicants.
- v. Questioned why the sites proposed for the initial units were all in the North of the City.
- vi. Raised concerns regarding on going support and progression option to more settled accommodation.

The Head of the Housing Development Agency said the following in response to Members' questions:

- i. The units were of a standard size and were being offered to a range of providers. They were factory built and needed to be easily transportable on a lorry. Requesting bespoke options was unlikely to be successful.
- ii. Proposed sites would be determined by availability.
- iii. To date there was no feedback on the progress of a similar scheme managed and delivered by Allia.

The Committee unanimously resolved to endorse the recommendations.

The Executive Councillor approved the recommendations.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

### **20/13/HSC Tenancy Strategy**

This item was chaired by Councillor Mike Todd-Jones

### **Matter for Decision**

- i. There was a statutory requirement for local authorities, in their strategic housing role, to have a tenancy strategy setting out the issues which Registered Providers operating in the local area must have regard to when deciding: the type of tenancies to offer; the circumstances in which they will offer a tenancy of a particular kind; the length of any fixed term

tenancy; and the circumstances in which they will grant a new tenancy when a fixed term tenancy comes to an end.

- ii. The Localism Act also required tenancy strategies to be kept under review.
- iii. Minor changes were proposed to the requirements laid down in the original strategy published in 2012, reflecting more recent changes to government policy, more recent data, and the Greater Cambridge Housing Strategy 2019-2023.

### **Decision of Executive Councillor for Housing**

- i. Approved the revised Tenancy Strategy attached at Appendix 1 of the Officer's report.

### **Reason for the Decision**

As set out in the Officer's report.

### **Any Alternative Options Considered and Rejected**

Not applicable.

### **Scrutiny Considerations**

The Committee received a report from the Housing Strategy Manager.

The Committee unanimously resolved to endorse the recommendations.

The Executive Councillor approved the recommendations.

### **Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

### **Exclusion of Press and Public**

The Scrutiny Committee resolved to exclude members of the public from the meeting on the grounds that, if they were present, there would be disclosure to them of information defined as exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

### **20/14/HSC Land Purchase - New Build Housing Programme**

This item was chaired by Councillor Mike Todd-Jones



**Matter for Decision**

As per confidential report.

**Decision of Executive Councillor for Housing**

- i. Approved the Decisions as per the Confidential Report

**Reason for the Decision**

As set out in the Officer's report.

**Any Alternative Options Considered and Rejected**

Not applicable.

**Scrutiny Considerations**

The Committee resolved unanimously to endorse the recommendations.

The Executive Councillor approved the recommendations.

**Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted)**

No conflicts of interest were declared by the Executive Councillor.

The meeting ended at 9.15 pm

**CHAIR**

This page is intentionally left blank

## Item

### **2019/20 Revenue and Capital Outturn, Carry Forwards and Significant Variances – Housing Revenue Account**

**To:**

Councillor Richard Johnson, Executive Councillor for Housing

**Report by:**

Julia Hovells, Assistant Head of Finance and & Business Manager

Tel: 01223 - 457248

Email: [julia.hovells@cambridge.gov.uk](mailto:julia.hovells@cambridge.gov.uk)

**Wards affected:**

Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

## **Key Decision**

### **1. Executive Summary**

1.1 This report presents, for the Housing Revenue Account :

- a) A summary of actual income and expenditure compared to the final budget for 2019/20 (outturn position)
- b) Revenue and capital budget variances with explanations
- c) Specific requests to carry forward funding available from both revenue and capital budget underspends into 2020/21.
- d) A summary of housing debt which was written off during 2019/20.

### **2. Recommendations**

Under Part 1 of the Housing Scrutiny Committee Agenda, the Executive Councillor, is recommended, following scrutiny and debate at Housing Scrutiny Committee:

- a) To approve carry forward requests totalling £1,431,300 in revenue funding from 2019/20 into 2020/21, as detailed in **Appendix C**.
- b) To approve a delegation to the Head of Finance to make the necessary changes to the 2020/21 base budgets to remove the impact of inflation in all non-pay and non-contractual revenue budgets.

Under Part 2 of the Housing Scrutiny Committee Agenda, the Executive Councillor for Housing is asked to recommend to Council (following scrutiny and debate at Housing Scrutiny Committee):

- c) Approval of carry forward requests of £6,560,000 in HRA and General Fund Housing capital budgets and associated resources from 2019/20 into 2020/21 and beyond to fund re-phased net capital spending, as detailed in **Appendix D** and the associated notes to the appendix.

### 3. Background

#### Revenue Outturn

- 3.1 The overall revenue budget outturn position for the Housing Revenue Account is given in the table below.

2018/19 £'000	Housing Revenue Account Summary	2019/20 £'000
(3,281)	Original Budget (HRA Use of Reserves)	(1,404)
699	Adjustment – Prior Year Carry Forwards	773
(61)	Adjustment – Interest Receipts and Interest Paid	251
(327)	Adjustment – Increased Rent Income	(335)
146	Adjustment – Increased Bad Debt Provision	8
636	Adjustment – Depreciation	121
0	Adjustment - DRF	(343)
116	Other Adjustments	650

(2,072)	Final Budget	(279)
(2,521)	Outturn	(3,392)
<b>(449)</b>	<b>(Under) / Overspend for the year</b>	<b>(3,113)</b>
773	Carry Forward Requests	1,431
<b>324</b>	<b>Resulting Variation for the HRA</b>	<b>(1,682)</b>
0	Other variances	0
<b>324</b>	<b>Variance and (reduced) / increased use of HRA Reserves</b>	<b>(1,682)</b>

- 3.1 **Appendix A** shows original and final budgets for the year (with the movements summarised in the above table) and compares the final budget with the outturn position for the HRA for 2019/20. The original revenue budget for 2019/20 was approved by the Executive Councillor for Housing on 16 January 2019.
- 3.2 **Appendix B** provides explanations of the main variance.
- 3.3 **Appendix C** lists revenue carry forward requests.
- 3.4 The net underspend across the Housing Revenue Account of £3,113,700 incorporates a number of key areas of underspending and overspending.
- 3.5 General HRA Services were £327,564 less than budgeted due in part to deferral of some Housing Transformation activity (£170,377), coupled with underspending in City Homes (£105,700) due to a rebate of business rates and underspending in the resource identified to support tenants through the transition to Universal Credit. Underspending in HRA Overheads (£76,986) is due predominantly to the ability to capitalise some of the up-front costs of new build schemes, previously charged to revenue, once the schemes receive formal approval to proceed.
- 3.6 Special HRA Services were overspent by £86,310 due to increased temporary housing demand (£23,850) and the need to meet the costs of maternity cover in the Independent Living Service (£33,937), offset by underspending at Ditchburn Place (£46,892) whilst units were held vacant pending completion of works and the transfer of care to a new

care provider and Virido, Clay Farm (£56,400) where the HRA received rebates for service charges paid to the management company on account in previous years.

- 3.7 Also displaying in special expenditure as an overspend, is expenditure incurred from Repairs and Renewals (R&R) funds for Temporary Housing, Ditchburn Place and the General Sheltered Schemes (£121,793). These costs are fully funded from ear-marked reserves set aside for this purpose, but budgets are not set for the use of R&R funds as the expenditure fluctuates between years. The existence of the reserve ensures that the impact of these costs is spread out across a period of years, as opposed to tenants experiencing huge swings in the level of service charge for their scheme from year to year.
- 3.8 Repairs expenditure reported a net underspend of £126,630, combining underspending in response repairs (£285,515) where a reduced reliance has been placed on the use of sub-contractors and repairs have not been carried out where they are clearly the responsibility of the tenant, with underspending in cyclical repairs (£108,958), predominantly due to the hard-wire testing programme, where the contractor has experienced access issues. Gas servicing was also underspent (£59,242) with a marked reduction in the number of repairs being required as part of the servicing and maintenance contract. The Estate Investment revenue funding reported an underspend of £199,611, with projects identified and ordered for phase 1, but not fully delivered by March 2020.
- 3.9 Underspending was partially offset by overspending in void repairs (£303,604) due to an increased number of voids combined with an increase in the average cost of a void. Technical Services displays an overspend of £90,040 due to the volume of temporary staff employed during 2019/20 to work on a variety of projects and planned repairs an overspend of £81,981 as a result of the installation of additional smoke detectors in 2019/20 alongside the programme for the installation of heat detectors.
- 3.10 Other HRA expenditure comprises variances in the level of depreciation charged for 2019/20, which was £370,263 less than budgeted due to a retrospective reduction in the 2018/19 asset valuations as part of the 2018/19 audit process, an underspend in the budget ear-marked for the HRA share of the costs of corporate change (£275,485), a lower level of contribution to the bad debt proviso than anticipated (£217,373) and an

overspend in council tax for void properties (£59,920) as a result of the vacated homes at Colville Road and Campkin Road.

- 3.11 Income received in the HRA was greater than anticipated (£437,228), combining an over-achievement in rent and service charge income as a direct result of delays in securing vacant possession of Colville Road and Campkin Road and their continued use for temporary housing purposes, with increased garage rents and a greater than anticipated recharge to capital for the costs of administering the right to buy process.
- 3.12 Interest receipts were higher than anticipated (£329,331) due to the average interest rate realised for the year combined with a higher level of both revenue and capital balances than expected due to underspending elsewhere across the HRA. Underspending in the capital programme also resulted in a reduced call on revenue funding for capital purposes (£896,394) for 2019/20.

### **2020/21 Revenue Budgets**

- 3.13 In response to the current COVID-19 pandemic, the authority is considering a number of ways in which it might mitigate the financial impact of the crisis. One of the changes proposed is to remove the inflation from the 2020/21 budgets for any area that is not pay related or contractual, effectively asking cost centre managers to deliver services within cash limited budgets. A delegation to the Head of Finance, to allow the HRA revenue budgets to be amended to reflect this, is included within this report, so that the changes can be made in advance of the detailed work required for the preparation of the Medium Term Financial Strategy.
- 3.14 Other changes include consideration of the impact on the bids and savings approved as part of the 2020/21 budget process and a review of the capital programme. Any recommendations in this regard will be incorporated into the HRA Medium Term Financial Strategy in September 2020.

### **Capital Outturn**

- 3.15 The overall capital budget outturn position for the Housing Capital Investment Plan (HRA and Housing General Fund) is provided in the table below. **Appendix D** shows the outturn position by programme with the associated notes providing explanations of variances.

<b>2018/19 £'000</b>	<b>HRA Capital Summary</b>	<b>2019/20 £'000</b>	<b>% Final Budget</b>
41,105	Original Budget	52,825	115%
3,099	Adjustments (Re-phasing -prior year)	5,256	12%
(7,205)	Other Adjustments	(12,310)	(27%)
36,999	Final Budget	45,774	100%
31,687	Outturn	38,360	84%
<b>(5,312)</b>	<b>(Under)/Overspend for the year</b>	<b>(7,414)</b>	<b>(16%)</b>
5,256	Re-phasing Requests	6,560	14%
<b>(56)</b>	<b>(Under ) / Overspend</b>	<b>(854)</b>	<b>(2%)</b>

- 3.16 Spending in the Housing Capital Investment Plan in 2019/20 was below that originally anticipated, with reduction in the budget, particularly for new build expenditure as part of the Medium Term Financial Strategy in September / October 2019 and the Budget Setting Report in January / February 2020.
- 3.17 At outturn, against the latest capital budget approved, underspending of £2,225,000 was evident in new build investment, with slippage of £1,930,000 identified. This related predominantly to delays in respect of re-development schemes at Colville Road, Campkin Road and Kingsway, all of which are now moving forward. There are however a number of schemes on site, with affordable housing agreements now in place, and in some cases, payments were made ahead of where was previously anticipated. Handover of the 2015/16 garage sites took place in 2019/20, as did the majority of units on the site at Anstey Way, with the balance anticipated in the first quarter of 2020/21
- 3.18 Investment in the housing stock, in respect of decent homes and other capital activity was underspent by £3,168,000, with the need to defer £2,927,000 of investment into future years having been identified.
- 3.19 The capital expenditure relating to the acquisition of land and dwellings was less than anticipated in 2019/20, with several land parcels progressing during 2019/20, but none reaching completion stage.



- 3.20 The project to replace the Housing Management Information System will span multiple years and the balance of funding to deliver this project will require re-phasing into 2020/21, when the project is expected to conclude.
- 3.21 Permission is sought to re-phase the use of £284,000 of Disabled Facilities Grant, £11,543,000 of Devolution Grant and £896,000 of DRF (direct revenue financing) into 2020/21, where these will be used to finance capital expenditure identified.
- 3.22 Recognition also needs to be given to a reduced use of major repairs reserve as a funding source in 2019/20 (£4,807,000), with the need to recognise the deferred use of this in 2020/21 and 2022/23 to finance re-phased capital expenditure.

### **HRA Write Offs**

- 3.23 In line with the revised process for the writing off of HRA debt, considered by Housing Scrutiny Committee in March 2015, this report also provides an appendix detailing write off of HRA debt during the financial year 2019/20. **Appendix E** includes a summary of debt written off by both category of write off and also value banding.

## **4. Implications**

### **(a) Financial Implications**

The variance from the final revenue budget (see above), would result in a decreased use of Housing Revenue Account of £3,113,700. After carry forward of revenue resource to fund deferred revenue expenditure, the overall variance and resulting reduction in the use of Housing Revenue Account Reserves is £1,682,400.

A decision not to approve a carry forward request may impact on officers' ability to deliver the service or scheme in question and this could have staffing, equality and poverty, environmental, procurement, consultation and communication and/or community safety implications.

### **(b) Staffing Implications**

There are no direct staffing implications associated with this report.

### **(c) Equality and Poverty Implications**

There are no new equality or poverty implications associated with this report.

### **(d) Environmental Implications**

There are no new environmental implications arising from this report.

### **(e) Procurement Implications**

There are no new procurement implications arising from this report.

### **(f) Consultation and Communication**

Consultation with tenant and leaseholder representatives is an integral part of the Housing Scrutiny Committee process.

### **(g) Community Safety**

There are no community safety implications arising from this report.

## **6. Background Papers**

There were no specific background papers used in the preparation of this report. Data directly from the Council's financial management system was used in the report's preparation.

## **7. Appendices**

- Appendix A – HRA Revenue Outturn 2019/20
- Appendix B – HRA Major Revenue Variance Explanations
- Appendix C – HRA Revenue Carry Forward Requests
- Appendix D – Housing Capital Investment Plan Outturn 2019/20
- Appendix D Notes – Notes to the Housing Capital Investment Plan
- Appendix D Notes (2) – Decent Homes and Other Investment in the Housing Stock Variance Explanations
- Appendix E – HRA Write Offs 2019/20

## **8. Inspection of Papers**

To inspect the background papers or if you have a query on the report please contact:

Julia Hovells, Assistant Head of Finance & Business Manager

Telephone: 01223 - 457248 or email: [julia.hovells@cambridge.gov.uk](mailto:julia.hovells@cambridge.gov.uk).

## Housing Committee - Housing Revenue Account

## Revenue Budget 2019/20 - Final Outturn

Service Grouping	Original Budget £'s	Final Budget £'s	Outturn £'s	Variation Increase/ (Decrease) £'s	Carry Forward Requests - see Appendix C £'s	Net Variance £'s
<b>INCOME</b>						
Dwelling Rents	(36,149,430)	(36,484,730)	(36,765,213)	(280,483)	0	(280,483)
Rental Income (Other)	(1,199,740)	(1,216,300)	(1,254,896)	(38,596)	0	(38,596)
Service Charges	(2,969,250)	(3,427,650)	(3,490,451)	(62,801)	0	(62,801)
Contributions towards Expenditure	(926,900)	(437,150)	(441,631)	(4,481)	0	(4,481)
Other Income (Incl. RTB Capitalisation)	(458,880)	(121,300)	(172,167)	(50,867)	0	(50,867)
<b>Total Income</b>	<b>(41,704,200)</b>	<b>(41,687,130)</b>	<b>(42,124,358)</b>	<b>(437,228)</b>	<b>0</b>	<b>(437,228)</b>
<b>EXPENDITURE</b>						
Supervision & Management (General)	3,770,570	2,786,990	2,459,426	(327,564)	220,300	(107,264)
Supervision & Management (Special)	3,358,560	2,938,590	3,024,900	86,310	0	86,310
Repairs & Maintenance	7,238,020	8,095,300	7,968,670	(126,630)	314,600	187,970
Depreciation	10,949,310	11,070,740	10,700,477	(370,263)	0	(370,263)
Debt Management Expenditure	0	0	0	0	0	0
Other Expenditure	3,799,000	5,131,150	4,709,023	(422,127)	0	(422,127)
<b>Total Expenditure</b>	<b>29,115,460</b>	<b>30,022,770</b>	<b>28,862,496</b>	<b>(1,160,274)</b>	<b>534,900</b>	<b>(625,374)</b>
<b>Net Cost of HRA Services</b>	<b>(12,588,740)</b>	<b>(11,664,360)</b>	<b>(13,261,862)</b>	<b>(1,597,502)</b>	<b>534,900</b>	<b>(1,062,602)</b>
Interest Receivable (Interest on Balances & Item 8)	(800,950)	(543,310)	(872,641)	(329,331)	0	(329,331)
<b>(Surplus) / Deficit on the HRA for the Year</b>	<b>(13,389,690)</b>	<b>(12,207,670)</b>	<b>(14,134,503)</b>	<b>(1,926,833)</b>	<b>534,900</b>	<b>(1,391,933)</b>
<b>Appropriations / Other Movement in the HRA Balance</b>						
Loan Interest	7,513,790	7,506,750	7,494,241	(12,509)	0	(12,509)
Housing Set-Aside	4,472,200	1,560,900	1,560,900	0	0	0
Impairment	0	0	0	0	0	0
Direct Revenue Financing of Capital	0	2,568,300	1,671,906	(896,394)	896,400	6
Transfer to / from Ear-Marked Reserves	0	292,880	14,916	(277,964)	0	(277,964)
<b>(Surplus) / Deficit for year</b>	<b>(1,403,700)</b>	<b>(278,840)</b>	<b>(3,392,540)</b>	<b>(3,113,700)</b>	<b>1,431,300</b>	<b>(1,682,400)</b>
<b>(Surplus) / Deficit b/f</b>	<b>(11,620,379)</b>	<b>(11,620,379)</b>	<b>(11,620,379)</b>			
<b>Balance Carried Forward</b>	<b>(13,024,079)</b>	<b>(11,899,219)</b>	<b>(15,012,919)</b>	<b>0</b>	<b>0</b>	<b>0</b>

Changes between original and final budgets may be made to reflect:

- portfolio and departmental restructuring
- approved budget carry forwards from the previous financial year
- technical adjustments, including changes to the capital accounting regime
- virements approved under the Council's constitution
- additional external revenue funding not originally budgeted

and are detailed and approved:

- in the January committee cycle (as part of the Budget-Setting Report)
- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium Term Financial Strategy - MTFS)
- via technical adjustments/virements throughout the year

## Housing Committee - Housing Revenue Account

## Revenue Budget 2019/20 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £
<b>Supervision and Management (General)</b>		
Housing Transformation	Investment in activity to transform the Housing Service progressed during 2019/20, with the Repairs Review culminating with a staff restructure consultation. Following consultation, the restructure is being implemented in 2020/21, with the remaining budget requested as a carry forward to meet the costs of change.	(170,377)
City Homes	Underspending in City Homes was due to significantly reduced business rate costs reported in the year due to a rateable value review and refund for prior years, coupled with lower than anticipated demand for the resource set-aside to support tenants through the transition to Universal Credit, with the transfer of claims still moving at a relatively steady pace in 2019/20. The pace is expected to accelerate in 2020/21 as a result of an increase in change of circumstances.	(105,700)
Departmental Overheads (HRA)	Underspending in HRA Overheads is due predominantly to the capitalisation of the up-front cost associated with new build schemes, where these had previously been met from revenue budgets, pending formal approval of the schemes.	(76,986)
Other		25,499
<b>Total</b>		<b>(327,564)</b>
<b>Supervision and Management (Special)</b>		
R&R Fund Expenditure	Expenditure on items for communal areas of sheltered schemes, replacement of emergency alarms and furniture, fixtures and fittings in temporary housing units. This expenditure is not budgeted for in year, but is fully funded from an ear-marked reserve set-aside specifically for this purpose.	121,793
Virido, Clay Farm	The costs of estate-based activity and at Virido, Clay Farm were significantly lower than budgeted as a result of the authority receiving a rebate from the estate management company for sums paid on account in previous years. When the scheme was first established the management company set service charges based upon full service provision, but a lower level of service was actually delivered on the ground during the first 18 to 24 months that the scheme was occupied.	(56,400)
Ditchburn Place	The operational costs of Ditchburn Place were significantly lower than budgeted due to the number of vacant flats that were held during 2019/20 whilst major refurbishment work was concluded on the site and the responsibility for the delivery of care was transferred to a new care provider.	(46,892)
Independent Living Service Management	Overspending was evident in the Independent Living Service, predominantly due to the need to meet the costs of maternity leave cover for the service manager.	33,937
Temporary Accommodation	Temporary Housing costs were greater than anticipated due to an increase in the demand for temporary housing in 2019/20, resulting in an increase in premises related expenditure.	23,850
Other		10,022
<b>Total</b>		<b>86,310</b>
<b>Repairs and Maintenance</b>		

## Housing Committee - Housing Revenue Account

## Revenue Budget 2019/20 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £
Response Repairs	Underspending is evident in respect of day to day repairs, with a reduction in the reliance upon the use of sub-contractors. Work is now only being sub-contracted where there is insufficient capacity or a lack of skill in-house to fulfil the repair requirement, which has improved internal cost recovery in this area. Work is also being monitored to ensure that the authority does not carry out work that should be the responsibility of the tenant.	(285,515)
Planned Repairs	Planned repairs overspent, with an increase in the number of smoke detectors being installed as a direct impact of identifying the need alongside the installation of heat detectors, coupled with the unavoidable cost of temporary propping in some flat blocks whilst remedial works were specified and arranged.	81,981
Client Repairs	Overspending was predominantly due to the cost of works that would otherwise have been met through an insurance claim if the authority didn't carry a 'stop loss' in their policy, with the first £250,000 each year being met in-house.	56,451
Citywide Schemes	Cyclical repairs were underspent due to a mix of contractual variances, but with an underspend in hard wire testing as a result of access issues being the most significant element. This budget has been requested as a carry forward into 2020/21 to allow the contractor to re-attempt access.	(108,958)
Technical Services	Technical Services reported an overspend in 2019/20, as although the team carried a number of vacancies these were covered using temporary resource, which carried a greater cost to the service	90,040
Estate Investment	The revenue aspects of the Estate Investment Scheme were underspent at 31 March 2020, where works had been ordered but not all were completed by year end. The underspend is requested as a carry forward to allow the works to be completed in 2020/21.	(199,611)
Voids	Overspending in void repairs was due in part to an increase in the number of void jobs in 2019/20, coupled with an increase in the average cost of a void. The more complex voids gave rise to a backlog of void works in the latter part of 2019, which incurred additional cost due to the need to sub-contract some of the work. These additional costs were incurred in order to ensure that the vacant properties were made ready for re-let as quickly as possible and to avoid further rent loss.	303,604
Gas Servicing	Gas servicing was underspent in 2019/20, with fewer repairs being required as part of the annual service and maintenance contract. This budget was reviewed as part of the latest budget process, and has been reduced accordingly in 2020/21.	(59,242)
Other		(5,380)
<b>Total</b>		<b>(126,630)</b>

## Housing Committee - Housing Revenue Account

## Revenue Budget 2019/20 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £
<b>Other HRA Expenditure</b>		
Depreciation	The level of depreciation charged to the HRA for 2019/20 was lower than anticipated due to a reduction in the opening value of the HRA asset base as a direct result of changes made to the 2018/19 valuations as part of the audit of the 2018/19 accounts and financial statements.	(370,263)
Contribution to the cost of corporate change	Budget carried forward from previous years to meet any residual costs of corporate change, including the accommodation strategy and resulting works and office relocation was not required when the project costs were finalised.	(275,485)
Contribution to the Bad Debt Provision	The contribution to the bad debt provision was lower than budgeted in 2019/20, with the impact on rent arrears as a result of the introduction of Universal Credit noticeable by 31 March 2020, but mitigated to some degree as a result of income management staff working proactively with the tenants affected.	(217,373)
Council Tax on Voids	The cost of Council Tax in void properties was higher than anticipated, predominantly due to the need to pay Council Tax for the properties at Colville Road and Campkin Road whilst the sites are fully vacated prior to demolition.	59,920
Other		10,811
<b>Total</b>		<b>(792,390)</b>
<b>HRA Income and Other</b>		
Rental Income (Dwellings)	Dwelling rent income was higher than budgeted due to a combination of fewer right to buy sales in 2019/20 than anticipated, coupled with delays in vacating homes identified for demolition and re-development in Colville Road and Campkin Road, with those homes vacated in the earlier stages still being utilised for temporary housing purposes, thus extending the income received for these properties.	(280,483)
Rental Income (Other)	Rent for HRA garages and commercial property was over-achieved in 2019/20 due predominantly to increased garage income (£36,150) as a result of the current charging structure for garages and the number of garages occupied during the year.	(38,596)
Service Charges	Service charge income was over-achieved due predominantly to the delay in vacating homes earmarked for re-development and their short-term use as temporary housing. This was combined with an increase in income in respect of leasehold service charges.	(62,801)
Other Income	Other income is over-achieved due to the recharge to capital for the administrative costs of the right to buy process being greater than budgeted, partially offset by the costs recharged to the General Fund for shared amenities being lower than budgeted.	(50,867)
Other		(4,481)
<b>Total</b>		<b>(437,228)</b>

## Housing Committee - Housing Revenue Account

## Revenue Budget 2019/20 - Major Variances from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £
<b><i>HRA Interest, Premiums and Appropriations</i></b>		
Direct Revenue Funding of Capital Expenditure (DRF)	The use of DRF in 2019/20 included funding of £121,087 in respect of payment of licenses and other project costs for the new Housing Management Information System. This was fully funded from the Repairs and Renewals (R&R) fund set-aside for this purpose and is displayed as part of the additional transfer from an ear-marked reserve below. Other revenue financing of capital was lower than anticipated due to overall underspending in the Housing Capital Programme.	(896,394)
Transfer to or from Ear-Marked Reserves	A transfer from R&R fund reserves to finance the next phase of costs of the replacement Housing Management Information System (£121,087) was combined with also drawing from the reserve to fund expenditure at 171 Arbury Road, and in communal areas of sheltered schemes, emergency alarms and temporary housing.	(277,964)
Interest Received	The interest due to the HRA for 2019/20 was greater than anticipated due to both the interest rate realised and the level of average revenue and capital balances which were held in the HRA during the year. Underspending in both revenue and capital budgets results in a greater level of reserves at year end than anticipated. Interest was also received in respect of notional internal lending in 2019/20.	(329,331)
Other		(12,509)
<b>Total</b>		<b>(1,516,198)</b>
<b>Total for Housing Revenue Account</b>		<b>(3,113,700)</b>



## Housing Committee - Housing Revenue Account

### Revenue Budget 2019/20 - Carry Forward Requests

Request to Carry Forward Housing Revenue Account Budgets from 2019/20 into 2020/21 and future years

Item		Request £
	<b>Director - S Hemingway</b>	
	<b>Supervision and Management General</b>	
1	Housing Transformation - Funding is spent under delegation to the Strategic Director, and funds from 2019/20 are requested as a carry forward to meet the costs of change arising from the Repairs Review, which is being implemented in 2020/21, to coincide with delivery of the latter aspects of the housing management IT system.	170,300
2	City Homes - Funding specifically incorporated into the budget to help support tenants through the transition from Housing Benefit to Universal Credit was not utilised during 2019/20 as the pace of transition remained steady. A greater number of residents are expected to trigger the transition during 2020/21 with changes in circumstances accelerated due the current pandemic. This funding will help ensure that tenants are supported effectively.	50,000
	<b>Supervision and Management Special</b>	
	No carry forward requests from 2019/20 into 2020/21.	
	<b>Repairs and Maintenance</b>	
4	Cyclical Maintenance - A carry forward request is proposed to meet the contractual commitments of the hardwire testing programme, where not all of the work was completed by TSG in 2019/20 due to access issues. The underspend on the Citywide Schemes cost centre is marginally less than the value of this carry forward, but the HRA as a whole can support this carry forward without drawing additionally upon reserves.	115,000
5	Estate Investment Scheme - A programme of estate-based works, both revenue and capital has been produced, with the year 1 works ordered during 2019/20. Not all of the works ordered were completed by 31 March 2020, and so revenue resource is requested as a carry forward into 2020/21 to complete phase 1 of the programme.	199,600
	<b>Appropriations</b>	
	Underspending in the Housing Capital Programme in 2019/20 resulted in a reduced call upon revenue resources to fund capital expenditure. To ensure that any re-phased capital expenditure can be financed in 2020/21, it is requested to carry forward the approval to use the balance of revenue funding approved for 2019/20 into the following year.	896,400
	<b>Total Carry Forward Requests for Housing Revenue Account / Housing Scrutiny Committee</b>	<b>1,431,300</b>

## 2019/20 Housing Capital Investment Plan - HRA &amp; General Fund Housing

	Original Budget £000's	Current Budget £000's	Outturn £000's	Variance £000's	Re-phase Spend £000's	Notes	Re-Phasing Year				Budget
							2020/21 £000's	2021/22 £000's	2022/23 £000's	Post 2022/23 £000's	2019/20 £000's
<b>General Fund Housing Capital Spend</b>											
Investment in Non-HRA Affordable Housing	0	0	0	0			0	0	0	0	0
Other General Fund Housing	848	949	619	(330)	284	1	284	0	0	0	1,161
<b>Total General Fund Housing Capital Spend</b>	<b>848</b>	<b>949</b>	<b>619</b>	<b>(330)</b>	<b>284</b>		<b>284</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,161</b>
<b>HRA Capital Spend</b>											
Decent Homes Programme	7,134	8,897	7,039	(1,858)	1,825	2	628	0	0	1,197	14,766
Other Spend on HRA Stock	3,467	4,089	2,779	(1,310)	1,102	3	1,102	0	0	0	4,864
HRA New Build	37,863	28,996	26,771	(2,225)	1,930	4	1,930	0	0	0	42,052
HRA Acquisition	0	1,000	18	(982)	982	5	982	0	0	0	2,482
Sheltered Housing Capital Investment	936	915	810	(105)	15	6	15	0	0	0	15
Other HRA Capital Spend	630	928	324	(604)	422	7	422	0	0	0	752
Inflation Allowance	1,947	0	0	0	0		0	0	0	0	266
<b>Total HRA Capital Spend</b>	<b>51,977</b>	<b>44,825</b>	<b>37,741</b>	<b>(7,084)</b>	<b>6,276</b>		<b>5,079</b>	<b>0</b>	<b>0</b>	<b>1,197</b>	<b>65,197</b>
<b>Total Housing Capital Spend</b>	<b>52,825</b>	<b>45,774</b>	<b>38,360</b>	<b>(7,414)</b>	<b>6,560</b>		<b>5,363</b>	<b>0</b>	<b>0</b>	<b>1,197</b>	<b>66,358</b>
<b>Housing Capital Resources</b>											
Right to Buy Receipts (General Use)	(411)	(474)	(358)	116	0	8	0	0	0	0	(478)
Right to Buy Receipts (Retained for New Build / Acquisition)	(8,775)	(6,545)	(3,346)	3,199	0	8	0	0	0	0	(10,217)
Right to Buy Receipts (Debt Set-Aside)	0	0	(834)	(834)	0	8	0	0	0	0	0
Other Capital Receipts (Land and Dwellings)	0	0	(97)	(97)	0	9	0	0	0	0	0
Other Capital Receipts (Shared Ownership)	(1,588)	(936)	(416)	520	0	9	0	0	0	0	(300)
MRA / MRR	(20,750)	(16,943)	(12,136)	4,807	(4,807)	10	(4,467)	0	0	(340)	(10,345)
Client Contributions	0	0	(436)	(436)	0	11	0	0	0	0	0
Direct Revenue Financing of Capital (Including R&R)	0	(2,568)	(1,672)	896	(896)	12	(896)	0	0	0	(15,078)
Other Capital Resources (Grants /Loan Repayments)	(21,127)	(15,615)	(27,682)	(12,067)	11,827	13	11,827	0	0	0	(11,641)
Prudential Borrowing	0	0	0	0	0		0	0	0	0	0
<b>Total Housing Capital Resources</b>	<b>(52,651)</b>	<b>(43,081)</b>	<b>(46,977)</b>	<b>(3,896)</b>	<b>6,124</b>		<b>6,464</b>	<b>0</b>	<b>0</b>	<b>(340)</b>	<b>(48,059)</b>
<b>Net (Surplus) / Deficit of Resources</b>	<b>174</b>	<b>2,693</b>	<b>(8,617)</b>	<b>(11,310)</b>			<b>11,827</b>	<b>0</b>	<b>0</b>	<b>857</b>	<b>18,299</b>
<b>Capital Balances b/f</b>	<b>(33,708)</b>	<b>(33,708)</b>	<b>(33,708)</b>								<b>(21,834)</b>
<b>Use of / (Contribution to) Balances in Year</b>	<b>174</b>	<b>2,693</b>	<b>(8,617)</b>				<b>11,827</b>	<b>0</b>	<b>0</b>	<b>857</b>	<b>18,299</b>
Set-aside for future Debt Redemption	9,031	9,031	9,856			8					
Ear-marked for specific Retained Right to Buy Receipts 1-4-1 Investment	13,932	13,932	10,635			8					
<b>Residual capital resources remaining to fund future Housing Investment Programme</b>	<b>(10,571)</b>	<b>(8,052)</b>	<b>(21,834)</b>								<b>(3,535)</b>

## Notes to the Housing Capital Investment Plan

Note	Reason for Variance
1	Disabled Facilities Grants were underspent by £272,000 due to a combination of reduced demand for the service coupled with a vacancy in the Grants Officer role for part of the year, which delayed the approval process. When grossed up for the income received from clients, £284,000 will require re-phasing into 2020/21 to ensure that we can comply with the grant conditions under which we received the funding. Private Sector Grants and Loans also reported an underspent (£58,000), where demand has reduced in recent years.
2	A net underspend of £1,858,000 in decent homes expenditure during 2019/20 is a combination of under and overspending against the specific decent homes elements. Overspending in wall structure (£81,000) and roof structure (£70,000) is more than offset by underspending in bathrooms (£24,000), kitchens (£139,000), re-wiring (£49,000), energy and insulation works (£115,000), central heating (£465,000), sulphate (£102,000), other health and safety (£40,000), roof coverings (£181,000) decent homes work to new builds (£467,000), HHSRS (£168,000), capitalised officer fees (£19,000), contractor overheads (£222,000) and external doors (£18,000). These variances are before accounting for leaseholder income, which is reported separately. Re-phasing of underspending in 2019/20 into 2020/21 is requested in respect of energy improvements (£40,000), roofing works (£181,000), HHSRS (£168,000), other health and safety works (£40,000), contractor overheads (£181,000) and external doors (£18,000) Re-phasing of the budget for sulphate works is requested to be re-allocated to 2028/29 to the end of the existing sulphate programme, whilst re-phasing to the end of the 10 year investment programme is requested in respect of decent homes works to new build homes (£467,000), central heating and boilers (£465,000), kitchens (£139,000) and bathrooms (£24,000), when the budget is now expected to be required.
3	A net underspend of £1,310,000 was evident in 2019/20. Fire prevention works were underspent (£704,000), with the need to carry this forward into 2020/21, works to communal areas was underspent by £321,000, but with the need to carry this resource forward to specifically meet the cost of external wall structure works to flats. Underspending of £163,000 in respect of contractor overheads combines some slippage with the impact of underspending in other areas and £109,000 is requested to be re-phased. Underspending in Disabled Adaptations (£206,000), garage improvements (£27,000), lifts (£20,000) and capitalised officer fees (£7,000) do not require re-phasing. Overspending in asbestos removal of £20,000 and hard-surfacing works (£92,000) was also reported at year end. The capital funding for Estate Investment works, which was re-profiled in January 2020, spent marginally ahead of the profile, with the need to bring forward £32,000 of the budget allocated in 2020/21 to meet the 2019/20 expenditure.
4	The net underspend of £2,225,000 in the new build programme in 2019/20 relates predominantly to delays in 3 schemes. Securing vacant possession of the sites at both Colville Road and Campkin Road is taking longer than anticipated, with underspending of £508,000 and £2,127,000 respectively. Delays have also been experienced in the project at Kingsway, which is being delivered in-house by Maintenance and Assets, with an underspend of £331,000 reported for 2019/20. Spending ahead of profile has also occurred in respect of a few schemes and costs have also been incurred in respect of schemes that are complete and occupied, but where there are now some quality issues that are being addressed. Net re-phasing of £1,930,000 is required. Re-phasing of budget for Colville Road (£508,000), Campkin Road (£2,127,000), Kingsway (£331,000), Queensmeadow (£4,000), Colville Road Garages (£17,000), Kendal Way (£45,000), Gunhild Way (£7,000) and Teddar Way (£9,000), is partially offset by negative re-phasing where spend is ahead of profile for Wulfstan Way (£153,000), Cromwell Road (£39,000), Mill Road (£714,000) Meadows and Buchan (£256,000), and Markham Close (£6,000). The profile of spending on all of these schemes will be reviewed again as part of the HRA Medium Term Financial Strategy.

5	Budget of £1,000,000 was approved in January / February 2020 to allow the strategic acquisition of a number of small land parcels for potential development. The acquisitions all progressed during 2019/20, but none completed by 31 March, and as such the resource will require re-phasing into 2020/21 to allow this to take place.
6	Spending in respect of the refurbishment of Ditchburn Place has now concluded, with the site handed back in the autumn of 2019. An underspend of £105,000 is reported, with £15,000 of this requested as a carry forward to meet the costs of final employer's agent fees and any costs incurred during the retention period.
7	A net underspend of £604,000 in this area of the programme comprises reduced activity in respect of shared ownership re-purchase in 2019/20, giving rise to a £112,000 underspend, and underspending due to the need to recognise the revised timeframe required to implement the new Housing Management Information System (£422,000), with the latter requiring re-phasing into 2020/21. The balance of funding for the project to relocate stores (£40,000) will not now be required, nor will funding for works to HRA commercial premises (£29,000).
8	29 properties were sold in total during 2019/20. £358,000 of the capital receipt is available for general use (after all costs have been deducted from each receipt), while £834,000 of the overall capital receipt is identified as set-aside to be offset against the debt associated with the unit no longer owned. A further £3,346,000 of right to buy receipts have been retained by the local authority in 2019/20, but must be re-invested in financing up to 30% of additional social housing units, provided this is done within a 3 year time frame. The authority is again required to invest a significant sum during 2020/21 to ensure that it meets its responsibilities under the retention agreement, and this may mean the acquisition of further dwellings on the open market, if new build schemes do not progress as anticipated, to avoid passing the receipts to central government. With the number of schemes on site, and subject to their ability to proceed in the current climate, it is anticipated that market acquisitions can be avoided in 2020/21.
9	Capital receipts totalling £97,000 in respect of funds due for Hundred Houses under the terms of a lease agreement were accounted for in 2019/20. The receipts were used to finance investment in affordable housing in 2019/20. The 4 remaining shared ownership homes on the Virido, Clay Farm site were sold in 2019/20, alongside one re-cycled older shared ownership dwelling. The net receipt was lower than anticipated as a result of less re-cycling activity than estimated coupled with the need to account for receipts from some sales as retained right to buy receipts due to the level of share sold.
10	The major repairs reserve was used to finance capital expenditure in the housing stock in 2019/20, including investment in decent homes work, other investment in the housing stock and investment in new homes, particularly where an element of re-provision is required. Where less of this funding was utilised in 2019/20 than anticipated, it will instead be utilised in 2020/21 and beyond.
11	Income was recovered from leaseholders in 2019/20 in relation to their share of the cost of major improvements undertaken as part of the decent homes programme (£405,000) and was also received from private residents in relation to contributions towards DFG's or private sector housing repair grants (£31,000).
12	The use of revenue funding for capital purposes was less than anticipated, due to underspending across the capital programme. This resource will instead be required in 2020/21 to meet the cost of the re-phased capital expenditure.
13	Devolution Grant received in 2019/20 was significantly greater than anticipated as a direct result of MHCLG making a payment of £17,000,000 to the Council directly, as opposed to paying via the Combined Authority. Funds were received from the Combined Authority for the first 3 quarters, and then from MHCLG in quarter 4. The grant received in advance of incurring expenditure (£11,543,000 after financing quarter 4 expenditure) will be used in 2020/21, with a reduced amount being claimed from the Combined Authority until this resource has been exhausted. The use of £284,000 of the DFG grant will also need to be re-phased into 2020/21 to ensure that grant can be invested appropriately (see note 1).

The capital underspend in respect of decent homes and other investment in the housing stock for 2019/20 can be summarised as follows, with more in depth explanations provided in the tables below:

Slippage – works ordered to be delivered in 2020/21	(£1,762,000)
Refusals / No access / No requirement - boilers, kitchens and bathrooms, sulphate	(£730,000)
Savings (from energy works, re-wiring, disability adaptations, garages, lifts, fees and overheads)	(£504,000)
Overspending (wall and roof structures, asbestos, hard-surfacing works, estate investment)	£295,000
"New build allocation" – a capital allocation to allow for future works to new build property	(£467,000)
	(£3,168,000)

#### Decent Homes expenditure

A net underspend of £1,858,000 in decent homes expenditure during 2019/20 is a combination of under and overspending against the specific decent homes elements.

	Value	Rephasing to 20/21	Rephasing to 29/30	Explanation
<b>Overspending</b>				
Wall structure	£81,000			Additional high level concrete and brickwork repairs at Hanover Court and Princess Court were completed in 2019/20.
Roof structure	£70,000			The extent of structural roofing repair work at Carlow, Donegal and Brooks Road flats cost more than the allocated budget.
<b>Underspending</b>				
Bathrooms	(£24,000)		£24,000	There were 23 bathrooms ordered where there was no access or response. The work will still be required at some point in the future, or when the property becomes void. We have already planned our programme of work for 2020/21 so we propose to move the underspend to later years in the capital programme.
Kitchens	(£139,000)		£139,000	There were 29 kitchens ordered where there was no access or response. The work will still be required at some point in the future, or when the property becomes void. We have already planned our programme of work for 2020/21 so we propose to move the underspend to later years in the capital programme. If tenants subsequently change their mind and want their kitchen replaced the work will be added into the next years programme.
Re-wiring	(£49,000)			Over 280 planned installations were completed. The cost of the work carried out was less than the budget.
Energy and insulation works	(£115,000)	£40,000		The planned loft insulation programme in 2019/20 was reviewed to ensure data was correct. This has now been ordered as part of a larger programme of loft insulation in 20/21.
Central heating	(£465,000)		£465,000	There were 448 boilers / heating installations ordered where there was no access or response. The work will still be required at some point in the future, when the heating fails, or when the property becomes void. The 2019/20 heating programme was a very large programme and over 900 boiler / central heating replacements were successfully completed. The level of no access / refusals was unusually high.
Sulphate attack	(£102,000)		£102,000	This work is undertaken when a property becomes void - no affected property became void in 2019/20 so the budget is requested to be moved to later in the capital programme.
Balconies (Other health and safety)	(£40,000)	£40,000		This underspend relates to unfinished structural work and associated repairs at Albemarle Way flats. Work is 90% complete, but has been on hold due to coronavirus.
Roof coverings	(£181,000)	£181,000		Work is on site at Brooks Road flats. This is a large project and is programmed to complete in September 2020.
Decent homes work to new builds	(£467,000)		£467,000	This is not actually an "underspend." When new build properties are added to our stock an allowance is made for planned maintenance work that will be required over the next 30 years. This is then profiled in the 30 year plan once a stock survey is completed. This budget will be re-profiled as part of the HRA Medium Term Financial Strategy.
HHSRS	(£168,000)	£168,000		This budget was set aside from the HHSRS budget predominantly to install fire doors at Hanover Court and Princess Court flats. There were unavoidable delays in the authority's ability to order this work as a result of national debate about the standard of fire doors which would be subject to certification following the Grenfell fire. Following issue of the new standards, surveys / investigations were conducted from Autumn 2019. This work was ordered and commenced in 2019/20 and will be completed in 2020/21, although it should be noted that the current pandemic may result in supply chain issues in respect of the manufacture of these doors. All remaining previously identified HHSRS failures within individual properties are programmed to be delivered in 2020/21, subject to property access. In some cases these works have been timetabled to coincide with the delivery of other structural work to specific blocks.
External doors	(£18,000)	£18,000		Some of the 2019/20 external doors replacement programme was not completed and these will be completed when coronavirus restrictions are lifted. Some of these doors are fire doors and there were delays in fire door installation following the Grenfell fire. It was not clear which manufacturers' fire doors had been tested and fully met the fire safety standards.
Capitalised officer fees	(£19,000)			The value of officer time that can be capitalised each year depends upon the nature of work that is carried out by each member of the team. In 2019/20 there was an increase in the level of officer time spent on revenue activity, resulting in an underspend against the capital allocation.
Contractor overheads	(£222,000)	£181,000		Underspending in specific decent homes elements results in a corresponding underspend in contractor overheads.
<b>Total</b>	<b>(£1,858,000)</b>	<b>£628,000</b>	<b>£1,197,000</b>	

#### Other Investment in the Housing Stock

A net underspend of £1,310,000 in other capital expenditure was evident in 2019/20.

	Value	Rephasing to 20/21	Rephasing to 29/30	Explanation
<b>Overspending</b>				
Asbestos removal	£20,000			There is an annual budget of £50,000 for asbestos removal. It is difficult to predict exactly how much the cost of asbestos removal will be due to the nature of refurbishment work carried out. In 2019/20 the cost of asbestos removal projects exceeded the budget.
Hard-surfacing works	£92,000			Additional works were carried out at Hazelwood and Molewood Close drying areas where there were trip hazards. Also the extent of work at Tuscan Court was greater than expected.
Estate investment programme	£32,000	(£32,000)		The capital funding for Estate Investment works, which was re-profiled in January 2020, spent marginally ahead of the profile, with the need to bring forward £32,000 of the budget allocated in 2020/21 to meet the 2019/20 expenditure.
<b>Underspending</b>				
Fire prevention works were underspent, with the need to carry this forward into 2020/21	(£704,000)	£704,000		The fire safety / prevention works programme contained a number of different elements in 2019/20. Some of these were delayed and this is why the request is made to carry the budget forward to 2020/21.
				Emergency lighting (£78,000) - the planned programmed works are at the Hawkins Road estate. These are going to be designed and delivered by the contractor carrying out the planned structural works. This is being tendered and the work completed in 2020.
				Non-compliant fire doors replacement (£223,000). This programme to replace 300+ non-compliant Manse fire doors started at end of September 2019 but is now on hold due to coronavirus. The money needs to be carried forward to complete the work. There was a delay starting this work following the Grenfell fire. It was not clear which manufacturers' fire doors had been tested and fully met the fire safety standards.
				Fire escape from maisonettes 4.5m above ground level. (£339,000). This is a large programme of work to fit internal fire doors and additional fire protection in 188 maisonettes. The project was designed and tendered in 2019/20. Pilot installations were halted by coronavirus. The money needs to be carried forward to complete the work.
				Vents and glazing improvements (£28,000). Fire risk assessments have identified works to vents and windows that open on to fire escape routes. Some more survey work is required and this was not completed in 2019/20.
				Fire compartment improvements (£36,000) - This is work that is required to improve fire compartments in five houses that have been converted into flats. There have been delays caused by assess and lease issues. The money needs to be carried forward to complete the work.
Works to communal areas was underspent, but with the need to carry this forward to specifically meet the cost of external wall structure works to flats.	(£321,000)	£321,000		This budget was allocated to structural works in communal areas. The Council is currently tendering structural works and associated repairs at Ekin Road flats, Hawkins Road maisonettes and Colville Road shops / flats. Work was planned to start in February 2020 but there was some additional survey work to complete that delayed the tender. Work is expected to start late summer.
Contractor overheads - combines some slippage with the impact of underspending in other areas and £109,000 is requested to be re-phased.	(£163,000)	£109,000		Underspending in specific investment elements results in a corresponding underspend in contractor overheads.
Disabled Adaptations	(£206,000)			This work is based on the number and type of Occupational Therapist referrals received. 120 orders were issued to contractors in 19/20 and just 11 are being carried forward to 20/21.
Garage improvements	(£27,000)			Planned work at East Road garages was postponed mid-year; seven new sites were ordered and completed and costs were below the £195,000 budget.
Lifts	(£20,000)			The budget was allocated for lift replacements at Ditchburn Place and the actual cost of the work (£118,000) was less than the budget.
Other	(£6,000)			
Capitalised officer fees	(£7,000)			The value of officer time that can be capitalised each year depends upon the nature of work that is carried out by each member of the team. In 2019/20 there was an increase in the level of officer time spent on revenue activity, resulting in an underspend against the capital allocation.
<b>Total</b>	<b>(£1,310,000)</b>	<b>£1,102,000</b>	<b>£0</b>	

HRA Debts Written Off in 2019/20Write Off Cases by Category

Write Off Category	No. of Cases	Value Written Off
Bankruptcy / Insolvency	2	3,325.62
Debt relief order	14	21,918.05
Debtor deceased	92	74,716.39
Debtor is residing outside the UK	6	12,641.87
Debtor untraceable	7	17,551.95
Imprisonment	1	1,895.40
Other special circumstances	5	8,645.69
Statute barred	38	25,959.11
Uneconomical to recover	61	3,240.38
Recovery procedures exhausted	35	65,568.24
Unable to substantiate debt	0	0.00
Court has refused to make an order	0	0.00
Debt re-instated	2	(2,589.36)
<b>Total Written Off (Net)</b>	<b>263</b>	<b>232,873.34</b>

Write Off Value Band	No. of Cases	Value Written Off
Less than £100	69	2,913.92
£100.00 to £199.99	18	2,449.68
£200.00 to £299.99	20	5,170.75
£300.00 to £399.99	16	5,616.71
£400.00 to £499.99	15	6,918.58
£500.00 to £749.99	34	20,861.47
£750.00 to £999.99	21	17,599.20
£1,000.00 to £1,499.99	20	24,099.71
£1,500.00 to £1,999.99	11	19,684.24
£2,000.00 to £2,999.99	11	25,913.84
£3,000.00 to £3,999.99	18	62,180.08
£4,000.00 to £4,999.99	3	12,687.46
Greater than £5,000.00	5	29,367.06
Debt re-instated	2	(2,589.36)
<b>Total Written Off (Net)</b>	<b>263</b>	<b>232,873.34</b>

This page is intentionally left blank





Item

## **Estates & Facilities Service View and Compliance**

### **Update**

#### **To:**

Councillor Richard Johnson, Executive Councillor for Housing  
Housing Scrutiny Committee 23 June 2020

#### **Report by:**

Lynn Thomas, Head of Housing Maintenance and Assets  
Tel: 01223 457831 Email: [lynn.thomas@cambridge.gov.uk](mailto:lynn.thomas@cambridge.gov.uk)

#### **Wards affected:**

All Wards

This report is for information and not for decision.

### **1. Executive Summary**

The report provides an update on the Estates & Facilities Service Review and information on compliance related work within the service, including a summary on gas servicing, electrical testing, recent audit actions and fire safety.

### **2. Recommendations**

The Executive Councillor is recommended to note the progress of the service review and compliance related work detailed within the report.

### **3. E&F Service Review Update**

An in-depth service review was conducted in 2019 with the external support of the East of England Local Government Association (EELGA). That review included the engagement of staff widely across the Estates & Facilities service.

This review is not primarily a 'savings exercise' (unlike the Housing Transformation Review of 2017). However, it is appropriate to consider how the Council can get the best value out of its existing maintenance budgets for the benefit of the tenants, particularly on external contractors in connection with response repairs and voids (where in principle, we should seek to internalise work as far as it is operationally practicable and commercially rational to do so) and we need to become both more efficient and effective in the service we deliver.

As such, there is a compelling need for change and this underpins my mission for the service, "To be a customer focused and business-like Estates & Facilities Service that manages and maintains the Council's housing stock and other buildings in a safe, efficient and financially sustainable manner."

The review is intended to help modernise the Estates & Facilities service in line with this mission, and so assure its sustainability.

Priority areas for action identified included:

- Reducing cost of repairs by improving efficiency whilst upholding our commitment to professional standards.
- Improving appointment system and customer experience.
- Utilising operatives time more effectively through improved scheduling of work.
- Income is maximised, through appropriate skillsets in the teams and rechargeable repairs identified and income recovered where appropriate.
- Reducing void time, to allow faster re-occupancy for people on the housing needs register
- Appropriate allocation of and accountability for work.
- Assuring compliance across the service.

The proposal made within the staffing restructure build on the themes identified during an independent review and subsequent team engagement events – these are:

1. Structure: Right people are doing the right jobs and appropriate resourcing
2. Responsibility and accountability: More accountability with staff responsible for explaining what they have done and why, ownership and pride

3. Efficiency and Effectiveness: Improved outcomes within constrained resources through improved productivity, team working and better IT
4. Performance Management: Deliver what we promise, better customer service and demonstrable value for money
5. Risk Management: Compliance and assurance
6. Communication and Engagement: Right information shared at the right time and full involvement of internal and external stakeholders

Capacity and capability building are important, so that staff can develop suitable skills and there is deepened knowledge within the team to ensure service resilience. In line with this, in developing these proposals, we have reviewed:

- The overall structure of the team.
- Job roles and responsibilities.
- Assessed the changes in service delivery both now and in the near future.

Building for the future is also important and we will be establishing enhanced career progression opportunities such as apprenticeships to bridge gaps in service delivery and aid succession planning across the workforce.

A staffing restructure has been proposed and formal Consultation paper published on 18th February, which provided staff with the opportunity to comment and give feedback. The approval and implementation of the proposals has been delayed for two reasons – the volume of useful feedback which I wanted to be able to digest and consider properly and the Government restrictions placed upon us due to the Covid -19 pandemic and the complexities that we faced with the situation at the time. The restructure will be implemented this year.

## **4. Compliance Progress report**

### **4.1 Electrical Audit**

The Electrical audit that was undertaken in April 2019, it identified a total of 16 actions (3 High and 13 Medium priority), 15 of the actions have been completed with the remaining one is reliant on and can only be completed with the introduction of the Orchard Asset module later this year. The Orchard

Asset module will provide us with additional functionality that we do not currently have within the existing software we use.

The action that is not completed is:

<b>Action No.</b>	<b>Action Required</b>
1.	Upon completion of void inspections, all electrical certificates should be processed on AM Tech and the final copy should be included in IDOX against the property reference.

The actions that the audit identified and have been completed were:

<b>Action No.</b>	<b>Actions Required</b>
2.	A report will be generated from Orchard which highlights void properties and the date of inspections and this should be reconciled to copies of valid electrical certificates. Audit recommends this report is generated on a monthly basis and used as a control to reconcile the number of void properties to electrical certificates enabling the service to take appropriate action for any certificates not received/not yet processed.
3.	An electrical inspection shall be ordered in all cases where there is no inspection date, or where an inspection has not been completed for 10 years.
4.	There should be a formal process in place where a minimum sample of 10% of the monthly inspections is reviewed by an independent engineer within the team. It is acknowledged that at the time of Audit reporting, a spreadsheet has been prepared and 1 inspection per engineer has been carried out]
5.	Void procedures will be developed and include details of the voids process that staff need to adhere to when carrying out electrical inspections. Procedures should include details of the process to follow when an inspection fails or when any remedial works are required to the property following an inspection. The procedures should include: <input type="checkbox"/> details of quality reviews, <input type="checkbox"/> processing of certificates within the AM Tech system <input type="checkbox"/> inclusion of certificates within IDOX.
6.	The final Service Specifications for Electrical Hard Wire Testing should be issued to TSG as soon as possible so they can start to provide the necessary information to the Council as per the additional requirements that have been included within the revised Specifications.
7.	Details of all contractors and sub-contractors used by TSG should be recorded on a Register to confirm adequate checks have been undertaken to confirm engineers are suitably qualified and are members of an approved organisation. This should be updated as and when new contractors are employed and

	discussed at the monthly contract meetings.
8.	Where engineers are self-employed and operate on their own, there should be a formal mechanism in place whereby TSG reviews at least 10% of all inspections undertaken by an individual engineer.
9.	Linking to MAP 8 above, a formal quality review process by TSG should ensure electrical certificates are reviewed as soon as possible following an inspection to ensure any areas of non-compliance are addressed immediately.
10.	The Service should review whether the 14 days specified within the Service Specification is adequate. Upon completion of the inspections, certificates should be uploaded into CEMAR promptly and this should be checked by the Council officers to ensure certificates have been received, or further investigated if they have not been received.
11.	Management need to monitor the number of properties that have had access issues and undertake joint working within the Council to try and gain access to properties where possible. If there is no opportunity to complete inspections, the team should consider what preventative action can be taken to mitigate future risk.
12.	There should be a formal Quality Review process in place where at least 10% of all inspections undertaken by an engineer has been reviewed by an independent engineer. Details of any Quality issues should be provided to CCC and discussed at the contract meetings.
13.	The process of Quality Reviews should be detailed within the Service Specification and any issues arising should be discussed in the monthly contract meetings.
14.	Audit recommends the Service generate and analyse management information to identify the: <input type="checkbox"/> Number of electrical inspections undertaken in the month for both Voids and HWT. <input type="checkbox"/> Number of properties Passed/Failed – (This is a suggested recommendation and Management should review whether this information will be useful to them). These management indicators should be reported to the 'Management Team' to monitor the testing and compliance status of HRA properties and help budget for any future works to the properties.
15.	All issues that remain unresolved should be raised as an 'EWN' and consolidated into a 'Risk Reduction' action plan with TSG to ensure any non-compliance certification issues are resolved and addressed to minimise these issues recurring in the future.
16.	The performance data provided in the monthly contractor's report should be reviewed with the data held within the CEMAR system and any differences are investigated.

## 4.2 Gas Audit

The Gas Compliance audit that was undertaken in May 2019, it identified at total of 13 actions (8 High and 5 Medium priority), 12 of the actions have been completed with the remaining one is reliant on and can only be completed with the introduction of the Orchard Asset module later this year. As previously stated, the Orchard Asset module will provide us with additional functionality that we do not currently have within the existing software we use.

The action that is not completed is:

<b>Action No.</b>	<b>Action Required</b>
10.	Introduction of an IT system to reduce the use of spreadsheets

The actions that the audit identified and have been completed were:

<b>Action No.</b>	<b>Action Required</b>
1.	Gas Engineers Registration Records <ul style="list-style-type: none"> <li>Produce new register for all gas engineers (DLO, contractors and quality reviewer) including name, license number, expiry date, qualifications, training records/dates.</li> <li>Copy of all engineers GasSafe Register ID cards to be retained on file</li> </ul>
2.	Quality Reviews – Contract <ul style="list-style-type: none"> <li>Formalise gas quality assurance process/contract. Undertake tender process to formalise quality assurance process – consider joint procurement with SCDC.</li> </ul>
3.	Quality Reviews – Inspection Reports <ul style="list-style-type: none"> <li>Quality inspection reports obtained/retained against property address.</li> <li>Record any quality issues that have been raised to ensure resolved promptly.</li> </ul>
4.	Quality Reviews – Inspection Reports Summary <ul style="list-style-type: none"> <li>Central record of properties that have been quality reviewed, including when and whether any issues identified.</li> <li>Create new job in Orchard, with completion only entered on receipt of quality inspection report. Report to be put on IDOX.</li> </ul>
5.	Mears Servicing Records <ul style="list-style-type: none"> <li>Discuss with Mears whether they can reschedule servicing dates based on new installation dates.</li> </ul>

6.	Gas Certificates  Periodic checks to ensure LGSRs are being filed against correct property address/UPRN.
7.	Key Performance Indicators (KPIs) Records  • Periodic quality checks on performance data of KPI information given by Mears.
8.	Meaningful KPIs  • New KPI: Number of day's property without valid certificate.
9.	Peter Cowell Properties – - Omitted from LGSR Service Record  • Formal mechanism/process between Development and E&F (and other areas) to ensure details of any changes in assets are provided so service records are updated.
11.	LGSRs – non-compliance  • Update manual process of checking LGSRs • Explore possible systems that identify any non-conformance issues from LGSRs
12.	LGSR Record  Review LGSR spreadsheet to ensure fully updated.
13.	LGSR Reconciliation to Mears records  Complete list of Council properties to be periodically reconciled to property records held on Mears system.

#### 4.3 Gas Servicing

Mears are contracted to complete our gas servicing and maintenance. The table below shows their performance since January 2020 and prior to January they have constantly achieved 100% compliance. The month of April includes the change of approach for gaining access in line with the Covid-19 Guidance issued to take in consideration those tenants that were self-isolating and shielding.

	Jan 20		Feb 20		Mar 20		Apr 20
<b>Services completed</b>	686		803		642		605
<b>service compliance</b>	100%		100%		100%		99%
<b>overdue within month</b>	0		0		0		2

#### 4.4 Electrical Testing

78% of the programmed electrical testing was completed for financial year 19/20, the remaining 22% were not carried out due to no access from tenants. We have identified this as a cause for concern and are putting in place with our contractors newly worded access letters and an incentive scheme. If the tenant responds to the contractor and arranges an appointment, they are entered into a prize draw.

All properties that are planned for electrical testing this financial year have been ordered with contractors.

#### 4.5 Fire Safety

The Council's Fire Safety Strategy was approved by the S&R Committee in October 2019, as part of the strategy we have developed a Fire Risk Management Group (FRMG) who will ensure that the recommendations and other fire related issues are considered and implemented as appropriate and necessary to fulfil the commitments set out in the Fire Safety Policy.

As part of this preparatory work our Fire Safety Advisor was instructed to review the Grenfell Tower Enquiry Phase 1 Report Overview that was published in October 2019. The objective was to look at the recommendations made in this report in relation to the Council's Housing stock. The Council, along with other social landlords, acknowledges that it will need to respond appropriately to the Grenfell Tower Inquiry report and has been proactive by making progress with some of the areas raised by the inquiry recommendations through fire risk assessments and fire safety advice received.

Cambridgeshire Fire & Rescue Service (CFRS) have formed their own working group in response to the Grenfell Tower Inquiry report. They have been approached to attend June's FRMG meeting to establish productive liaison and communication channels. This will facilitate any outstanding work the Council needs to progress to implement the recommendations where they are relevant to the Council's buildings. This includes sharing information about the higher occupancy flats, considering evacuation plans and better signage and numbering of floors. Other work includes engagement with tenants and residents of sheltered schemes to improve fire safety awareness including evacuation procedures. Given the national attention on fire safety in modern residential buildings, closer working with the HDA, including in the



early stages of new build projects, is being developed to deliver appropriate fire safety standards.

The initial work the Council has identified it needs to undertake from the phase 1 review:

- Many of the inquiry recommendations will require close working and liaison with Cambridgeshire Fire & Rescue Service, who themselves need to respond to the recommendations made. This is to share information for the higher occupancy residential buildings especially Hanover Court which is 'high rise'. Decisions need to be made concerning evacuation plans, signage and any additional information regarding the constructional and fire protection features of these buildings.
- To initiate this work, CFRS have been invited to be part of the Fire Risk Management Group which meets again on 26<sup>th</sup> June 2020.
- Flat entrance doors and frequency of inspection has yet to be defined legislatively but we anticipated that regular checks will be required. CCC are waiting to have this confirmed later in 2020. This matter and the implications have been considered ahead of any announcements. In the meantime, checks of fire doors generally in all non-residential buildings are being incorporated into the new format fire safety management plans.
- A program for replacing fire doors and remedial fire safety actions from fire risk assessments is ongoing.
- Tenant engagement and provision of fire safety information is to be provided through fire safety information and talks to residents in sheltered schemes and through additional fire safety input for Housing Services community teams.
- Ensuring that there is a joined-up approach between the developer and CCC with new build flats and their fire safety strategies has begun and will be developed through 2020/21.

At the end of January 2020, the Ministry of Housing, Communities & Local Government published 'Advice for Building Owners of Multi-storey, Multi-occupied residential Buildings'. This is a document that consolidates the 'Advice Notes' so far issued by government following the Grenfell Tower fire as issues emerged and guidance was provided.

The document has been reviewed and a briefing note provided to the Council. This highlights previous recommendations from those individual advice notes and any new recommendations based on fresh guidance from MHCLG.

We have a comprehensive fire risk assessment schedule and fire safety programme of works in place. The recommendations from the fire risk assessments are recorded and programmed in accordance with the risk assessments.

The Council have increased the frequency of the Fire Risk Assessments it undertakes and completes more detailed surveys when the type 1 assessments provide evidence to support this.

During 19/20 we delivered the following fire safety measures:

- Installation of 1781 heat detectors. The Council has made a commitment to install heat detectors in the kitchens of all Council homes to provide additional protection in the event of fire. This is over and above the legal requirement for existing dwellings. It is expected that this programme will be completed in March 2022.
- Replacement of 1318 smoke detectors. Smoke detectors are replaced every 10 years in line with the recommended lifespan of the devices. The Housing Health and Safety Rating System requires that there should be "sufficient properly designed and appropriately sited smoke and/or heat detectors with alarms in dwellings."
- Replacement of over 100 non-compliant fire doors and surveys of around 400 doors ready for installation of new fire doors
- Survey, design, and tender of fire safety improvements to 188 maisonettes - commencement of work was delayed by Covid 19

There were unavoidable delays in the authority's ability to order Fire Doors during 2019 because of national debate about the standard of fire doors which would be subject to the Government agreeing satisfactory certification following the Grenfell fire.

The following fire safety measures have been ordered with our contractors and are being programmed for delivery in 20/21:

- Installation of internal fire doors and fire protection to 188 above ground floor maisonettes
- Installation of external fire doors to over 300 fire doors at Hanover Court, Princess Court, Kingsway flats and other flats
- Continuation of the programme to replace all no-compliant “Manse” fire doors
- Installation of new emergency lighting in blocks of flats in the Hawkins Road estate
- Improvements to vents and glazing facing onto escape routes in 84 locations
- Continuation of the heat detector installation programme to all properties
- Continuation of the smoke detector replacement programme
- Fire compartmentation works to houses that have been converted into flats

## **5. Implications**

### **5.1 Financial Implications**

There are no new financial implications directly relating to the content of this report.

### **5.2 Staffing Implications**

There are no new staffing implications directly relating to this report. The service review restructure holds staffing implications that are dealt with through the organisational change policy, formal consultation, and implementation process.

### **5.3 Equality & Poverty Implications**

There are no new equality and poverty implications associated with this report. An EQIA has been developed for the service restructure and is included within the formal implementation papers.

### **5.4 Environmental Implications**

There are no new environmental implications directly relating to the content of this report.

## **5.5 Procurement Implications**

There are no new procurement implications directly relating to the content of this report.

## **5.6 Consultation and Communication**

Consultation with tenant and leaseholder representatives is an integral part of the Housing Scrutiny Committee.

## **5.7 Community Safety**

There are no new community safety implications directly relating to the content of this report.

## **6. Background Papers**

Background papers used to compile this report:

- a) Gas Compliance Review Audit Report
- b) Electrical Compliance Review Audit Report
- c) Estates & Facilities Service Review Consultation Paper

To inspect the background papers or if you have a query on the report please contact Lynn Thomas, Head of Housing Maintenance and Assets, Tel: 01223 457831, email: [lynn.thomas@cambridge.gov.uk](mailto:lynn.thomas@cambridge.gov.uk).



Item

## **Update on the Programme to Build New Council Homes Funded through the Combined Authority**

**To:**

Councillor Richard Johnson, Executive Councillor for Housing  
Housing Scrutiny Committee 23/06/2020

**Report by:**

Claire Flowers, Head of Housing Development Agency  
Tel: 01223 - 457928 Email: [claire.flowers@cambridge.gov.uk](mailto:claire.flowers@cambridge.gov.uk)

**Wards affected:**

All

### **Not a Key Decision**

#### **1. Executive Summary**

- 1.1 This report provides an update on the programme to deliver 500 Council homes with funding from the Combined Authority.
- 1.2 All 500 homes have now been identified and the HDA is focusing its efforts on delivering the schemes in the programme.
- 1.3 The Council now has 309 Council rented homes being built on site, and has achieved 65% of the 500 new homes onto site by the end of financial year 2019/20.
- 1.4 Due to the Covid -19 pandemic all construction work was halted for a period at the end of March. At the time of writing all sites have now recommenced work however handover delays are anticipated as a

result of work stopping and a slower pace of building to meet social distancing on site. Work on schemes at pre-contract stage progressed as much as possible in this period.

- 1.5 46 homes of the City Council programme have now been completed across four sites, including 32 handovers now completed at the Anstey Way scheme.
- 1.6 As reported at January 2020 Housing Scrutiny Committee a new programme of pod housing has been proposed, initial sites have been agreed and discussion with Housing Association partners on the operational aspects have taken place.

## **2. Recommendations**

The Executive Councillor is recommended to:

- 2.1 Note the continued progress on the delivery of the Combined Authority programme.
- 2.2 Note the funding structure for the Combined Authority programme.
- 2.3 Note the risks and impact of the Covid-19 pandemic on the programme.

## **3. Background**

- 3.1 This is a quarterly report showing progress against the Combined Authority target of 500 Council rented homes.

## **4. Combined Authority**

- 4.1 The Council's housing programme is part funded by a £70million grant to date this has been paid via the Cambridgeshire & Peterborough Combined Authority in arrears.

- 4.2 Quarterly grant claims are made in arrears against the Devolution funding. Cambridge City Council drew down £15,341,758 during the 2019/20 financial year and has forecasted a further £5,151,857 of grant drawdown for the first quarter of 2020/21.
- 4.3 The 2019/20 Q4 actual drawdown of £5,456,708 was marginally higher than the latest budgeted drawdown for the period of £4,988,920, due to payments being made under some of the affordable housing agreements slightly earlier than anticipated. Progressed halted however at the beginning of 2020/21 due to COVID-19. As site works have now resumed, we can now expect further spend against the current budget during quarter 1, but this item will remain under review.
- 4.4 To date Cambridge City Council has drawn down £29,477,659 of Devolution funding, with the remaining £40,522,341 due to be drawn down by financial year end 2022/23.
- 4.5 MHCLG have written to the City Council and Combined Authority to confirm that £17 million of the Devolution funding will be paid directly to the City Council. This has now been paid. The City Council will continue to report to the Combined Authority and future payment drawdown arrangements have been agreed until the £17m is used.

## **5. Delivery Programme**

- 5.1 The delivery programme provided in March 2020 confirmed that the devolution programme consisted of 546 Council Homes- this figure has not changed.
- 5.2 Appendix 1 shows the current programme, which shows the total market housing provided as well as the net gain of Council homes. Appendix 2 shows the approved budgets per scheme and the net cost to the Council's Housing Revenue account.

## 6. Profile of Start on Sites

- 6.1 The start on site profile for the 500 devolution programme is shown in table 2. This is based on all the named schemes being delivered.
- 6.2 As at the end of the 2019/20 financial year, the total starts on site stands at 323, or 65% of the total programme. For the current 2020/21 financial year, the first starts on site are currently scheduled for December 2020 (120 dwellings over two schemes)
- 6.3 As below, the overall programme shows an outturn of 546 new homes commencing construction by March 2022.

Table 2: Start on Site Forecast Profile

Year	2017/8 (actual)	2018/19 (actual)	2019/20 (actual)	2020/21 (forecast)	2021/22 (forecast)
Number of starts	2	132	189	219	0
Cumulative total	2	134	323	546	546

## 7. Scheme details

### 8.1 Schemes Completed Total 14 homes

- **Uphall Road:** this scheme was completed in January 2018 and was the first project completed by the Cambridge City Council Housing Maintenance & Assets team.
- **Nuns Way & Wiles Close:** Handover was taken in August 2019 of ten new build homes at Nuns Way & Wiles Close. All ten units are now tenanted.
- **Ditchburn Place Community Rooms:** Two additional Council homes within the Ditchburn Place sheltered housing scheme were completed here in September 2019 and are now tenanted.



## 8.2 Schemes on Site: Net gain 309 homes.

### 8.2.1 Impact of Covid-19

- The City Council has worked closely with its contractor partner Hill through the Cambridge Investment partnership with regular reviews of activity. Following the government announcement on 23<sup>rd</sup> March, site closure was initiated across all Council housing sites on 27<sup>th</sup> March.
- Minimal return to site was undertaken as of 21 April 2020, with works limited to internal trades which would allow meeting of social distancing requirements, and focussed on near-completed homes at Anstey Way, Mill Road and Queens Meadow.
- Activity levels have since increased on a phased basis, and in line with the production of new guidelines, method statements and risk assessments
- Since 27<sup>th</sup> April, work has recommenced on all sites, but below full capacity, and will proceed at slower rates for the foreseeable future.



COVID awareness information at Akeman Scheme

- During lockdown, a lot of work has been done with the Quantity Surveyors and finance teams to ensure appropriate sign off on work to enable payments to be made to suppliers, including the payments from the Council to CIP where agreed appropriate. Hill are working hard with their supply chain to source materials and build up stock caused by shortages where possible, although this remains a risk particularly as production increases.
- Scheme delivery programmes remain under review, but the reduced capacity as well as possible supplier limitations may lead to delayed delivery schedules as well as increases in associated scheme costs.
- Social distancing requirements have additionally had a further delaying effect to the concrete frame installation works at both Mill Road and Cromwell Road, and Hill continues to work on resolving issues faced due to the necessity for proximity work in this process.
- There are also risk in terms of the sale receipts from sales homes in terms of when these are received and the impact on cashflow and if the assumed values are achieved. The current position on Mill Road has been positive in this regard with reservations and exchanges continuing- this will be monitored closely.
- Savills are reporting a pent up demand for new housing currently. What isn't known is the full length of the lockdown and the impact on the economy and thus the housing market.

### 8.2.2 Project updates

- **Mill Road:** This is a mixed tenure scheme formerly on the Council's Mill Road Depot site. The second phase of the scheme received planning permission in June 2019 and the total scheme will deliver 118 new build Council homes. Current completion is envisioned to be December 2021. Handover of the first 4 completed affordable homes are scheduled for September 2020.
- **Anstey Way:** This regeneration scheme is delivering 56 Council homes in total (a net gain of 29) all for rent. 32 homes have successfully handed over and residents moved in, a further 10

handovers are scheduled by the end of May 2020. Completion is expected by August 2020. Teams across the Council have worked together with Hill to enable handover and residents to move in during the lock down period.



Anstey Way Scheme, May 2020

- **CIP small sites package:** In total the package will provide 15 homes, all for Council rent;
  - **Queens Meadow:** This scheme will deliver two homes. Completion expected end-June 2020.
  - **Markham Close:** this scheme will deliver five homes. Completion expected September 2020.
  - **Gunhild Way:** this scheme will deliver two homes. Completion expected by July 2020.
  - **Colville Road Garages:** this scheme will deliver three homes. Completion expected by July 2020.
  - **Wulfstan Way:** this scheme will deliver three homes. Completion expected September 2020.
  
- **Cromwell Road:** This scheme will provide 295 homes on the former Ridgeons site on Cromwell Road. 118 of these will be new Council

rented homes, with the other properties being sold on the open market. New public open space and an early years facility/community centre will be provided. Construction started in December 2019 after demolition of the current buildings on site. Current completion is envisioned to be December 2022.

- **Ventress Close:** This estate regeneration scheme replaces two existing Council homes and will deliver 15 new Council rented homes, for a net gain of 13. Construction commenced in October 2019. Current completion is envisioned to be May 2021.
- **Akeman Street:** This estate regeneration scheme will replace two existing Council homes commercial units and community centre with a new Council rented development of 14 homes, community centre and replacement shops for a net gain of 12 council homes. Construction commenced in October 2019, with the existing community centre relocated to a temporary replacement facility on the same street. Current completion is envisioned to be July 2021.
- **Kingsway Medical Centre:** This scheme is being delivered by the City Council's Housing Maintenance & Assets team. It will deliver four new Council rented homes through the conversion of a former surgery. Work on site has been subject to a significant pause due to issues raised by UK Power Network which needs a specialist contractor and access to other properties to resolve. Completion of the scheme is now due by December 2020, although this will be dependent on the when issues with UK Power Network are resolved. Please note this scheme is adjacent to properties recently affected by severe fire (May 2020), but the cause of the fire is not linked to the refurbishment work.

## 8. Update on other approved schemes:

### 8.1 Schemes target to Start on site in 2020/21 with planning permission:

- **Colville Road phase 2:** this regeneration scheme, replacing 20 existing homes and delivering a gain of 49 Council rented homes, received planning permission in November 2019. Progress has been made with the decanting of existing households, with only a single leaseholder still requiring decanting. Currently, due to the COVID-19 pandemic and high need for accommodation of at risk groups, Colville Road is being used as temporary housing and this use will continue during this time of heightened need. The start on site is scheduled for October 2020.
- **Campkin Road:** This scheme will replace an existing Council block at Campkin Road with a modern scheme, increasing the Council's housing stock by 50 homes. There are two leaseholders and seven tenants that are yet to find alternative accommodation and the current COVID-19 shutdown has meant moving house is more difficult. Some tenants are shielding, but efforts are being made to find alternative accommodation. Currently, due to the COVID-19 pandemic and high need for accommodation of at risk groups, Campkin Road is being used as temporary housing and this use will continue during this time of heightened need. The start on site is scheduled for October 2020, however this is dependent on achieving vacant possession.
- **Kendal Way:** permission was obtained in 2017 for the development of two homes on this site. The Housing Development team are continuing to review proposals as planning permission for the site has now lapsed. There is an ongoing risk to this scheme due to an unresolved boundary dispute which has heretofore delayed the development.

### 8.2 Schemes target to start on site in 2020/21, planning submission made:

- **Clerk Maxwell Road:** This is a private scheme being brought forward by Hill Residential. Committee approval was secured in January 2019 to acquire the 14 S106 affordable homes included in this scheme. The site has been subject to a redesign and a new planning submission which was made in December 2019. A planning committee date is to be confirmed.

- **Meadows & Buchan:** this scheme, which comprises the development of a new community centre as well as improvements to open space, was approved by HSC in January 2019 and is expected to deliver 106 Council rented homes. A detailed planning application, informed by two public consultations, was made in December 2019. A planning committee date is to be confirmed.
- **Tedder Way:** This scheme comprises development of two homes for Council rent. It is currently awaiting planning decision.
- **Other new sites:** There are a number of land purchases being progressed and work to assess sites in the Council ownership as part of a wider piece of work on options for a further Council housing programme.

## 9. Update on the Pod Housing

- 9.1 In January 2020 the Housing Scrutiny Committee delegated authority to the Strategic Director, in consultation with the Executive Councillor, to approve sites to develop as “pod” schemes in support of Hill’s Foundation200 modular housing project. Three or more small sites in Council ownership will be developed as housing for applicants on the housing register with a history of homelessness, and will be managed in partnership with local housing associations.
- 9.2 The first phase of the project aims to deliver 16 one-bedroom modular homes on Council land by Autumn 2020. A shortlist of sites has been identified and HDA is in the process of consulting ward members on the feasibility of bringing each site forward. Hill are aiming to submit planning applications for the sites in June 2020.

## 10. Delivering Accessible Housing

- 10.1 Cambridge City Council is committed to providing a range of housing options for residents with limited mobility. The Council adheres to the accessibility standards laid out in the Local Plan 2018. This requires

100% of new build Council homes to be M4(2) (accessible and adaptable dwellings), and 5% of new build affordable homes to be M4(3) (wheelchair user dwellings).

10.2 There are currently 28 fully adapted wheelchair user dwellings planned in the programme (see table below). This along with meeting the local plan of delivering all homes to be accessible and adaptable will mean the requirement to provide 5% wheelchair user homes will be met.

10.3 Table 2: Wheelchair user homes

	Total Council rented homes (100% M4 (2) wheelchair adaptable)	Total M4 (3) wheelchair user homes	Total 1 bed M4 (3)	Total 2 bed M4(3)
Mill Road phases 1 & 2	118	5	5	0
Anstey Way	56	3	3	0
Cromwell Road	118	6	4	2
Colville Road Ph 2	69	4	0	4
Campkin Road	75	4	1	3
Meadows & Buchan	106	6	3	3

## 10. Sustainability

10.1 The Council's commitment is for all developments that are part of the Council's Housing Programme to adhere to the 2017 Sustainable Housing Design Guide. This covers a number of areas including: energy and water; space standards and biodiversity. The Sustainable Housing Design Guide targets are now part of the 2018 Cambridge Local Plan. Currently out for consultation is the draft Greater Cambridge Sustainable Design and Construction Supplementary Planning Document (SPD).



10.2 The table below highlights the Council's forthcoming schemes and how they are meeting or exceeding the Sustainable Housing Design Guide (part of the 2018 Cambridge Local Plan) and the draft Greater Cambridge Sustainable Design and Construction SPD.

Scheme	Mandatory Sustainability Standard	Actual Sustainability Standard (reduction from 2013 building regulations)	Key Sustainability components
Mill Rd Phase 1 Anstey Way Garage Sites Ventress Cromwell Rd Akeman	10% on-site renewable energy	19% reduction in carbon emissions	<ul style="list-style-type: none"> <li>Fabric First</li> <li>MVHR</li> <li>Solar PV</li> <li>Battery Storage</li> </ul>
Mill Rd Phase 2	19% reduction in carbon emissions	35%-40% reduction in emissions	<ul style="list-style-type: none"> <li>Fabric First</li> <li>MVHR</li> <li>Solar PV</li> <li>Combined Heat and Power</li> </ul>
Colville Road Campkin Road (proposed) Meadows & Buchan (proposed)	19% reduction in carbon emissions	35%-40% reduction in emissions	<ul style="list-style-type: none"> <li>Fabric First</li> <li>MVHR</li> <li>Detailed assessments in progress</li> </ul>

10.3 Detailed assessments remain in progress in relation to Colville Road, Campkin Road and Meadows & Buchan, seeking to determine the best mix of energy sources and technologies taking into account a range of factors:

- Carbon emissions reduction performance
- Energy consumption performance
- Resident heating bills



- Technical complexity and implications (including ultimate maintenance costs to the Council)

10.4 Work is underway to commission a new Sustainable Housing design Guide for a future housing programme.

## 11. Risks

<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Mitigation</b>
<b>Not achieving the 500 homes target</b>	Med- current programme has 546 homes identified and approved for development, while COVID delays have been minimal, there is an increased risk of delays to Start on Site at those schemes not yet on site. .	Med- impact would be delivery of a lower number of much needed homes and reputational risk in the Councils ability to deliver and therefore attract future grant funding.	Programme level monitoring of delivery in place. Strategy is to exceed target. All schemes have now secured a capital budget for delivery and updated in MTFS as required. In addition site at Orchard Park purchased through CIP to deliver further affordable homes as a contingency.
<b>Land Assembly issues delaying start on sites</b>	Med – Properties at Campkin Road still to be acquired and 1 at Colville Road.	High- if vacant possession or access not achieved the scheme cannot be developed.	Council has an officer in post to support move. Process also in place to use statutory powers if required.
<b>Cost increases on approved projects</b>	Medium – Only two schemes now remain in planning phase the. Current COVID-related delays due to shutdown, subsequent decreased works capacity and supplier disruption are a risk	Medium - depending on the extent of the additional cost this may be managed within scheme level contingency approved in 2020 Budget Setting Report.	Initial budgets either developed with Hill or Employers Agent. Cost plans are regularly reviewed and updated. Latest budgets reviewed as part of BSR, and remain under review for updating in the upcoming MTFS. Regular updated risk management budgeting completed as part of Covid-19 risk work across the Council.
<b>Planning</b>	Med – 3 schemes do not yet have planning permission	High- if planning is not achieved the schemes cannot be delivered.	A significant number of pre-apps with the planning and urban design team have been followed for the two sites requiring planning approval, ensuring that inputs from all parties have been incorporated into the designs.

<b>Sales risk – exposing Council cash flow forecast</b>	Medium – Housing market fluctuations are beyond Council control but do occur over long periods and affect the entire economy. The COVID pandemic may exacerbate such fluctuations or delay buyer activities in the short-medium term.	Medium – new homes are expensive but retain considerable inherent value and have other uses than market sale.	Mill road sales have launched regular reporting through CIP processes on sales. Strategy for Cromwell road in development. Regular updates received in the market for sales of these sites.
<b>Decanting residents / leaseholders</b>	Med– decanting process has been agreed with City Homes there are some residents at Campkin Road unable to move as shielded.	High – regeneration schemes will not be progressed if residents are not decanted.	Officer in place to work with residents position to be reviewed as guidance on moving us updated.

## 12. Implications

### (A) Financial Implications

The Devolution Housing Grant and Right to Buy Receipts are the main source of funding for schemes in the current 500 Programme that progress into development. However, scheme funding will be confirmed should a scheme be brought to the Committee for scheme specific approval.

Currently the 500 programme has a total approved HRA budget of £144,948,141, including some aspects of refurbishment and re-provision of existing dwellings.

This is funded through four avenues:

- Funding provided by the Combined Authority Devolution grant
- Funding provided from Section 106 agreements
- Funding provided by Right to Buy receipts
- Funding provided direct from HRA

The general fund has also supported the delivery of the programme through it's investments through the Cambridge Investment partnership at Mill Road and Cromwell Road.

## **(B) Staffing Implications**

The scheme on the Rolling Programme will be project managed by the Cambridge City Council Housing Development Agency in liaison with City Homes; Housing Maintenance & Assets; and the Council's corporate support teams. Some of the schemes are being delivered through the Cambridge Investment Partnership.

## **(C) Equality and Poverty Implications**

The development framework for new housing by the Council, approved at the March 2017 Housing Scrutiny Committee was informed by an EQIA. Each scheme specific approval is informed by an EQIA if current residents are required to move.

## **(D) Environmental Implications**

There are no environmental implications of this report. Each scheme specific approval will cover any environmental implications.

## **(E) Procurement Implications**

Advice specific to each project.

## **(F) Consultation and communication**

There are no consultation and communication implications of this report. The development framework for new housing by the Council approved at the March 2017 Housing Scrutiny Committee sets out the Council's commitment to involve residents in new housing schemes.

## **(G) Community Safety**

There are no community safety implications for this report. Each scheme specific approval will cover any community safety implications.

### **13. Background papers**

Background papers used in the preparation of this report:

- a) 17/03/2020 HSC report

### **14. Appendices**

- (a) Appendix 1: Programme milestone summary
- (b) Appendix 2: Programme finance summary

### **15. Inspection of papers**

To inspect the background papers or if you have a query on the report please contact Claire Flowers, Head of Housing Development Agency, tel: 01223 - 457928, email: [claire.flowers@cambridge.gov.uk](mailto:claire.flowers@cambridge.gov.uk).

HDA Delivery Programme		21/05/2020									
Scheme Name	Ward	Net Affordable	Market homes	Total homes	Delivery	Committee	Approval date	Planning Submitted	Planning Granted	Est. SOS	Practical Completion
<b>BUILD COMPLETE</b>											
Uphall Road	Romsey	2	0	2	E & F	HSC	Mar-15	Aug-16	Dec-16	Jun-17	Jan-18
Nuns Way & Wiles Close	Kings Hedges	10	0	10	Tender	HSC	Mar-15	Aug-16	Jul-17	Jan-19	Aug-19
Ditchburn Place Community Rooms	Petersfield	2	0	2	Tender	S & R	Sep-18	Aug-18	Nov-18	Jan-19	Sep-19
<b>Sub total</b>		<b>14</b>	<b>0</b>	<b>14</b>							
<b>ON SITE</b>											
Anstey Way	Trumpington	29	0	56	CIP	HSC	Mar-17	Jan-18	Jul-18	Oct-18	Aug-20
Mill Road	Petersfield	118	118	236	CIP	S & R	Nov-17	Dec-17	Jun-18	Aug-18	Dec-21
Colville Garages	Cherry Hinton	3	0	3	CIP	HSC	Sep-17	Sep-18	Nov-18	May-19	Jul-20
Queens Meadow	Cherry Hinton	2	0	2	CIP	HSC	Jun-17	Dec-17	Jul-18	May-19	Jun-20
Markham Close	Kings Hedges	5	0	5	CIP	HSC	Jan-18	May-18	Oct-18	May-19	Sep-20
Gunhild Way	Queen Ediths	2	0	2	CIP	HSC	Jan-18	Jul-18	Oct-18	May-19	Jul-20
Wulfstan Way	Queen Ediths	3	0	3	CIP	HSC	Sep-17	Oct-18	Jan-19	May-19	Sep-20
Ventress Close	Queen Ediths	13	0	15	CIP	HSC	Mar-17	Sep-18	Mar-19	Oct-19	May-21
Kingsway Medical Centre	Arbury	4	0	4	E & F	HSC	Sep-17	Sep-18	Apr-19	Nov-19	Dec-20
Downwell Road	Romsey	118	177	295	CIP	S & R	Mar-18	Mar-19	Jun-19	Dec-19	Dec-22
Deeman Street	Arbury	12	0	14	CIP	HSC	Jun-18	Apr-19	Jul-19	Oct-19	Jul-21
<b>Sub total</b>		<b>309</b>	<b>295</b>	<b>635</b>							
<b>PLANNING APPROVED</b>											
Rendal Way	East Chesterton	2	0	2	E & F	HSC	Mar-15	Aug-16	Feb-17	Feb-21	Feb-22
Colville Phase 2	Cherry Hinton	49	0	69	CIP	HSC	Jan-19	Jul-19	Dec-19	Oct-20	Apr-22
Campkin Road	Kings Hedges	50	0	75	CIP	HSC	Jul-19	Nov-19	Mar-20	Oct-20	Jan-23
<b>Sub total</b>		<b>101</b>	<b>0</b>	<b>144</b>							
<b>SUBMITTED FOR PLANNING</b>											
Tedder Way	Arbury	2	0	2	E & F	HSC	Mar-15	Mar-17	Jul-20	Nov-20	Nov-21
Clerk Maxwell Road	Newnham	14	21	35	S106	HSC	Jan-19	Dec-19	Jul-20	Dec-20	Jan-22
Meadows and Buchan	Kings Hedges	106	0	106	CIP	HSC	Jan-19	Dec-19	Jul-20	Dec-20	May-22
<b>Sub total</b>		<b>122</b>	<b>21</b>	<b>141</b>							
<b>GRAND TOTAL</b>		<b>546</b>	<b>316</b>	<b>934</b>							

Progress to 500 starts on site	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Starts by year	2	132	189	223	0	0
Cumulative total	2	134	323	546	546	546

Progress to 500 Completions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Completions by year	2	0	12	75	134	323
Cumulative total	2	2	14	89	223	546

This page is intentionally left blank

HDA Financial Programme - 500 New Homes										22/05/2020	
Scheme Name	Project stage	Net affordable homes	Total affordable homes	Budget per 2020/21 HRA BSR Table or Actual Cost where complete	Total Spend	Budget RTB receipts (Actual where complete / on hold)	Budget Devo grant funding (Actual where complete / on hold)	Section 106	Net cost to HRA	Total development cost per unit	Cost to HRA per unit
Uphall Road	Build completed	2	2	£356,829.05	£356,829.05	-£105,330.00	-£242,596.00	£0.00	£8,903.05	£178,414.53	£4,451.53
Nuns Way & Wiles Close	Build completed	10	10	£2,044,000.00	£1,934,897.58	-£613,200.00	-£1,376,699.18	£0.00	£54,100.82	£204,400.00	£5,410.08
Tedder Way	Submitted for planning	2	2	£389,000.00	£10,938.00	-£116,700.00	-£272,300.00	£0.00	£0.00	£194,500.00	£0.00
Kendal Way	Planning approved	2	2	£374,000.00	£28,416.50	-£112,200.00	-£261,800.00	£0.00	£0.00	£187,000.00	£0.00
Anstey Way	On site	29	56	£11,489,640.00	£11,185,439.05	-£1,886,755.02	-£3,551,232.91	£0.00	£6,051,652.08	£205,172.14	£108,065.22
Colville Garages	On site	3	3	£847,300.00	£734,752.31	-£254,190.00	-£593,110.00	£0.00	£0.00	£282,433.33	£0.00
Queensmeadow	On site	2	2	£621,040.00	£593,491.95	-£186,312.00	-£434,728.00	£0.00	£0.00	£310,520.00	£0.00
Wulfstan Way	On site	3	3	£816,810.00	£528,683.01	-£245,043.00	-£571,767.00	£0.00	£0.00	£272,270.00	£0.00
Markham Close	On site	5	5	£1,186,650.00	£1,070,819.62	-£355,995.00	-£830,655.00	£0.00	£0.00	£237,330.00	£0.00
Gunhild Way	On site	2	2	£664,140.00	£534,652.74	-£199,242.00	-£464,898.00	£0.00	£0.00	£332,070.00	£0.00
Ditchburn Place	Build completed	2	2	£333,957.43	£333,957.43	-£101,115.25	-£232,842.38	£0.00	£0.00	£166,978.72	£0.00
Mill Road	On site	118	118	£24,965,630.00	£13,318,316.41	-£7,489,689.00	-£17,475,941.00	£0.00	£0.00	£211,573.14	£0.00
Ventress Close	On site	13	15	£3,689,920.00	£2,210,920.21	-£783,909.06	-£1,828,596.14	£0.00	£1,077,414.81	£245,994.67	£71,827.65
Kingsway	On site	4	4	£410,000.00	£79,275.81	-£123,000.00	-£287,000.00	£0.00	£0.00	£102,500.00	£0.00
Cromwell Road	On site	118	118	£24,865,800.00	£14,110,559.21	-£7,459,740.00	-£17,406,060.00	£0.00	£0.00	£210,727.12	£0.00
Akeman Street	On site	12	14	£4,526,720.00	£1,893,155.83	-£910,681.71	-£2,124,923.99	£0.00	£1,491,114.30	£323,337.14	£106,508.16
Clerk Maxwell Road	Submitted for planning	14	14	£2,746,760.00	£0.00	-£824,028.00	-£1,922,732.00	£0.00	£0.00	£196,197.14	£0.00
Meadows and Buchan	Submitted for planning	106	106	£27,318,760.00	£686,480.99	-£8,195,628.00	-£13,028,914.00	£0.00	£6,094,218.00	£257,724.15	£57,492.62
Steville Road Phase 2	Planning approved	49	69	£15,690,580.00	£1,111,519.99	-£3,040,126.15	-£7,093,203.94	£0.00	£5,557,249.91	£227,399.71	£80,539.85
Stimpkin Road Phase 2	Planning approved	50	75	£17,421,260.00	£640,537.11	-£3,114,992.00	£0.00	-£1,750,000.00	£12,556,268.00	£232,283.47	£167,416.91
<b>TOTAL</b>		<b>546</b>	<b>622</b>	<b>£140,758,796.48</b>	<b>£51,363,642.80</b>	<b>-£36,117,876.18</b>	<b>-£69,999,999.54</b>	<b>-£1,750,000.00</b>	<b>£32,890,920.96</b>	<b>£226,300.32</b>	<b>£52,870.08</b>
										Mean average	

This page is intentionally left blank





## **Cambridge City Council's response to homelessness during Covid-19 – an update on progress and next steps**

**To:**

Councillor Richard Johnson, Executive Councillor for Housing  
Housing Scrutiny Committee 23/06/2020

**Report by:**

David Greening, Head of Housing  
Tel: 01223 - 457997 Email: david.greening@cambridge.gov.uk

**Wards affected:**

Abbey, Arbury, Castle, Cherry Hinton, Coleridge, East Chesterton, King's Hedges, Market, Newnham, Petersfield, Queen Edith's, Romsey, Trumpington, West Chesterton

### **Non Key Decision**

#### **1. Executive Summary**

- 1.1 At the end of March 2020, and in line with lockdown measures introduced at the time, the Government asked local authorities to ensure that rough sleepers were provided with emergency accommodation to help reduce the risk of transmission of the Covid-19 virus. The City Council, along with partner organisations, working in the homelessness sector, and the County Council have worked in partnership tackle the significant logistical task of identifying those rough sleeping and at immediate risk and securing accommodation

offers for all of them. The Government gave an initial financial commitment (see 8a of this report) and an invitation to apply for further funding as required.

- 1.2 This report updates members on progress to date, broadly outlines phase two of the council's plan - to secure longer term housing options for those currently accommodated on a temporary basis – and explains how officers will manage the process. It explains why the Homelessness and Rough Sleeping Strategy, previously due for publication this month, has been delayed and will now be brought before Housing Scrutiny Committee in January 2021.

## **2. Recommendations**

The Executive Councillor is recommended to:

- 2.1 Note the progress the Council has made on rehousing rough sleepers during the Covid-19 pandemic and endorse the proposed principles for delivering the phase two action plan.
- 2.2 Note that a new Homelessness and Rough Sleeping Strategy will be brought to Housing Scrutiny Committee in January 2021

## **3. Background**

Page: 2

- 3.1 The Council completed a homelessness review in December 2019 and was expecting to approve a new Homelessness and Rough Sleeping Strategy in June 2020. Officers have engaged with partners and Cambridgeshire County Council in relation to the future commissioning of services that support rough sleepers and those in hostels.
- 3.2 Officers have needed to switch focus towards the more immediate challenges presented by the pandemic and its impact on homelessness and there is an acknowledgement that the landscape may be very different as the economy slowly starts to rebuild and local authorities

and government reassess their respective financial positions. For both operational and strategic reasons, therefore, it seems appropriate to defer the strategy until January 2021.

- 3.3 At the start of the lockdown in March, the Government asked local authorities to bring in all rough sleepers from the streets. In partnership with a number of voluntary sector partners delivering homelessness services (along with their own army of volunteers), the NHS and the County Council, Housing Services had placed 140 rough sleepers in accommodation by 29<sup>th</sup> May.
- 3.4 The accommodation sourced has been a mixture of hotels, council redevelopment sites and temporary accommodation, university residence and private accommodation and, for some accommodation, the council has been required to provide additional security and cleaning services.
- 3.5 Practical support such as meals, toiletries, limited furnishings and other modern conveniences have been delivered to those needing it. Professional support services have been coordinated alongside the practical support elements and daily deliveries of such items have had the additional benefit of acting as an early warning system when service users have had problems. Staff report seeing real changes in some people who have been rough sleeping for long periods. Council partners such as Wintercomfort, Change Grow Live (the Cambridge Street Outreach Team), It Takes a City and Jimmy's Cambridge have been at the heart of this effort and the Council has been fortunate enough to count on the services of the NHS-led Cambridge Access Surgery (a dedicated primary health care service for homeless people) during this time.
- 3.6 Sadly, some rough sleepers have not yet been accommodated – they have refused help or accepted and not moved in or accepted accommodation and been evicted (more than twice on some occasions). Some have abandoned the accommodation.
- 3.7 Organisations have taken on new roles during the pandemic and there are lessons to be learnt from this experience; there is a need for the homelessness partnership to regroup and rethink its model (including the role of volunteers and mentors) before adopting a new homelessness strategy.

- 3.8 For the purposes of this report, the initial accommodation provided under Covid-19 will be referred to as phase 1 accommodation and the move on housing provision as phase 2.
- 3.9 The Council has launched an operational action plan to deliver phase two accommodation for rough sleepers; the plan is broadly divided into 4 areas, namely, support planning, housing supply, accommodation sustainment and resources.

### **Support planning**

The Council is:

- Conducting support needs and accommodation option assessments and to the 4<sup>th</sup> June 117 of these had been completed
- Assessing partner capacity and requirements to continue support during phase 2

In preparing the assessments the Council has developed 4 categories of support need:

- Low - able to maintain shared or self-contained accommodation independently with minimal/no support.
- Moderate - able to maintain shared or self-contained accommodation with some support.
- Significant - unlikely to be able to maintain shared accommodation. Able to maintain a licence in supported accommodation or self-contained accommodation with regular support.
- Complex - Likely to need intensive support to manage their accommodation. Likely to have a history of failed hostel stays.

Around half of the rough sleeping cohort currently housed under Covid-19 arrangements fit in to the low and moderate groups and the other half in the significant or complex needs groups.

## **Housing supply**

The accommodation options that are being considered by officers are as follows:

**Hostels** - Process established to prioritise provision at Jimmy's and hostels

**Pods** - Sites being identified in consultation with ward councillors. 16 planned across 3 sites by the end of the summer. Two housing association partners identified to lease pods to.

**Reconnection** - We have long-established reconnection guidelines for those who have not established a local connection with Cambridge City, South Cambridgeshire or Hunts.

**Housing First** - Working up a programme across Council and housing association stock. Some already delivered pre-covid-19

**Shared supported** Aiming to use Council stock or private HMO lettings

**Private rented sector offers through Town Hall Lettings (THL)** - Routes are already well established. Accommodation finders within the Housing Advice Service have been making multiple contacts with private landlords and suppliers of student accommodation given that some may experience under-utilisation during this period

**Statutory Homeless offer (interim or permanent)** - Routes are already well established. Steps are being taken to free-up temporary accommodation by offering direct lets to households via the Council or housing associations

**Voluntary return to friends and family** - Not applicable. This is not an option we are planning for but accept that this may happen

The following table highlights the concrete outcomes to date in terms of phase 2 move on:

<b>Housing option</b>	<b>Outcomes to 3.6.20 (numbers housed in phase 2 via this route)</b>
Hostels	5
Pods	0
Reconnection	4
Housing First	0
Supported shared	0
Private rented sector offer through Town Hall Lettings	4
Statutory Homeless offer (interim or permanent)	2
Voluntary return to friends and family	3
<b>Total</b>	<b>18</b>

### **Accommodation sustainment**

- In partnership with Cambridgeshire County Council a successful bid to the Ministry for Housing, Communities and Local Government (MHCLG) was submitted to government to provide 3.5 full time equivalent Housing Navigator Roles – these have currently been offered and accepted and start dates are soon to be finalised.
- The Council has also secured MHCLG funding for a modular-homes worker and a shared supported housing worker
- Furnishing new accommodation is being considered as part of the plan
- A review of the role of enforcement services in leveraging people into support is being carried out with the Police.
- Officers have started to look at more concerted support for those who have No Recourse to Public Funds (NRPF).

## **Resources**

- Tenancy sustainment, temporary accommodation and partner resources are under regular review

## **4 Policy considerations**

- 4.1 Delivering a phase two rehousing programme does represent a key opportunity to prioritise rough sleepers for rehousing and give many a chance to turn a corner in their lives. However, it is also important to acknowledge the following challenges that the Council is presented with when trying to deliver this programme:
- 4.2 Accommodating rough sleepers represents only one part of the solution – the council's commitment needs to be matched by a range of support interventions delivered by statutory and voluntary sector partners
- 4.3 Rough sleepers engaging with support provided is a significant key to success; a minority of those provided accommodation in phase 1 have not engaged with the support provided and have abandoned accommodation or have been evicted for a range of issues, many of which have been of a criminal nature.
- 4.4 Rough sleeping is not a static issue; pre-covid-19, the challenge in tackling rough sleeping in Cambridge was that there has long been a steady flow of rough sleepers on to the streets. During the pandemic this flow has increased in intensity and, with a number of people experiencing financial hardship during the last 3 months, it is difficult to predict for how long this increased flow will continue, nor do we know how long social distancing measures and the need to provide phase 1 accommodation will continue. The financial projections detailed at 8(a) of this report are only based on projections until the end of September but it is possible that the requirement to accommodate rough sleepers will continue well beyond that period. Guaranteeing phase 2 commitments to all those housed under phase one will bring with it a high price tag and may come at the expense of others in housing need.

- 4.5 At the same time the council is housing rough sleepers, business-as-usual services to homeless applicants continues. Where the council ends a homelessness duty for a single person in temporary accommodation, the applicant might reasonably ask why they are not offered longer term accommodation.
- 4.6 There are difficulties in delivering a number of housing options for phase two. Officers are looking at hostels, pods, shared housing, private rented sector options through Town Hall Lettings (THL) along with council and housing association direct lets. There are limited land opportunities to place pods on and Hill has been inundated with requests for pods from other local authorities. Shared housing is more manageable on shorter term tenancies and, whilst the council can convert some family-sized accommodation it is not a position to offer shorter term tenancies and would need to do so by leasing via a third party or via Cambridge City Housing Company.
- 4.7 The Government has not committed any additional ring-fenced funds to house those with NRPF and has said there are no plans to amend legislation to allow Councils to assist under homelessness duties. Officers have assessed that around 20 of the current cohort have NRPF but we have 44 foreign nationals in the group as a whole and more detailed work is going on to see if there are more with NRPF than the initial assessment suggested.
- 4.8 The Government has recently raised Local Housing Allowance (LHA) rates and whilst this has been positive there is pent up demand in the system which means a more competitive market and a more challenging task for THL to secure properties

## **5 Principles**

- 5.1 Given the above considerations, it is important to consider working to set of agreed principles in delivering the phase two rehousing plan. The principles officers are proposing are as follows:



1. Priority for phase 2 rehousing offers will go to those who are considered most at risk of rough sleeping on a sliding scale
2. This applies equally to those in temporary accommodation placed under a homelessness duty who, ordinarily, would be asked to leave that accommodation at the point the council's duty ends
3. Those who have been evicted from the temporary Covid-19 accommodation for very serious matters or on more than one occasion will not be guaranteed a phase 2 accommodation offer
4. Those who have failed (without good reason) to use the temporary Covid-19 accommodation provided for them will not be offered phase two accommodation
5. For as long as there is a need for phase 1 accommodation those newly verified as rough sleeping will continue be offered accommodation. 'Verified rough sleeping' refers to those sighted rough sleeping as part of a formal street count or seen rough sleeping as part of daily outreach shifts - all will need to be assessed by the housing options team to determine if a statutory duty is owed.
6. The Government has not committed any additional funds to house those with NRPF and has said there are no plans to amend legislation to allow councils to assist under homelessness duties. The council will do all it can to ensure that all foreign nationals entitled to support from public funds gain that support, but where that is not possible the council will support people in this situation with signposting services and help to access these services but cannot guarantee access to phase 2 accommodation as longer term accommodation requires housing costs to be covered on an ongoing basis.
7. By the time the requirement to end phase 1 accommodation is reached the Council will have absorbed the lessons learnt throughout this process and will publish a statement on how it intends to work with partners to tackle rough sleeping moving forward

## **6. Risks**

- 6.1 There is a significant financial risk to the authority, potentially of up to £1.133M (or more if the phase 2 plan is not delivered by the end of September – please refer to 8a of this report in respect of the authority's commitment to the phase two plan). Further waves of infection could lead to further spikes in rough sleeping and increased costs. The workload of “normal” homelessness is expected to be high once landlords are allowed to resume evictions, with potential costs in this too.
- 6.2 Public health – work done to date has established safe accommodation for people at high risk. There are risk assessment and monitoring arrangements in place with public health, including a proactive GP registration campaign county-wide – but risks remain that peaks of infection could occur in hostels, hotels or other settings.
- 6.3 Strategy risks – there is a risk of not delivering the strategy when promised as it was originally due to be with MHCLG in 2019. Officers do not expect any penalty for this, given the circumstances – but see a need to move forward with longer-term plans over the coming months.
- 6.4 Other risks are picked up in 4.2 to 4.8 of this report

## **7 Future opportunities**

- 7.1 A piece of work was commissioned in late 2019 to look at homelessness services across Cambridgeshire and Peterborough and identify opportunities for savings and best practice. Consultants have now issued the draft report.

## **8 Implications**

### **a) Financial Implications**

Page: 10

The full financial implications of this work are not yet known, nor is the Government's exact commitment to covering these costs, but the Council is committed to investing in the phase two plan. The Council has received a specific allocation of £24,750 to help with Covid-19 rough sleeping costs. The government has indicated that it would expect us to use some of the additional funding (£1.3M) towards this but has also said that upper tier authorities hold responsibilities for public health and housing related support.

Costs are currently estimated at £759k for the period to 30<sup>th</sup> June and £1.13M to 30<sup>th</sup> September – this covers lease costs, security, cleaning and other ancillary costs. Some costs may be reclaimed from Housing Benefit (we have had a dialogue about which types of accommodation are eligible and further claims are now in progress). The Government announced more funding for rough sleeping (£433m nationally) but we do not yet have details of how it will be allocated/ bid for. It is not clear when Covid-19 provision will end so costs could be considerably higher if the requirement to house rough sleepers stretches well beyond September. The Council is maintaining careful records of expenditure and will be aiming to cover its costs in full via further bids to the MHCLG.

As highlighted in 4.7 and 5.1(6) of the report there is an additional financial strain related to persons with no recourse to public funds. Whilst such people had to be taken in as part of the public health response, the MHCLG have made it clear that there is no financial support and no changes in homelessness legislation planned to confer any new duties on local authorities in this respect. Members need to be aware that in committing to keeping people off the streets, we carry practical and financial risks in relation to around 20 people who are NRPF. We are currently pushing MHCLG for a commitment to support in this area, to build on a pilot we ran last year – this would require up to £100k.

### **b) Staffing Implications**

As set out in the report (see 'Accommodation Sustainment' under 3.8)

### **c) Equality and Poverty Implications**

No EqIA has been produced as this is a temporary policy approach.

#### **d) Environmental Implications**

Neutral. The Hill pods are designed to meet the Future Homes Standard (Building Regulations AD L1A revision, October 2020), which is in excess of current Building Regulations. The pods are rated at 95 (band A) for Energy Performance Certificate purposes.

#### **e) Procurement Implications**

None at this stage

#### **f) Community Safety Implications**

There are measures outlined in the report to provide appropriate support and link with enforcement services

### **8 Consultation and communication considerations**

The Council has a Covid-19 homelessness group involving key statutory and voluntary sector partners. The group has shaped and delivered the rehousing programme at both phases 1 and 2.

### **9 Background papers**

No background papers were used in the preparation of this report.

### **10 Appendices**

None

### **11. Inspection of papers**

If you have a query on the report please contact David Greening, Head of Housing, tel: 01223 - 457997, email: david.greening@cambridge.gov.uk.

## CAMBRIDGE CITY COUNCIL Record of Executive Decision

### DECISION TITLE- SALE OF SHARED OWNERSHIP PROPERTY

<b>Decision of:</b>	Cllr Richard Johnson, Executive Councillor for Housing		
<b>Reference:</b>	20/URGENCY/HSC/1		
<b>Date of decision:</b>	7 <sup>th</sup> February 2020	<b>Recorded on:</b>	
<b>Decision Type:</b>	Non Key Decision		
<b>Matter for Decision:</b>	Urgent approval in relation to the sale of a shared ownership home.		
<b>Why the decision had to be made (and any alternative options):</b>	The proposal is to sell a property for shared ownership using the Homes England standard mortgagee in protection clause.		
<b>The Executive Councillor's decision(s):</b>	Approved as per Officer's Recommendation		
<b>Reasons for the decision:</b>	As detailed in the Officers confidential report which is considered exempt from publication by virtue of paragraph 1,2 and 3 of Part 1 of Schedule 12A of the Local Government Act 1972.		
<b>Scrutiny consideration:</b>	The Chair Vice Chair and Spokesperson of Housing Committee were consulted prior to the action being authorised.		
<b>Report:</b>	The report relates to an item during which the public is likely to be excluded from the meeting by virtue of paragraph 1, 2 and 3 of Part 1 of Schedule 12A of the Local Government Act 1972.		
<b>Conflicts of interest:</b>	None		
<b>Comments:</b>	The decision will be reported back to Housing Scrutiny Committee at their next meetings in March 2020		



## CAMBRIDGE CITY COUNCIL

### Record of Executive Decision

#### DECISION TITLE- DISPOSAL OF A HOUSING REVENUE ACCOUNT PROPERTY

**NOT FOR PUBLICATION:** The report relates to an item during which the public is likely to be excluded from the meeting by virtue of paragraph 1, 2 and 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

**Decision of:** Cllr Richard Johnson, Executive Councillor for Housing

**Reference:** 20/URGENCY/HSC/8

**Date of decision:** 20/05/20  
**Recorded on:** 20/05/20

**Decision Type:** Key Decision

**Matter for Decision:** Urgent approval in relation to the sale of a property held in the HRA.

**Why the decision had to be made (and any alternative options):** The proposal to dispose of a property from the HRA has arisen due to business needs.

**The Executive Councillor's decision(s):** Approved the decision as per the Officer's Report

**Reasons for the decision:** As detailed in the Officers confidential report which is considered exempt from publication by virtue of paragraph 1,2 and 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

**Scrutiny consideration:** The Chair and Spokesperson of Housing Scrutiny Committee were consulted prior to the action being

authorised.

**Conflicts of interest:**

None

**Comments:**

The decision will be reported back to Housing Scrutiny Committee at their next meetings in June 2020





This page is intentionally left blank