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Cambridge City Council

COMMUNITY SERVICES SCRUTINY COMMITTEE

To: Scrutiny Committee Members: Kerr (Chair), Kightley (Vice-Chair), Blackhurst, Brown, Birtles, Blencowe, Moghadas and O'Reilly

Alternates: Councillors Pippas, Todd-Jones and Minns

Executive Councillor for Arts, Sport and Public Places: Councillor Cantrill

Executive Councillor for Community Development and Health: Councillor Pitt

Executive Councillor for Housing: Councillor Smart

Non-voting co-optees: Diane Best, Kay Harris and John Marais (Tenant/Leaseholder Reps) & Tom Dutton (PCT Representative)

Despatched: Wednesday, 3 October 2012

Date: Thursday, 11 October 2012

Time: 1.30 pm

Venue: Committee Room 1 & 2 - Guildhall

Contact: Toni Birkin

Direct Dial: 01223 457086

AGENDA

1 APOLOGIES

To receive any apologies for absence.

2 DECLARATIONS OF INTEREST

Members are asked to declare at this stage any interests that they may have in an item shown on this agenda. If any member of the Committee is unsure whether or not they should declare an interest on a particular matter, they should seek advice from the Head of Legal Services **before** the meeting.

3 MINUTES (*Pages 1 - 30*)

4 PUBLIC QUESTIONS (SEE INFORMATION BELOW)

Items for decision by the Executive Councillor, without debate

These Items will already have received approval in principle from the Executive Councillor. The Executive Councillor will be asked to approve the recommendations as set out in the officer's report.

There will be no debate on these items, but members of the Scrutiny Committee and members of the public may ask questions or comment on the items if they comply with the Council's rules on Public Speaking set out below.

Items for debate by the Committee and then decision by the Executive Councillor

These items will require the Executive Councillor to make a decision *after* hearing the views of the Scrutiny Committee.

There will be a full debate on these items, and members of the public may ask questions or comment on the items if they comply with the Council's rules on Public Speaking set out below.

Decisions of the Executive Councillor for Housing

Items for debate by the Committee and then decision by the Executive Councillor

5 BUILT ASSETS MAINTENANCE PROCUREMENT STRATEGY 2012-2017 (*Pages 31 - 48*)

6 HOUSING REVENUE ACCOUNT (HRA) MID-YEAR BUSINESS PLAN UPDATE (*Pages 49 - 178*)

7 COUNCIL NEW BUILD PROGRAMME - SCHEME APPROVALS Head of Strategic Housing (*Pages 179 - 206*)

Items for decision by the Executive Councillor, without debate

8 DISPOSAL OF 7 SEVERN PLACE CAMBRIDGE CB1 1HL Head of City Homes (*Pages 207 - 212*)

9 REPAIRS AND MAINTENANCE IMPROVEMENT PLAN - PROGRESS TO DATE AND PERMISSION TO PROCURE ASSOCIATED IT SOLUTIONS (*Pages 213 - 226*)

10 PROJECT APPRAISAL - CAPITAL GRANT APPLICATION FROM ARBURY COMMUNITY CENTRE (Pages 227 - 234)

This decision is being taken by the Executive Councillor for Housing in their capacity as Deputy Leader of the Council. (Pages 227 - 234)

Decisions of the Executive Councillor for Community Development and Health Items for decision by the Executive Councillor, without debate

11 PROJECT APPRAISAL - CAPITAL GRANT APPLICATION FROM THE CENTRE AT ST.PAULS (Pages 235 - 244)

Items for debate by the Committee and then decision by the Executive Councillor

12 CITY CENTRE YOUTH VENUE - FEASIBILITY (Pages 245 - 258)

13 A BUSINESS PLAN FOR THE CHILDREN AND YOUNG PEOPLE'S PARTICIPATION SERVICE (CHYPPS) (Pages 259 - 290)

Decisions of the Executive Councillor for Arts, Sport and Public Places Items for decision by the Executive Councillor, without debate

14 CORN EXCHANGE PA SYSTEM (Pages 291 - 298)

15 CITY CENTRE BOX OFFICE SOFTWARE (Pages 299 - 302)

Items for debate by the Committee and then decision by the Executive Councillor

16 LEISURE MANAGEMENT OCTOBER 2013 ONWARDS

To follow

Information for the Public

Location The meeting is in the Guildhall on the Market Square (CB2 3QJ).

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To ask a question or make a statement please notify the Committee Manager (details listed on the front of the agenda) prior to the deadline.

- For questions and/or statements regarding items on the published agenda, the deadline is the start of the meeting.
- For questions and/or statements regarding items NOT on the published agenda, the deadline is 10 a.m. the day before the meeting.

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COMMUNITY SERVICES SCRUTINY COMMITTEE

28 June 2012
1.30 - 5.40 pm

Scrutiny Committee Members: Councillors Kerr (Chair), Kightley (Vice-Chair), Blackhurst, Brown, Birtles, Blencowe, O'Reilly, Pippas and Todd-Jones

Tenant and Leaseholder Representatives: Mrs Best, Mrs Harris and Mr Marais

Executive Councillors:

Executive Councillor for Community Development and Health – Councillor Pitt

Executive Councillor for Housing – Councillor Smart

Executive Councillor for Arts, Sport and Public Places – Councillor Cantrill

Officers Present:

Director of Customer and Community Services – Liz Bisset

Director of Environment – Simon Payne

Head of Arts and Recreation – Debbie Kaye

Head of Community Development – Trevor Woollams

Head of Refuse and Environment – Jas Lally

Head of Specialist Services – Paul Necus

Head of Strategic Housing – Alan Carter

Principal Accountant Services – Chris Humphris

Homelessness Service Development Team Leader – Diane Docherty

Housing Options & Homelessness Manager – David Greening

Housing Strategy Manager – David Greening

Development Officer – Sabrina Walston

Arts and Events Manager – Elaine Midgley

Urban Extension Growth Project Manager – Tim Wetherfield

Public Art Officer – Nadine Black

Committee Manager – Martin Whelan

FOR THE INFORMATION OF THE COUNCIL

12/39/CS Apologies

Apologies were received from Councillor Kightley, Councillor Moghadas and Councillor Birtles.

Councillors Pippas and Todd-Jones attended as alternates.

12/40/CS Declarations of Interest

Councillor Brown declared a personal interest in item 21 as a member of Link and Cambridgeshire and Peterborough Mental Health Trust.

Councillor Pitt declared a personal interest in item 20 as a former trustee of Arbury Community Centre.

Councillor Todd-Jones declared a personal interest in item 20 as a trustee of Arbury Community Centre.

Councillor Blackhurst declared a personal interest in items 18 and 20 as a trustee of Trumpington Residents association.

Councillor Brown declared a personal interest in item 15 as a director of Ravensworth Residents Association.

12/41/CS Minutes

The minutes of the previous meeting were agreed as a true and accurate record.

12/42/CS Public Questions

Mrs Clare Blair asked two public questions.

i. With the reference to item 23 (Record of Urgent Decision – Community Development Grants), it was explained that St Andrew Hall had subsequently declined the opportunity to host a Citizens Advice Bureau kiosk, due to the potential cost liabilities after year 1. An apology was sought from the Executive

Councillor due to the lack of detailed consultation with St Andrews Hall, prior to the decision being reported.

In response the Executive Councillor for Community Development and Health agreed to investigate, and acknowledged that if an apology was appropriate it would be made, but it was also highlighted that kiosks did already successfully operate in a number of non-council buildings such as Arbury Community Centre.

ii. With reference to the Arts, Sport and Public Places out turn, clarification was requested on the reasons for the lack of progress on the development of facilities at Pyes Pitch.

In response the Executive Councillor for Arts, Sport and Public Places explained that it was a complex issue, and that whilst the scheme had been approved, no specific S106 funding sources had been identified at that stage. The Executive Councillor explained that new arrangements would greatly enhance transparency, and that schemes were now only approved and added to the capital plan where specific S106 funding sources had been identified. The Executive Councillor also confirmed that officers were continuing to try and identify appropriate S106 funding sources.

12/43/CS Housing Advice Service - office refurbishment

Matter for Decision: To consider the Housing Advice Service – office refurbishment project.

Decision of Executive Councillor for Housing:

The Executive Councillor resolved to:

Financial

i. Approve the commencement of this scheme, which is already included in the Council's Capital & Revenue Project Plan (SC528).

ii. Note that the total cost of the project is up to £26,500, funded from the general fund (£10,000 of this has already been approved at Community Services Scrutiny Committee in January 2012). The balance of £16,500 would

be funded by a combination of £1,500 from the section's repairs and renewals fund to cover decoration costs and £15,000 from reserves.

iii. Note that there are no ongoing revenue implications arising from the project.

Procurement

iv. Approve the carrying out and completion of the procurement of works to refurbish and reconfigure office space on the ground floor at Hobson House to a value of up to £26,500 including architects' fees Subject to:

- The permission of the Director of Resources being sought prior to proceeding if the quotation or tender sum exceeds the estimated contract.
- The permission from the Executive Councillor being sought before proceeding if the value exceeds the estimated contract by more than 15%.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

Not applicable.

The Executive Councillor for Housing approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/44/CS 2011/12 Revenue and Capital Outturn, Carry Forwards and Significant Variances - Housing Portfolio

Matter for Decision: To consider the 2011/12 Revenue and Capital Outturn, Carry Forwards and Significant Variances for the Housing Portfolio.

Decision of Executive Councillor for Housing:

The Executive Councillor resolved to:

- a) To agree carry forward requests, totalling £128,260 as detailed in Appendix C of the committee report, are to be recommended to Council for approval.
- b) To seek approval from Council to rephase capital expenditure of £1,074,000 from 2011/12 into 2012/13, in respect of the balance of investment required to create the Assessment Centre on East Road, as detailed in Appendices D and E of the committee report.
- c) To seek approval from Council to carry forward net capital resources to fund rephased capital spending of £5,372,000 between 2011/12 and 2012/13, in relation to investment in the Housing Revenue Account, as part of the Housing Capital Investment Plan, as detailed in Appendices D and E and the associated notes to the committee report, with the resulting need to increase the use of revenue funding of capital expenditure by £1,149,000 in 2012/13.
- d) To seek approval from Council to rephase the use of £68,000 of developer contributions for affordable housing, from 2011/12 to 2012/13, to assist in funding the re-development of the Seymour Court / Street site to deliver 20 units of affordable housing.

Reason for the Decision:

As per the officer report.

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Principal Accountant (Services) regarding the year-end out-turn for the Housing portfolio.

The committee made the following comments on the report

- i. A number of questions were asked about the practice of using temporary accommodation in Peterborough, and concerns were raised about the impact that this on individuals in terms of employment, education and economic well-being. Officers advised that homelessness prevention activities had been increased to reduce the number of people requiring emergency accommodation. It was noted that whilst rough sleeping had increased, there was no major increase in statutory homeless cases. The committee was also advised that the supply of available housing within the system had slowed, which had resulted in a reduction in the number of available emergency places.
- ii. With regards to the use of emergency accommodation in Peterborough, an explanation was requested on what specific actions were planned to reduce and remove the need to use this type of accommodation. Officers and the Executive Councillor outlined the steps undertaken to date
 - A new leasing arrangement has been introduced, but the effectiveness of this has been limited by the effects of the broad market rental area.
 - Bed and breakfast providers in the city have been approached to see whether they would be willing to be added to the providers list. It was noted that to date no provider had been willing to enter into an agreement.
 - Additional supply would be provided on the Major Growth sites and other developments in the city.
- iii. The appropriateness of certain types of emergency accommodation used in the city, as such 222 Victoria Road was questioned. The comment was noted. Mrs Best also requested information regarding the cost of transferring people to Peterborough. The Housing Options and Homelessness Manager agreed to provide information outside of the meeting. The committee were re-assured that every effort was made to move people back to Cambridge as soon as practical.
- iv. Clarification was requested on why the Compulsory Purchase Order (CPO) budget was unspent in light of the difficulties in providing emergency accommodation in the city. The Head of Refuse and

Environment explained that CPO was only used as a last resort, and that other approaches and interventions were used first.

- v. With regards to the capital expenditures and the reported carried forwards, it was questioned other opportunities to utilise those resources in the short terms had been lost.
- vi. With reference to the homelessness grant, it was suggested that the reporting gave the impression that the programme was delayed or not performing as planned, where as actually it was a multi year allocation. The Executive Councillor agreed to raise the issue of reporting grants outside of the meeting, to see whether there was a more appropriate corporate approach to give a clearer indication of the actual position.

The Scrutiny Committee considered and endorsed the recommendations in the report by 4 votes to 0.

The Executive Councillor for Housing approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/45/CS Tenancy Strategy

Matter for Decision: To consider the tenancy strategy.

Decision of Executive Councillor for Housing:

The Executive Councillor resolved to:

- i. Approve the Tenancy Strategy for Cambridge subject to the revision of the wording to paragraph 5 of the strategy (changes underlined).

'The Council itself, through its own new-build programme, has demonstrated to the Homes and Communities Agency that 80% of market rents in the City would be unaffordable to most people on the Housing Register, and that rent levels should be around 65% of market rents and close to Local Housing Allowance rates. The Council would like to see other Registered Providers

negotiating towards a similar position - to ensure some parity of Affordable Rent levels across the City, and to ensure that rents remain as affordable as possible.'

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Head of Strategic Housing regarding the Tenancy strategy.

The committee made the following comments on the report

- i. Significant concerns were raised about any interference with the principle of secure tenancy, and the implications for communities if short terms tenancies were introduced.
- ii. The importance of ensuring that rents were affordable was agreed. Concern was expressed that the document appeared to only state that 65% target rents was an aspiration on new build programmes, and not the entire sector. The Executive Councillor re-assured the committee that the section was a guide.
- iii. The affordability of rents over 65% was strongly questioned. The Executive Councillor acknowledged the concerns raised about the affordability of rents over 65%, but suggested that it would be possibly more appropriate to set the target as a fixed percentage below local housing allowance.
- iv. Clarification was requested on the reference to the assumption with regards to secure tenancies on page 60 and 61 of the committee report. The Executive Councillor acknowledged the concern, and explained that policy applied to all providers in the city but that it remained the preference of the city council that other providers provided secure tenancies.

v. In response to a question, the Housing Strategy Manager explained that was a requirement of the Localism Act for the city council to introduce a tenancy strategy.

Following discussion regarding the appropriateness of the wording with regards to the target rent for the present stock, it was agreed to delegate agreement on the wording to Chair, Spokes and Executive Councillor. The revised wording for paragraph 5 is listed in the decision text.

The Scrutiny Committee considered and endorsed the recommendations in the report by 4 votes to 0.

The Executive Councillor for Housing approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/46/CS Housing Strategy 2012-2015

Matter for Decision: To consider the Housing Strategy 2012-2015.

Decision of Executive Councillor for Housing:

The Executive Councillor resolved to:

Approve the Council's Housing Strategy for 2012-15.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Housing Strategy Manager regarding the Housing Strategy.

The committee made the following comments on the report

- i. Concerns were expressed about the potential for further marginalisation of social housing.
- ii. The Housing Strategy Manager was asked for clarification on the consultation arrangements, and whether the response rate was normal. The committee were advised that the consultation had been focussed on key stakeholders, and had been delivered within existing resources.
- iii. Clarification was requested on whether the strategy sought to emphasise environmental issues on developments. The Head of Strategic Housing outlined the range of expectations, with regards to new developments.

The Scrutiny Committee considered and endorsed the recommendations in the report by 4 votes to 0.

The Executive Councillor for Housing approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/47/CS Transformation of Cambridge Access Surgery into a holistic one-stop shop for homeless people

The committee resolved to exclude the press and public during this item as the report contained an exempt appendix, by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006.

Matter for Decision: To consider a project appraisal for the transformation of Cambridge Access Surgery into a holistic one-stop shop for homeless people

Decision of Executive Councillor for Housing:

The Executive Councillor resolved to:

Financial

- i. Approve the commencement of the updated scheme (SC529). (Note: Funding was included in the Council's Capital & Revenue Project Plan in February 2012 and made incorrect reference to a grant, whereas the intention is to directly fund the refurbishment of a Council asset.)
- ii. Delegate authority to the Director of Customer and Community Services to commence the project at the point at which a new qualified provider is in place and the lease on the building is completed with that provider.
- iii. Note the total cost of the project will be no more than £100,000, funded from the repairs and renewals fund for 125 Newmarket Road.
- iii. Note that there are no ongoing revenue implications arising from the project for the Council. The lessee, in accordance with previous lease arrangements, will meet any ongoing maintenance costs.

Procurement

- iv. Approve the carrying out and completion of the procurement of renovations to the Council's asset at 125 Newmarket Road, (known as Cambridge Access Surgery) at a cost not exceeding £100,000. Works to be carried out within budget after consultation with internal architects. Subject to:
 - The permission of the Director of Resources being sought prior to proceeding if the quotation or tender sum exceeds the estimated contract.
 - The permission from the Executive Councillor being sought before proceeding if the value exceeds the estimated contract by more than 15%.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The Scrutiny Committee considered and endorsed the recommendations in the report by 7 votes to 0.

The Executive Councillor for Housing approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/48/CS Affordable Housing Programme

The committee resolved to exclude the press and public during this item as the report contained an exempt appendix, by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006.

Matter for Decision: To consider the Affordable Housing Programme.

Decision of Executive Councillor for Housing:

The Executive Councillor resolved to:

- i. Approve revisions to the 3 Year Rolling Programme 2012.13 to 2014.15 in the context of the wider Affordable Housing Programme

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Head of Strategic Housing.

The committee made the following comments on the report

- i. Caution was expressed about the practice of re-developing garages in favour of housing, particularly in area of pre-existing limited parking. It was explained that with the increased popularity of smaller city style cars, the assumption that modern cars were too large should be challenged. The Head of Strategic Housing noted the concerns, however explained that in certain circumstance access or other constraints would preclude development including future use as garages.
- ii. Concern was expressed about the process, particularly the lack of pre-existing consultation with Ward Councillors or communities. The Head of Strategic Housing explained the rationale behind the process, and the mechanism for informing affected tenants.
- iii. Clarification was requested on the consultation in relation to Colville Road, Auger Road and 641-643 Newmarket Road. The committee were assured that the first two groups would be consulted, but that it had been discovered that the latter was a commercial premises not in the ownership of the city council, therefore would be removed from the list.
- iv. Concern was expressed about the length of time between initial notification of a proposal and further developments in specific examples, and the effect of the consequential uncertainty for existing residents. The Executive Councillor explained the mechanisms in place to support residents through this potentially uncertain time.
- v. It was noted that planned maintenance work had only just been completed at Anstey Way, and it was questioned whether the proposed scheme was likely to be viable. The Head of Strategic Housing explained that the report was requesting permission to investigate the viability of redeveloping the site identified in Anstey Way and that the condition of any existing properties would be taken into account.
- vi. In response to further concerns about the process, it was agreed share an example letter sent to resident with members of the committee. The Director of Customer and Community Services provided an overview and reminder of how and why the established process had been introduced

The Scrutiny Committee considered and endorsed the recommendations in the report by 4 votes to 0.

The Executive Councillor for Housing approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/49/CS Council New Build Programme - Scheme Approvals

Matter for Decision: To consider the Council new build programme – scheme approvals.

Decision of Executive Councillor for Housing:

The Executive Councillor resolved to:

- i. Note the indicative mix, design and layout of the schemes and that they are subject to planning approval.
- ii. Approve the scheme capital budget highlighted in the report to cover the Construction Cost of the scheme; Home Loss Payments to tenants and leaseholders and professional quantity surveyor fees.
- iii. Approve that delegated authority be given to the Director of Customer and Community Services following consultation with the Director of Resources and the Head of Legal Services to seal a Development Agreement with our preferred house-builder/developer partner.

For the following schemes

- a. 40 to 64 Colville Road and 1 to 9 Augers Road
- b. 98-144 Campkin Road
- c. Revised Latimer Close scheme

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Head of Strategic Housing.

The committee made the following comments on the report

- i. With respect to the Campkin Road scheme, it was questioned whether the numbers of units were being reduced. The Head of Strategic Housing explained whilst the number of bedrooms were being reduced, the number of bed spaces was being increased.
- ii. The Head of Strategic Housing was asked whether through re-developments fixtures and fittings were re-used, particularly where decent homes work had been completed recently. The committee were advised that it was rarely possible to re-use fixtures and fittings.
- iii. Officers were encouraged to engage in planning pre-application discussions, to ensure that schemes were of the highest quality possible. The Head of Strategic Housing confirmed that pre-applications discussions would be conducted at the appropriate stage.
- iv. Clarification was requested on the status of previous proposals regarding the Royal British Legion site on Colville Road. The committee were advised that there was no specific proposal at this stage, and discussions were on going.

The Scrutiny Committee considered and endorsed the recommendations in the report by 4 votes to 0.

The Executive Councillor for Housing approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/50/CS Cambridge City Council Affordable Housing at Clay Farm

Matter for Decision: To consider the Cambridge City Council Affordable Housing at Clay Farm.

Decision of Executive Councillor for Housing:

The Executive Councillor resolved to:

- i. Approve, in principle, for the Council to own and manage up to 104 Affordable Housing dwellings at Clay Farm.
- ii. Delegate authority to the Director of Customer and Community Services, in liaison with the Director of Resources and in consultation with the Executive Councillor for Housing and relevant Spokesperson, to approve an Affordable Housing scheme that meets the Council's required housing standards and is financially viable.
- iii. Delegate authority to the Director of Customer and Community Services, in consultation with the Executive Councillor for Housing and relevant Spokesperson, to execute the necessary legal documentation in respect of the Affordable Housing with the preferred partner, selected from the proper procurement process.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Head of Strategic Housing regarding the development of affordable housing at Clay Farm.

The committee made the following comments on the report

- i. Officers provided clarification on the implications of providing the site as 100% social housing.

ii. It was noted that even with rents set at 65 % of market rent, they would be still high compared with other areas of the city.

The Scrutiny Committee considered and endorsed the recommendations in the report by 4 votes to 0.

The Executive Councillor for Housing approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/51/CS Replacement of the Corn Exchange passenger lift

Matter for Decision: To consider the project appraisal for the replacement of the Corn Exchange Passenger Lift.

Decision of Executive Councillor for Arts, Sport and Public Places:

The Executive Councillor resolved to:

Financial

i. Recommend this scheme (which is not included in the Council's Capital & Revenue Project Plan) for approval by Council, subject to resources being available to fund the capital and revenue costs.

ii. Note that total cost of the project is £14,500, funded from repair and renewal budgets.

iii. Note that there are no ongoing revenue implications arising from the project.

Procurement

iv. Approve the carrying out and completion of the procurement of a replacement passenger lift for the Corn Exchange. The cost is expected to be £14,500. Subject to the permission from the Executive Councillor being sought before proceeding if the value exceeds the estimated contract by more than 15%.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

Not applicable.

The Executive Councillor for Arts, Sport and Public Places approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/52/CS Grant to Kettle's Yard Education Wing Project

Matter for Decision: To consider a grant to Kettle's Yard Education Wing Project.

Decision of Executive Councillor for Arts, Sport and Public Places:

The Executive Councillor resolved to:

- i. Authorise the Head of Arts & Recreation to contract with Kettle's Yard through a grant agreement to offer the award of £40,000 in Autumn 2012.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

Not applicable.

The Executive Councillor for Arts, Sport and Public Places approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/53/CS 2011/12 Revenue and Capital Outturn, Carry Forwards and Significant Variances - Arts, Sport and Public Places Portfolio

Matter for Decision: To consider the 2011/12 Revenue and Capital Outturn, Carry Forwards and Significant Variances for the Arts, Sport and Public Places Portfolio.

Decision of Executive Councillor for Arts, Sport and Public Places Portfolio:

The Executive Councillor resolved to:

- i. Agree carry forward requests, totalling £34,170 as detailed in Appendix C of the committee report, are to be recommended to Council for approval.
- ii. Seek approval from Council to carry forward capital resources to fund re-phased net capital spending of £789,000 from 2011/12 into 2012/13 and of £81,000 from 2012/13 into 2011/12 as detailed in Appendix D of the committee report.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Principal Accountant (Services) regarding the year end out-turn for the Arts, Sport and Public Places portfolio.

The committee made the following comments on the report

- i. In response to a number of questions, the Executive Councillor for Arts, Sport and Public Places confirmed that existing S106 schemes, which were currently in the capital plan, would be completed through the current process. Schemes and ideas, which were not on the capital plan, would be feed into the new process for prioritisation.
- ii. Councillor requested clarity on future reports on the status of S106 projects, and whether list could be differentiated between Area Committee and Executive Committee lead projects. The Executive Councillor re-iterated the previous comments, but also explained that there was no intention to shift the accountability for existing projects.
- iii. Further to the public question from Mrs Blair, an update was requested. Officers agreed to provide an update on the alleged discrepancies in the budget reports, regarding the amount of money allocated to the Pyes Pitch scheme. The committee were also advised that it was intention was for the project to be in place for the start of next season.

The Scrutiny Committee considered and endorsed the recommendations in the report by 4 votes to 0.

The Executive Councillor for Arts, Sport and Public Places approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/54/CS Developer contributions and devolved decision-making to Area Committees

Matter for Decision: To consider developer contributions and devolved decision-making to Area Committees.

Decision of Executive Councillor for Community Development and Health and the Executive Councillor for Arts, Sport and Public Places

The Executive Councillor resolved to:

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Urban Extension Growth Project Manager regarding the devolution of decision making to area committee.

The committee made the following comments on the report

- i. Concern was expressed that the proposals and it was suggested that they were not fully developed. Specific concerns were raised that the existing resources and structures were not sufficient to fully support the aspirations.
- ii. Clarification was requested on the membership of the project team. The Urban Extension Growth Project Manager explained that the teams included managers from across the organisation including Committee Services, Community Development, Accountancy and Streets and Open Spaces. Further concerns were raised that no additional resources were being introduced to support the project.
- iv. In response to a number of questions, the Executive Councillor for Arts, Sport and Public Places confirmed that existing schemes, which were currently in the capital plan, would be completed through the current

process. Schemes and ideas, which were not on the capital plan, would be feed into the new process for prioritisation.

The Executive Councillors encouraged all councillors to engage with the process.

The Scrutiny Committee considered and endorsed the recommendations in the report by 4 votes to 0.

The Executive Councillor for Community Development and Health and the Executive Councillor for Arts, Sport and Public Places approved the recommendations.

Conflicts of interest declared by the Executive Councillors (and any dispensations granted)

N/A

12/55/CS Cambridge Folk Festival production tenders for the 2013 event (and potentially 2014 - 17)

Matter for Decision: To consider the Cambridge Folk Festival production tenders for the 2013 event (and potentially 2014-17).

Decision of Executive Councillor for Arts, Sport and Public Places

The Executive Councillor resolved to:

- i. Authorise the Head of Arts & Recreation to tender for contractors to provide services for the Folk Festival.
- ii. Authorise the Head of Arts & Recreation to award the contract(s) to the most favourable tender(s), in accordance with pre-determined selection criteria.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Arts and Event Manager regarding a number of procurement activities for the folk festival.

The Scrutiny Committee considered and endorsed the recommendations in the report by 7 votes to 0.

The Executive Councillor for Arts, Sports and Public Places approved the recommendations.

Conflicts of interest declared by the Executive Councillors (and any dispensations granted)

N/A

12/56/CS Southern Connections - Public Art Commission

Matter for Decision: To consider the Southern Connections – Public Art Commission.

Decision of Executive Councillor for Arts, Sport and Public Places

The Executive Councillor resolved to:

Financial

- i. Recommend this scheme (which is not included in the Council's Capital & Revenue Project Plan) for approval by Council, subject to resources being available to fund the capital and revenue costs.
- ii. Notes that the total cost of the project is £107,446, funded from S106 developer contributions and a planning condition.
- iii. Note that there are no ongoing revenue implications arising from the project.

Procurement

iv. Approve the carrying out and completion of the procurement of the Southern Connections public art commission. Subject to:

- The permission of the Director of Resources being sought prior to proceeding if the quotation or tender sum exceeds the estimated contract.
- The permission from the Executive Councillor being sought before proceeding if the value exceeds the estimated contract by more than 15%.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Public Art Officer regarding South Fringes Art project.

The committee made the following comments on the report

- i. The project was welcomed.
- ii. It was highlighted that not all members of the public would have mobile phones, or mobile phones which support the use of apps. The comment was noted.
- iii. It was agreed that Ward Councillors would be appropriately involved

The Scrutiny Committee considered and endorsed the recommendations in the report by 4 votes to 0.

The Executive Councillor for Arts, Sports and Public Places approved the recommendations.

Conflicts of interest declared by the Executive Councillors (and any dispensations granted)

N/A

12/57/CS 2011/12 Revenue and Capital Outturn, Carry Forwards and Significant Variances - Community Development and Health Portfolio

Matter for Decision: To consider the 2011/12 Revenue and Capital Outturn, Carry Forwards and Significant Variances for the Community Development and Health Portfolio.

Decision of Executive Councillor for Community Development and Health:

The Executive Councillor resolved to:

- i. Agree carry forward requests, totalling £13,180 as detailed in Appendix C of the committee report, are to be recommended to Council for approval.
- ii. Seek approval from Council to carry forward capital resources to fund re-phased net capital spending of £56,000 from 2011/12 into 2012/13 as detailed in Appendix D of the committee report.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Principal Accountant (Services) regarding the year end out-turn for the Community Development and Health portfolio.

Members noted Appendix C to the committee report did not include an item (£16,000 - Food and Occupational Safety - to accommodate the council's foreseeable requirements when the legal responsibilities for public health are transferred from the Health Protection Agency) which had been incorrectly listed in the Environmental & Waste Services portfolio and should be within the Community Development & Health portfolio and so, subject to approval at

Council, this carry forward would be transferred to Community Development & Health budgets for 2012/13.

The Scrutiny Committee considered and endorsed the recommendations in the report by 4 votes to 0.

The Executive Councillor for Community Development and Health approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/58/CS Options Appraisal Study into the Future Management of the Council's existing and planned Community and Neighbourhood Centres

Matter for Decision: To consider the options Appraisal Study into the Future Management of the Council's existing and planned Community and Neighbourhood Centres

Decision of Executive Councillor for Community Development and Health:

The Executive Councillor resolved to:

- i. Confirm the overall objectives for any future management arrangements for the Council's community centres set out at paragraph 4.4 of the committee report.
- ii. Agree that the options highlighted in the report by Marilyn Taylor Associates and set out in paragraphs 5.7, 5.13 and 5.14 of the committee report be taken forward in Phase 2.
- iii. Request officers to report back in January 2013 to Community Services Scrutiny Committee with recommendations about future management of the Council's existing community centres and management of the planned Clay Farm centre.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Head of Community Development on the future management of community centres.

- i. Further information was requested on why the proposed North West Cambridge development in conjunction with the university was not included in this review. The Executive Councillor explained that due to the wide range of issues associated with the development, it was being dealt though Strategy and Resources Scrutiny as a decision for the Leader.
- ii. The premise of the review was questioned, and it was assumed that some form of outsourcing was inevitable. The Executive Councillor re-assured the committee that no decisions had been made, and that it was good practice to periodically review all services.

The Head of Community Development assured all members that they would be fully briefed at all stages of the project.

The Scrutiny Committee considered and endorsed the recommendations in the report by 4 votes to 0.

The Executive Councillor for Community Development and Health approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/59/CS Formation of a Local Health Partnership for Cambridge and the developing Cambridgeshire Health and Wellbeing Strategy

Matter for Decision: To consider the formation of a Local Health Partnership for Cambridge and the developing Cambridgeshire Health and Wellbeing Strategy.

Decision of Executive Councillor for Community Development and Health:

The Executive Councillor resolved to:

- i. Note the findings of the JSNA, Phase 6, Summary Report 2012
- ii. Agree to prepare and return a Council response to the draft Health and Wellbeing Strategy, during its consultation period, and for the Executive Councillor for Community Development and Health to sign this off, after consultation with the opposition spokesperson
- iii. Agree a terms of reference to guide the Cambridge Local Health Partnership

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Head of Refuse and Environment regarding the creation of a Local Health Partnership.

The committee agreed that the City Council had a very important role in promotion health initiatives, and that other partner organisations should be encouraged to fully appreciate the role that the City Council can play.

The Scrutiny Committee considered and endorsed the recommendations in the report by 4 votes to 0.

The Executive Councillor for Community Development and Health approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/60/CS Refurbishment of public areas at the Crematorium

Matter for Decision: To consider a project for the refurbishment of public areas at the Crematorium.

Decision of Executive Councillor for Community Development and Health:

The Executive Councillor resolved to:

Financial

- i. Approve the commencement of this scheme, which is already included in the Council's Capital & Revenue Project Plan (SC524).
- ii. Note that the total cost of the project is £120,000, funded from R&R
- iii. Note that there are no ongoing revenue implications arising from the project.

Procurement

- iv. Approve the carrying out and completion of the procurement for the refurbishment of the Chapels and public areas to be carried out under a phased programme by requesting separate quotes. Subject to:

The permission from the Executive Councillor being sought before proceeding if the value exceeds the estimated contract by more than 15%.

Reason for the Decision:

As per the officer report

Any alternative options considered and rejected:

Not Applicable

Scrutiny Considerations:

The committee received a report from the Head of Specialist Services regarding the redevelopment of areas at the crematorium.

In the absence of questions, the officers who attended from the crematorium were thanked for their attendance

The Scrutiny Committee considered and endorsed the recommendations in the report by 6 votes to 0.

The Executive Councillor for Community Development and Health approved the recommendations.

Conflicts of interest declared by the Executive Councillor (and any dispensations granted)

N/A

12/61/CS Decisions by Executive Councillors

The committee noted the decisions taken by Executive Councillors since the last meeting.

The meeting ended at 5.40 pm

CHAIR



To: Executive Councillor for Housing (and Deputy Leader): Councillor Catherine Smart

Report by: David Horspool, Director of Resources

Relevant scrutiny committee: Community Services Scrutiny Committee
11th October 2012

HMB
18th September 2012

Wards affected: All Wards

BUILT ASSET MAINTENANCE PROCUREMENT STRATEGY 2012 - 2017

Key Decision

1. Executive summary

- 1.1 This paper outlines a procurement strategy for the maintenance and improvement of the Council's housing stock and other Council-owned built assets, for the next five years. Suggested areas of work to be considered during the life of the strategy are outlined. Recommendations are made for a future procurement approach to be adopted for each area highlighted.
- 1.2 A number of procurement options are available for the Council in order to be able to demonstrate value for money and rigour in its selection of preferred service providers and also when assessing the value for money of current in-house service provision. Procurement options range from soft market testing and benchmarking to outsourcing.
- 1.3 The strategy is intended to complement the corporate procurement strategy, the Council's Medium Term Objectives, the Council's sustainability aspirations, the Housing Business Plan and Asset Management Strategy.
- 1.4 The strategy sets out how the Department will drive the procurement agenda forward and develop further long term partnering arrangements to achieve value for money in the delivery of property maintenance and investment programmes.

2. Recommendations

The Executive Councillor is recommended:

- 2.1 To approve the appointment of Eastern Shires Purchasing Organization (ESPO) to carry out a procurement exercise with officers of the City Council to select two main contractors to carry out planned maintenance works for the City Council with effect from April 2014 to March 2019, with an option to extend for a period of up to three years.
- 2.2 To authorise the Director of Customer and Community Services to invite and evaluate tenders and, following consultation with Executive Councillor, the Director of Resources, Chair and Spokes of the Committee to award two contracts for the appointment of main contractors to carry out planned maintenance works in accordance with the requirements of the Constitution with effect from April 2014 to March 2019, with an option to extend for one or more periods up to a maximum extension of three years.
- 2.3 To approve the use of the Scape National Minor Works framework contract to call off contracts with Kier Services for a period of up to three years from October 2012 for the purpose of carrying out parts of the Council's planned maintenance works programme.
- 2.4 To approve a procurement budget of £60,000 for legal and other costs associated with the procurement and implementation the new planned works contracts and other contracts referred to in this report.
- 2.5 To authorise the Director of Customer and Community Services to invite and evaluate tenders (or call off services from an existing framework agreement if appropriate) and, following consultation with the Executive Councillor, Director of Resources, Chair and Spokes of the Committee to award contracts for the appointment of contractors to carry out certain types of responsive maintenance work listed in this report for a period of up to three years to supplement the Council's direct provision of repairs and voids, in accordance with the requirements of the Constitution.
- 2.6 To approve the use of the ESPO framework contract "2930 - "Installation of Gas Fired Domestic Central Heating Systems" to call off a contract for a period of up to three years to carry out heating installations and in void properties and carry out emergency boiler replacements.
- 2.7 To authorise the Director of Customer and Community Services to invite and evaluate tenders (or call off services from an existing

framework agreement if appropriate) and, following consultation with the Director of Resources to award a contract for the appointment of a supplier to provide a web-based NEC3 contract management application.

- 2.8 To approve the recruitment of 3.5 full time equivalent additional contract management surveyors and 2 full time equivalent asset officers within the Estates and Facilities Asset Management team in order to manage the delivery of additional capital investment.

3. Background

- 3.1 The current housing procurement strategy was adopted in 2009 and runs until 2012. Primary actions outlined in the strategy included hard and soft market testing of various service elements which has since been completed.
- 3.2 Soft market testing of the reactive and voids maintenance service resulted in a robust improvement plan being adopted for internal service provision. At the end of the improvement plan in September 2013 Members will consider progress made and the nature of future service provision.
- 3.3 Hard market testing of planned maintenance activities including cyclical maintenance and major aids and adaptations took place in 2010 and resulted in Apollo Property Services Group and Kier Services (as reserve)_being appointed to undertake these works from July 2011 for a period of five years.
- 3.4 Housing self-financing and the move to an investment approach to asset management have lead to additional resources becoming available and a large increase in the capital programme from 2012-2017 to around £12m per year.
- 3.5 A 30-Year Housing Revenue Account Business Plan and Asset Management Plan have been produced to provide a clear direction for operation of the housing business at a local level.
- 3.6 The corporate restructuring process and the “one Council” approach has given the new Resources department a remit to manage a wider range of Council assets and establish planned maintenance programmes for these assets.

4.0 Proposals for housing maintenance reactive investment 2012-2017

In-house Estate and Facilities staff carry out the majority of response

repair and voids works to housing stock. However external contractors provide specialist services and help manage peaks in workload.

A number of contracts are running without recent market testing (see table below). These contracts pre-date the establishment of the Estate and Facilities team and many are not supported by current contracts. This situation needs to be corrected whilst recognizing the need to keep delivering the repairs service.

Service Area	Contractor	Approximate annual value
Gas and Plumbing	Chaps Ltd (now in administration)	£241,000
Plastering	Compton and Casburn	£56,000
Groundworks	D Carman Building Services	£25,000
Asbestos removal	Kershaw Contracting Services	£39,000
Roofing	K&C Roofing	£65,000
Roofing	Lodge Roofing Ltd	£40,000
General building	N&S Building Services	£124,000
Electrical works	Southern Electric Contracting	£238,000

4.1 The Executive Councillor has approved a waiver from the procurement rules for a period of eight months to allow time for various contracts to be tendered. It is proposed that these will be short term or annual contracts for a term not exceeding three years pending a clear outcome on the repairs improvements plan.

4.2 Procurement Proposals

It is proposed to procure these activities as category-focused lots in a single procurement or explore the use of existing frameworks.

Package A - Gas and Plumbing -This would pick up the work previously undertaken by CHAPS

Package B - General Building - This would pick up work by Compton and Casburn, D Carman Building Services and N&S Builders

Package C – Roofing - This would pick up work undertaken by K C Roofing and Lodge Roofing

Package D - Electrical works -This would pick up work undertaken by Southern Electrical Contracting Ltd

4.3 The repairs improvement plan also contains proposals to implement mobile working and repairs identifier software. A separate report will contain proposals and procurement recommendations for these items.

5.0 Proposals for administration buildings and commercial property reactive maintenance 2012- 2017

5.1 A large number of specialist contractors currently carry out repairs to and maintenance of administration buildings and commercial property. The estimated value of the work carried out is around £200,000 per year.

5.2 The repairs improvement plan will incorporate an objective to expand the range of services provided by the in-house Estates and Facilities team so that reactive repairs are carried out to commercial and administration buildings as well as to housing stock.

5.3 It may also be possible in future to provide repairs services to other Council services such as community centres, arts and recreation buildings, and car parks.

6.0 Proposals for planned maintenance capital investment 2012- 2017

6.1 Planned maintenance contracts are currently in place with Apollo Property Services and Kier Services Ltd. These contracts commenced in July 2011 with a contract period of five years. Although these contracts allow for work to be carried out a range of Council assets, they are currently focussed on delivery of housing planned maintenance.

6.2 Due to changing investment requirements it is proposed that a new procurement exercise is carried out. The current planned maintenance contracts procured in 2010 were designed to deliver around £4m of maintenance services per annum. The contract notice (placed in January 2010) estimated a total framework contract value of £18m.

6.3 Since 2010 the housing capital programme has been updated a number of times. A large increase in investment as a result of housing self-financing means that the framework contract value would be exceeded, beyond an acceptable level, by March 2014 if all investment requirements were directed through it.

6.4 The table below shows how housing planned maintenance capital budgets have changed from 2009 – 2012:

	2011/12	2012/13	2013/14	2014/15	2015/16	TOTAL
	£000	£000	£000	£000	£000	£000
Estimated Framework Contract values* at Sept 2009 (excluding voids works)	4,336	3,974	3,921	3,797	2,663	18,691
Cumulative Contract Value	4,336	8,310	12,231	16,028	18,691	18,691
Approved values* at Feb 2010 including Cambridge Standard and Adaptations (excluding voids works)	5,468	4,674	4,773	4,877	3,743	23,535
Approved values* at Feb 2011 including Cambridge Standard, Adaptations and Commercial Properties (excluding voids works)	4,310	2,800	4,109	4,215	2,984	18,418
Slippage from 2010/11 into 2011/12 and other changes	2,304	0	0	0	0	2,304
Revised value of planned maintenance contract <u>CAPITAL</u> works at Sept 2011 (excluding voids)	6,614	2,800	4,109	4,215	2,984	20,722
PLUS: Additional resources arising from HRA self-financing* approved Jan 2012)	0	7,474	7,262	6,903	8,129	29,768
Revised value of Contract works at March 2012 (excluding voids)	6,614	10,274	11,371	11,118	11,113	50,490
In-house works, fees and works to other contractors	3,227	2,220	1,110	1,108	1,105	8,770
Revised value* at April 2012 (All works)	9,841	12,494	12,481	12,226	12,218	59,260

(NB the figures in the above table do not include planned maintenance works from revenue budgets)

* = Figures from housing capital investment plan

7.0 Planned maintenance procurement options

Various procurement options to deliver the additional capital investment have been considered. Three options are presented below. Option 2 is the recommended option.

Option 1

Continue to deliver around £4m of capital works per annum through the planned works contract with Apollo until March 2016. Carry out new procurement exercises to deliver the balance of capital investment amounting to £8m per annum.

For	Against
	The time taken to procure work would leave little time to deliver 2012/13 programme

Option 2

Deliver the bulk of the capital programme for 2012/13 and 2013/14 through the contracts with Kier and Apollo. Use the framework contract established by SCAPE to procure the balance of capital investment for specialist areas of work (e.g. roofing and heating). Commence a new procurement exercise in 2012/13 to deliver capital investment with effect from April 2014.

For	Against
Ensures capital programme is delivered - framework contracts for roofing and heating already exist	
Allows time to review procurement options and the packaging of work in the light of a significantly larger programme of work and objective to make contracts available to other services areas.	
The SCAPE framework is a single supplier framework so interim arrangements can be put in place quickly	

Option 3

As option two, but after April 2014, deliver the programme of works with a mix of direct provision and specialist contracts.

For	Against
	Having outsourced this work in 2010/11 the Council does not currently have capacity to manage a larger direct labour force.
	The direct provision of planned maintenance may not be flexible or large enough to provide planned maintenance services to a wider range of Council –owned assets.

8.0 Use of “Scape” National Minor Works framework contract

- 8.1 “Scape” is a local authority controlled company that has established a number of national and regional framework contracts. Scape frameworks are pre-procured through an EU compliant tender process. All public bodies can access Scape national frameworks.
- 8.2 The Scape National Minor Works Framework is available to all public sector programmes of work with individual project budgets between £25k and £2m. Kier has been appointed as the sole provider which means that no further mini competitions are required. Kier manage the work and local SME contractors carry out the work. The form of contract used is NEC3, which the council is experienced in using.
- 8.3 It is proposed that the Scape framework is used to carry out planned roofing and heating work to Council housing from October 2012 until the new planned work contract is ready to start in 2014. It is proposed that the Scape framework would also be available for planned works to other service areas to use.

9.0 Draft Procurement Timetable - option 2

Deadline	Activity
July 2012	Establish project team
18 th September 2012	Procurement report to HMB for information
11 th October 2012	Procurement report to Community Services Committee
November 2012	Issue OJEU Notice
November 2012	Commence 1 st stage leaseholder consultation
January 2013	Deadline for PQQ return
January 2013	Close of leaseholder consultation
February 2013	Evaluate PQQs and select bidders for tender stage
March 2013	Issue invitation to tender documents
May 2013	Deadline for tender return
2 months	Evaluation, site visits, interviews, confirmation of tenders
July 2013	Confirm results and notify tenderers of results
2 months	EU Standstill (10 days) and leaseholder consultation process
September 2013	Contract award confirmed
6 months	Implementation
1 April 2014	Contract works commence

10 Procurement of planned maintenance works for other Council-owned assets

10.1 Commercial property and Council –owned administration buildings

A long term planned maintenance programme of work needs to be established for these assets. Surveys are planned to take place between September 2012 to February 2013 and a programme of works can then be developed. It is proposed that any work identified will fall within the scope of the new planned maintenance contract that is due to start in April 2014. In the meantime any urgent work could be procured through the Scape Minor Works framework.

10.2 Other Council built assets

These include Neighbourhood Community Centres, car parks, the Crematorium, arts and recreation buildings, streets and open spaces buildings and structures. The Estate and Facilities team do not manage these assets.

10.3 It is proposed that the scope of the new planned maintenance contract that is due to start in April 2014 will allow for planned works to other Council assets without the need for further procurement exercises.

11 Contract Management tool and form of contracts

11.1 Generally the NEC3 suite of contracts will be utilized to manage planned maintenance works. NEC3 contracts are widely used and are designed to be a stimulus to good project management.

11.2 A number of web-based applications are available to help manage contractual relationships. These assist with communication and ensure compliance with contract terms. Estates and Facilities have been trialling a product called CEMAR for 12 months. There are a number of products on the market and it is proposed to carry out a procurement exercise to select a supplier to support the new planned maintenance contract from March 2014.

11.3 The annual cost of a subscription-based contract is around £10,000 per annum dependent on the number of contract and number of users.

12 Procurement Principles

The following principles guide all procurement activity undertaken

We will:

- Strive to achieve best value in all our procurement by making it more economic, efficient and effective
- Consider all practical delivery options
- Commit to a mixed economy of suppliers to meet the needs of service users and the local economy
- Be fair, transparent and consistent in the conduct of all of our procurement
- Be informed by the views of service users (and non users where appropriate) in designing our procurement
- Improve and be open to innovation when planning procurement
- Use our procurement activities to promote the social economic and environmental well-being of the City where this will achieve best value for the Council
- Identify and manage risk including those relating to the health and safety of the public and officers
- Be effective and committed members of any partnership relationships
- Manage contractual relationships effectively from the start to the end.
- Recognize the importance of well-motivated and well trained staff to the delivery of best value services
- Use our procurement activities to promote equality of opportunity.

13 Our approach to Contractor and Supplier Selection

- 13.1 The output of this strategy will be a propensity towards the use of fewer contractors and suppliers appointed on a formal, longer-term basis to provide flexibility of service provision. Existing contractors will need to be informed of the Council's procurement strategy.
- 13.2 For most projects there will continue to be a two-stage approach to the selection process in accordance with legislative and Council requirements.
- 13.3 Quality criteria used for the selection of prospective contractors will involve an assessment of historical performance, suitability and those aspects of quality that will add value. The assessment criteria and weightings will vary between procurements but will be transparent and consistent throughout each procurement exercise

14 Adding Social Value through procurement

The Council's policies and objectives that are relevant to the services to be provided by the contractor will be identified at the outset of each procurement with a view to maximising the best value return to the Council. In addition to the requirements specified by the Council for the service, bidders will be asked to identify how their delivery of the contract services will give added value to the Council by contributing to our objectives for:

- a. celebrating diversity and uniting in prioritising disadvantaged people and securing community well being
- b. achieving a thriving local economy to benefit the whole community;
- c. low carbon living;
- d. minimising the impact from waste and pollution.

The proposals put forward by bidders will be evaluated in accordance with pre-determined and disclosed evaluation criteria to ensure that each bidder is treated fairly and equally."

15. Implications

(a) Financial Implications

Following the restructure of the Resources department in 2011, the Estate and Facilities team was structured to deliver around £5-6m of capital works per year. Additional staff resources will be required to manage the additional volume of housing capital investment. These resources will be required to identify, survey, specify and manage works on site.

A request for funding for 3.5 FTE contract management surveyors and 2 FTE asset management officers has been incorporated into the mid-year review of the HRA business plan that will be considered by HMB and Community Services Committee and presented to full Council for approval in October 2012.

The approximate cost will be £230,000 per annum. This is around 3.3% of the additional investment as a result of housing self-financing.

There will be set up and procurement costs for the new planned works contracts and these are estimated to be around £60,000. These include legal costs, support from a cost consultant, ESPO fees and other costs. These will need to be fully identified and incorporated into the budget process for 2013/14.

There may be other costs associated with other procurement exercises carried out in the life of this strategy but these are not yet identified in detail.

(b) **Staffing Implications**

Additional staff resources will be required to manage the additional volume of housing capital investment. These resources will be required to identify, survey, specify and manage works on site. The financial implications are set out above.

Staff from the Resources department and other teams will be required to be involved in the procurement activities outlined in the report.

There are not expected to be any TUPE implications for Council staff. There may be TUPE implications for current contractors' staff.

(c) **Equal Opportunities Implications**

None currently. An EQIA will be undertaken where required as part of the project planning / tender analysis for each procurement exercise carried out under this strategy.

(d) **Environmental Implications**

Measures to improve environmental sustainability will be assessed as part of procurement exercises and written into future contracts.

The areas to be covered will include: -

- Improved specifications and environmental sourcing of materials
- Measure to reduce water use
- Measures to reduce waste sent to landfill
- Measures to reduce CO2 from works related activities
- Measures to minimise energy consumption on site

Climate change rating of recommendations

The outcomes of this procurement strategy should help reduce carbon emissions so there is a positive climate change impact rating.

These proposals have a medium impact as they have potential to improve the environmental performance of Council owned built assets.

The new planned maintenance contract will be able to be used to deliver projects identified in the Council's Carbon Management Plan.

(e) **Procurement**

These are already identified in the report

(f) **Consultation and communication**

Council officers from a range of Council departments have been consulted including the procurement team, legal, finance, HR, internal audit, city homes, community development, streets and open spaces and property services.

The Residents and Officers Asset Management Group (ROAM) have been briefed on the proposals and have been asked to nominate tenant representatives who can assist with tender evaluation processes.

Leaseholders will be formally consulted about the procurement of the proposed new planned works contract

The Council's main contractors have been briefed about proposals.

(g) **Community Safety**

None, but many of the programmes of works arising from this strategy will have a positive impact on community safety.

16. Background papers

These background papers were used in the preparation of this report:

Housing Procurement Strategy 2009-2012

Housing Revenue Account 30-year business plan – February 2012

Housing Revenue Account 30-year Asset Management Plan –Feb 2012

17. Appendices

Appendix 1 - Built Asset Maintenance Procurement activity in the life of this strategy

Appendix 2 - Performance review against previous procurement strategy targets

18. Inspection of papers

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

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Appendix 1- Built Asset Maintenance Procurement activity in the life of this strategy

Service area and indicative annual value	Current arrangement	Procurement option(s)
1. Housing - Reactive Maintenance		
Reactive repairs service £1,797,000	Carried out by in-house team, supported by specialist contractors	Repairs Improvement Plan to be reviewed in September 2013.
Voids maintenance £1,655,000	As above	As above
Plastering £50,000	Compton and Casburn	New contract to be procured by April 2013
Roofing repairs £90,000	Lodge Roofing/ K+C roofing	As above
Electrical works £120,000	Southern Electrical	As above
Gas boilers / heating in void, emergency heating £240,000	Chaps	As above
General building services £100,000	N+S building	As above
Flooring £20,000	Glasswell Contract Division	As above
Fencing / brickwork repairs £20,000	Moon / N+S building	As above
2. Admin buildings- Reactive maintenance £100,000	Delivered by a range of general and specialist contractors	Standardize suppliers, bring general work in-house by April 13
3. Commercial buildings - Reactive maintenance £110,000	Delivered by a range of general and specialist contractors	As above

Service area and indicative annual value	Current arrangement	Procurement option(s)
4. Planned maintenance £12m per annum		
Kitchens, bathrooms, electrical works	Planned maintenance contract + works in voids carried out in-house	Planned maintenance contract with effect from 2014 + works in voids carried out in-house
Heating and boilers	Planned maintenance contract. Works in voids carried out by specialist contractor	SCAPE framework contract until 2014. New planned maintenance contract with effect from 2014. Works in voids to be carried out by specialist contractor
Roof covering and roof structural work	Planned maintenance contract	SCAPE framework contract until 2014 New planned maintenance contract with effect from 2014.
External and Communal areas - balconies, chimneys, walls, windows, doors, garages, health and safety	Planned maintenance contract	New Planned maintenance contract with effect from 2014
The provision of Aids and adaptation works within Council housing	Planned maintenance contract	As above
Planned cyclical redecoration works (revenue)	Planned maintenance contract	As above
Hard landscape, hard standings, footpaths, fencing, external works and estate improvements	Planned maintenance contract	As above
Insulation and energy efficiency	Planned maintenance contract	As above
Asbestos removal	Planned maintenance contract	As above
5. Gas maintenance £890,000	Gas maintenance contract (expires 2015)	New procurement to take place in 2013/14

Service area and indicative annual value	Current arrangement	Procurement option(s)
6. Building Services Contract (let in lots) £80,000 per year		Procurement in progress. New contracts to be in place by April 2013
Lifts	Kone	
Door access	Power Control Panels	
Fire alarm panel testing	-	
Mechanical and Electrical Planned Maintenance	Imtech Aqua	
Fire fighting equipment	Cromwell Fire	
Air Cooling	Constant Cooling	
Warden Call maintenance	Chubb	
Automatic doors	Dent	
7. Stair lifts and overhead tracking (servicing and maintenance) £13,000 per year	EMS Stairlifts – no formal contract in place	Contract to be reviewed in 2013. New procurement to be carried out
8. Fire risk assessment	Fire Safety Express (Contract let in 2011 for 3+2 years)	
9. Water hygiene £40,000 per year	Clearwater Contract let under ESPO framework expires in 2013.	New framework contract to be established by County Council
10. Asbestos surveying and air monitoring	Redhills (Contract let under NWCCA framework for 3 years in 2011)	Contract to be reviewed in 2013/14
11. Ditchburn Place refurbishment £3,000,000	Project is at scheme appraisal stage	Project to be tendered in 2013/14 following separate committee report

Appendix 2 - Performance review against existing procurement strategy targets

3 year targets	2009/10	2010/11	2011/12	Comments
Explore possibility of establishing regional/sub regional framework agreement with ESPO for Hard market testing of services	X			Completed
Ditto but for soft market testing	X			
Review selection criteria model for appointment of contractors in Cambridge				
Identify costs and bid for resources for procurement exercises where required	X			Complete
Identify and engage resident representatives as part of project groups				Complete
Identify appropriate consultancies working with soft market testing	X			Complete
Establish project groups for duration of procurement process including all key stakeholders	X			Complete
Refresh construction Client Charter Status if modified for Local Authorities			X	No longer an objective
Consult existing service providers regarding procurement strategy and processes	X			Complete
Complete soft market testing exercises		X		Complete
Complete hard market testing exercises		X		Complete
Review performance PIs for all areas of activity		X		Complete
Ensure linkages to housing service improvement plan, Repairs and maintenance strategy, Status survey are embedded in selection process and performance indicators	X	X		Complete

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To: Executive Councillor for Housing (and Deputy Leader): Councillor Catherine Smart
Report by: Director of Customer & Community Services
Relevant scrutiny committee: Community Services Scrutiny Committee 11/10/2012
Wards affected: All Wards

HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN MID-YEAR MEDIUM TERM UPDATE
Key Decision

1. Executive Summary

- 1.1 This report presents and recommends the HRA budget strategy for the 2013/14 budget cycle and specific implications, as outlined in the HRA Mid-Year Business Plan Update document, which is to be agreed.
- 1.2 The recommended budget strategy is based on detailed financial modelling and projections of the HRA's expenditure and resources, in the light of local policies and priorities and national policy and economic context. Service managers have identified financial and budget issues and pressures and this information has been used to inform the HRA Mid-Year Business Plan Update.

2. Recommendations

The Executive Councillor is asked to recommend to Council (following scrutiny and debate at Housing Management Board):

Revenue – HRA

- 2.1 To agree the HRA budget strategy, process and timetable for the 2013/14 budget cycle as outlined in Section 9 [pages 84 to 97 refer].
- 2.2 To agree the revised HRA revenue, funding and reserves projections as shown in Appendix E, and the associated decisions in section 9 [pages 84 to 97 refer], of the HRA Mid-Year Business Plan Update document.
- 2.3 To approve the mid-year unavoidable expenditure items and savings, as detailed in Section 9, on pages 85 to 88 of the document.
- 2.4 To authorise the Director of Customer & Community Services, in consultation with the Director of Resources, to calculate and communicate final cash limits or savings targets based on the decisions taken in this report, as outlined in Section 9 of the document.

Treasury Management

- 2.5 To approve the approach to determining the most appropriate borrowing route in respect of any additional HRA borrowing requirement, as outlined in Section 8 of the HRA Mid-Year Business Plan Update, delegating responsibility to the Director of Resources for the final decision, in consultation with the Executive Councillor, Chair, Vice Chair and Opposition Spokesperson for HMB.

The Executive Councillor is asked to recommend to Council (following scrutiny and debate at Community Services Scrutiny Committee):

Capital

- 2.6 To agree in-year re-allocation of funding for decent homes and other investment in the housing stock, to allow unavoidable expenditure items to be met and to make best use of the current procurement arrangements, as detailed in Section 9, on pages 96 and 97 of the document.
- 2.7 To approve additional investment in 2012/13 in respect of the warden call system at Rawlyn Court, as identified on pages 96 and 97 of the document.
- 2.8 To approve re-phasing of £3,800,000 of resource, ear-marked for investment in Ditchburn Place, from 2012/13 into 2013/14, recognising that the feasibility work undertaken in the current year will not result in a decision that will be implemented until 2013/14 at the earliest.
- 2.9 To agree the revised Housing Capital Investment Plan as shown in Appendix F of the HRA Mid-Year Business Plan Update.

3. Background

Medium Term Strategy

- 3.1 The purpose of this report is to outline the overall financial position for the HRA and to consider the prospects for the 2013/14 budget process within the context of projections over the medium-term. The detailed analysis undertaken to fulfil this is presented in the HRA Mid-Year Business Plan Update document.
- 3.2 The document includes a review of both the revenue and capital position for the HRA.
- 3.3 Revenue forecasts are presented for the 5 year projection period through to the year 2016/17, demonstrating the sustainability of the HRA's financial planning with reference to the level of reserves held throughout this period. Underpinning this is a full 30 year financial model and associated risk analysis.
- 3.4 The report considers the effects of external factors on budget preparation, including the overall economic climate, national policy changes and the anticipated income which can reasonably be expected; as well as reviewing the existing commitments of the housing service.

- 3.5 It also highlights areas of uncertainty together with sensitivity analysis of key functions and a high-level risk analysis.
- 3.6 Included are recommendations for approval of specific revenue and capital costs as identified in the body of the HRA Business Plan Update.
- 3.7 The financial analysis leads to the proposed approach to the budget process for 2013/14 and beyond.

4. Implications

(a) Financial Implications

- 4.1 These are incorporated in the document and will be taken account of in the budget reports to the Executive Councillor and relevant Scrutiny Committees.

(b) Staffing Implications (if not covered in Consultations Section)

- 4.2 Any direct staffing implications are incorporated into the document for consideration.

(c) Equal Opportunities Implications

- 4.3 Any equal opportunities implications will be addressed as part of an Equalities Impact Assessment completed as an integral part of the 2013/14 budget process.

(d) Environmental Implications

- 4.4 Any environmental implications will be identified by the service area responsible in respect of any changes incorporated either as part of the HRA Business Plan Update or the 2013/14 budget process.

(e) Procurement

- 4.5 The content of the HRA Business Plan Update may have multiple procurement implications. Any procurement implications will be addressed by the responsible officer progressing each of the projects identified or revised as part of this document.

(f) Consultation and Communication

- 4.6 Consultation with tenant and leaseholder representatives will be carried out as part of the HMB scrutiny process. The view of a representative group of tenants and leaseholders, in respect of investment priorities, has been sought as part of the 2012 tenants and leaseholder survey.

(g) Community Safety

- 4.7 Any community safety implications will be identified and addressed by the service area responsible in respect of any changes incorporated either as part of the HRA Business Plan Update or the 2013/14 budget process.

5. Background Papers

These background papers were used in the preparation of this report:

HRA Business Plan 2012/13 to 2041/42 as approved in February 2012

6. Appendices

HRA Business Plan Update 2012/13 to 2041/42

7. Inspection of Papers

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

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Version 3
Community
Services

Housing Revenue Account Mid-Year Business Plan Update

October
2012

2012/13 to 2041/42

Cambridge City Council



Version Control

	Version	for :	Anticipated Content
	1	Draft	Draft content for consultation
	2	Housing Management Board 18 September 2012	Member Scrutiny and Tenant and Leaseholder Input
Current	3	Community Services Scrutiny Committee 11 October 2012	Member Scrutiny
	4	Council Meeting 25 October 2012	The Executive Councillor for Housing's recommended budget strategy
	5	FINAL	Final version for publication following Council

Cambridge City Council

Housing Revenue Account Mid-Year Business Plan Update

2012/13 to 2041/42

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Section 1

Introduction

Background

In November 2011, the Localism Act introduced a new 'self-financing' system for local authority social housing, effective from April 2012.

Self-financing saw Cambridge City Council receive a one-off share, £213,572,000, of the national housing debt in return for retaining all rental streams in respect of the housing stock. This allows local decision making to drive the level of investment in the housing stock, agreeing spending priorities in line with local demand.

Decisions are now made, and require regular review, at a local level in terms of priorities for investment, to deliver a balance between:

- Investment in the existing housing stock
- Investment in new affordable housing
- Investment in new initiatives and income generating activities
- Spend on landlord service (i.e. housing management, responsive and void repairs)
- Spend on discretionary services (i.e. support)
- Repayment of housing debt

"To effectively manage the housing business into the future, it is imperative that the housing service couples an in depth knowledge of the condition of the housing stock it is managing, with a clear understanding of the direction in which it would like to see housing services travel."

To achieve this key objective it is important that the organisation regularly reviews the HRA 30-Year Business Plan and Asset Management Plan to incorporate both changes in external factors and local priorities.

Purpose

Self-Financing for the Housing Revenue Account has driven the need to produce an independent 30-year Business Plan for our landlord services. It is necessary to regularly review both the assumptions made and decisions recommended on the strength of the plan, taking account of both external economic factors and changes in internal operation. The mid-year review of the HRA Business Plan will form a key part of the Council's annual planning and decision-making process, to be considered alongside the Council's Medium Term Strategy (MTS) for the General Fund. The purpose of the document is to review the Council's vision for housing in the city and to set out priority actions for landlord services following feedback from the 2012 Tenants and Leaseholder Survey,

In the context of the vision for housing, local priorities and the wider national picture, the document then outlines the Council's overall financial position for the Housing Revenue Account, recommends any changes to the financial strategy for the medium term, details proposals for the development of revenue and capital budgets for 2013/14 and provides an indication of the impact of this over the 30-year period of the Business Plan.

This is a key part of ensuring an effective process moving from:



The Council has a long-standing commitment to strong medium-term financial planning which serves to ensure that the financial consequences of its actions are sustainable.

A key feature of the Business Plan update is a review of the risk assessment included in the original document.

The financial modelling undertaken for the HRA Business Plan Update is based on the following periods:

For the ...	Period	Purpose / Use
Business Plan Update & Budget	5 years	Detailed budget & rent setting
Longer-Term Financial Planning	30 years	Demonstrate long-term effects & thus sustainability

The Business Plan Update includes a review of the current year budget position, a detailed projection for the following year and forward projections for the following five years, to demonstrate the full-year effects of spending proposals and decisions.

The full 30-year business model for the HRA, incorporating both revenue and capital spending, is fundamental in determining the long-term sustainability of the financial planning; particularly in terms of the effects of changes in external economic factors.

Process

In bringing together all of the information required to review the financial strategy it is essential that effective consultation with all key stakeholders is undertaken.

A key part of the budget and mid-year review process is the identification of:

- Items which for exceptional reasons, require immediate action or approval (which may include net changes to existing budgets).
- Items which provide context for decisions on the strategy or process, which may influence:
 - Any 'unavoidable' items of expenditure or new income opportunities, such as specific grants.
 - The level at which any Priority Policy Fund (PPF) is set.
 - The level at which the overall HRA cash limit is set.
 - The level at which the HRA savings target is set.

The work on the 2012 HRA Business Plan Update takes as its starting point the key medium and long-term parameters identified and agreed as part of the 2012 Budget-Setting Report and the Housing Revenue Account 30-Year Business Plan of February 2012. These are:

- A financial model that anticipates set-aside of resource to allow debt repayment from the point at which the first of 20 loans reaches maturity.
- A financial model assuming use of the borrowing headroom, in order to increase the supply of affordable housing.
- Rent increases in line with government rent guidelines.
- Housing stock that is maintained at an investment standard by the end of an initial 10-year period.
- The delivery, subject to viability of 250 new and re-provided homes in the initial 5 year period.
- No initial savings target, with a clear commitment to re-introduce a target from 2013/14 in response to financial pressures and to create policy fund space.
- No priority policy fund in 2012/13, with an indication that this would be re-introduced in 2013/14, with the financial impact met from savings required.
- A minimum working balance for reserves of £2m.

All of the items identified in consultation with service managers and Members will be considered and the implications incorporated, as appropriate, as part of the construction of the 2012 HRA Business Plan Update.

Timetable

The financial planning and budget preparation timetable is shown in detail in Appendix A. The key member decision-making dates are as follows:

Date	Task
2012	
18 September	Executive Councillor for Housing considers HRA Business Plan Update and incorporates HMB, including Tenant and Leaseholder Representative, views in recommendations to Council
11 October	Community Services consider HRA Business Plan Update
25 October	Council considers HRA Business Plan Update 2012/13 to 2041/42
2013	
8 January	Executive Councillor for Housing approves rent levels and considers HMB, including Tenant and Leaseholder Representative, views, before making recommendations to Council
17 January	Community Services consider HRA Budget Setting Report
21 January	Strategy & Resources Scrutiny Committee considers HRA Budget-Setting Report
8 February	Special Strategy & Resources Scrutiny Committee considers any budget amendment proposals
21 February	Council approves HRA Budget Setting Report

Housing and Leasehold Stock

Housing Stock

Cambridge City Council Housing Revenue Account owns and manages the following properties, broken down by category of housing provided:

Housing Category	Actual Stock Numbers as at 1/4/2012	Estimated Stock Numbers as at 1/4/2013
General Housing	6,646	6,596
Sheltered Housing	525	519
Supported Housing	28	28
Temporary Housing (Individual Units)	41	43
Temporary Housing (HMO's)	17	17
Miscellaneous Leased Dwellings	23	19
Shared Ownership Dwellings	87	87
Total Dwellings	7,367	7,309

A breakdown of the housing stock by property type, excluding shared ownership, is demonstrated in the table below:

Stock Category (Property Type)	Actual Stock Numbers as at 1/4/2012
Bedsits	112
1 Bed Flat / Maisonette	1,638
2 Bed Flat / Maisonette	1,267
3 Bed Flat / Maisonette	41
1 Bed House / Bungalow	188
2 Bed House / Bungalow	1,136
3 Bed House	2,269
4 Bed House	95
5 Bed House	7
6 Bed House	2
Sheltered Housing	525
Total Dwellings	7,280

The current composition of the Council's sheltered and extra care housing stock is as follows:

Stock Category	Actual Stock Numbers as at 1/4/2012	Estimated Stock Numbers as at 1/4/2013
Modern or Refurbished Schemes		
1 Bed Flat	370	398
2 Bed Flat	49	51
1 Bed Bungalow	3	3
2 Bed Bungalow	2	2
Schemes Undergoing / Awaiting Modernisation		
Bedsit	36	2
1 Bed Flat	51	49
Schemes Undergoing / Awaiting Re-Development as Housing for Older People		
Bedsit	12	12
1 Bed Flat	2	2
Total Sheltered Dwellings	525	519

Leasehold Stock

The Housing Revenue Account also maintains the freehold in respect of a number of flats, sold under the right to buy process on long leases. Services continue to be provided to these properties in respect of repairs and improvements to communal areas and services for common facilities.

At 1st April 2012, the Council retained the freehold and managed the leases for 1,077 leasehold flats.

Section 2

Local Policy Context and Priorities

Council Vision

The Council has a clear vision for the future of our city, a vision that we share with Cambridge citizens and with partner organisations.

Cambridge – where people matter

- A city which celebrates its diversity, unites in its priority for the disadvantaged and strives for shared community wellbeing.
- A city whose citizens feel they can influence public decision making and are equally keen to pursue individual and community initiatives.
- A city where people behave with consideration for others and where harm and nuisance are confronted wherever possible without constraining the lives of all.

Cambridge – a good place to live, learn and work

- A city which recognises and meets needs for housing of all kinds – close to jobs and neighbourhood facilities.
- A city which draws inspiration from its iconic historic centre and achieves a sense of place in all of its parts with generous urban open spaces and well-designed buildings.
- A city with a thriving local economy that benefits the whole community and builds on its global pre-eminence in learning and discovery.
- A city where getting around is primarily by public transport, bike and on foot.

Cambridge – caring for the planet

- A city in the forefront of low carbon living and minimising its impact on the environment from waste and pollution.

Portfolio Plan

The Council's Vision is translated, from a housing perspective, into 5 strategic objectives for 2012/13, as detailed in the Housing Portfolio Plan.

These are:

- Maximise the delivery of new housing in a range of sizes, types and tenures
- Make the best use of existing homes.
- Implement the first year of the HRA Business Plan following the introduction of greater financial freedom for the Council to manage the financing of its housing.
- Foster good quality housing and housing related advice.
- Increase energy efficiency of existing homes; promote sustainable design and construction methods; promote high standards of environmental sustainability of new homes and communities, including water management.

Our Vision

The vision for Housing Services picks up the following themes and prioritises:

- Improving housing standards: Maintaining and refurbishing council housing, and supporting the development of new affordable housing, in the public and private sector, that achieves high environmental standards of energy efficiency, minimal carbon emission, and maximum waste recycling.
- Delivering high quality services: Enabling tenants and residents to have influence over the way we manage services and set priorities. Understanding the diverse needs of our customers. Being open and accountable to service users. Providing services through partnerships or other providers where this is the best option.
- Safe and secure neighbourhoods: Creating and maintaining estates in which our tenants and other residents feel safe and secure. Working in neighbourhoods with partners to effectively address issues that reduce the quality of life.

- Affordable housing plus: Promoting the successful delivery of new affordable housing that meets the needs of the city, and that creates good places to live for all residents regardless of tenure.

Underlying this vision are themes that underpin all our work:

- Embracing diversity and equality in our customers and staff.
- Maintaining an ethos that consistently focuses on the customer needs.
- Achieving value for money through economy, efficiency and effectiveness of service delivery.
- Valuing and respecting our staff through our commitment to providing opportunities for development of their skills, knowledge and competencies.

Tenant and Leaseholder Consultation

Star Survey – Satisfaction Levels

Until recently there has been a requirement for all local authority landlords to undertake a tenant satisfaction survey on a regular basis. This allowed the responses to a number of standard satisfaction questions to be collated nationally and compared across the country. The last survey undertaken on this basis was in 2008. The formal requirement for this survey was subsequently abolished.

In 2011, Housemark introduced a replacement for the previous tenants survey, known as the Star Survey, which the authority has opted to use. Three separate surveys were sent out in early 2012 to a representation of general needs tenants, sheltered scheme residents and leaseholders, with the results for each group available separately.

The basis on which the results from the Star Survey are reported is slightly different to that of the previous satisfaction surveys, in that Housemark report the net satisfaction rating against each criteria, as opposed to the gross satisfaction rating.

Very Satisfied % + Fairly Satisfied % - Fairly Dissatisfied % – Very Dissatisfied % = Net Satisfaction Rating

Comparisons of the feedback received in the surveys of 2006, 2008 and 2012 are provided below, with all data converted into both methodologies to allow accurate comparison:

NET SATISFACTION RATING	Status Survey (Net Satisfaction Rating)		Star Survey (Net Satisfaction Rating)				
	2006	2008	2012				
			Weighted Average (GN & HFOP)		General Needs	Housing for Older People	Leasehold
	%	%	%		%	%	%
Overall satisfaction with landlord / with services provided by landlord	68	72	76	▲	72	91	19
Overall satisfaction with services provided by the Council	67	70					
Ability of staff to deal with problems	55	60	66	▲	63	76	-
Satisfaction with repairs and maintenance	56	64	75	▲	70	94	18
Overall satisfaction with how the Council deals with repairs and maintenance	54	61					
The overall quality of the home	68	67	74	▲	69	92	62
Satisfaction with the neighbourhood	63	60	75	▲	70	94	34
Satisfaction with estate services	-	-	68		61	91	-
Advice and Support	-	-	74		72	80	-
Value for money for rent	-	59	71	▲	66	89	-
Value for money for service charge	-	-	41		41	-	-21
Making views known	-	-	64		59	83	-
Satisfaction that the landlord listens to views and acts upon them	-	53	47	▼	40	70	-
Satisfaction that tenant views are being taken into account by the Council	-	44					
Percentage of tenants who have made a complaint in the last year	-	-	24		26	19	-
Overall satisfaction with how the complaint was handled	-	-	-1		-10	33	-

GROSS SATISFACTION RATING	Status Survey (Gross Satisfaction Rating)		Star Survey (Gross Satisfaction Rating)				
	2006	2008	2012				
			Weighted Average (GN & HFOP)		General Needs	Housing for Older People	Leasehold
	%	%	%		%	%	%
Overall satisfaction with landlord / with services provided by landlord	78	82	83	▲	80	93	49
Overall satisfaction with services provided by the Council	77	79					
Ability of staff to deal with problems	73	76	75	▼	73	80	-
Satisfaction with repairs and maintenance	73	79	85	▲	82	96	50
Overall satisfaction with how the Council deals with repairs and maintenance	70	76					
The overall quality of the home	80	80	84	▲	81	95	76
Satisfaction with the neighbourhood	75	76	84	▲	81	95	59
Satisfaction with estate services	-	-	76		72	92	-
Advice and Support	-	-	78		76	83	-
Value for money for rent	-	73	80	▲	77	91	-
Value for money for service charge	-	-	58		58	-	30
Making views known	-	-	72		68	86	-
Satisfaction that the landlord listens to views and acts upon them	-	65	60	▼	55	76	-
Satisfaction that tenant views are being taken into account by the Council	-	55					
Percentage of tenants who have made a complaint in the last year	-	-	24		26	19	-
Overall satisfaction with how the complaint was handled	-	-	43		39	57	-

Star Survey – Identification of Tenant Investment Priorities

The Star Survey also provided the opportunity to confirm tenant priorities for investment, the results of which will assist the Council in directing future investment appropriately, thus meeting tenant expectations.

All respondents were asked to rank a number of areas of potential investment in their order of priority, with the results in the table below.

HOUSING SERVICE PRIORITY (ALPHABETICAL ORDER)	PERCENTAGE OF RESPONDENTS RANKING SERVICE AS A TOP PRIORITY		
	Weighted Average	General Needs	Housing for Older People
Advice and Support for those seeking a home	8	8	9
Building new council housing	23 (1)	23 (1)	23 (2)
Cleaning of communal areas	5	4	7
Dealing with enquires and providing support to tenants	12 (4)	11	15 (3)
Grounds maintenance	1	1	2
Having your say on how housing in the city is managed	2	2	2
Improving the look and feel of your neighbourhood	3	3	1
Providing sheltered accommodation for elderly	15 (3)	12	26 (1)
Repairing your home	18 (2)	22 (2)	5
Staff members to manage your tenancy	1	0.5	3
Tackling antisocial behaviour	11 (5)	13 (3)	6

From this, we can arrive at a top 5 investment priority list, taking into account the views of both general needs tenants and those in sheltered housing, as follows:

1. Building new council housing
2. Repairing your home
3. Providing sheltered accommodation for older people
4. Dealing with enquiries and providing support to tenants
5. Tackling anti-social behaviour

Insurances

The Council insures its housing stock assets by combining external insurance with the operation of an internal insurance fund. A number of years ago, the Housing Revenue Account took a policy decision to partly 'self-insure' the housing stock, taking an insurance policy with a stop loss of £250,000 per annum. This arrangement requires the authority to meet the first £250,000 of insurance losses in any one insurance year, but serves to significantly reduce the level of annual insurance premium that would otherwise be payable.

The financial risk that this poses requires both the inclusion of an annual budget of approximately £59,000 to meet the costs associated with what would otherwise have been routine insurance claims met by the insurer, coupled with a requirement to maintain HRA balances at such a level that meeting the first £250,000 of any large claim in any one insurance year would not cause irreparable damage to the business.

This arrangement is kept under ongoing review, providing the opportunity to fully insure at any point, should this be deemed appropriate in both business risk and financial terms.

Partnership Working

The organisation and the Housing Service recognise the benefits, and therefore promote, partnership working wherever possible.

From a strategic housing perspective, the City Council work with a group of senior housing officers from neighbouring local authorities and housing associations (Cambridge Sub-Regional Housing Board) that continues to meet regularly to ensure that there is a coherent approach to housing strategy across the sub-region that centres on Cambridge.

The Housing Service explores opportunities to work in partnership with South Cambridgeshire District Council at all opportunities, sharing procurement opportunities wherever possible. A recent example of this is a joint procurement for the external financial advice relating to the Housing Revenue Account's preparations for the implementation of self-financing. A joint project team also worked to ensure that both authorities were best placed to respond to the changes.

The gas maintenance contract, for the servicing and maintenance of all Housing Revenue Account dwelling stock was also jointly procured with South Cambridgeshire District Council, to ensure that best value is delivered for tenants in procurement terms.

From July 2011, a new 5-year partnership arrangement was entered into with two planned maintenance contractors, to deliver the investment required in relation to the housing stock, both in terms of capital investment (including decent homes) and planned / cyclical revenue expenditure.

Cambridge City Council are also party to a Framework Agreement with five partners; a housebuilder (KeepMoat) and four Registered Providers (RP's), for the development of land owned by the Council to provide high quality and sustainable market and affordable housing. The Council and these partners are working together to design housing schemes, carry out consultations, submit planning applications and build new housing once planning permission has been granted. Where the Council works with the housebuilder, the resulting affordable housing dwellings will be owned and managed by the Council. If the Council works with an RP then the RP will own and manage the newly built affordable housing.

Generally, the Council will work with either the housebuilder or one of the RP's to develop a site, however there is the opportunity for the Council to work with both the housebuilder and an RP on larger and / or more complex sites. It is likely that there will continue to be an element of market housing on each site that will cross subsidise the delivery of the affordable housing.

Shared Services

The Housing Options and Advice Team manage the Council's housing register as a part of a sub-regional partnership called '*Home-Link*' - a primarily web-based choice-based lettings (CBL) scheme offering more choice to housing register applicants in Cambridge and the six neighbouring authorities. It offers greater transparency, flexibility and feedback for applicants, allowing them to see the availability of social housing across all seven local authority areas and therefore make realistic decisions about their housing options. The team assesses housing need and allocates social housing within Cambridge City district boundaries as well as providing advice and support to both new housing applicants and current tenants on using the system.

With effect from April 2012 a shared Home Improvement Agency with South Cambridgeshire District Council and Huntingdonshire District Council was created, is co-located at the South Cambridgeshire offices in Cambourne, but is managed by Cambridge City Council. Although only work to properties in the private sector is delivered by the new shared service for Cambridge city, residents, there is still future potential scope to expand this service to also manage works in Council homes, as this is already undertaken on behalf of Huntingdonshire District Council residents.

Section 3

The National Policy Context and External Factors

External Factors

The Housing Revenue Account Business Plan continues to be impacted upon by a number of external factors, all of which are outside of the direct control of the organisation, with little or no ability for the organisation to influence them. In making financial projections for the future operation of the business, judgements are made about the likely direction of travel for many of the factors. To do this, we rely heavily on historic data, using previous trends to inform our financial forecasting.

Using historical trend data, financial plans and forecasts will continue to be regularly reviewed at key points throughout each year to inform updated assumptions and to support decision making.

Inflation Rates - Annual Inflation

Year	RPI % Annual Inflation	RPI(X) % Annual Inflation	CPI % Annual Inflation	CPI(Y)% Annual Inflation	BCIS
2002	1.7	2.1	1.0	No data	7.1
2003	2.8	2.8	1.4	No data	7.7
2004	3.1	1.9	1.1	1.0	2.0
2005	2.7	2.5	2.5	2.6	10.5
2006	3.6	3.2	2.4	2.6	3.2
2007	3.9	2.8	1.8	1.7	4.8
2008	5.0	5.5	5.2	5.4	4.2
2009	-1.4	1.3	1.1	2.2	-10.4
2010	4.6	4.6	3.1	1.5	-6.3
2011	5.6	5.7	5.2	3.7	4.8

Inflation Rates - Last 12 Months Inflation

The table below shows the movement in each of the main measures of inflation over the last 12 months:

Year	RPI % Monthly Inflation	RPI(X) % Monthly Inflation	CPI % Monthly Inflation	CPI(Y)% Monthly Inflation
August 2011	5.2	5.3	4.5	3.0
September 2011	5.6	5.7	5.2	3.7
October 2011	5.4	5.6	5.0	3.5
November 2011	5.2	5.3	4.8	3.4
December 2011	4.8	5.0	4.2	2.8
January 2012	3.9	4.0	3.6	3.6
February 2012	3.7	3.8	3.4	3.5
March 2012	3.6	3.7	3.5	3.5
April 2012	3.5	3.5	3.0	3.0
May 2012	3.1	3.1	2.8	2.7
June 2012	2.8	2.8	2.4	2.4
July 2012	3.2	3.2	2.6	2.5
August 2012	TBC	TBC	TBC	TBC

Although the July 2012 figures show an increase over the previous month, this is being attributed to 'unusual seasonal effects' including annual increases in transport costs. Housing costs also contributed to the increase.

In respect of the BCIS all in tender price inflation, the indices are published quarterly, with the compound impact of the quarterly change reported annually. Current forecasts indicate a downturn in this index for the building industry for the 12 month period from quarter 1 2012, with a slow recovery during 2013. The index is anticipated to recover to the point that it outstrips general inflation again by the end of 2014.

Interest Rates on Lending

The Council lend externally, on a short-term basis, any cash balances that are held at any point within the financial year. If the balances held relate in any way to the Housing Revenue

Account, the General Fund pays the interest earned to the Housing Revenue Account. The financial transaction between funds takes place at each year-end, based upon the average cash balance throughout the year, at the average rate of external interest received by the organisation as a whole.

It is clear from the table below that the level of interest receivable on Housing Revenue Account balances has significantly reduced in the last 3 years. Although recovery in the economy is anticipated, the time frame over which this is likely to happen is difficult to predict.

Year	Interest Rate Earned on Balances
2003/04	3.65%
2004/05	4.64%
2005/06	4.68%
2006/07	4.79%
2007/08	5.84%
2008/09	5.35%
2009/10	1.36%
2010/11	0.57%
2011/12	0.72%

Interest Rates on Borrowing

On 28 March 2012, the Council borrowed £213,572,000 to allow the Housing Revenue Account to meet its debt settlement obligations to the Department for Communities and Local Government under HRA Self-Financing.

Following extensive research and detailed consideration of a number of borrowing routes and loan portfolio options, the decision made by Council in February 2012, was to borrow in 20 equal annual tranches from the Public Works Loans Board. 20 maturity loans of £10,678,600 were secured, with repayment dates one year apart, commencing on 28 March 2038, the point at which the base business model assumes that the entire could be redeemed if the authority so chose.

The rates secured on 28 March 2012 were of a preferential nature, but some increase borrowing cost was experienced compared with the assumptions in the HRA Business Plan, due to rate fluctuations between January and March 2012.

The loan rates applicable to the opening HRA debt are as follows:

Loan Value(£)	Loan Rate(%)	Loan Term (Years)	Maturity Date
10,678,600	3.46%	26	28/03/2038
10,678,600	3.47%	27	28/03/2039
10,678,600	3.48%	28	28/03/2040
10,678,600	3.49%	29	28/03/2041
10,678,600	3.50%	30	28/03/2042
10,678,600	3.51%	31	28/03/2043
10,678,600	3.52%	32	28/03/2044
10,678,600	3.52%	33	28/03/2045
10,678,600	3.52%	34	28/03/2046
10,678,600	3.52%	35	28/03/2047
10,678,600	3.53%	36	28/03/2048
10,678,600	3.53%	37	28/03/2049
10,678,600	3.53%	38	28/03/2050
10,678,600	3.53%	39	28/03/2051
10,678,600	3.52%	40	28/03/2052
10,678,600	3.52%	41	28/03/2053
10,678,600	3.51%	42	28/03/2054
10,678,600	3.51%	43	28/03/2055
10,678,600	3.51%	44	28/03/2056
10,678,600	3.50%	45	28/03/2057

Right To Buy

The right to buy legislation allows existing tenants to purchase their council home at a discounted purchase price. Since the introduction of the scheme in the 1980's, the rules surrounding the level of discounts available have changed significantly. In the 1990's and early 2000's, the discount levels available were high and the economy was in a strong position, seeing the Council lose over 100 properties each year as a result of this scheme.

In 1999, the level of discount available was capped at £34,000, and this, coupled with the recession, resulted in far fewer properties being purchased by existing tenants in the last five

years. An increase in the level of discount to £75,000 from April 2012 is expected to reinvigorate the scheme and result in a marked increase in right to buy sales from 2012/13 onwards.

Early indications are that this may be the case, with an increase from 13 right to buy applications (RTB 1's) received in the first quarter of 2011/12 to 36 received in the first quarter of 2012/13. Not all of these applications are likely to progress to completion, but an increase of 177% in initial interest over the corresponding period compared to last year is indicative of the direction of travel.

Year	Right to Buy (RTB)			Rent to Mortgage (RTM)			Total
	House	Flat	Bedsit	House	Flat	Bedsit	
2002/03	63	38	1	7	2	0	111
2003/04	69	45	1	5	1	0	121
2004/05	59	47	0	3	0	0	109
2005/06	37	38	0	4	2	0	81
2006/07	41	29	2	0	0	0	72
2007/08	23	19	1	0	0	0	43
2008/09	2	4	0	0	0	0	6
2009/10	11	2	0	0	0	0	13
2010/11	12	5	0	0	0	0	17
2011/12	7	5	0	0	0	0	12

The consultation surrounding changes to right to buy also considered a variety of options for the treatment of the residual capital receipt from right to buy sales after the revised discount is applied.

As a result, legislation came into force from April 2012, to allowing local authorities to opt to retain additional right to buy receipts, once the number of sales assumed in the self-financing business plan has been achieved each year. For the right to buy receipts assumed in the government's business plan, the authority retains a sum equal to the debt that was attributed to those dwellings from the outset of self-financing, with the residual sum being shared as [previously, 75% being poolable and 25% retainable by the local authority. The local authority, subject to signing an agreement with CLG to guarantee that the resources will be used to deliver new affordable housing, can retain any additional receipts above those built into the plan. A maximum of 30% of a new dwelling can be funded using the capital receipt, with the balance to be met from the Council's own resources or through borrowing.

Cambridge City Council entered into an agreement with CLG in June 2012, to be effective retrospectively from 1 April 2012.

The resulting impact of the change in legislation and the commitment, into which the authority has entered, needs to be carefully considered in all financial modelling undertaken in the future.

The Localism Act

Main measures

The Localism Bill gained Royal Assent on 15 November 2011, becoming the Localism Act 2011. The Government's aim is that the key provisions of the Act will result in a radical shift in power from central government to local government, but also to neighbourhoods, communities and individuals. The Act includes a wide range of different measures that are intended to bring about decentralisation, some of which came into force in November 2011, and others which will come into effect during the course of 2012.

The main measures of the Bill have been described as falling into four headings:

- New freedoms and flexibilities for local government
- New rights and powers for communities and individuals
- Reform to make the planning system more democratic and more effective, and
- Reform to ensure decisions about housing are taken locally

The key measures in The Act that may have significant financial implications for the Housing Revenue Account include:

General power of competence

The 'general power of competence' will give local authorities the legal capacity to do anything that an individual can do that is not specifically prohibited by other laws. This power is intended to give councils more freedom to innovate and work together with others in new ways to drive down costs. The power will not remove any duties from local authorities but The

Act does give the Secretary of State power to remove unnecessary restrictions and limitations where there is a good case to do so.

New rights and powers for communities

The Localism Act includes a number of new rights and powers for communities. The 'Community Right to Challenge', which came into force on 27 June, allows voluntary and community bodies and groups of local authority employees to express an interest in running a local authority service. The Council is required to consider and respond to all expressions of interest. If it accepts an expression of interest (EOI), it must run an open procurement exercise, which the challenging body can participate in, alongside other organisations, including private companies. This procurement exercise must comply with existing legislation and requirements regarding procurement and any decision needs to be consistent with the Duty to achieve Best Value.

Depending on the number of EOIs that the Council receives, the Right to Challenge could result in significant administrative costs for the Council. A significant amount of staff time could also be devoted to processing and assessing EOIs. If any EOIs are accepted, they would trigger procurement exercises that the Council may otherwise not have run.

The 'Community Right to Bid', which is expected to come into force in Autumn 2012, allows local community and voluntary bodies to nominate land and buildings for inclusion on a list of assets of community value. Should any of these assets come up for sale or change of ownership, community groups will be given a period of up to six months to develop a bid and raise money to buy the asset. However, once this period has passed, the owner of the asset is free to sell it on the open market and is not required to sell it to the community group.

The Council is responsible for administering the Right to Bid process, including maintaining and publishing the list of assets of community value, and managing appeals and compensation claims from the owners of assets included on the list. The Government has recognised that this will place a significant financial burden on local authorities and is committed to meeting these costs, although it is not clear at this stage what this means in practice.

Financial implications of The Localism Bill

It can be seen from the above summaries, highlighting the main content of the Localism Bill that may affect the HRA, that many of the proposals are 'enabling' and until enacted it is

difficult to assess in many areas what the impact will be on the Council's financial and staffing resources. The requirements to respond to and support greater local involvement in the planning and provision of local services and neighbourhoods is likely to lead to pressure on existing service budgets and lead to bids for additional funding as part of the main budget setting process.

National Housing Policy

The Coalition Government published its national housing policy "Laying the Foundations" in November 2011. Many of the Policies Housing Reforms have been enacted through the 2011 Localism Act.

The key measures in The Act that have significant financial implications for a housing authority include:

- Local authority tenancy strategies, affecting allocation of all social housing - Local housing authorities are required to publish a Local Tenancy Strategy within twelve months from the date of the Localism Act providing guidance to housing providers on the inter-action between different rents; different lengths of tenancy; and meeting local need.
- Tenure reform - the introduction of flexible tenancies their regulatory powers absorbed into the HCA.
- Self-financing for all local authority social housing – implemented on 1st April 2012
- Abolition of the Tenant Services Authority, with
- Regulatory reform - provision of stronger tools that tenants can use to hold their landlords to account, abolition of the Tenant Services Authority (with transfer of remaining regulatory functions to the Homes & Communities Agency), a cross-sector housing ombudsman scheme and complaints and tenant panels.
- Local housing authorities are given greater freedom to manage their waiting lists particularly in the areas of how they manage transfers and who has a local connection with the area.
- Local housing authorities are able to discharge their homelessness duty by facilitating a move to housing in the private rented sector. This may be of marginal benefit in Cambridge because of the high demand already for privately rented housing.

The Coalition has reduced capital funding available to build new Affordable Housing through the Homes and Communities Agency (HCA) from April 2011 to March 2015 to about 35% of that available over the previous three years. The new national housing policy signalled a switch from a capital based funding system to a revenue based one with the introduction of Affordable Rents on the new homes set at up to 80% of local market rents, with the Housing Benefit system to bear the strain. In Cambridge, because of high local rental values the Council has been able to argue that Affordable Rents should be no more than Local Housing Allowance levels. This equates to approximately 65% of local market rents.

Coupled with the introduction of Affordable Rents is the new notion of 'flexible tenancies'. Housing associations that receive grant from the HCA are required to offer the new homes under 'flexible tenancies' that, in effect, are fixed term tenancies for at least five years (minimum two years in exceptional circumstances). The principle is that if the tenant no longer needs the home at the end of the fixed term period, the housing association can require the tenant to move so that the property can be let to a household in housing need. Housing associations who receive grant from the HCA can also re-let a number of existing homes as Affordable Rents when they become empty. Housing associations as independent sector agencies have been able to offer flexible tenancies from April 2011. Local authorities will also be able to offer flexible tenancies under changes introduced in the Localism Bill.

Tenancy Strategy and Tenure Reform

The Council approved its first Tenancy Strategy in June 2012. The Tenancy Strategy is a requirement of the Localism Act and guides housing associations on the level of Affordable Rent that are considered 'affordable' to the Council and the minimum length of tenancy that is deemed reasonable. Housing associations and including the Council as a social housing provider are required by regulation to publish a Tenancy Policy that demonstrates how they set their rents in keeping with the local tenancy strategies. All registered providers must have regard for the strategy when determining the type, nature and length of tenancies that they offer.

The Strategy confirms the Council's preference for lifetime tenancies, but recognises the desire of some registered providers to use fixed term tenancies. The strategy confirms that the minimum two year tenancies should be granted as an absolute exception, for example where

supported accommodation with move-on is anticipated or in areas of regeneration. Otherwise tenancies should be a minimum of 5 years.

The Council expects tenancies to be renewed at the end of the fixed term, except in certain circumstances:

- The tenant wishes the tenancy to end
- Where a property of 4 or more bedrooms is under-occupied
- Where the property contains specific adaptations that are no longer required by the household
- Where the accommodation was designated as move-on and the occupant is now able to live independently

In the light of the Tenancy Strategy, Housing Management Board approved an initial HRA Tenancy Policy in June 2012, which supports current letting practices, covering introductory tenancies, security of tenure, successions and demotions. The Tenancy Policy identifies the current approach to affordable rents in the housing stock, confirming the application of the 80% of market rent levels in respect of new build properties built with HCA grant funding. Existing homes will continue to be let at social rents.

A commitment has been given to reviewing this policy in the coming 12 months, giving consideration to circumstances where flexible tenancies may be deemed appropriate in the housing stock. This allows for appropriate consultation in relation to any proposed changes, prior to implementation.

The Council launched a review of its Lettings Policy in July 2012, in response to a Government consultation paper that, in turn, interpreted the new national policy give local housing authorities greater freedom to manage their waiting lists particularly in the areas of how to manage transfers and who has local connection with the area. Local housing authorities will be able to discharge their homelessness duty by facilitating a move to housing in the private rented sector. This will be of marginal benefit in Cambridge because of the high demand already for privately rented housing.

Regulatory Reform

Following a consultation in 2011, entitled "Implementing Social Housing Reform: Directions to the Social Housing Regulator", CLG issued a summary of responses, confirming a high level of support for the 'Revised Regulatory Framework for Social Housing' due to take effect from 1 April 2012. The Revised Regulatory Framework set out the regulatory standards and expectations of registered social housing providers following changes to the Housing and Regeneration Act 2008, brought about by the Localism Act 2011.

Subsequently, the Homes and Communities Agency, the Social Housing Regulator, has published 'Regulating the Standards' (25 May 2012) which provides more information about how the Social Housing Regulator will regulate in practice. In summary, this document outlines the regulator's duty to minimise interference in organisations management frameworks, while obtaining the necessary level of assurance in relation to governance, viability and value for money.

To gain this assurance, the Social Housing Regulator has developed eight key questions to provide a consistent basis for evidence gathering and assessment.

These key questions are:

1. Does the organisation have an appropriate strategic business plan?
2. Does the organisation's strategy suggest that it understands its external operating environment and the markets in which it operates?
3. Do the financial plan and the financial position of the organisation support the delivery of its strategic objectives?
4. Does the organisation understand the risks to the delivery of its strategic objectives and get sufficient assurance on them and its systems of internal controls?
5. Does the organisation demonstrate how it achieves value for money in meeting its strategic objectives?
6. Does the organisation's business plan have clear and measurable objectives and does the organisation have a track record of delivering its plans and objectives?
7. Is there evidence that the organisation is transparent and accountable?
8. Is the organisation effectively led and controlled?

Welfare Reforms

The Welfare Reform Act provides for the introduction of "Universal Credit" to replace a range of existing means-tested benefits and tax credits for people of a working age and proposes other significant changes to the benefits system over the next few years.

At present the Local Housing Allowance sets the level of "eligible rent" that can be used in the calculation of Housing Benefit for private sector tenants. In Cambridge rents are high, reflecting the demand for accommodation in the City and the scarcity of supply. The broad market rental area covering Cambridge includes a number of areas with lower rents. This has distorted the level at which the maximum for Housing Benefit was set resulting in a shortfall for many tenants between what they need to pay and what their Housing Benefit will cover. It is a concern that private sector tenants claiming Housing Benefit will be forced to leave Cambridge, despite having local connections, to find cheaper housing.

From April 2013, the Government is introducing financial restrictions to working age Housing Benefit customers who live in accommodation that is deemed to be too large for their households needs. Working age tenants receiving Housing Benefit who have one spare bedroom would be subject to a 14% reduction and those with two or more spare bedrooms will have their housing costs eligible for benefits reduced by 25%. There is no transitional protection or phased approach.

The organisational impact could include increased demand on the Customer Service Centre, Housing Allocations, Homelessness and City Homes, with limited scope to move within the social housing sector as stock is already in full use, prompting increased demand for mutual exchanges.

Also from April 2013, new and existing Housing Benefit claimants in working age households will have their Housing Benefit capped so that their total income no longer exceeds the national standard for average weekly earnings. These caps are £500 per week for families and £350 for single people.

Council Tax Benefit, administered by the Council based on national rules, is being replaced by a localised scheme from April 2013. Pensioners will be protected under new regulations and will

continue to receive Council Tax Benefit under existing arrangements. The Council will receive a 10% reduction in Government grant to fund the scheme.

From October 2014 new claims for working age people for Job Seekers Allowance (income based), Income Support, Employment & Support Allowance (income related), Child Tax Credit, Working Tax Credit and Housing Benefit will claim Universal Credit. Customers will be paid directly (unlike existing arrangements where social landlords are paid directly) and will receive one monthly payment, in arrears like a salary, for Universal Credit and it will be administered centrally by the DWP.

Pensioners are also excluded from Universal Credit and it is currently anticipated that pensioners will have their housing costs paid via Pension Credit a year after the introduction of Universal Credit, commencing October 2014.

Universal Credit will be digital by default and customers will claim on-line. There are organisational risks that include the impact on rent arrears and the cost of rent collection as a result of direct payment of Universal Credit to the customer.

The impact of these reforms in respect of our housing business is still unquantifiable at this stage, although it is anticipated that the need to collect 100% of rent directly from tenants as opposed to approximately 49%, will have a significant negative financial impact in terms of our collection costs, recovery rate and the level of rent arrears experienced at a local level, potentially requiring write off in our accounts.

Supporting People

The Supporting People regime was introduced in April 2003, recognising the Government's desire to separately identify and fund the raft of housing-related support services that housing providers either delivered or facilitated across their housing stock.

In Cambridgeshire, local authorities opted to manage the funding, and therefore the procurement of support, at a County level. The County Council act as administering authority, with a commissioning body including representatives from each local authority acting as the decision making body. The commissioning body have historically agreed the strategic priorities for investment in support services across the County.

Since April 2003, the national funding for Supporting People has been the subject of successive annual reductions. Locally, the administering authority has also been working to deliver a more equal pattern of services across the County and to move away from 'buildings-based services' to more 'floating support models' focusing on the specific needs of individuals.

Discussions are currently underway about the future of the commissioning body, and how supporting people funding can be aligned with care and health funding to better support vulnerable.

As a landlord and support provider, Cambridge City Council are currently contracted to deliver support services in sheltered / extra care housing and temporary accommodation across the housing stock.

In the last two years a number of support contracts across our housing stock have been placed with other providers as a result of competitive tendering processes, with a number of Council employees transferring under TUPE arrangements to the new provider. The remaining contracts are due to come to an end between March 2013 and March 2014, with the expectation that a competitive tender process is likely for continued service provision, although at what level this service will be provided is unclear at this stage.

The financial pressure that exists across all County Council services is expected to result in a significantly lower level of funding for support services in the future. When reviewing the investment priorities for the Housing Revenue Account over the medium to long term, consideration will need to be given to the extent to which the Housing Revenue Account wishes to provide enhanced housing management services to plug the gap that the reduction in support funding will create.

Contract	No. of Units	Contract Status	Maximum Estimated Support Income 2012/13 Gross of Voids (£)	Risks / Ongoing Assumptions
Temporary Housing (116 Chesterton Road)	60	Block Gross Contract – Extension Expires 31/3/2014. SP confirm intention to re-tender from April 2014	132,070	Supporting People could seek a reduction in costs for the second year of the extension period
Temporary Housing (New Street)				
Temporary Housing (Dispersed Tenancies)				
Temporary Housing (Shared Houses)				
Brandon Court	30	Block Gross Contract – Extension Expires 31/3/2013 Reduced rate of £9.00 per client per week.	219,630	Expectation of a tender for services from April 2013, which would be within short timescales
Ditchburn Place (Sheltered)	15			
Ditton Court	26			
Greystoke Court	24			
Lichfield / Neville Road	171			
Mansel Court	25			
Rawlyn Court	26			
School Court	29			
Stanton House	33			
Talbot House	21			
Walpole Road	48			
Whitefriars	20			
Community Alarms	47	Anticipated to expire 31/3/2013 in line with sheltered housing contracts.	9,950	Potential to be included with sheltered tender, but equally to be tendered city or county-wide
Ditchburn Place (Extra Care)	36	Block Gross Contract (Part of Care Contract) – Expires 25/1/2014.	45,740	Support is likely to be tendered alongside care from January 2014
Total Maximum Support Income (Gross of Voids)			407,390	

Section 4

Housing Services

Housing Management

Service Description

City Homes is responsible for the landlord activity associated with property management of the Council's housing stock, both tenanted and leasehold, across the city. City Homes play a key role in the collection of over £30m in rent and service charge income each year.

Housing Management involves the day-to-day management of homes and tenancies, ensuring that the legal rights of tenants are adhered to and that the standard of accommodation provided is good. Housing Management also includes managing the estates in which tenants live including cleaning, grounds maintenance, and tackling anti-social behaviour.

City Homes has a proactive approach to resident involvement. An independent review of the resident involvement service recommended that funding previously outsourced, should now be utilised to fund a new Resident Involvement Facilitator post, to boost wider resident involvement at estate level. The development of City Homes Residents Involvement means that this service will cover all areas of council estates to ensure that the views of as many tenants and leaseholders as possible are taken into account, influencing decisions affecting their neighbourhood.

Budget Issues

The most pressing issues for City Homes' teams include:

- Ensuring rent-collection levels are high in the face of challenging welfare reforms and socio-economic pressures, with a recent downturn in direction of performance indicating that this area may need additional input

- Keeping arrears levels to a minimum, including former tenant arrears
- Ensuring tenants have the necessary support and advice to help them pay their rent, maintain their tenancy
- Ensuring anti-social behaviour is dealt with
- Offering tenants and leaseholders opportunities to get involved in the housing service and have their say on the issues that affect them as tenants, including developing the role of tenants and leaseholders as co-regulators.

The future delivery of Housing Management Services will need careful consideration, both in terms of the level of service provided and in the method of provision. The future of the area housing offices is a key consideration in the short to medium term, with the expectation that decisions will be made to allow notice to be given in time for the break clause in December 2014, in the south area office lease, should this be required.

Changes arising from the Welfare Benefit Reform legislation may lead to an increase in face-to-face customer service demands, a challenge which will need to be balanced with any efficiency savings required to deliver the 30-year HRA Business Plan. The changes proposed may also lead to demand for a different mix of accommodation due to current under-occupation and restrictions in the housing element of the new universal credit.

The New Build Affordable Homes Programme is also providing challenges for City Homes, both in terms of the project related activity associated with relocating existing tenants to limited available alternative accommodation and the anticipated management of additional affordable housing units when new build schemes are complete. It is imperative that the feasibility for all future new build schemes include the appropriate one-off and ongoing resource to allow services to be provided in these areas.

Customer Services

Service Description

The Customer Service Centre opened in 2008, assisting customers with the majority of council services from June 2010. The Customer Service Centre has robust policies and procedures in place, fully-trained staff, access to self-service facilities, an easily accessible location (extended opening times, full disabled access etc), challenging performance targets and clear service delivery standards.

The Centre's relationship with the range of housing services is strong. Regular meetings are held between senior members of staff to discuss how to improve our services. Customer feedback is presented and solutions are agreed where required. Performance is reviewed and the simplifying of specific areas of service is agreed and implemented. The Customer Service Centre is in the unique position of being able to collate robust, centralised files of data and information on current and future clients, and Housing is keen to take advantage of this data.

The Customer Service Centre team assists customers with general queries regarding housing, such as:

- Providing fully supported assistance with Homelink lettings-applications, from assessing eligibility to registering, banding enquiries and bidding
- Handling rent enquiries, establishing the customer's query, confirming the amount of rent payable, and taking debit or credit card rent-payments
- Liaising with Housing/Council Tax benefit teams to establish the reason for changes in rental liability, and liaising with City Homes housing officers where required
- Advising on how to register for a mutual exchange of homes.
- Providing initial advice on homelessness; booking appointments with housing advisors when required, making referrals to the duty officer in emergency circumstances.

For repairs and maintenance of Council homes, the current services provided by the Customer Service Centre include:

- Establishing the type and urgency of the customer's repair request
- Requesting the repair via the Orchard electronic system

- Agreeing appointment dates with the customer
- Agreeing specific response times where the repair is an emergency
- Arranging for the appropriate tradesperson to attend within prescribed time limits.

Budget Issues

In the next 3-5 years a number of legislative changes and internal Cambridge City Council projects will have an impact on our customers and on Customer Services staff. Additionally the way and frequency with which customers communicate with businesses is predicted to change. These changes and the ever present requirement to reduce costs whilst implementing new initiatives, services and procedures, will continue to be a challenge for the Customer Service team.

From 2013 the changes to council tax benefit and the conversion of housing benefit to universal credit will affect all customers claiming these benefits.

Universal credit will begin to be administered by the DWP from October 2013. Cambridge City Council will need to review the level of staff currently employed in the administration of housing benefit and resource on the new responsibilities.

However, although universal credit is intended to ensure equity to all customers, the changes will, however, be difficult for some to cope with. Historically customers have sought help & advice from their local council, seeing us as their first point of contact, despite direct communications from other relevant government bodies.

Whilst unproven, there is concern that an unwanted outcome of the changes in welfare reform will be an increase in homelessness. From a customer service perspective these contacts from customers will be challenging to manage if the workforce is reduced without a reduction in customer contact.

In addition, a consequence of the new council tax benefit legislation is that some customers will not receive as much assistance as they did previously. This will mean customers may be in financial difficulty in another area, which may have a cumulative affect on collection rates across all sectors of the council, including housing rents.

Customers in financial difficulty have queries that are long in duration and are complex, a combination that is challenging to manage in customer services when demand is high.

In other areas, the improvement plan for housing repairs and the medium term plan to introduce real time repair scheduling will be a great benefit for our customers and customer services.

It is anticipated that call durations will reduce as a consequence of immediate appointments being offered. It is also hoped that the introduction of real time scheduling will reduce repeat contacts in this area due to work only being allocated to available operatives instead of an estimated amount of operatives.

Freeing up staff to implement this initiative, whilst maintaining service standards will be challenging for customer services at a time of major change in other key areas of the council. Customer services continue to explore new avenues and work streams to enhance the services provided.

On a more general theme, recent research by Customer Engagement Network suggests that customer contacts are set to increase, not decrease, even if we are successful with our channel shift programme. Research undertaken externally indicates that customers contact organisations using multiple channels, but about the same query, using facebook, twitter, email and telephone to log their query instead of relying upon one channel. Multiple logging of queries/service requests will mean that even with improvements to on-line reporting, repeat contacts will increase requiring more work effort from customer service staff.

Leasehold Services

Service Description

The leasehold service currently supports the administration of:

- The 1078 leases of flats sold under the Right to Buy
- The Right to Buy process
- 87 Shared Ownership properties.

A main function of the leasehold team is to ensure that the Council recovers any service charges that it reasonably incurs as the Freeholder, and that services provided are of an appropriate standard. The leasehold team also administer or deal with:

- Section 20 Consultation for major planned works, in order to comply with the requirement of relevant legislation
- Pre-sales enquiries in relation to re-sales
- Breaches of lease conditions, including recovery of service charge arrears
- Leaseholder alterations.

Right to Buy sales in Cambridge remained relatively low in 2011/2012, with just 12 sales, culminating from 47 applications. The changes to the maximum discount level from £34,000 to £75,000 in April 2012, has seen a significant increase in applications in the year to date. The activity in the first quarter of 2012/13 is similar to that for the whole of the 2011/12 financial year. The council will have to keep under review the impact on the services, including increased workload, loss of rental income, the impact in capital receipts and the resulting potential for council new build.

The Council have 87 Shared Ownership properties, the majority of which were sold on a 50% share. The leasehold team administer the waiting list and deal with re-sales. There is currently a shortage of waiting list applicants that are able to obtain a mortgage, and this has resulted in properties empty for longer than desired, causing loss of rental income.

Budget Issues

There are particular challenges, in light of an increased capital investment programme from 2012/13, in ensuring that the appropriate leaseholder consultation is undertaken within the required timescales, to allow full recovery of the costs of section 20 major works and improvements from leaseholders.

Sheltered Housing

Service Description

The Housing Revenue Account owns, and City Homes manage, a number of sheltered housing schemes, which provide accommodation suited to older people. Schemes provide varying levels of support to enable residents to live independently in their Council home.

Following a significant programme of investment in the Council's sheltered housing stock, the schemes retained are a mixture of:

Category I schemes, which are clusters of accommodation with their own off-street front doors:

Greystoke Court

Lichfield / Neville Road

Walpole Road

Category II schemes, where tenants' homes have their own front doors onto an internal corridor, with some communal facilities:

Brandon Court

Ditchburn Place (Sheltered)

Ditton Court

Mansel Court

Rawlyn Court

School Court

Stanton House

Talbot House

Whitefriars

Brandon Court is the latest of the schemes to be refurbished, with completion due during 2012/13.

Staff of the Independent Living Service continue to provide support, landlord-related services and premises-services to sheltered scheme residents on a peripatetic basis. This service has changed significantly over the last 15 years. Residents saw a reduction in service, changing from having a designated live-in warden and deputy warden at each scheme, to the current

service where one peripatetic Independent Living Facilitator provides services across two, or even three, sheltered schemes.

The Independent Living Service benefits vastly from a small team of volunteers who actively engage with residents to provide social activities which help promote active ageing. Sheltered housing is now both modern and a pleasant place for the City's older people.

Budget Issues

A significant proportion of the funding for the Independent Living Service is received via Supporting People, either in the form of support grant or direct payment from the resident. Further reductions in funding were imposed from April 2012, with the unit cost of support now being reduced to an average of £9.00 per client per week on a 52-week basis.

The existing contract for support with the County Council expires in March 2013, following an extension period of one year. It is anticipated that a tender process will commence by the Autumn of 2012, with the expectation that the funding available for this contract could be further reduced.

Consideration will need to be given, in the 2013/14 budget process as to whether the HRA wishes to maintain an enhanced level of housing management service in place of any reduction in support.

Ditchburn Place Extra Care

Service Description

In addition to sheltered housing, the Council has retained a 36-unit extra-care housing scheme at Ditchburn Place. Unusually for a local authority, the City Council is contracted by the County Council to deliver the care and support in the scheme in addition to being the landlord. A meals service is also provided, which is now a condition of tenancy for these residents.

Budget Issues

The care and support contract is managed on an agency basis, with the financial implications reported in the Council's General Fund. Although the City Council has a contract to provide

care and support to January 2014, the contract is managed closely and reviewed regularly to monitor both the financial implications and the risks associated with delivering this service, as it is not a core function for the authority. Change in the City Council pay structures from June 2012 present challenges in ensuring that sufficient staffing levels are maintained to continue to deliver a high standard of service.

During the life of the current care and support contract, consideration of the options for the future of the extra care accommodation itself at Ditchburn Place will be progressed, as significant investment is required in order to bring the scheme up to modern standards, to comply with current regulations and to meet the expectations of prospective residents. An option appraisal is being undertaken for the extra care housing at Ditchburn Place, with a prerequisite being that any resulting refurbishment will ensure that current housing regulations are met. Consideration is being paid to the way in which the flats are refurbished to ensure that they do not have to be exclusively used for extra care should the demand for this change in the future.

The catering service has recently being outsourced to a specialist contractor, who will take over the associated catering staff. A review of the financial implications of this contract will be incorporated as part of the 2013/14 budget process.

Temporary Housing

Service Description

As part of its statutory duty and responsibility to reduce homelessness, Cambridge City Council owns and manages 60 units of temporary accommodation for vulnerable people who have become homeless due to problems with alcohol and substance abuse, mental ill health, domestic abuse or relationship breakdown. The work of the Temporary Housing team includes both landlord activity and support of the clients to facilitate move on to permanent accommodation, with the ability to sustain the resulting tenancy.

Budget Issues

Support is funded via Supporting People Grant and the County Council has extended the existing contract for Temporary Housing until March 2014, although a request for savings during the extension period is anticipated.

Demand for emergency temporary housing has increased recently, and is set to increase further due to a combination of the anticipated growth in population in the city and the changes in welfare benefit reforms.

Due to the skill set of staff in this area, a recent pilot that utilised two units of HRA accommodation to provide an alternative to Bed and Breakfast, with the staff providing the services required by this client group, has been extended on a more permanent basis.

Supported Housing

Service Description

The Housing Revenue Account manages 28 units of designated accommodation-based supported housing, all of which are situated on the Ditchburn Place site. Following a recent procurement exercise by the County Council Supporting People Team, Metropolitan Housing now meets the support needs of these residents, with City Council staff having transferred to work for this provider. The Temporary Housing Team is now undertaking the Housing Management function in respect of these units.

Budget Issues

Consideration needs to be given to whether the Housing Revenue Account wishes to retain 28 units of designated supported housing in the longer term, or whether there may be options to utilise the accommodation for alternative purposes.

Estate Services

Service Description

City Homes works with partner agencies to oversee grounds maintenance, street cleaning, garage maintenance, caretaking and cleaning of communal areas on Council estates.

Over the past twelve months the Housing Regulation Panel (HRP), made up of 6 residents, have undertaken inspections on the communal cleaning and grounds maintenance service area producing reports highlighting areas of improvement for service delivery.

New recycling points introduced across neighbourhoods have proved successful, as have the roles of Green Inspectors. Green Inspectors are trained resident volunteers who inspect neighbourhoods and provide performance reports on key areas of service, e.g. grounds maintenance, cleaning of communal areas in flats etc. This is then used to provide HRP and management with critical information to make service improvements, introduce new initiatives and priorities for the coming years.

Budget Issues

The communal cleaning service is currently undergoing a procurement exercise to ensure the service provided, meets the service standards agreed by residents, providing a value for money service. Key resident groups e.g. HRP and our Green Inspectors, have all been consulted on the draft specification for this service. Any cost implications will be incorporated as part of the 2013/14 budget process.

Garages

Service Description

The Housing Service manages 1,863 garages and lettable parking spaces using the department's Housing Management Information System. The majority of the garages are Housing Revenue Account owned (except for 17 garages and 6 parking spaces in Bermuda Road and Hooper Street, owned by, and managed for, the General Fund). Just over 50% of the garages are let to Council tenants, with the remainder let predominantly as private garage tenancies to the city's other residents and regular visitors. A small number of garages are utilised as storage for housing management purposes.

A project is underway to review garage investment and garage rent levels across the city, with a view to producing a detailed investment plan and making recommendations for differential charging if appropriate.

The garage stock in many areas of the city is in poor condition, and requires significant investment if it is to be retained as a lettable asset into the future. Increased capital funding of £300,000 per annum for 5 years has been incorporated in the Housing Capital Investment Plan to allow the garage stock to be brought up to a reasonable standard if the demand exists.

Void levels in Council garages remain high and are in fact on the increase, with a 22% void loss realised in 2011/12, compared with 19% for 2010/11. There is a small waiting list for garages: the number of people waiting is far less than the number of garages available, but with many would-be garage tenants requiring a specific geographical location.

Due to difficulties letting garages in some areas of the city, work has been undertaken to investigate the development potential of particular sites, with a number of sites, constituting a total of 163 garages, now featuring on the 3-year affordable housing investment programme.

Miscellaneous Leases

Service Description

The housing service lease a small number of general stock properties to voluntary and not-for profit organisations that provide accommodation and support to vulnerable groups within the city. There are currently 23 such agreements in place. The organisations house clients such as those with mental health issues, care workers active within the community, over-seas nurses, school site staff, a pastor undertaking community work and women and children fleeing domestic violence.

The decision to lease these properties to other organisations involves a number of factors each time, such as:

- The fact that the requesting organisation would be housing vulnerable clients who may otherwise have come to the City Council for housing
- The work of the organisation meets the strategic housing objectives for the authority
- The 'stand alone', non-estate or low-demand location of certain properties, makes them less viable as general needs accommodation
- The guaranteed rental income for this low-demand property

Budget Issues

Following a review in 2007, it was agreed to continue with such leases where viable on a property by property basis, with stricter control over the duration and terms of a new 'standardised' lease.

Re-negotiation of historic leases when the opportunity arises, ensures that rent levels are set, and increased throughout the life of a new lease appropriately, to protect the interests of the Housing Revenue Account.

Where possible standard terms are being negotiated to ensure that the internal repairing liability falls with the lessee, rent levels are set at target rents, the lease is of a 5 year duration and is opted out of the 1954 Landlord and Tenant Act, to give greater flexibility to terminate the lease if an alternative use is preferable for the HRA.

Commercial Property Portfolio

Service Description

The Housing Revenue Account also owns a small commercial property portfolio, consisting of shops and land utilised for non-housing purposes.

The majority of shops in the Housing Revenue Account are situated on housing estates, were built as part of creating the affordable housing and associated infrastructure and have tenanted social housing built above them.

Budget Issues

The portfolio currently includes 24 shops and a clinic. The shops are located in Akeman Street, Anstey Way, Barnwell Road, Campkin Road, Carlton Way, Hazelwood Close and Wulfstan Way. The shops are let on commercial leases, and alongside the clinic generate commercial market rental streams of approximately £256,000 per annum.

The remainder of the commercial property portfolio consists of land used for non-housing purposes generating a revenue stream of approximately £28,000 per annum, a car park, for which the HRA receives £33,500 per annum from the General Fund and payment in respect of a lease to the Hundred Houses Society for the land on which some of their first 100 houses were

built. Which provides an ongoing rental stream of approximately £73,000 per annum, directly linked to the rental income for the properties on the site. Hundred Houses have presented a number of proposals to terminate the existing lease arrangements, taking ownership of the land by mutual agreement with the City Council, in return for the transfer of alternative housing stock, either new or existing, into Housing Revenue Account ownership. Following full exploration, earlier proposals have been declined, as they have proved financially unviable. Officers continue to work with Hundred Houses to arrive at a mutually agreeable solution, which can be presented to committee for consideration.

Anti-Social Behaviour

Service Description

The Safer Communities Team performs a statutory duty to promote safe and strong communities and manage anti-social behaviour. This Team also lead on the Community Safety Partnership; respond to anti-social behaviour and racial harassment issues and promote community cohesion.

The context for the Team is the changing national policy agenda in respect of crime and disorder and the next period will see the election of the local Police Commissioner. The period to March 2104 is also covered by the Council's pilot project in respect of Restorative Justice. The Team will need to build into its thinking how it will respond to any community safety or anti-social behaviour issues that may emerge as new communities rapidly form on the growth sites. Anti-social behaviour is dealt with in partnership between City Homes and a specialist ASB team that is part of the City-wide Safer Communities Team. The team deals with medium and higher level ASB cases affecting council properties, and ASB of all kinds across the city, including problems in public spaces or involving private-sector housing.

The Racial Harassment and Community Cohesion Officer is also part of the Safer Communities Team, offering a confidential service that provides support and assistance, as well as advice and action on racial harassment. The team works closely with the police and other council departments to gather information and take appropriate and speedy action to put an end to harassment. The team also works extensively with black and minority ethnic groups in the City to build relationships and encourage their active participation in decisions that affect their lives.

Estates and Facilities (Repairs and Maintenance)

Service Description

Estates & Facilities (Repairs and Maintenance) provide of a comprehensive housing maintenance service including day to day repairs, voids maintenance, major and minor adaptation, planned improvement and repair programmes and an out of hours emergency service. The service maintains comprehensive records relating to housing stock condition, investment requirements and profiling, maintenance history and also ensures statutory compliance and certification for a range of mechanical and electrical installations.

The direct labour workforce, previously City Services, has been operating as part of Estates and Facilities for about eighteen months, which has created a more streamlined operation in relation to service delivery,

The Service now also incorporates responsibility for the provision of facilities management services in the Council's primary office accommodation buildings and management of the depot. Services include, security and maintenance of the building fabric, legislative compliance, energy management and purchase together with Architectural and Engineering services.

Subsequent to the Support services review, the service also provides comprehensive financial and other back office support services to departments based at Mill Road depot including the Council's garage, Waste and Fleet, Streets and Open Spaces, stores management, Estates and Facilities also provides reception services.

An interim operations manager has been appointed and a review of service delivery is now underway, several areas of repairs and voids have been identified where improvements will be made and these will be implemented over the coming months,

Budget Issues

Retention of the responsive repairs service in-house is dependent upon the successful delivery of a Repairs Improvement Plan, to demonstrate increased efficiency / productivity and customer satisfaction. A Repairs Improvement Plan Scrutiny Panel will monitor progress and achievements against the relevant tasks and actions. This group will also be responsible for recommending that the service is either retained in house or is subject to future out-sourcing via a tender.

There are six key areas to the improvement plan, which will ensure a more effective housing service for all stakeholders.:

1. Improved Internal communication within the team
2. Improved technology and Innovation
3. Improved Service Delivery
4. Increased Resident Involvement
5. Improved Inter-departmental working practises
6. Cost of Service / Value for Money

Discussions are under way to identify " fit for purpose " technological solutions and working groups are identified to review the various areas of service delivery.

A strong focus on resident involvement will be maintained to ensure the service is customer focused and driven.

There is a risk register specifically to cover the improvement plan, which is reviewed, on a regular basis and any areas of concern are elevated or reduced in priority if required.

Void times are currently reduced and below target turnaround times, whilst responsive repairs continue to be challenging in relation to achieving key performance indicators. This is expected to improve when a repairs diagnostic system is implemented within the customer service centre, which will include a schedule of rates ordering process.

In recent years, the numbers of jobs booked were as follows:

Job type	2010/11	2011/12
Emergency	3,808	3,614
Non-emergency	15,535	13,812
Void works	1,371	632
Total	20,714	18,058

Apollo and Kier Services are delivering against contracts for planned maintenance, and continue to work in partnership with the Estates & Facilities Service to ensure the housing stock is maintained at the Decent Homes standard, following achievement of 100% Decent Homes in 2010/11.

The introduction of housing self-financing has resulted in the adoption of a full maintenance standard in support of the Housing Business plan. The adoption of this standard means that the allocated planned capital programme has increased substantially, now being in excess of £60m over a five year period as against the £22m previously forecast, following the Decent Homes programme. The adoption of the new standard will require additional resources for delivery of the programme. The case for this will be made as part of the 2013/14 budget process.

Enabling and Development

Service Description

The Team undertakes a statutory function to plan for and facilitate new housing supply in the city. The core activities are

- the delivery of new Affordable Housing on the Growth sites;
- the delivery of new community infrastructure on the Growth sites;
- the provision of new Affordable Housing on in-city sites working with Registered Providers (housing associations); and
- the delivery of the Council's new Council House building programme which has received grant allocation from the Homes and Communities Agency to complete 146 new homes by the end of March 2015.

The next 18 months will see the first Affordable Housing on the Growth sites and we are working with our Affordable Housing provider Cambridgeshire Partnerships Limited on the Local Lettings Plan and how new residents are to be introduced to the new community.

By March 2014 the Council's new housing for older people at Seymour Court and the new scheme at Latimer Close will be completed. Other new schemes at such as Barnwell Road and Colville Road are programmed to be under construction during this period. With the new financial potential to provide up to 650 Affordable Housing over the period to 2026/27, the team will be open to other opportunities to balance a programme of small scale re-generation of existing housing with additional new build on new sites.

Budget Issues

There is a financial risk to the Council should South Cambridgeshire s District Council decide to withdraw their funding from the Development Officer (Growth) post.

Approximately £20,000 of the annual revenue budget is funded through capital projects. It has been agreed to increase this to £36,000 in 2013.14 now that grant funding has been received to increase the Council's new Council House building programme.

Support Services

Service Description

The Business Team, following a recent corporate restructure of support services, now provide information systems support to both housing and customer service related applications, and finance and business support services across the whole of the Hobson House and Mandela House sites. In addition to this, the team also has responsibility for the accountancy function for the Housing Revenue Account and General Fund Housing services.

The Housing Service relies very heavily on a number of business-critical IT systems, with the Integrated Housing Management Information System being one of the key applications. A recent review of this system resulted in the upgrade of the system with the existing supplier, for a period of 5 years from April 2011, when the upgrade took place. There are a number of other key systems, which work along-side or integrate with this application, and review of a number of these is required, in an attempt to make best use of the IT functionality currently available to support a housing business.

Budget Issues

The review of support services has delivered significant savings for the Council, a proportion of which benefits the Housing Revenue Account. These savings have been incorporated into the financial modelling associated with this Business Plan Update.

Funding has been made available in 2012/13, to allow for review and potential replacement of the OPENContractor direct labour management and job costing system and the Codeman asset management information system. As part of the review, consideration is also be given to the introduction of repairs finder and mobile working solutions, which would be expected to deliver significant future advantages in terms of financial efficiencies and capacity building for the repairs service.

Section 5

Revenue Resources – Rent and Other Income

Rent Arrears and Bad Debt Provision

Historically rent collection performance locally has been consistently good, with approximately 98% of the value of current tenant arrears brought forward and rent raised, collected in year.

Rent arrears in total are a combination of current and former tenant debt, with the latter being more difficult to pursue and recover, demonstrated by an increase in the level of former tenant arrears in recent years.

A pro-active approach to pursuing current tenant debt continues to be key in keeping former tenant debt, and therefore the cost of rent written off, to a minimum. The timescale within which former tenant debt is pursued is crucial if the organisation is to have a realistic chance of recovering the sums due.

The year-end position in respect of current tenant debt is summarised in the table below:

Financial Year End	Value of Year End Arrears in Accounts (Current Tenants)	Current Tenant Arrears as a Percentage of Gross Debit Raised in the Year
31/3/2006	£749,604	2.84%
31/3/2007	£693,541	2.54%
31/3/2008	£622,446	2.27%
31/3/2009	£595,366	2.01%
31/3/2010	£625,433	2.05%
31/3/2011	£582,400	1.88%
31/3/2012	£655,177	1.98%

The year-end position in respect of former tenant debt is shown in the table below:

Financial Year End	Value of Year End Arrears in Accounts (Former Tenants)
31/3/2006	£435,275
31/3/2007	£506,091
31/3/2008	£601,117
31/3/2009	£633,797
31/3/2010	£642,521
31/3/2011	£746,852
31/3/2012	£863,677

Despite improved performance in the collection of current tenant debt in recent years, 2011/12 saw a marked increase in the level of current tenant arrears. This trend is anticipated to worsen, particularly in light of the changes to be imposed under the Welfare Benefit Reforms from April 2013, when housing benefit will cease to be paid directly to the landlord in the majority of cases.

The year end position in respect of former tenant arrears was also noticeably worse than in previous years, due to a combination of increased incidence of former tenant debt and reduced levels of debt passed for write off, as staff prioritised their time with current tenant debt in an attempt to minimise the increase in this area.

It is imperative that the Council take positive action to minimise any increase in rent arrears, thus reducing the financial burden on the Housing Revenue Account that an increase in bad debt will bring. Officer procedures for the write off of debt have recently been reviewed, increasing the level of debt that is considered uneconomic to pursue through the use of an external agency to the equivalent of two weeks average rent. This ensures that both officer time and external resource is prioritised in pursuing the larger debts and that write off of smaller debts can happen in far shorter timescales. Linking the level of debt that is uneconomical to pursue to rent levels ensures that the value increases annually in line with any increase in rents.

The Housing Revenue Account maintains a provision for bad and doubtful debt, with the value of the provision reviewed annually, taking into consideration both the age and value of outstanding debt at the time. The impact of external factors on the Council's ability to recover sums due also needs to be considered as part of determining an appropriate level of provision. At 31 March 2012, the provision for bad debt stood at £1,232,318, representing 81% of the total sum outstanding.

A judgement needs to be made, in light of the forthcoming changes, whether further investment in additional staffing to pro-actively recover rent due may be a better option financially than writing off any unrecoverable debt that may otherwise ensue.

Void Levels

With the exception of temporary and sheltered housing and properties identified for re-development, the level of void properties in the housing stock remains relatively low compared with other areas of the country. The total number of properties vacated and re-let in any year is between 600 and 750, including mutual exchanges and transfers.

The value of rent not collected as a direct result of void dwellings in 2011/12 was £354,050, representing a void loss of 1.14%, compared with £428,888, representing a void loss of 1.47%, in 2010/11.

Local void levels have been higher in the last 8 years due to a combination of the sheltered housing refurbishment programme, which has seen one scheme at a time being intentionally vacated to allow disposal or refurbishment of the scheme to meet current standards and local tenant aspirations and the early stages of a programme to re-develop other housing stock in the city.

Financial Year End	No. of General Year End Voids	No. of Sheltered Refurbishment Year End Voids	No. of Re-Development / Disposal Year End Voids	Total Year End Voids
31/3/2006	68	26	33	127
31/3/2007	71	51	45	167
31/3/2008	44	66	51	161
31/3/2009	73	40	40	153
31/3/2010	54	37	42	133
31/3/2011	38	37	16	91
31/3/2012	73	37	20	130

On an ongoing basis, excluding the known impact on void levels of the sheltered housing refurbishment programme and of any proposed re-developments, an assumption of 1% voids in general housing is still considered to be appropriate, subject to continuation of improved performance in void re-let times.

Rent Restructuring

Rent restructuring was introduced in April 2002, with the key aim of converging rents across all social housing providers, whether local authority landlord or other registered provider. The programme was originally anticipated to span a ten-year period, with target rents calculated based on property prices from January 1999, and convergence expected in 2011/12. Since the outset, a national review of the system and a raft of subsequent government changes have adversely impacted this trajectory, with convergence now intended to be in 2015/16.

Throughout these changes individual annual rent rises have continued to be limited to a figure of inflation plus half a percent plus £2 per week.

As target rents are calculated using a formula, which considers both property prices and average manual earnings, both weighted for the geographical location of the housing stock, target rents for Cambridge City Council were considerably higher than the levels being charged at the outset of the regime.

Even now, eleven years into the process and after the end of the initial transition period, the constraints that have been applied by Government, mean only a handful of new build, refurbished or miscellaneous leased properties will be at target rent in April 2013.

At April 2012, the average actual rent was representative of 91% of the average target rent.

The table below indicates the proportion of the housing stock that will be at target rent levels at April of each year, if the existing rent restructuring rules continue to apply and no changes are made to rent setting policy locally.

Financial Year	Percentage of Housing Stock at Target Rent Levels
2012/13	<1%
2013/14	<1%
2014/15	<1%
2015/16	27%
2016/17	48%
2017/18	63%
2018/19	74%
2019/20	82%
2020/21	86%
2021/22	90%
2022/23	92%
2023/24	95%
2024/25	96%

Rent Policy

The local rent setting policy was last updated in January 2012.

There is some discretion in how rents are set at a local level, with options to use an element of flexibility in the calculation of target rents (5% for general stock housing and 10% for sheltered housing) and to move all void properties directly to target rent prior to re-let.

Historically, neither of the above has been applied locally (in part due to the potential negative impact through the subsidy mechanism), but in terms of the impact on the business model, consideration should clearly be given to whether or not Cambridge City Council should introduce either option for the future.

Any decision to move void properties directly to target rent needs to be taken in full recognition of the potential impact of rent rebate subsidy limitation, where an increase in average actual rent above the limit rent set would result in payment of the difference across to the General Fund, impacting the sums received from the Department for Work and Pensions (DWP) in respect of housing benefit.

At the start of 2012/13, the target rent for the housing stock was £96.42, the limit rent was £92.10 and the actual transitional rent being charged was £87.70. Approximately 8.5% of the housing stock becomes void at some point in any one year (although a considerable proportion of these voids are transfers, mutual exchanges and repeat voids), indicating that a decision to move void properties directly to target would not negatively impact upon rent rebate subsidy limitation and therefore the business plan. Once the date of intended rent convergence is arrived at, currently 2015/16, the level of limit rent will equal that of the target rent, thus removing the possibility of entering rent rebate subsidy limitation unless rents are set at above target levels.

The detailed impact of a decision to move void properties directly to target rent will be presented as part of the 2013/14 budget process, with options for how this might be implemented in practice and recommendations as to any criteria for selecting properties which any change in policy might apply to.

Rent Setting

Rent levels are set in January of each year, with the Executive Councillor for Housing having delegated authority to make this decision, following pre-scrutiny by Housing Management Board.

Historically, although there has been some local discretion in terms of rent setting, Cambridge City Council have always set rents in line with government guidelines. Under the old Housing Revenue Account Subsidy system, there were inherent penalties in the system that deterred local authorities from deviating from this formula.

Operating in the new HRA Self-Financing environment, local authorities have more local discretion in terms of decision-making. The government have, however, been very clear that they expect local authorities to continue to set rents in line with government rent restructuring guidelines, as the national principles of comparable social rents remains unchanged. What is still not clear, is whether there would be any negative impact, aside from the loss of rental income, in taking a decision to impose a lower than prescribed rent increase locally.

In any case, the decision about the level of rent increase to approve will need to be made in the context of the wider budget setting process, taking account of the financial projections for the Housing Revenue Account over the longer term.

Any decision to increase rents at a lower rate than assumed in the business plan, would have a negative impact on the business model, with a 1% lower increase in rent in a fully committed business model, representing the need to deliver savings of approximately £334,000 at 2012/13 rent levels (£1.00 represents approximately £380,000).

To illustrate the impact of a decision to deviate from the Government assumptions for setting rents under the rent restructuring regime, a decision not to converge rents (i.e. never to apply the £2.00 limit to close the gap between target and actual rents) would result in an inability to pay off the debt during the life of the base business plan. It is estimated that it would be year 35 before sufficient resource would be available to redeem the loans, and all of the additional investment identified as aspirational in the original business plan would not be possible.

A decision in a single year, for example in 2013/14, not to apply the £2.00 increase in rent, would not remove the ability to redeem the loans during the life of the plan, but would result in the loss of over £4.3 million in income during the life of the business plan, necessitating either a compensating reduction in expenditure or a decision not to undertake some of the additional investment that would otherwise be possible.

In light of the continued uncertainty in respect of any penalty in diverging from government guidelines, it would be prudent to assume that the authority continues to follow government guideline in the setting of rents for 2013/14 at this stage.

Service Charges

Service charges are levied for services that are not pure landlord functions, and are provided to some tenants and not others, depending upon the type, nature and location of the property. Charges are set to recover the full estimated cost of providing each service, with some services being eligible for housing benefit depending upon the nature of the service being provided.

Prior to April 2004, many services were provided, but paid for via the rent charged for each property. As a follow on from introducing rent restructuring, the Government also encouraged local authorities to separately identify and charge for services, outside of the rent charged for the occupation of a property.

When separating out any charges, where services have previously been provided, but have been funded through rental income, it has been necessary to implement the service charge whilst reducing the rent charge by the corresponding sum.

The majority of services provided to tenants of Cambridge City Council are now separately identified, with the exception of communal electricity, grounds maintenance and estate services to non-sheltered flatted accommodation, where work is in progress to identify these costs accurately at block level.

Service charges are currently levied for the following services:

- Caretaking (General Housing)
- Communal Cleaning
- Estate Services Champion (General Housing)
- Window Cleaning
- Door Entry
- Passenger Lifts
- Gas Servicing
- Electrical / Mechanical Maintenance (Sheltered / Temporary Housing)
- Grounds Maintenance (Sheltered)
- Premises (Sheltered / Temporary Housing)
- Utilities (Sheltered / Temporary Housing)
- Support (Sheltered / Supported Housing)

Once separated out from rent, service charge increases have been limited to annual rises of inflation (RPI at the pre-ceding September) plus 0.5%.

Other Sources of Income

- Garages
- Commercial Property
- Interest / Investment Income

Other External Funding

In addition to income direct from service users, the Housing Revenue Account receives external funding in the following forms:

- Homes and Communities Agency (HCA) Grant
- Supporting People Grant
- Developer Contributions

Reserves

Housing Revenue Account General Reserves

Reserves are held partly to help manage risks inherent in financial forecasting and budget-setting. These risks include, changes in inflation and interest rates, unanticipated service demands, rent and other income shortfalls, and emergencies, such as uninsured damage to the housing stock. In addition, reserves may be used to support the Housing Capital Investment Plan and, in the short-term, to support revenue spending, for example to spread the impact of savings requirements over more than one financial year.

In recent years, HRA reserves have been used on an 'invest to save' basis, for example to contribute to the funding for the implementation of the new Customer Service Centre.

As part of the annual budget-setting process the Local Government Act 2003 requires the Chief Financial Officer to report on the adequacy of reserves and provisions and the robustness of budget estimates. For the Housing Revenue Account this will be incorporated in the HRA Business Plan / Budget-Setting Report approved in February of each year.

For the Housing Revenue Account the intended target level of reserves remains at £3m, while the minimum level of reserves has been increased to £2m, recognising the increased risks associated with operating in a self-financing environment.

It is not proposed at this time to make any further changes to the target or minimum levels for reserves, as it is felt important to retain the current levels in order to safeguard the Council against the higher levels of risk and uncertainty associated with the new financial regime.

Earmarked Funds

In addition to General Reserves, the Housing Revenue Account maintain, or will maintain, a number of earmarked or specific funds which are held against major expenditure of a non-recurring nature or where the income is received for a specific purpose. See Appendix G for detail. The following funds are currently held:

Repairs & Renewals

These are maintained to fund major repairs and periodic replacement of assets such as vehicles, plant, equipment, furniture and Council-owned administrative premises. Annual contributions are based on estimated replacement costs, spread over the anticipated life of the assets.

Major Repairs Reserve

This reserve currently contains the balance of major repairs allowances (MRA) funding for the period up to 31st March 2012, from when the HRA Subsidy system ceased to exist. MRA was received via the subsidy system on an annual basis, and has been used to fund the works associated with achieving decency in the housing stock. In some years, a combination of the level of decent homes expenditure incurred and the availability of other forms of funding, have resulted in an element of MRA not being utilised in year.

The unspent allowances have been included as a source of funding in the Housing Capital Investment Plan, with the expectation that the reserve will in future be increased each year by an element representing depreciation for the housing stock, and be reduced by an element that represents the need to fund the relevant expenditure in ensuring the housing stock remains decent.

Shared Ownership

A reserve of £300,000 is maintained to enable the HRA, in any one year, to re-purchase shares of properties, where the occupier wishes to move on, thus ensuring that the limited stock is made available for those on the shared ownership register.

In many cases, the funding for shared ownership is re-circulated, with the HRA buying back and selling on a dwelling in the same financial year. The reserve ensures that buying back a dwelling is still possible, even if the re-sale may be in a future financial year.

Tenants Survey

The Tenants Survey reserve allows the Housing Revenue Account to spread the costs of the Tenants Survey evenly across financial years, despite the survey only being undertaken formally every two years. This does not detract from the possibility that an element of annual activity may take place to gauge changes in opinion, by surveying small samples, ie: focus groups.

HRA Aerial Monies

Mobile telephone aerials have been installed on the roofs of a number of the flat blocks within the HRA. The authority leases the roof space to the telecoms provider for an annual lease premium / rental fee. This income is appropriated into an ear-marked reserve, to be offset by expenditure specific to the area in which the mast is installed.

Pension Fund

As part of the February 2011 Budget Setting Report, approval was given for inclusion of a provision equivalent to an annual increase in employers pension contributions of 0.75% in each of the six years from 2011/12 to 2016/17. This was in recognition of the adverse impact that the economic downturn would undoubtedly have on investment income to the Fund and in anticipation of future increases in employer contributions being required, following the triennial review of the Pension Fund and outcomes of the fundamental structural review of public service pension provision by the Public Services Pensions Commission, Chaired by Lord Hutton.

HRA Debt Repayment Set-Aside

The implementation of self-financing saw the HRA take on an opening debt of £213,572,000. The 30-year Business Plan, approved in February 2012, adopted a treasury management strategy that resulted in a portfolio of 20 maturity loans with varying maturity dates. The financial model allowed for the set-aside of surplus revenue resource over the life of the plan to ensure that the loans can be redeemed at the maturity date of the shortest loan.

To ensure that this is possible, resource will be appropriated at the end of each financial year, into this ear-marked reserve, in preparation for debt redemption at the appropriate time, should the authority choose to redeem as opposed to re-finance.

This approach of using an ear-marked reserve, as opposed to making a formal voluntary revenue provision (VRP), allows the HRA to retain full flexibility over the use of the set aside balance in the future.

Fixed Term Posts Costs

Where the Council appoints staff on fixed-term contracts an obligation to pay redundancy costs can result at the end of that period. To cover this eventuality the Council has established an earmarked reserve to hold contributions based on the potential liability of such

posts. As part of the 2013/14 budget process, the HRA will consider whether such a reserve is required for housing services.

Section 6

Capital and Asset Management

Asset Management

An Asset Management Strategy, detailing the anticipated investment need across the Housing Revenue Account asset base was approved in February 2012.

In a self-financing environment, understanding the asset base and the associated future investment required in order to maintain the asset base in a desirable, and therefore lettable, condition, is key to ensuring the financial viability of the housing business plan.

The ability to retain all rental streams at a local level to service the debt taken on, actively encourages the development of new affordable housing by local authorities for the first time in many decades.

Consideration may also be given to strategic disposal of assets, for example where an asset negatively contributes to the business plan, utilising any capital receipt to re-invest in affordable housing. Strategic acquisition is also actively now being considered, with completion of the first repurchase of an ex-HRA dwelling having taken place in August 2012.

Stock Condition

Following decent homes surveys of the housing stock and achievement of the decent homes standard in 2012, the authority strives to maintain this standard, as a minimum, going forward. Continual updating of the data held enables the authority to more accurately determine the level of investment needed in the housing stock over the 30 years of the HRA Business Plan.

An exercise, carried out by Savills in preparation for the implementation of self-financing, provided full assurance in the stock condition data held, whilst driving changes in some of the assumptions being made in the database, thus helping to further refine investment planning.

One of the areas where data gathering and recording is weak is in respect of the communal areas of both sheltered and flatted accommodation, where an allowance has been made in the financial planning, in anticipation of a more detailed investment profile in the future.

Acting upon Savills recommendation, an uplift of £75.00 per property per annum is now included to ensure provision of sufficient resources to maintain communal areas (lifts, door entry systems, balconies, landings, balustrades, communal floor coverings and communal rooms) to a safe, decent and desirable standard. Once the work has been undertaken to fully survey these areas, this funding will be allocated appropriately across expenditure heads.

Decent Homes

The housing service reported achievement of decency in the housing stock as at 1 April 2012 at 96%, compared with over 99.5% achieving the desired standard at 1 April 2011. There were 354 properties that were considered to be non-decent (in addition to the 755 refusals), with another 643 anticipated to become non-decent during 2012/13.

It is anticipated, and incorporated as part of the Asset Management Strategy, that any properties either non-decent at 1st April each year, or becoming non-decent during the year, will be included in the decent homes programme, to be addressed in year.

Stock Investment

The Asset Management Plan, approved in February 2012, addresses the investment need in Housing Revenue assets in detail, but a summary of the current anticipated investment need is included in Appendix F to the Business Plan Update. Appendix F provides an update to detailed breakdown of investment in years 1 to 5 of the Business Plan.

Determining priorities for investment will continue to be a difficult task, with ongoing conflicts in the desire to improve existing housing stock, deliver new affordable housing and invest in the

services that are provided to tenants on an ongoing basis, balanced against limited available resource.

In the September / October 2012 committee cycle, Housing Management Board and / or Community Services Scrutiny Committee will consider reports providing an update on the performance of the first year of the current planned maintenance contract and a revised Procurement Strategy Report for the delivery of the increased level of investment in the housing stock, approved as part of the HRA Business Plan and Asset Management Plan in February 2012.

New Build Affordable Housing

As one of the few local authorities successful in securing Homes & Communities Grant funding for new build affordable housing in 2009, 7 additional units of housing have now been built, let and are now being managed as part of our Housing Revenue Account housing stock.

On the back of this success, the Council bid as part of a later round of grant applications, and was successful in securing provisional grant of £2,587,500 towards the development of 146 new affordable homes in the city, all of which form part of the 3-year affordable housing programme.

The first of the schemes to be undertaken is the re-development of the Seymour Court / Seymour Street site, which sees the existing 51 units of previously sheltered accommodation having been demolished to make way for a mix of market and affordable housing, with the Housing Revenue Account anticipating 20 units of affordable housing, funded via a mix of grant, cross subsidy from the market housing and an element of prudential borrowing.

Residents in Latimer Close are being relocated in preparation for re-development of this site, with demolition of the 16 existing 1 bed flats due to begin later in 2012/13 making way for a 20 unit mix of market (8 units) and affordable housing (12 units). Further sites at Colville Road (Phase 1) / St Augers Road, and Barnwell Road have Executive Councillor approval to proceed, providing a total of 35 re-developed affordable homes along with 21 market units, whilst a further 10 sites will be subject to feasibility work before the end of the current financial year.

Also included in the current business model is the assumption that the authority will deliver the affordable housing on the Clay Farm site in years 4 or 5 of the business plan, subject to scheme viability. Work is underway to select a developer partner for this scheme, which will also deliver a mix of market and social housing on the land currently owned by the Council's General Fund.

Asset Disposals & Acquisitions

The HRA, operating in a self-financing environment, gives consideration to the disposal or acquisition of specific land or property, where there is demonstrable evidence that better value for money can be delivered in respect of the provision of affordable housing. The capital receipt generated by a strategic disposal can be retained in full by the authority, subject to offsetting it against the authority housing capital allowance and utilising it to invest in affordable housing.

Receipts from asset disposals are only recognised in the HRA's reserves at the point of receipt and after all relevant costs have been provided for.

Outside of the currently approved 3-Year Affordable Housing Programme, the following sites owned by the Housing Revenue Account are being considered for market disposal:

Anticipated disposal	Asset	Comment
2012/13	7 Severn Place	Potential for market sale of property for commercial land assembly, subject to negotiated vacant possession.
2012/13	14 dwellings in Roman Court (one of two existing wings)	Potential transfer to a registered provider for internal re-development, with agreed re-development of the wing retained by the HRA as part of the same project.
N/A	Ex Nursery School Site, Wadloes Road	The life expired building on this site has been demolished for health and safety reasons, with a decision not to dispose of the site, but instead to re-develop in-house to deliver new affordable housing as part of the 3-Year programme.

Property acquisitions are also considered, primarily as a result of the Council's right of first refusal to buy back ex-right to buy dwellings.

The HRA re-purchased a 2-bedroom bungalow in Ekin Road in August 2012, meeting an identified need for additional single storey, ground floor dwellings in the housing stock.

Every ex-Council dwelling that is subject to the right of first refusal legislation, is considered for re-purchase against the criteria agreed when the legislation was introduced, including criterion such as; whether the property meets an identified need for specific accommodation or could form part of a site assembly for a future re-development.

Section 7

Performance & Value For Money

Performance Indicators and Performance Management

The Council, and the Housing Service in particular continue to use performance indicators (PI's) as the clearest way of providing information on how services are performing, and as a management tool for improving service delivery and ensuring services are held to account for failings in key service areas. The current suite of Housing Revenue Account-related PI's, is detailed at Appendix B of this document.

A Residents Performance monitoring session continues to be held every three months at Housing Regulation Panel that includes members of HMB. This session allows residents and leaseholders to scrutinise performance and raise issues that will be taken back to service managers for consideration or action as appropriate. HRP are keen to work with service managers in understanding issues, challenging performance and target setting.

Value for Money

Housing has a strong approach to VFM, enabled by:

- Procuring services externally and in partnership with others where this is the best option
- Systematically reviewing our services to identify better ways of working and to drive out inefficiencies (including benchmarking with other agencies)
- Taking a rigorous approach to monitoring expenditure and costs
- Maximising external investment
- Involving tenants and other stakeholders in decision-making to ensure the needs of service users are met, with effective outcomes for the wider community

There are three main dimensions to our approach to VFM in our housing services:

- Working cohesively with other sections of the Council and within the corporate financial framework expressed through the Medium Term Strategy.
- Looking to embed VFM at the operational level with direct engagement with service users to help prioritise, direct and measure the impact of the use of the resources at our disposal
- Working in partnership with other agencies within the Cambridge sub-region housing market to deliver added value.

Benchmarking

The Housing Service continues to be a member of Housemark, a system which provides robust, comparable spend data encompassing housing management, leasehold, shared ownership, estate services, major works, cyclical maintenance, repairs and voids and support services (IT, finance, office premises and central costs). The output of the benchmarking exercise is used as a management tool to inform service reviews and service planning.

It is anticipated that the year-end benchmarking report will be presented to Housing Management Board on an annual basis, to compliment the documentation presented in January of each year in respect of portfolio planning and budget setting.

Benchmarking is also undertaken at localised levels, with *HQN* for leasehold services, *Re-thinking Construction* for repairs and maintenance, and Housemark for Resident Involvement.

Inspection

In 2008, an inspection of the Housing Management Service resulted in a 'two-star, excellent' score from the Audit Commission. In 2010, this inspection process was dissolved. The Localism Act sets out the new framework for social housing regulation, with the current focus for consultation around robust self-assessment, Value for Money and serious detriment, complaints and co-regulation.

Section 8

Treasury Management Strategy

Background

Treasury management activities are defined by the Chartered Institute of Public Finance and Accountancy (CIPFA) as:

" The management of the organisations investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

HRA Self-Financing Borrowing

Based on the final self-financing determination, the Council was required to borrow to fund a payment of £213,572,000 to the Government on 28 March 2012. Significant exploration of the funding options available to the Council was undertaken, with the options investigated including:

- Internal borrowing from the General Fund
- Borrowing from the County Council pension fund
- Borrowing from other local authorities
- Borrowing from the Public Works Loans Board (PWLB)
- Raising funds through bond issuance (either individually or as part of a club)
- Raising funds through private market placement
- A mix of the above

As a direct result of a preferential rate, offered for the self-financing transaction only, the authority took the decision to borrow directly from the Public Works Loans Board. Between the point at which the decision was made in February 2012, and the date that borrowing was arranged, 26th March 2012, the rates had increased marginally. A final evaluation was carried out prior to arranging the borrowing to confirm that the approved route was still deemed to be the most advantageous for the authority.

Following careful consideration, the authority took out a portfolio of 20 maturity loans, with varying annual maturity dates, with the first maturing in March 2038, as detailed in the table below:

Loan Ref	Principal	Interest Rate	Annual Interest	Maturity Date	Term
1	10,678,600	3.46%	369,479.56	28/03/2038	26
2	10,678,600	3.47%	370,547.42	28/03/2039	27
3	10,678,600	3.48%	371,615.28	28/03/2040	28
4	10,678,600	3.49%	372,683.14	28/03/2041	29
5	10,678,600	3.50%	373,751.00	28/03/2042	30
6	10,678,600	3.51%	374,818.86	28/03/2043	31
7	10,678,600	3.52%	375,886.72	28/03/2044	32
8	10,678,600	3.52%	375,886.72	28/03/2045	33
9	10,678,600	3.52%	375,886.72	28/03/2046	34
10	10,678,600	3.52%	375,886.72	28/03/2047	35
11	10,678,600	3.53%	376,954.58	28/03/2048	36
12	10,678,600	3.53%	376,954.58	28/03/2049	37
13	10,678,600	3.53%	376,954.58	28/03/2050	38
14	10,678,600	3.53%	375,886.72	28/03/2051	39
15	10,678,600	3.52%	375,886.72	28/03/2052	40
16	10,678,600	3.52%	374,818.86	28/03/2053	41
17	10,678,600	3.51%	374,818.86	28/03/2054	42
18	10,678,600	3.51%	374,818.86	28/03/2055	43
19	10,678,600	3.51%	373,751.00	28/03/2056	44
20	10,678,600	3.50%	376,954.58	28/03/2057	45
TOTAL	213,572,000	TOTAL	7,494,241.48		

With the introduction of Self-Financing for the Housing Revenue Account with effect from April 2012, the Council is required to charge depreciation on its assets, which will have a revenue impact. In order to address any possible adverse impact, regulations will allow the Major Repairs Allowance (as assessed in arriving at the Self-financing settlement payment) to be used as a proxy for depreciation for the first five years.

Future Borrowing

The Council's Authorised Borrowing Limit is currently set at £250.0m, which leaves the Council as a whole with £36.428m headroom to incur further debt if required.

Cambridge City Council are in the arguably fortunate position that the HRA Business Plan contains an element of borrowing headroom, which can be utilised in future years to allow some expansion of the housing business.

In the months leading up to the point at which it is identified that the HRA will be required to borrow against this headroom to finance the identified investment in new build affordable housing, similar borrowing considerations will be made to those in respect of the original self-financing settlement.

Borrowing Route	Current View
Internal Borrowing	There is still some capacity to internally borrow, but the term of the loan is unlikely to be for the duration of the business plan, as the General Fund will need elements of the resource at various stages over the next 30 years. Consideration should be given to this borrowing route for the additional borrowing required for use of the headroom in the business plan.
Inter-Authority Borrowing	This option is worthy of further consideration, although the appetite locally did not appear to exist in respect of the initial debt settlement borrowing.
Bond Issuance	This option would not be considered viable for the relatively small sums that the HRA will be required to borrow against the headroom in the business plan in the medium term. It should be noted that, to be in a position to place bonds in the market place, the Council and any other parties in a bond club, would be required to obtain a formal credit rating from a limited number of rating agencies, such as Moody's, Fitch or Standard & Poors.
PWLB Borrowing	The preferential rates received for the self-financing settlement sum are not available for any additional borrowing transactions. However, this route remains low risk compared with other forms of external borrowing, meaning this route is likely to remain the preferred route after use of any existing internal resource or inter-authority borrowing that is available.

If borrowing from the PWLB, there are a variety of borrowing options available to the organisation. Sums can be borrowed for any term of up to 50 years, and there are a number of different types of loan available.

Loan Rate	Description	Current View
Fixed Rate	The interest rate stays static throughout the life of the loan.	The rate being offered by PWLB is lower than available currently and rates are generally lower than they have been for years.
Variable Rate	The interest charged on the loan varies as the interest rate changes.	Carries significant risk in respect of future interest rate rises.

Loan Type	Description	Advantages	Disadvantages	Risks
Maturity	Interest only paid during the life of the loan, with the principal requiring repayment or re-financing at the end of the loan period.	Minimises payments required during the life of the loan, releasing funds for either set-aside for loan repayment at the end of the term or re-investment, therefore providing some flexibility to allow an expanding business model.	Interest payments are higher, as the borrowing rates for this type of loan are the highest of the three available from PWLB. Money is borrowed for the full term and no principal is repaid during the life of the loan.	Resources available during the life of the loan are not invested in income generating schemes / assets or invested appropriately over the longer-term to generate a suitable financial return. If re-financing at the end of the loan period, rates may be significantly higher than at the outset.
Equal Instalment of Principal Loan (EIP)	Interest and principal repaid during the life of the loan, with the principal reducing equally across years, while the interest reduces over time as the loan balance reduces.	Facilitates payback over the term of the business plan. Borrowing rates for this type of loan are the lowest available from PWLB, as the principal sum is reduced quickly.	The annual cost of borrowing is greater in the earlier years of the loan term,	The requirement to repay more in the earlier years may result in an inability to respond to other financial changes in the business model, ie; inflation rates, unanticipated investment need.
Annuity Loan	Interest and principal repaid during the life of the loan with repayments staying the same throughout. As the loan balance reduces, the value of the principal being paid increases and the interest reduces.	Facilitates payback over the term of the business plan. Rates are lower than for maturity loans.	Repayment of an element of the principal is required from the outset which as a stand-alone option could require additional borrowing / reduction in expenditure in the early years of the business plan to meet the borrowing costs.	Additional borrowing required in the early years is not available internally or can only be secured at greater cost externally, limiting ability to further utilise headroom for new build / asset enhancement / service improvements.
Mix of more than one loan type	Combination of multiple loans, either maturity, EIP or annuity	Allows spread of risk and benefit of an element of loans at the lowest interest rate.	Requires greater treasury management, with a mix of a number of loans of differing types.	No additional risks than those highlighted against each loan type.

Considerations in Borrowing

The following key factors will be considered:

- Type of Loan
- Source of Borrowing
- Loan Portfolio

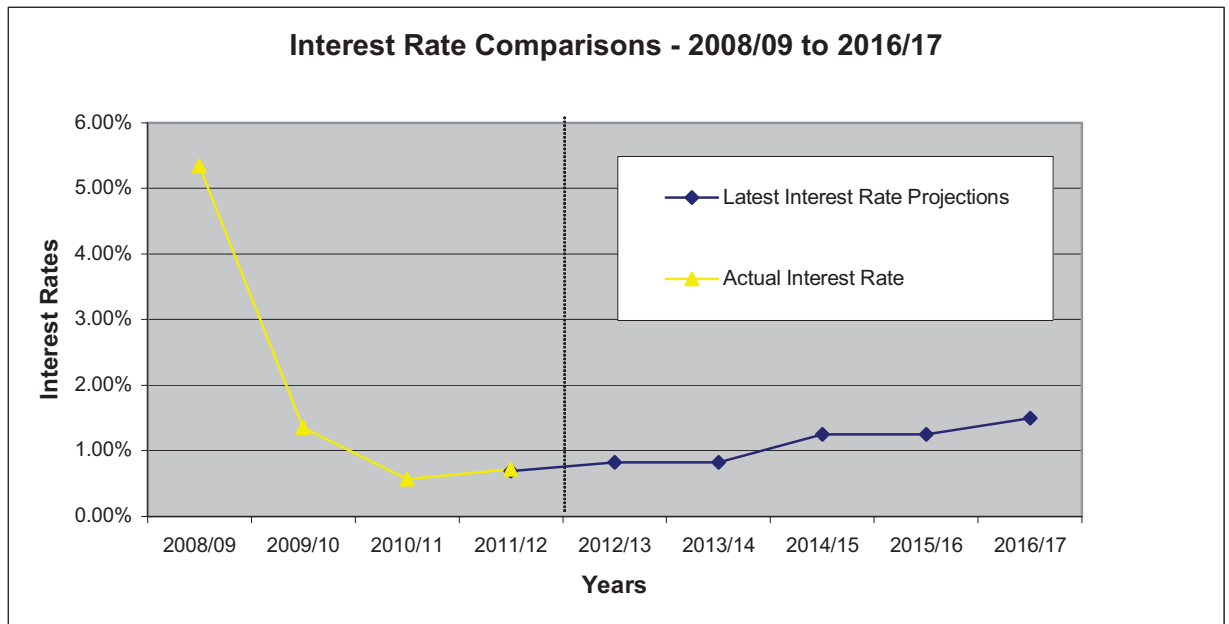
Type of Loan

A key consideration in respect of any additional borrowing, will be whether to take loan(s) with fixed or variable interest rates, or a combination of the two.

The most important factor in making this decision remains where the Council believes current interest rates are in the context of longer term projections, i.e. whether rates over the term of the loan(s) would, on balance, be expected to materially increase or decrease.

Since the 2008 economic downturn interest rates have fallen dramatically and bank base rates have been at a historic low of 0.5% for just under 3 years. Given the continued uncertainty about the degree and timing of economic recovery, forward projections for interest rates are difficult to make with any degree of certainty. However, most market analysts still agree that current rates are at or near the bottom of the medium to long-term projections for rates.

The graph below compares the actual average rate of interest earned on both General Fund and HRA balances in the last 3 years, assuming that the current levels continue, with the latest market projections for recovery in interest rates over the next few years.



The lower rate of interest earned currently and the pace at which recovery is anticipated, serves to indicate that lending from the General Fund to the HRA might be advantageous for both parties, particularly in the short to medium term.

The table below details the predicted bank and money market interest rates over the next two and a half years, comparing these to the estimated rates for borrowing for a longer term from the PWLB.

Month	Bank Rate %	Money Rates %: 3 month	Money Rates %: 1 year	PWLB Borrowing Rates %: 5 year	PWLB Borrowing Rates %: 25 year	PWLB Borrowing Rates %: 50 year
Sep-12	0.50	0.90	1.70	1.63	3.90	4.10
Dec-12	0.50	0.90	1.70	1.70	3.70	3.90
Mar-13	0.50	0.90	1.70	1.50	3.70	3.90
Jun-13	0.50	0.90	1.80	1.50	3.70	3.90
Sep-13	0.50	0.90	2.00	1.60	3.80	4.00
Dec-13	0.50	1.00	2.00	1.70	3.80	4.00
Mar-14	0.50	1.10	2.20	1.80	3.90	4.10

Month	Bank Rate %	Money Rates %: 3 month	Money Rates %: 1 year	PWLB Borrowing Rates %: 5 year	PWLB Borrowing Rates %: 25 year	PWLB Borrowing Rates %: 50 year
Jun-14	0.50	1.30	2.40	1.90	4.00	4.20
Sep-14	0.50	1.50	2.60	2.00	4.10	4.30
Dec-14	0.75	1.60	2.70	2.10	4.20	4.40
Mar-15	1.00	1.80	2.90	2.30	4.30	4.50

The lower rate of interest currently and the slower pace at which recovery is anticipated, still serves to indicate that fixed term loans are likely to continue to demonstrate the best financial, and most risk averse option for borrowing taken out in the short to medium term, in the current economic climate.

It is therefore likely to be financially advantageous to the HRA to take out fixed rate loans, as opposed to the variable alternative, potentially accessing historically low rates and giving the advantage of providing greater certainty for financial planning purposes.

The second factor to consider in terms of type of loan is the basis of repayment. As detailed in the table above, there are advantages and disadvantages associated with each loan type available. Although maturity loans were the preferred option for the initial self-financing debt settlement, the financial impact on the business plan, of all three loan types, will be considered prior to taking out any additional borrowing. Maturity loans continue to have the potential to release resource during the life of the business plan to facilitate additional investment in service developments.

Source of Borrowing

As noted in the tables above, the Council would always look to lend from the General Fund to the HRA, subject to availability, before any external borrowing were considered. This has the advantage of retaining the money paid as interest within the Council overall; even if the interest rate charged was the same as available externally and so the HRA had no direct benefit, the General Fund would receive investment income that could exceed the levels available from the market. The exercise to determine the level of funding that could be made available from the General Fund has been revisited, and this has identified (see table overleaf):

	1/4/2008 £'000	1/4/2009 £'000	1/4/2010 £'000	1/4/2011 £'000	1/4/2012 £'000
Working Capital	7,308	9,196	(524)	2,800	9,617
PWLB Loans					
General Fund					
General Reserve	13,616	12,183	9,302	9,850	9,458
Asset Renewal Reserve	11,901	12,457	12,533	12,996	13,927
Other Ear-Marked Reserve	4,287	4,635	4,433	4,322	5,779
	29,804	29,275	26,268	27,168	29,124
Housing Revenue Account					
General Reserve	6,591	6,057	5,016	5,689	6,974
Asset Renewal Reserve	1,317	1,407	1,623	1,826	1,988
Major Repairs Reserve	0	0	0	352	1,171
Other Ear-Marked Reserve	332	328	334	410	485
Debt Redemption Premium	(2,284)	(1,739)	(1,193)	(647)	(301)
	5,956	6,053	5,932	7,630	10,317
Capital					
Capital Contributions Unapplied	4,261	4,556	6,173	6,076	5,260
Usable Capital Receipts	21,750	13,719	12,155	12,763	10,420
	26,011	18,275	18,328	18,839	15,680
Deferral of Icelandic Investment Impairments on General Fund Balance	0	(2,209)	(2,006)	0	0
Capital Financing Requirement	1,279	1,279	0	0	(213,855)
Total Invested	70,358	61,869	47,998	56,437	64,577
Note: Includes deposits in banks in administration equal to	0	6,791	5,570	5,249	3,736

As the table above demonstrates, the year-end investment levels, which are historically the point in each year when sums invested are at their lowest, the General Fund continues to hold balances of between £25 and £30 million.

It appears beneficial to the General Fund in the short-term to lend resource to the HRA, rather than to the market, although the type of loan (ie; fixed or variable) would be an important factor. As identified above, the preferred route for the HRA is likely to be fixed interest loans, however, for the General Fund, this could result in interest receipts over the medium and longer-term of the loan which would be below those available in the market. This position is not as stark as it was in February 2012, as the HRA is not able to benefit from a significantly discounted rate from the PWLB for any additional borrowing.

However, a recent announcement confirms that local authorities, subject to confirming to CLG their borrowing plans over the coming years, will be able to benefit from a certainty rate, which is guaranteed to be 20 basis below the standard PLB loan rates.

At the point at which the HRA is required to take out additional borrowing, consideration will need to be given to whether internal lending may be advantageous for both parties, at which point the standard PWLB rates may compare less favourably against the rates which the General Fund would seek to charge for any internal loan. PWLB rates are revised and re-issued on a twice-daily basis, and hence it will be necessary to review any borrowing decision in light of prevailing rates at the date the borrowing is arranged.

Loan Portfolio

In respect of additional future borrowing against the headroom in the business plan, consideration of the loan portfolio will not be as complex as it was for the initial sum of £213,572,000.

Seeking a single loan for the shortest period possible so as to minimise interest charges, whilst ensuring the loan can be repaid at the end of the term continues to be the simplest approach, whilst minimising the associated treasury management activity. This approach still offers limited flexibility and the risk that the whole amount would need to be re-financed at a single point in time (therefore at whatever rate is prevalent at that point in time) if further investment in social housing is intended.

When considering the loan period in respect of additional borrowing to facilitate new build affordable housing, consideration will need to be given to both the break-even and payback period of the schemes being financed and the impact that the investment will have on the cashflow for the Housing Revenue Account. The outcome of this will drive the minimum period over which the borrowing can be repaid.

Taking out multiple loans covering a range of maturity periods, so that rates prevalent at the point of maturity are spread, continues to mitigate risk, with the risks reduced due to the sums of borrowing being considered, compared to the borrowing required at the outset. This approach mitigates risk and provides greater flexibility, but does increase treasury management activity.

In respect of the initial borrowing, the prudent approach to scheduling multiple loans to ensure that the shortest term sought was in line with the projected point at which the base business plan was capable of repaying the entire initial debt was adopted. Further loans were then arranged for longer periods based on the relative change in interest rates available compared to the degree of risk mitigation sought.

Based on the PWLB's current published information, rates do not significantly vary for maturity loans of period from 25 years to a maximum of 50 years. As at 10 August 2012, the rate for a 25 year maturity loan was 3.85 %. A similar loan for 50 years attracted a rate of 4.05%.

In summary, in respect of additional borrowing against the headroom in the Business Plan, it is recommended that:

- Fixed rate loans are considered as opposed to the variable alternative
- Consideration is given, in each case, to borrowing from the General Fund, other public sector organisations and the PWLB, with the financial impact of each option identified
- If borrowing from the PWLB, the previous approach of taking out maturity loans to provide flexibility and reduce risk is continued
- The term of the loan should be considered based upon the break-even and payback of the scheme and the impact on the HRA's cashflow, with the aim that schemes should payback within the 30 year life of the business plan
- Multiple loans should be considered if clear financial benefit can be demonstrated

In considering the risks associated with borrowing, a key factor continues to be the implications of repaying the existing and any future loans at a point earlier than their natural maturity. This may be required for treasury management purposes or to provide greater flexibility within the business plan for future developments.

Premature Repayment of PWLB Debt

All loans held with PWLB, whether Equal Instalments of Principal (EIP), annuity or maturity loan types, can be repaid at an earlier stage than agreed at the time the loans were arranged.

At the point at which an authority determines it is in a position to redeem a loan, PWLB use a discount rate, the rate applicable to premature loan repayment at the point of redemption, to calculate whether the authority should pay a premium, or alternatively receive a discount, for repaying the principal sum early.

The relationship between the rate at which the loan was taken out, and the discount rate applicable at the time of redemption, is key in determining whether a premium is payable or a discount is due. This outcome of this calculation would inform any local decision to redeem a loan early.

The table below demonstrates the potential impact of early redemption at various stages throughout the life of a maturity loan of £10,678,600, assuming an initial loan rate of 3.52% and a loan term of 40 years.

Discount Rate Applicable	Premium Payable / (Discount Receivable) for Loan Redeemed After (X) Years (£)						
	5 Years	10 Tears	15 Years	20 Years	25 Years	30 Years	35 Years
2.5%	2,661,938	2,661,938	2,661,938	2,661,938	2,661,938	2,661,938	2,661,938
3%	1,253,953	1,253,953	1,253,953	1,253,953	1,253,953	1,253,953	1,253,953
3.5%	44,695	44,695	44,695	44,695	44,695	44,695	44,695
3.52%	(0)	(0)	(0)	(0)	(0)	(0)	(0)
4%	(996,932)	(996,932)	(996,932)	(996,932)	(996,932)	(996,932)	(996,932)
4.5%	(1,896,899)	(1,896,899)	(1,896,899)	(1,896,899)	(1,896,899)	(1,896,899)	(1,896,899)
5%	(2,676,925)	(2,676,925)	(2,676,925)	(2,676,925)	(2,676,925)	(2,676,925)	(2,676,925)

As the table indicates, if the discount rate applicable at the point of redemption is equal to the initial loan rate, a break-even point would be achieved with no sums required to change hands. If the discount rate is lower than the loan rate, a premium is payable and if it is higher, a discount is receivable by the authority.

If the view is maintained that the interest rates secured on 28th March 2012 to fund the self-financing settlement were at or near the lowest point they are likely to achieve and that the direction of travel over time will be upward, any decision to redeem debt early is most likely to deliver a benefit to the local authority, in the form of receipt of a discount for early redemption.

This view would still indicate that borrowing for a longer period if rates are low, provides additional flexibility in terms of not only releasing resource for alternative investment during the life of the business plan, but also by recognising the potential benefit of repaying debt prematurely should balances be available to do so.

Section 9

Budget Strategy, Business Plan Options, and Sensitivities

Housing Revenue Account Budget Strategy

The Budget Process

In previous years, the HRA budget process has been undertaken in a similar manner to that of the General Fund, with cash limited budgets set enabling completion of the budget process to the agreed timescales, whilst controlling housing service budgets within the overall resources available for the HRA.

The approach taken has been successful as a means of control, and has enabled balanced budgets to be set for the HRA as for the General Fund. Although the HRA has also adopted a standard percentage savings target, the housing service has approached the exercise for this more discrete area of service, historically managed within one department, in a strategic manner. Savings have been sought across the service as a whole, thus avoiding the 'salami-slicing' approach to some degree.

The Service Review process, adopted by the Council corporately, also spans services within the HRA, encouraging a wider strategic approach to delivering efficiencies for this service area going forward. Savings identified in Service Reviews across the whole organisation may also have financial implications for the HRA in terms of the recharge of services between funds.

Budget Timetable and Key Pressures

A review of the budget process for the HRA for 2013/14 has been undertaken in light of the major change in finance regime that the implementation of self-financing has brought. This

sees the HRA operating with greater local control, retaining rental streams to fund services, whilst also servicing a significant housing debt.

Key features of the HRA budget process are :

- The Executive Councillor for Housing is responsible for putting together a package of budget proposals for consideration by Housing Management Board (revenue) and Community Services (capital) and by The Executive.
- HRA services are incorporated in the Portfolio Plan for Housing, prepared to reinforce the performance management process. The staff performance review process is integrated with the service planning process and Portfolio Plan objectives and targets feed through into objective setting for individual staff members and teams.
- Consideration of 2012/13 revised budget and 2013/14 budget proposals take place during one cycle of Scrutiny Committee meetings, in January 2013. Portfolio Plans and budget reports will be sent out for all scrutiny committees in December 2012, so that Members have an overview of all proposals at one point in time.

The mid-year update of the HRA Business Plan has highlighted the need for additional resource in some areas and the ability to offer mid-year savings in others. The inclusion of these in the financial modelling undertaken as part of the review of the Business Plan, will ensure that the most appropriate decisions can be made in respect of the Housing Revenue Account's approach to setting the 2013/14 budget.

The unavoidable additional revenue funding requirements for HRA services incorporated as part of the Business Plan Update include:

- £533,830 per annum in respect of the actual level of interest payable by the HRA for the self-financing debt settlement, where the interest rates secured on 26 March 2012, were higher than those assumed in the HRA Business Plan of February 2012.
- £24,050 per annum in respect of an increase in the costs of Council Tax in void properties, where overspending has been evident in recent years due to vacant

dwellings created by the sheltered housing refurbishment programme and additional vacants anticipated as the 3-year affordable housing programme progresses.

- £93,290 per annum increase in the budget held for gas safety checks and gas servicing, where the base budget has not been appropriately increased during the life of the contract to reflect both inflationary contract price increases and to take account of new gas installations.
- £230,000 per annum to fund 3.5 additional Surveyors and 2 Asset Management Officers, to undertake the preparatory and monitoring workload associated with a significantly higher level of investment in the housing stock. The revenue cost of the staff is expected to be fully recharged to capital in the form of increased fees.
- £28,700 assumed reduction in interest on HRA balances in 2012/13, due to an adverse rate change, with the impact partially offset by an increased level of balances at 31/3/2012.
- £60,000 in 2013/14 in respect of meeting the anticipated cost of procurement to meet the revised planned maintenance programme, as proposed in the Procurement Strategy being presented to Housing Management Board in September 2012, and Community Services Scrutiny Committee in October 2012 for decision by the executive Councillor for Housing.

The ongoing mid-year revenue savings incorporated as part of the Business Plan Update include:

- £10,000 reduction in the housing IT support and maintenance budget, recognising the financial impact decisions not to integrate systems with those in the Customer Service Centre at this point in time. The saving in 2012/13 is proposed at a level of £5,000, increasing to £10,000 for 2013/14 onwards, allowing for the purchase, in 2012/13, of a new build development tool, which will enhance officer's ability to quickly model the impact of proposed schemes.
- £17,730 net additional income in the Temporary Housing Service, as a direct result of expansion of the service to provide an alternative to Bed & Breakfast for the General Fund, delivered within existing staffing resources.
- £12,500 additional income from the capitalisation of the work associated with right to buy sales, assuming a marginal increase in sales in 2012/13 from 10 to 15.
- £10,000 reduction in professional training budgets for Strategic Housing staff, recognising a reduction in demand in the last 2 years.

- £16,270 reduction in the maternity provision for the HRA, recognising the reduced financial burden on the fund resulting from charging the substantive employee to the provision, as opposed to the cover for the absent staff member.
- £12,360 reduction in consultants and professional fees budgets, based upon activity in the last year.
- £10,000 reduction in abortive development costs, where initial feasibility work minimises schemes that are unable to progress to completion and some work is undertaken at risk by third parties on our behalf.
- £10,000 reduction in communal electricity budgets for the south of the city, based upon prior year experience, following the installation of Smart meters in the preceding year.
- £20,640 saving as a result of removal of the budget for externalising footpath inspections, with these now being carried out by staff in-house.
- £10,410 net reduction in the budget for void garages, recognising reduced demand for garage void works based upon prior year experience.
- £5,000 reduction in IT supplies and services in City Homes based upon prior year experience.
- £131,000 reduction in debt management costs, as a direct result of taking out a limited number of low maintenance PWLB loans.
- £230,000 per annum assumed increase in capital fees in respect of the additional staffing resource identified above.

The Business Plan Update also incorporates a number of one-off reductions in budgets in 2012/13 recognising activity that will not take place in the current financial year and one-off additional income expectations, including:

- £40,000 reduction in repairs IT support and maintenance costs, due to the lead in time to procure and implement new IT solutions recommended as part of the Repairs & Maintenance Improvement Plan.
- £49,580 reduction in the electrical testing programme, where greater resource than necessary had been carried forward from 2011/12, with some testing incorporated as part of other works.
- £63,000 reduction to reflect removal of the carry forward in respect of fire safety risk assessments, where sufficient funding is available in the base budget to meet the required inspections in 2012/13.

- £14,960 additional rental income in 2012/13, based upon rent levels and void loss in the year to date.

The Business Plan supports decisions that will need to be made, in the coming months, in respect of the 2013/14 budget process. Officers will incorporate into this work an interim review of the current Housing Capital Programme, including any changes or re-phasing to funding in the current financial year. The development of detailed budget proposals will continue to recognise that the delivery of efficient, value for money services is key, as is taking into account the expectations and views of our customers.

Detailed asset management analysis drives decisions to be made as part of the business plan, recognising the housing stock as the HRA's major source of revenue. However, one of the key considerations for the HRA in preparing budgets for 2013/14 continues to be achieving the correct balance between capital investment in the housing stock and revenue investment in the delivery of day to day housing services to tenants and leaseholders.

Approach to HRA Savings

The September 2011 MTS set a target of 3% for ongoing savings in general management expenditure for 2012/13, equivalent to £172,130, recognising that the implementation of self-financing brought some financial uncertainties until the point at which the final debt settlement had been announced and the interest rates for the associated loans were known.

A separate target of £15,470 was set in respect of repairs expenditure, recognising the anticipated reduction in stock numbers. Priority policy funding of £75,000 was provided for.

As part of last year's budget process, the savings requirement was over-achieved by £212,270 in 2012/13 (£224,270 from 2013/14), due predominantly to a number of service reviews impacting the HRA and significant reductions in operating costs for both City Homes and Strategic Housing.

The over-achievement of savings was more than offset by the need to meet the costs of a revenue bid of £37,580 and unavoidable revenue bids of £202,890 in 2012/13, rising to £214,890 from 2013/14.

Cash Limit Calculation and Savings Requirement

In order to effectively control the overall financial position of the HRA, the actual need to spend on management and maintenance and to invest in major repairs and improvements is compared against the projected availability of funding, predominantly rental income. Any anticipated excess of expenditure over anticipated income drives the need to identify savings.

From April 2012, with the implementation of self-financing for the HRA, priority needs to be given to ensuring that sufficient funds are available to service the Council's housing debt (HRA debt), currently £214,748,250. This constitutes an assumed £893,250 historical internal borrowing, £213,572,000 external borrowing and an additional £283,000 internal borrowing from the General Fund, borrowed to assist in financing the 7 units of new build housing completed in 2011/12.

The Council will consider the financial position for the HRA over a 30-year period, continuing to use, and further developing over time, the full financial projection model used in respect of the initial HA Business Plan in February 2012.

For 2013/14, a sustainable position is sought, delivering the ability to set-aside resource for the future repayment of debt as approved in the HRA Business Plan in February 2012, whilst utilising HRA reserves and any additional surplus generated, to meet the identified investment need in both the housing stock and in new build affordable housing, maintaining balances at the target level of £3m, after which a near nil use of reserves is a key determinant for a sustainable position.

Current financial projections, taking account of revised assumptions, indicate a savings requirement of 1.6% per annum from 2013/14, in order to deliver a sustainable HRA over the next 30 years. This level has been set to include the provision of an increased level of £150,000 of priority policy space, as outlined in this document.

The financial modelling also incorporates the assumption that repairs budgets are adjusted proportionately to reflect anticipated changes in stock numbers.

Any savings identified in service reviews which have an impact for the HRA, will also be identified and incorporated.

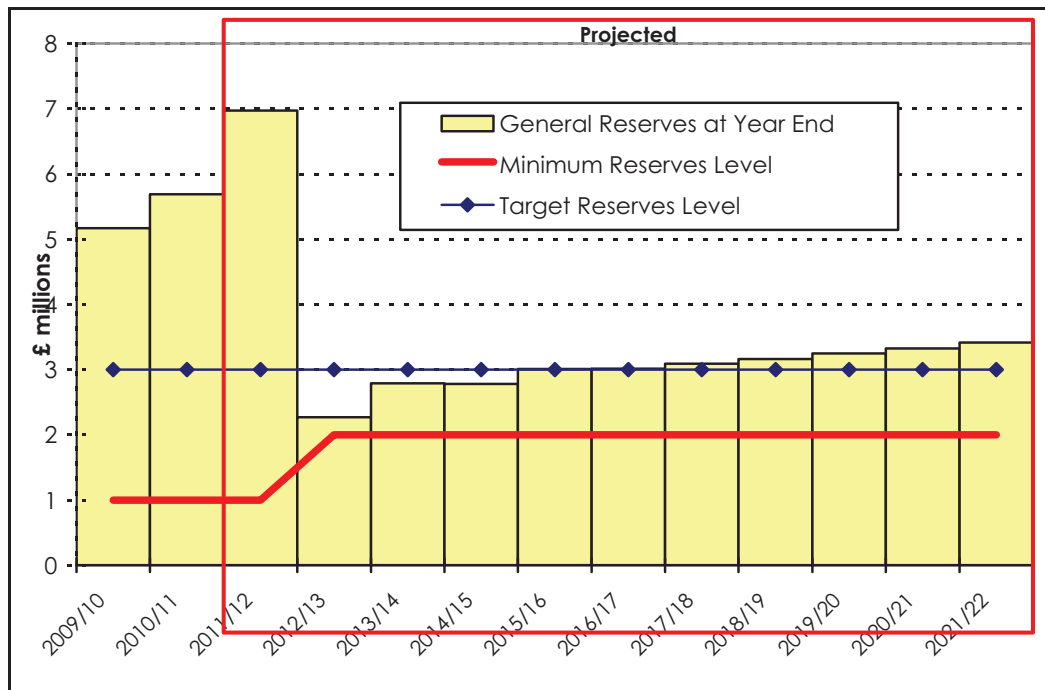
On this basis the approach adopted in the HRA Business Plan Update is deemed to achieve a balance of prudence and deliverability. The position will be reviewed as part of the February 2013 HRA Budget Setting Report, based on the latest information then available.

Housing Revenue Account Reserves

The anticipated net spending for the period 2012/13 to 2016/17 is set out in Appendix E.

The original budget for 2012/13 approved a net use of HRA reserves of £2,602,000, which incorporated a revenue contribution of £9,333,000 to fund capital expenditure.

The projected position for the HRA general reserves, incorporating changes made as part of this HRA Business Plan Update is shown graphically below:



This projection includes the effects of changes in capital resources, incorporation of revenue and capital funding requests included as part of this HRA Business Plan Update and any requested carry forwards from 2011/12.

The final general HRA reserves position for 31 March 2012 was £6.974m. This included £1,853,280, which will be required to fund the approved carry forward items.

The revised projection of the use of reserves in the current year (2012/13) now indicates that there is expected to be a net use of reserves of £4,707,190, this includes the effective transfer of funding for the approved level of carry forward items (primarily reflecting the re-profiling of capital resources and expenditure). These have been built into the latest projection.

The current HRA forecast contains the assumption that balances will be reduced to and maintained at the target level of £3m (plus inflation in future years) and a minimum level of £2m, by making additional direct revenue financing (DRF) of capital contributions in 2012/13.

When considering the level of reserves that it would be appropriate to retain in future, it is important to remember some of the key factors that determine the current target level of reserves, such as the decision made a number of years ago to self-insure the housing stock up to £250,000 per annum and the potential financial impact of the welfare benefit reforms.

The financial modelling for the HRA suggests, using updated assumptions for inflation and interest rates and assuming continuation of the currently agreed approach to set-aside resource for repayment of housing debt, that a sustainable HRA can only be maintained for a 30-year period, with 1.6% of annual ongoing savings required to deliver the required level of policy space.

This approach is anticipated to deliver sufficient revenue resource to fund the HRA elements of the housing capital programme, but does not address the anticipated shortfall in right to buy receipts that will be freely available to allow investment in the general fund areas of the Housing Capital Investment Plan, such as disabled facilities grants, private sector housing grants and loans and grants to bring vacant private sector properties back into use.

The 30-year self-financing business plan will be updated on an ongoing basis, with the key aim to deliver of a sustainable housing service, both in terms of day to day housing management and longer-term investment in the housing stock.

Base Assumptions

In order to update the Housing Revenue Account Business Plan, the assumptions included in the base plan have been revisited, and confirmed or amended as appropriate in the light of any more up to date intelligence and information.

In all cases, the revised assumptions included are derived from the best information available at the current time, utilising both historic trend data and the expert advice and opinion of specialists in the field of housing finance, lending and borrowing and asset management.

The base financial assumptions included in the financial model are included at Appendix C, and provide the indicative financial position detailed in the graphs below. In addition to a number of financial assumptions, the following key items are included in the base model:

- Investment in the existing housing stock moves from a basic decent homes standard to an investment standard during the first 10 years of the business plan
- The 146 units of affordable housing regeneration, re-development and in-fill (including the re-development of Seymour Court), which have already received indicative HCA grant funding are delivered in years 1 to 3 of the business plan
- Subject to scheme viability, that the HRA delivers the affordable housing on the Clay Farm site generating an additional 104 units of housing in years 4 and 5 of the business plan
- The authority voluntarily sets aside the resource to facilitate repayment of each of the 20 maturity loans that make up the HRA Self Financing loan portfolio, in line with the anticipated ability to set aside included in the original Business Plan,

Appendix E summarises the revenue budget position for the HRA for the period between 2012/13 and 2016/17, based upon inclusion of the financial assumptions that form part of the revised base self-financing business plan.

Sensitivities

For every figure used in the assumptions made in the Business Plan, there are an infinite number of alternative values that could have been used. It is impossible to predict everything that may

occur which could affect the financial viability of the business model, or even to model all permutations of each of the key sensitivities that have been identified.

To demonstrate the potential financial impact of the identified key sensitivities, the table at Appendix D indicates the change in the HRA's ability to pay off the debt, with the current base model being amended for each sensitivity independently. This will identify only the impact of a single assumption change, and not the compound impact of multiple sensitivity changes.

The results identify that the business model is less sensitive to changes in inflation rates, as long as the direction of travel in inflation rates for both expenditure and income follow the same trajectory. It is clear, however, that a small change in the assumptions around just one, i.e. a reduction in rental income received or an increase in a key area of expenditure, quickly has a major impact of the financial viability of the business plan.

Appendix H details a number of identified financial and operational uncertainties, highlighting risks and describing areas of known change but with currently unquantifiable impacts.

Options

The updated base model that has been included, to drive decisions in respect of the 2013/14 budget process, recognises that there are a number of alternative options for investment that could be considered in the medium term.

The stated aims of the housing service, which seeks to achieve a balance of investment in housing assets and services in line with identified local priorities, incorporate:

- Investment in the existing housing stock
- Investment in new affordable housing
- Investment in new initiatives and income generating activities
- Spend on landlord service (i.e. housing management, responsive and void repairs)
- Spend on discretionary services (i.e. support)
- Repayment of housing debt

Feedback from tenants in the 2012 Tenants and Leaseholder Survey indicates the following top 5 priorities for future investment in housing services:

1. Building new council homes
2. Repairing existing council homes
3. Providing sheltered housing
4. Dealing with enquiries and providing support to tenants
5. Tackling anti-social behaviour

Consideration will be given, as part of the 2013/14 budget process as to whether change should be made to the balance of expenditure between direct investment in the housing stock, both existing and new (general needs and sheltered) and the potential to invest further in housing services, to deal with enquiries, support tenants and tackle anti-social behaviour.

Housing Capital Budget Strategy

The Budget Process

The Housing Capital Investment Programme (Capital Plan PR01) falls within the remit of the Executive Councillor for Housing and is subject to detailed scrutiny and control by the Housing Management Board and Community Services Scrutiny Committee. Control over the overall allocation of resources for the Council is retained through the inclusion of a single programme line in the Council's Capital & Revenue Projects Plan.

The HRA Asset Management Plan, approved in February 2012, provides the strategic framework from which investment in the housing stock and other housing assets is delivered.

The Housing Capital Investment Plan, approved as part of the HRA Business Plan and Asset Management Plan, lists all of the items of expenditure that have received the necessary approvals from the Executive Councillor for Housing and Council, and have been allocated funding.

The investment plan, a mixture of capital programme (rolling expenditure over a number of years) and schemes (specific individual projects), is broken down across a number of categories of expenditure;

- General Fund Housing – local policy is such that housing related capital resources are ear-marked for investment for housing purposes, which includes investment in housing in the private sector, in the form of disabled facilities grants, private sector housing grants and loans, expenditure to bring long term vacants back into use, and historically funding to enable registered providers to deliver affordable housing in the city.
- Decent Homes – investment in the housing stock to ensure that the government decency standard is maintained.
- Other Spend on HRA Stock – additional investment in the dwellings and surrounding area, to include items such as; disabled adaptations, asbestos removal, garage improvements, fencing and works to communal areas.
- HRA New Build / Re-Development – investment to deliver new (additional) affordable housing and to re-develop existing housing where there is an identified need.
- Cambridge Standard – additional investment in line with tenants identified priorities, to include; parking improvements, estate improvements and security improvements.
- Sheltered Housing – investment to rebuild, refurbish or improve existing sheltered housing.
- Other HRA Capital Spend – investment in acquiring additional housing, whether repurchasing shared ownership dwellings, buying back ex right to buy dwellings or strategically purchasing where an opportunity arises. Expenditure on capital items such as IT.

Items of a programmed nature and reviewed at two stages in each financial year, with any required changes approved as part of this HRA Business Plan Update or as part of the budget setting process.

For capital schemes / projects, it is recognised that completing the full preparatory work for substantial new bids has a significant cost in terms of both officer time and money. Corporately, the process for bidding for new items has been drawn up as a two-stage process.

For the HRA, it is proposed that this two stage process combine the inclusion of an outline bid for resource as part of one of the two opportunities to secure funding in the year, with a more

detailed project appraisal / business case being worked up and presented to Community Services for approval, prior to commencement of the project.

It is accepted that some smaller schemes may have a limited resource requirement in developing a detailed bid, and that some schemes may need to meet a short timescale (e.g. responding to bids for joint funding). In such cases these circumstances would be accepted in going straight to the second stage, with the initial approval allowing the project to commence.

Under certain circumstances, the Council's Urgent Decision process can be used where budget provision for a scheme for which an unplanned need arises during the financial year.

Appendix F provides detail of the 5-Year Housing Capital investment Plan, and has been included incorporating the following items:

- Expenditure as approved in the HRA Business Plan and Asset Management Plan in February 2012.
- Re-phasing of expenditure anticipated to take place in 2011/12 into 2012/13, as approved in July 2012.
- Re-allocation of decent homes and other spend on HRA stock resource within 2012/13, to take advantage of better delivery models and to respond to urgent needs where required.
- £14,000 to allow upgrade of the warden call system at Rawlyn Court, where the service will cease to operate effectively if not converted to a digital installation, as has previously been agreed for a number of other sheltered schemes.
- Allocation of up to £230,000 per annum of the sum provisionally identified in the Housing Capital Investment Plan for contractor overheads, to fund the internal appointment of 3.5 additional Surveyors and 2 Asset Management Officers, to assist in the delivery of the enhanced investment in the housing stock, approved in February 2012. The provision for contractor overheads was included on a pro rata basis compared with the level of overheads associated with the existing level of works, recognising that there will be an increase in the variable element of both internal and external contract

overheads. It will not be possible to test the validity of the assumptions made or finally quantify the level of external contractor overheads, until procurement is complete for the increased work package. Approval is, however, sought to increase the internal input with immediate effect, to facilitate the surveying, work programming and other preparatory work associated with delivering the higher level of investment.

- Re-phasing of £3,800,000 of the budget identified for the re-development of Ditchburn Place from 2012/13 into 2013/14, recognising that only expenditure on feasibility work will be incurred in the current financial year.
- Capital financing has been updated in respect of revised assumptions in right to buy receipts, revenue funding of capital expenditure and borrowing requirements.

No further amendments have been made to the detailed expenditure in the Housing Capital Investment Plan at this stage, pending the decision in respect of the future procurement strategy for planned maintenance, in light of the significant additional investment anticipated in the housing stock in the next 10 years, now that the authority is operating in a self-financing environment.

Appendix A (Section 2)

Key Risk Analysis

Risk Area & Issue arising	Controls / Mitigation Action
Effects of Legislation / Regulation	
<p>Implications of new legislation / regulation or changes to existing are not identified.</p> <p>Funding is not identified to meet the costs associated with changes in statutory requirements.</p> <p>HRA Debt Settlement could be re-opened by Government</p>	<ul style="list-style-type: none"> • Effective processes are in place across the Council to ensure that implications are identified and raised • Additional / specific funding enhancements for new services are earmarked for that purpose, to ensure effective implementation • The Council has processes in place to manage the demands of local and national housing agendas, including the Vision Statement and HRA Business Plan
Housing Portfolio & Spending Plans	
<p>The Council approves plans which are not sustainable into the future, leading to increasing problems in balancing budgets.</p>	<ul style="list-style-type: none"> • Council has adopted medium and long-term modelling (up to 30 years) for HRA, to ensure decisions are made in the knowledge of long-term deliverability issues / implications • Council has a policy of requiring R&R Funds to be in place to cover all major assets with a finite life, with long-term programmes for key areas • The Business Plan includes long-term trend analysis on key cost drivers such as growth levels and demographics, and their implications • Target levels of reserves are set for the HRA to enable uneven pressures to be effectively dealt with, and to provide cover against unforeseen events / pressures
Financial planning lacks appropriate levels of prudence	
<p>Business Planning assumptions are wildly inaccurate</p> <p>Financial policies, in general, are not sufficiently robust</p> <p>Funding to support the approved Capital & Revenue Projects Plan is not available</p>	<p>Council has adopted key prudence principles, reflected in:</p> <ul style="list-style-type: none"> • Use of external expert opinion and detailed trend data to inform assumptions • Ongoing revenue funding for capital is reviewed for affordability as part of the 30-year modelling process • Adoption of strict medium / long-term planning • Policy on applying capital receipts for strategic disposals only at point of receipt

Risk Area & Issue arising	Controls / Mitigation Action
External income / funding streams	
<p>Undue reliance may be placed on external income streams, leading to approval of unsustainable expenditure</p> <p>Rent and service charge arrears increase and bad debt rises, as a direct result of the Welfare Benefit Reforms</p> <p>Rent income is under-achieved due to a major incident in the housing stock</p> <p>Changes to the right to buy rules and pooling regulations result in a significant increase in sales and commitment to deliver replacement units</p> <p>The economic downturn reduces the ability to fund capital pressures from the sale of assets</p>	<ul style="list-style-type: none"> • Modelling over the medium and long-term is conducted for key income sources, including sensitivity analysis on potential changes • Council seeks to influence national settlements and legislative changes through response to formal consultation and the provision of information to negotiation bodies such as LGA • Increased resources identified for income management. Performance closely monitored to allow further positive action if required. • Asset Management Plan in place to identify and address key issues in the housing stock to minimise likelihood of incident • Sensitivities modelled so potential impacts are understood • 3 year affordable housing programme facilitates some re-supply of affordable housing • Policy on applying capital receipts for strategic disposals only at point of receipt
Use of resources including Projects and Partnerships	
<p>There is ineffective use of the resources available to the Council</p> <p>Failure to deliver Major Housing / Development Projects, i.e; return on capital, project on time etc.</p>	<ul style="list-style-type: none"> • Council employs robust business planning in key activity areas • Council has adopted a standard project management framework • Housing Service is required to contribute to Portfolio Planning process, linked directly to resources • MTOs are used to prioritise available resources ensuring best match with objectives • Performance and contractor management procedures have been updated • Organisational development and workforce planning activity is being targeted • The Council has been recognised as a high performer under the national Use of Resources assessment, scoring a maximum rating of 4 in 2008

Appendix B (Section 7)

HRA Performance Indicators

code	Description	10/11 actual	11/12 actual	12/13 target	comments
Building New Homes					
NH3	Council Housing schemes				
	a) Homes due in the financial year	5	3	0	69 homes due to be completed in 13/14
	b) Homes completed to date	5	3		
Improving our Housing Stock					
DH1	% non-decent council homes	0%	4%	0%	4% non-decency due to timing of the first year of the new planned maintenance contract
Repairs & Maintenance					
RM1	% repairs completed within the target time:				
	a) Emergency	a) 96.4%	a) 99%	a) 99%	
	b) Urgent	b) 82.4%	b) 88.2%	b) 98%	
	c) Routine	c) 86.5%	c) 90.8%	c) 98%	
	d) Overall	d) 86.5%	d) 92%	d) 95%	
RM2	% of responsive repairs where an appointment was made & kept:				The implementation of mobile working will have a significant impact on future service performance
	a) appointments made of those;	a) 49%	a) 65.2%	a) 80%	
	b) appointment kept	b) 94%	b) 96.5%	b) 99%	
RM4	Average cost per responsive repair	£111.08	£112.48	£105.00	The implementation of mobile working will have a significant impact on future service performance
RM5	Turnover per Operative	N/A	£74.9k	>£80k	
G1	Percentage of properties with a gas appliance and a valid gas safety certificate	No Record	100%	100%	In 10/11 This data was not part of the central Performance Indicators.
Void turnaround					
V1	Voids: quality of void at the time of final inspection	N/A	99.67%	99%	As determined by the tenant inspectors - we are currently reviewing the void inspection process with the tenant inspectors.
V2	Average time taken to re-let local authority housing: overall	27	23.74	25	Target exceeded, but not amended for future years

code	Description	10/11 actual	11/12 actual	12/13 target	comments
					as void numbers were lower in 2011/12.
V3	Average time taken to turn around voids not available for letting in the year	N/A	77.6	75	Includes booth repair and letting period
V4	Average cost per void repair	£2,730	£2,729	£2,700	Reflects current "5 Point promise", any reduction in standard would impact responsive repairs
V5	Void loss as a percentage of the total rent roll	1.59%	1.15%	1.25%	Per ELASH definition.

Satisfaction

ES1	Satisfaction with Estate Services a) Overall b) Net	N/A	76% 68%	N/A	STAR Survey data via Housemark. Next survey in 2014, with target of 80%
RM3	How satisfied was the resident with the completed repair (Score out of 10)	9	9	9.5	Based on repair slip returns
CIC3	Percentage of respondents fairly satisfied or very satisfied with the way their ASB case was handled	76%	77%	79%	Target based on median Housemark quartile
RI1	STAR: Satisfaction of tenants with the services provided by their landlord a) Overall. b) from BME respondents. c) from non-BME respondents.	82% 74% 82% (2008)	83% N/A N/A (2012)	TBC	Tenant satisfaction survey to be completed again in 2014, with targets of 84% for 2014
RI2	STAR: satisfaction of tenants that their landlord listens to tenant views and acts upon them a) Overall b) Net	65% 53%	60% 47%	TBC TBC	Tenant satisfaction survey to be completed again in 2014, with targets to be agreed for 2014/15
RI3	STAR: satisfaction of tenants with the VFM of their rent a) Overall b) Net	73% 59%	80% 71%	TBC TBC	Tenant satisfaction survey to be completed again in 2014, with targets to be agreed for 2014/15

Income Management

IM1	Proportion of rent collected	98.50%	98.38%	98.70%	Rent collection is now proving more challenging in the current economic climate, with action being taken to mitigate this downturn in performance where possible
IM2	Total tenant arrears as a % of rent due (includes current & former	4.18%	4.50%	3.75%	The challenge is to reduce the amount owed by

code	Description	10/11 actual	11/12 actual	12/13 target	comments
	tenant arrears)				former tenants either by collection or robust write off procedure.
IM3	% of tenants evicted due to rent arrears	0.33%	0.30%	0.25%	The number of evictions remains low and we will continue to strike a balance between support and enforcement.
IM4	% of tenants with some rent to pay, paying their rent with DD	46.60%	47%	55%	Direct debit is the most cost effective way for the Council to collect monies due (inc property and garage rents)

Energy Efficiency

EE1	Number of LA households benefiting from renewable energy installations	11	13	15	Solar PV project did not proceed as planned
EE2	Average SAP rating for the whole housing stock: a) CCC	75	76	77	Now using new software that utilises SAP 2005 methodology (results will reduce in line with the new scale) - targets TBC
EE3	%CCC properties with a SAP rating below 35	a) No Record	a) 0	a) 0	In 10/11 the database software had yet to be updated to record this figure.

Community integration

CIC5	Direct cost per case of ASB	£1,372	£1442.84	TBC	Produced from Housemark benchmarking data
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Customer Service

CS1	Number of Housing complaints responded to within 7 days	96%	97%	100%	The corporate standard is response or acknowledgement within 7 working days.
CS2	Number of Housing letters needing a reply responded to within 7 days	99%	99%	100%	The corporate standard is response or acknowledgement within 7 working days.
CS3	Corporate Answer Rate - Local PI of answering external calls in 12 seconds (%): a) Housing b) City Homes North c) City Homes South	a) 86.2 b) 85.5 c) 77.4 (Mar)	a) 84.9 b) 86.2 c) 69.5	82%	The Corporate target is 87%.

code	Description	10/11 actual	11/12 actual	12/13 target	comments
CS4	Customer Service Centre: % of calls resolved at first point of contact: a) Homelink b) Housing Management c) Housing needs & options d) Repairs	a) 86% b) 85% c) 77% d) 94%	a) 87% b) 84% c) 78% d) 91%	82%	This shows calls that did not need to be escalated on to another member of staff

Appendix C (Section 9)

Business Planning Revised Assumptions

Key Area	Assumption	Comment
General Inflation	2.4%	General inflation on expenditure - included at 2.4% (Based upon CPI(Y) to June 2012), for 2013/14, returning to 2.5% for the remaining life of the plan.
Capital Programme Inflation	4.4%, 4.5% for four years, then 3.5%	Real increase above CPI(Y) of 2% for 5 years as per advice given by Savills, then 1% above from 2017/18.
Capital Investment	Investment Standard	Base model assumes an investment standard in the housing stock, compared with a basic decent homes standard, recognising long-term benefits of pro-active rather than re-active investment.
Pay Inflation	2.9% for two years, then 4.4%	Assume pay award of 1% and allowance for increments at 1.9% for 2013/14 and 2014/15, then re-introducing allowance for pay award at 2.5% from 2015/16 onwards.
Employee Turnover	3%	Employee budgets - assume an employee turnover saving of 3.0% of gross pay budget for office-based staff.
Rent Increase Inflation	3%	Rent increases assumed in line with government guidelines of RPI at preceding September plus 0.5%. Assume RPI at 2.5%.
Rent Convergence	2015/16	Convergence with target rent assumed in 2015/16, although limits on individual increases inhibit achieving this locally.
External Borrowing Interest Rate	4%	Assumes additional PWLB borrowing at a rate of 4%. Current rates for 25 to 50 years range from 3.85% to 4.05%.
Internal Borrowing Interest Rate	4%	Assume the same rate as available externally for modelling purposes, recognising that if internally borrowing a mutually beneficial rate would need to be negotiated, on a case by case basis.
External Lending Interest Rate	0.82% for 2 years, 1.25% for 2 years, then 1.5% ongoing	Interest rate – based on latest market projections (on average 0.82% for 2012/13 and 2013/14, then 1.25% for 2014/15 and 2015/16 and 1.5% from 2016/17).
HRA Minimum Balances	£2,000,000	Maintain HRA minimum balance at £2,000,000, recognising increased risks in HRA Self-Financing environment.
HRA Target Balances	£3,000,000	Maintain HRA target balance at £3,000,000.
Right to Buy Sales	15 to 35 per annum	An increase in the assumptions of 10 to 17 per annum in the CLG settlement model, with 15 now assumed in 2012/13, increasing over 30 years to 35 per annum. Increase by 50% in 2012/13, then by 100% from 21013/14.
Right to Buy Receipts	Settlement sales included from the	Right to buy receipts assumed in the debt settlement included in the model, assuming the receipts will be utilised partly for general fund housing purposes. Any additional receipts received have been

Key Area	Assumption	Comment
	model.	excluded, but will committed for use to redeem debt and fund additional affordable housing units, in line with agreement with CLG.
Void Rates	1.25%, then 1%	Assumes continued higher void rate of 1.25% for 3 years, until sheltered housing refurbishment programme and Seymour Court / Roman Court developments are complete. 1% assumed from 2015/16 onwards.
Bad Debts	0.56%, then 1.12%	Based upon historic bad debt provision made in the HRA for 2012/13, increased by 100% to reflect the requirement to collect 100% of rent directly from 2013/14. Assumes an extension of the existing rent payment profile across the entire housing stock.
Rent Collection Transactional Costs	An increase in transactional costs of £100,000 per annum from 2013/14	An increase of £100,000 per annum has been included from 2013/14, recognising the increase in transactional collection costs associated with the requirement to collect 100% of rent directly from tenants, as opposed to receiving approximately 50% via housing benefit as currently happens.
Debt Management Expenses	£20,000 per annum	Allows an assumption for recharge of internal treasury management activity and a contribution for specialist financial advice in this field.
New Build Programme	250 Units	Assumes delivery of the current 3-year affordable housing investment programme of 146 units, where HCA grant funding has been approved and an additional 104 units on the Clay Farm site in year 4/5 of the business plan.
Savings Target	1.6%	A savings target is included in the revised model, with the assumption that savings and efficiencies will be driven out to allow strategic re-investment in new assets, existing assets and housing services.
Policy Space	£150,000	Policy space re-included in base model at an increased level recognising desire to expand services, with assumption that policy space will need to be created through the generation of savings.
Service Reviews	Per budget savings proposals	The HRA Business Plan assumes that the outcomes of service reviews will deliver ongoing benefit to the HRA as indicated in the budget process for 2012/13 and beyond.

Appendix D (Section 9)

Business Planning Key Sensitivity Analysis

Topic	Business Plan Assumption	Key Sensitivity Modelled	Financial Impact
Interest Rates for additional borrowing	PWLB fixed rate maturity loan at 4%	Assume fixed rate loan over 30 years, with increase of 2% in interest rates from the outset	Increased interest payable across the life of the business plan equates to an increase of £362,250 on assumed additional borrowing.
General Inflation	General Inflation using CPI(Y) at 2.4%, then 2.5% for expenditure	Volatility in the economy could lead to an increase in inflation. 1% increase in general inflation for the life of the plan	Inability to pay off any debt, with the authority reaching the debt cap by year 29.
Rents Inflation	RPI at 2.5% for rents base	Volatility in the economy could lead to an increase in inflation as measured by RPI. 1% increase in rents base inflation for the life of the plan	Ability to redeem debt by year 19.
Capital Investment Real Increase Inflation	Capital Investment Inflation at 2% above CPI(Y) for 5 years and then at 1%	A real increase of 2% is allowed for building inflation until 2016/17 in line with existing external procurements. Assume that real inflationary increase of 1% is not required from 2017/18 for the remainder of the plan, assuming benefits of long term procurement	Ability to repay debt brought forward from year 26 to year 24.
Employer's Pension Contribution	Business Plan includes provision for increases of 0.75% from 2011/12 to 2016/17	Assumptions on life expectancy and negative market effects on the value of assets in the Pension Fund leading to increased employer contribution requirements above the level of provision already made. Assume an additional 0.75% in pension provision in 2017/18 also.	£3.6 million reduction in balances over the life of the plan, with no change in ability to repay the debt in year 26.
Right to Buy Sales (Revenue Impact)	Numbers assumed to increase by 50% in 2012/13 and 100% per annum from 2013/14, following increase in discount levels.	The increase in discount levels could result in a greater impact than is being anticipated, with no experience to draw from. Assume sales increase by 200% from 2013/14.	The ability to repay debt is extended from year 26 to year 28.

Topic	Business Plan Assumption	Key Sensitivity Modelled	Financial Impact
Investment Income	Business Plan assumes interest on balances increasing to only 1.5% by 2016/17	Rates may fail to recover as anticipated, fall further or recover at a greater pace. Assume ongoing rate of 3% achieved as opposed to 1.5%.	£7.4 million additional balances over the life of the plan, with no change in ability to repay the debt in year 26.
Housing Rent Collection and Welfare Benefit Reforms	Budgeted costs based on historic levels of enforcement activity, but an increased level of transactional collection costs	Economic climate may require an increase in enforcement activity. Welfare Benefit Reforms will result in 100% more rent being required to be collected directly from tenants. Assume, in addition to the increase in transactional costs built into the base, additional staffing costs of £110,000 per annum from 2013/14.	£9.5 million reduction in balances over the life of the plan, with no change in ability to repay the debt in year 26.

Appendix E (Section 9)

HRA Summary Forecast 2012/13 to 2016/17

Description	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
Income					
Rental Income (Dwellings)	(32,843)	(34,591)	(36,279)	(38,696)	(40,334)
Rental Income (Other)	(1,023)	(1,048)	(1,074)	(1,101)	(1,128)
Service Charges	(2,291)	(2,340)	(2,393)	(2,447)	(2,502)
Contribution towards Expenditure	(440)	(448)	(456)	(465)	(473)
Other Income	(40)	(58)	(68)	(68)	(68)
Total Income	(36,637)	(38,485)	(40,270)	(42,777)	(44,505)
Expenditure					
Supervision & Management - General	4,662	4,927	5,115	5,362	5,614
Supervision & Management - Special	2,326	2,533	2,441	2,521	2,604
Repairs & Maintenance	7,285	7,054	7,217	7,583	7,907
HRA Subsidy	0	0	0	0	0
Depreciation – t/f to Major Repairs Res.	9,289	9,417	9,624	9,968	10,182
Debt Management Expenditure	20	20	21	22	22
Other Expenditure	425	713	819	932	1,044
Total Expenditure	24,007	24,664	25,237	26,388	27,373
Net Cost of HRA Services	(12,630)	(13,821)	(15,033)	(16,389)	(17,132)
HRA Share of operating income and expenditure included in Whole Authority I&E Account					
Interest Receivable	(83)	(65)	(79)	(80)	(98)
Mortgage Interest Receipts (Incl. above)	0	0	0	0	0
(Surplus) / Deficit on the HRA for the Year	(12,713)	(13,886)	(15,112)	(16,469)	(17,230)
Items not in the HRA Income and Expenditure Account but included in the movement on HRA balance					
Loan Interest	7,516	7,612	7,853	7,971	7,817
Debt Redemption Premium	301	0	0	0	0
Housing Set Aside	1,090	0	0	2,444	5,047
Depreciation Adjustment	(1,969)	(1,986)	(2,017)	(2,060)	(2,104)
Direct Revenue Financing of Capital	10,482	7,740	9,284	7,880	6,458
(Surplus) / Deficit for Year	4,707	(520)	8	(230)	(3)
Balance b/f	(6,974)	(2,267)	(2,787)	(2,779)	(3,009)
Total Balance c/f	(2,267)	(2,787)	(2,779)	(3,009)	(3,012)

Appendix F (Section 9)

Housing Capital Investment Plan (5 Year Detailed Investment Plan)

Description	2012/13	2013/14	2014/15	2015/16	2016/17
	£'000	£'000	£'000	£'000	£'000
General Fund Housing Capital Spend					
Assessment Centre	1,111	0	0	0	0
Disabled Facilities Grants	550	550	550	550	550
Private Sector Housing Grants and Loans	195	195	195	195	195
Long Term Vacants	20	20	20	20	20
Total General Fund Housing Capital Spend	1,876	765	765	765	765
HRA Capital Spend					
Decent Homes					
Kitchens	691	255	618	598	292
Bathrooms	196	128	522	525	119
Boilers / Central Heating	2,024	1,316	618	2,450	1,688
Insulation / Energy Efficiency	108	100	100	100	100
External Doors	179	28	129	108	63
PVCU Windows	36	339	1,002	1,350	912
Wall Structure	15	36	621	63	114
Wall Finishes	784	196	319	230	115
Wall Insulation	100	100	100	100	100
External Painting	0	0	0	0	0
Roof Structure	387	300	800	300	322
Roof Covering	1,224	544	215	210	274
Chimneys	51	39	12	2	1
Electrical / Wiring	326	83	91	181	317
Smoke Detectors	3	5	19	109	9
Sulphate Attacks	204	102	102	102	102
Major Voids	56	53	51	48	53

Description	2012/13	2013/14	2014/15	2015/16	2016/17
	£'000	£'000	£'000	£'000	£'000
HHSRS Contingency	263	150	100	100	100
Other Health and Safety Works (Balconies)	510	50	50	50	50
Other External Works	0	0	3	5	0
Rising Damp / Penetrating Damp	4	0	0	0	0
Professional Fees	556	556	556	556	556
External Professional Fees	19	19	19	19	19
Decent Homes Backlog	2,131	3,907	2,131	1,065	3,019
Planned Maintenance Contractor Overheads	791	796	781	792	799
Total Decent Homes	10,658	9,102	8,959	9,063	9,124
Other Spend on HRA Stock					
Garages	316	300	300	300	300
Asbestos Contingency	260	200	200	200	200
Disabled	924	878	878	878	878
TIS Schemes	28	21	21	21	21
Communal Areas Uplift	546	546	546	546	546
Fire Prevention / Fire Safety Works	1,239	300	300	300	300
Hard surfacing on HRA Land - Health and Safety Works	212	250	250	150	150
Hard surfacing on HRA Land - Recycling	298	0	0	0	0
Communal Areas Floor Coverings	276	100	0	0	0
Professional Fees	155	155	155	155	155
Lifts and Door Entry Systems	26	13	13	13	13
Fencing	100	100	100	100	100
Cemetery Lodge	50	0	0	0	0
Hanover / Princess Laundry	3	0	0	0	0
East Road Garages - Lighting Controls	4	0	0	0	0
TV Aerials	0	0	0	0	0
Planned Maintenance Contractor Overheads	293	286	274	262	262
Total Other Spend on HRA stock	4,730	3,149	3,037	2,925	2,925

Description	2012/13	2013/14	2014/15	2015/16	2016/17
	£'000	£'000	£'000	£'000	£'000
HRA New Build / Re-Development					
Teversham Drift	4	0	0	0	0
Cockerell Road	0	0	0	0	0
Harris Road	0	0	0	0	0
Church End	16	0	0	0	0
Roman Court	692	591	41	0	0
Seymour Court	554	0	0	0	0
3 Year Affordable Housing Programme (Excl. Seymour Court)	4,485	10,761	2,859	0	0
Clay Farm	0	0	10,046	3,617	0
Total HRA New Build	5,751	11,352	12,946	3,617	0
Cambridge Standard Works					
Cambridge Standard Works	506	200	200	200	200
Total Cambridge Standard Works	506	200	200	200	200
Sheltered Housing Capital Investment					
Emergency Alarm Service	110	0	0	0	0
Talbot House	4	0	0	0	0
Ditchburn Place	42	3,800	0	0	0
Brandon Court	508	0	0	0	0
Total Sheltered Housing Capital Investment	664	3,800	0	0	0
Other HRA Capital Spend					
Orchard Upgrade / Open Contractor / Mobile Working / ASB Database	260	0	0	0	0
Low Cost Home Ownership	300	300	300	300	300
RFR Buy Back	330	330	330	0	0
Commercial Property	62	30	30	30	30
Total Other HRA Capital Spend	952	660	660	330	330
Total HRA Capital Spend	23,261	28,263	25,802	16,135	12,579

Description	2012/13	2013/14	2014/15	2015/16	2016/17
	£'000	£'000	£'000	£'000	£'000
Total Housing Capital Spend at Base Year Prices	25,137	29,028	26,567	16,900	13,344
Inflation Allowance for Future Years	0	991	1,708	2,030	2,379
Total Inflated Housing Capital Spend	25,137	30,019	28,275	18,930	15,723
Housing Capital Resources					
Right to Buy Receipts	(261)	(293)	(354)	(363)	(372)
Other Capital Receipts (Land and Dwellings)	(0)	(0)	(0)	(0)	(0)
Major Repairs Reserve	(4,780)	(11,099)	(7,505)	(7,664)	(7,828)
Direct Revenue Financing of Capital	(10,482)	(7,740)	(9,284)	(7,880)	(6,458)
Other Capital Resources (Grants / Shared Ownership / R&R Funding)	(3,507)	(6,589)	(1,825)	(2,258)	(300)
Disabled Facilities Grant	(262)	(262)	(262)	(262)	(262)
Developer's Contributions (Affordable Housing)	(0)	(0)	(0)	(0)	(0)
Prudential Borrowing	(0)	(3,533)	(8,542)	(0)	(0)
Total Housing Capital Resources	(19,292)	(29,516)	(27,772)	(18,427)	(15,220)
Net (Surplus) / Deficit of Resources	5,845	503	503	503	503
Capital Balances b/f	(9,190)	(3,345)	(2,842)	(2,339)	(1,836)
Use of / (Contribution to) Balances in Year	5,845	503	503	503	503
Capital Balances c/f	(3,345)	(2,842)	(2,339)	(1,836)	(1,333)

Appendix G

HRA Earmarked & Specific Funds (£'000)

Repairs & Renewals

Housing Revenue Account	Opening Balance	Contributions	Expenditure to July 2012	Closing Balance
General Management	(951.6)	(139.0)	0.3	(1,090.3)
Special Services	(1,007.4)	(131.9)	11.3	(1,128.0)
Repairs and Maintenance	(28.8)	(2.9)	0.0	(31.7)
Totals	(1,987.8)	(273.8)	11.5	(2,250.0)

Major Repairs Allowance

	Opening Balance	Contributions	Expenditure to July 2012	Closing Balance
MRA	(1,171.1)	(0.0)	0.0	(1,171.1)

Shared Ownership

	Opening Balance	Contributions	Expenditure to July 2012	Closing Balance
Shared Ownership	(300.0)	(0.0)	0.0	(300.0)

Tenants Survey

	Opening Balance	Contributions	Expenditure to July 2012	Closing Balance
Tenants Survey	(33.8)	(6.2)	4.7	(35.3)

Aerial – Roof Space Rental

	Opening Balance	Contributions	Expenditure to July 2012	Closing Balance
Aerial Income	(87.6)	(0.0)	0.2	(87.4)

Pension Reserve

	Opening Balance	Contributions	Expenditure to July 2012	Closing Balance
Pension Reserve	(63.8)	(0.0)	0.0	(63.8)

Debt Set-Aside

	Opening Balance	Contributions	Expenditure to July 2012	Closing Balance
Debt Set-Aside	(0.0)	(0.0)	0.0	(0.0)

Appendix H (Section 9)

Areas of Uncertainty

Housing Revenue Account – Revenue Uncertainties

Self-Financing for the HRA

The introduction of self-financing for the HRA from April 2012, removes the annual uncertainty that existed as part of the national HRA Subsidy System, but brings with it a number of new uncertainties, including the potential for the debt settlement to be re-opened, a debt cap over which the HRA will not be allowed to borrow and the implications of managing the cashflow for the HRA in light of the need to service the debt.

Right to Buy Sales

The number of sales remained low in 2011/12. Early indications in 2012/13 suggest that the increase in discount to £75,000 has generated significantly more interest in the scheme, but an increase in completions is not yet being demonstrated. The implications of an increase in sales from a revenue perspective are significant, with the potential loss of rental income compounded by an inability to fully reduce the receipt by all of the costs associated with the right to buy sale due to the introduction of a fixed sum in respect of administrative costs.

Independent Living Service – Ditchburn Place Extra Care

Although provided as an agency activity outside of the HRA, the provision of a care and support service in the extra care housing at Ditchburn Place is inextricably linked with the provision of landlord services. The current contract with the County Council expires in January 2014, but due to the significant financial risks associated with the delivery of this contract, particularly in light of the County Council's budgetary pressures in this and other areas, our ability to commit to the continued provision of this service is still unclear.

Independent Living Service – Sheltered and Supported Housing

Funding for the Independent Living Service is at risk in a number of areas. The level of voids, as a result of the sheltered housing investment strategy, still remains high, producing shortfalls in rent, service charge and support income. This is compounded by reductions in funding from Supporting People, where unit rates were reduced to £9.00 per week from April 2012 as part of a year's extension to the contract. It is anticipated that the County Council will re-tender support services in these areas from April 2013, with the approach that will be taken unclear at this stage. Emergency alarm services provided to owner-occupiers are also reducing over time.

Housing Revenue Account – Revenue Uncertainties

Service Restructures and Departmental Support Service Review

There are a number of service restructures and a recent review of the provision of support services across the organisation, many of which have financial implications for the HRA. Although some broad assumptions of the financial impact for the Housing Revenue Account have been made at early stages, the real impact will not be clear until the reviews are complete, and all of the associated accounting adjustments have been made.

HRA New Build

Following successful completion of 7 units of new build HRA dwellings with the support of HCA grant, a subsequent bid for funding to build 146 dwellings was successful. Work with a developer partner, to re-develop the Seymour Court site is now underway, with the scheme being one of those successful in securing grant funding. A considerable sum of prudential borrowing will also be required to deliver the anticipated affordable housing. If this, or any development scheme does not proceed, any initial outlay is required to be treated as revenue expenditure, but without the anticipated payback that the capital investment would have resulted in.

HRA Commercial Property

Review of the ownership of some commercial property in the Council's portfolio is required to ensure that both rental income and maintenance liabilities are being correctly provided and accounted for.

HRA Review of Area Offices

The review of the future use of housing area offices was deferred until after the implementation of self-financing, when both the financial position for the HRA and the implications for local authorities of the introduction of universal credit will be clearer. The revenue implications of this review, when undertaken, will be quantified and incorporated as part of a report that will be presented to HMB for decision.

Housing Revenue Account - Capital Uncertainties

Sheltered Housing

The existing Sheltered Housing Modernisation Programme is progressing well, with Brandon Court due for completion by mid 2012/13. There is a need to review the decisions made in respect of the latter stages of the programme, to determine the best use of limited resources in the current financial climate, with options currently being considered for Ditchburn Place.

Maintenance of Decent Homes

96% of the stock was considered decent at 1 April 2012, however additional properties become non-decent during the year.

Our target is to maintain the Decent Homes standard in our stock on an ongoing basis in line with current Government expectations, and to respond quickly to any changes in the standard.

Expansion of Investment Standard to include Communal Areas

Incorporation of communal area into our investment standard, to include lifts and common parts in flatted accommodation, requires both up front investment to survey and ongoing investment to meet and maintain any standards set. The Asset Management Plan included an uplift of £75 per property per year to meet the investment needs in un-surveyed communal areas, in line with external expert advice received. Until surveys are undertaken it is unclear whether this allocation will be sufficient.

Sulphate Attack

Sulphate attack was identified a number of years ago in a number of council dwellings, resulting in the need to invest £1.87m to eradicate the problem. Following a risk assessment, the approach taken to date has been to address the defect when the property becomes vacant. Currently 12 of the 110 properties affected have been rectified when they became void. Funding of approximately £1.6m is included in the Housing Capital Programme over the next 15 years to continue to fund this risk-based approach. There is the potential for similar sulphate attacks in the structures of a number of other council dwellings, which could result in the need for significant additional investment to undertake these works.

Disabled Facilities Grants and Private Sector Housing Grants and Loans

Council investment in both DFG's and Private Sector Housing Grants and Loans is dependent upon existing capital balances or capital receipts in year. Historic capital balances will to be fully utilised within 5 years (or earlier if the HRA has any need to utilise existing balances to fund in year expenditure), and, with the exception of the 25% retained on the first 10 to 17 sales per annum, future right to buy receipts are required to be committed to replacement of affordable housing in line with our agreement with CLG. This puts at significant risk the desired level of future investment in this area.

Right to Buy Sales

The number of sales remained low in 2011/12, with only 12 sales completed. Early indications in 2012/13 suggest that the changes in the scheme have increased interest, but not yet completion activity, although this is anticipated in the latter stages of the financial year. Under the terms of the agreement signed with CLG, the authority is committed to deliver completed replacement dwellings from right to buy receipts within 3 years of the date of the receipt.

Housing Revenue Account - Capital Uncertainties

Decent Homes – PVCU Windows

Need to consider additional resources required to replace PVCU windows in HRA stock, where failures in existing installations are emerging, resulting in replacement far sooner than would be anticipated by the Decent Homes Standard.

Asbestos Removal

Potential to change strategy for asbestos removal, to ensure that blocks / streets are tackled as projects as opposed to in isolation while dwellings are void. This approach may bring forward the need for resources previously anticipated to be spent much later in the programme and also incur the additional costs of decant, but would accelerate the programme and reduce the additional revenue costs of repairs in properties with asbestos. This has begun, with flats in Edgecombe being tackled in this way, over a 3-year programme.

Energy Efficiency

Legislative requirements / local desire to increase the energy efficiency of the housing stock could result in significant increased investment, with little or no financial return to the HRA.

Eastfield Site

The potential future income stream for the Eastfield site is subject to advancement in discussions with Hundred Houses.



To: Executive Councillor for Housing: Cllr Catherine Smart
Report by: Alan Carter, Head of Strategic Housing
Relevant scrutiny committee: Community Services Scrutiny Committee
Wards affected: All Wards
EqiA Undertaken: Yes

COUNCIL NEW BUILD PROGRAMME - SCHEME APPROVALS

Key Decision

1. Executive summary

This report provides details of the redevelopment of Aylesborough Close Ph 1, Water Lane, and Stansfield Road Scouts Hut. In keeping with the model for the redevelopment of Council sites mixed tenure schemes are proposed and to be developed with the Council's new house-builder/developer partner, Keepmoat.

These sites in the Council new build programme are brought forward now in order that consultation with residents can commence regarding moving to alternative accommodation to ensure that the new schemes can be complete by March 2015.

2. Recommendations

The Executive Councillor is recommended for each of the following schemes

- a. Aylesborough Close Ph 1 (1-8a and 39-50 Aylesborough Close and adjacent garages)
- b. Water Lane (6-14a Water Lane and 238-246 Green End Road)
- c. Stanesfield Road Scouts Hut

to:

Note the indicative mix, design and layout of the schemes and that they are subject to planning approval.

Approve the scheme capital budget highlighted in the report to cover the Construction Cost of the scheme; Home Loss Payments to tenants and leaseholders and professional quantity surveyor fees.

Approve that delegated authority be given to the Director of Customer and Community Services following consultation with the Director of Resources and the Head of Legal Services to seal a Development Agreement with our preferred house-builder/developer partner.

3. Background

Following on from the completion of the first eight new Council homes, the Committee has already scrutinised Project Appraisals for five additional schemes.

The schemes in this report at Aylesborough Close, Water Lane, and Stanesfield Road Scouts Hut are the next schemes to be brought forward for approval under the Council's new Council House building programme and are brought forward now in order that consultation with residents can commence to ensure that the new schemes can be complete by March 2015.

The principles behind the development model used before is repeated here ie a mixed tenure scheme, developed with the Council's house-builder partner, Keepmoat, providing for the cross-subsidy of the Affordable Housing from the sale of market houses, thereby minimising capital outlay for the Council.

The Appendices show details of the Project Appraisals for each of the three schemes.

4. Implications :

(a) Financial

The financial implications of each scheme are shown in full in the Appendices. As the schemes are still subject to planning the costs are indicative. As final schemes are worked up they will only proceed if they can

be funded within borrowing and capital funding parameters in the new 30 Business Plan that has been established under 'self-financing'. If a final scheme cannot be delivered within the budget requested then a revised approval will need to be brought back to Committee for scrutiny. The risk that the schemes cannot be funded can be mitigated by;

- Adjusting the balance between new Affordable Homes and market housing in the schemes.
- Working with one of the housing association partners on the Council's Affordable Housing Development partnership framework agreement to part or completely fund a scheme
- Reduce the number of schemes in the overall programme.

(b) Staffing

A Development Officer from the Enabling and Development Team will be allocated to Project Manager each scheme. Projects will be monitored by the Affordable Housing Development Programme Board, a group of officers that meets quarterly. The Board includes representatives from the Enabling and Development Team, City Homes, Housing Strategy, and Procurement. Internal Audit and Legal are corresponding members.

(c) Equal Opportunities

An EQIA has been undertaken for the Council's new build programme as a whole which mainly highlighted the benefits of the Council retaining direct control of new housing development itself to ensure a focus on the delivering of housing that meets a diverse range of housing needs.

(d) Environmental

All of the new homes will meet Level 4 of the Code for Sustainable Housing as a minimum.

(e) Procurement

See Appendices to the report

(f) Consultation and communication

See section 3 above

(g) Community Safety

All new Affordable Housing is assessed against Secure by Design criteria.

5. Background papers

None.

6. Appendices

Appendix 1 - Aylesborough Ph 1: 1-81 and 39-50 Aylesborough Close and adjacent garages

Appendix 2 - Water Lane: 6-14a Water Lane and 238-246 Green End Road

Appendix 3 - Stanesfield Road Scouts Hut

7. Inspection of papers

There are no background papers but if you have a query on the report please contact:

Author's Name: Alan Carter
Author's Phone Number: 01223 – 457948
Author's Email: alan.carter@cambridge.gov.uk

Appendix 1 – Aylesborough Close Phase 1 Project Appraisal

1 Summary

1-8a and 39-50 Aylesborough Close currently consists of 24 units, a mix of 1,2 and 3 bed (only 1) flats and maisonettes. 20 are rented by City Homes and four have been sold. These flats and maisonettes were approved for consideration for redevelopment as part of the Council's 3 Year Rolling Programme in June 2009.

The flats and maisonettes are becoming increasingly unpopular, the one beds in particular because of their size. The current site is a low density, and the existing accommodation is not suitable for disabled users. The block of nine garages is located some distance from the two blocks of flats which raises concerns over security and use.

The proposed mix of the new scheme is as follows.

Affordable Housing – Total 16

3 x 1 bed apartments
7 x 2 bed apartments
2 x 2 bed houses
2 x 3 bed houses
2 x 4 bed houses

Market Housing – Total 12

2 x 1 bed apartments
6 x 2 bed apartments
4 x 3 bed house

- All of the Affordable Housing will meet Lifetime Homes Standard
- All units will meet Level 4 of the Code for Sustainable Housing
- The Market Housing will be built and sold at the developer/house-builder partners risk.

Target Start date	2013.14
Target completion date	2014.15

An indicative layout plan of the proposed scheme is attached.

1.1 Costs, Funding and Viability

Capital Costs

Construction Costs	£ 1,488,352
Home Loss Costs	£ 157,400
Quantity Surveyor	£ 20,093
Internal Development Fee (2%)	£ 29,767
Total	£ 1,695,612

Funding

Grant	£ 280,000
Borrowing	£ 1,415,612

Viability - Key indicators whether a scheme is viable are when the scheme breaks even in revenue terms (typically 12 years) and when the total capital used is paid back (typically 30 years).

a. Net of Home Loss costs

Pay-back period – 27 years
Break-even - Year 5

b. Inclusive of Home Loss costs

Pay-back period – 30 years
Break-even – Year 8

Rent Levels –

- 1 bed - £115 per week
- 2 bed - £126 per week
- 3 bed - £149 per week
- 4 bed - £197 per week

1.2 VAT implications

VAT is not payable on new build construction costs. However, advice will be sought from the Council's VAT specialist to ensure that there are no adverse VAT issues affecting the project.

1.3 The Procurement

At the Community Services Committee on the 25 March 2010 the Executive Councillor for Housing approved that an Affordable Housing Development partnership be procured. This partnership was to enable the redevelopment of City Homes housing considered feasible redevelopment in the 3 Year Rolling Programme. The 25 March 2010 report stated that two developer partners would be procured; unfortunately due to procurement regulations it was not possible to procure two partners. Therefore a procurement exercise was undertaken to select one partner, which adhered to procurement rules.

The procurement process was completed in October 2011 and Keepmoat was the successful tenderer.

The principles behind the development model used on other Council schemes already approved is repeated here ie a mixed tenure scheme, developed with the a house-builder/developer partner, providing for the cross-subsidy of the Affordable Housing from the sale of market houses, thereby minimising capital outlay for the Council.

The model involves the disposal of freehold plots to the house-builder/developer partner where Market Housing is proposed and/or disposal under long leases where Market Apartments are involved. The Council will retain the freehold of land upon which the Affordable Housing is provided and the freehold of land should Market Apartments be provided.

It is the intention to control and procure the redevelopment by way of a Development Agreement and a standard form JCT Design and Build contract to cover the building works. The draft agreements have been set up with the Council's legal team.

In summary, the key points of the draft Development Agreement are as follows;

- The contractual arrangements with the house-builder/developer are conditional on the achievement of a satisfactory planning permission.
- The Development Agreement is also conditional on the Council confirming it has secured sufficient funding for the Project, achieved vacant possession and achieved all necessary Executive Councillor approvals.
- The Council must approve a scheme prior to the house-builder/developer submitting a planning application.
- The cost of the redevelopment to the Council is capped at 10% above the Construction Cost of a final scheme agreed with the house-builder/developer to allow for any onerous conditions that may be applied through the planning process (this is within the limits allowed by the Council's Contract Procedure Rules).

1.4 Key Risks

The Development Agreement will be conditional on the Director of Resources confirming that the Council has the finance in place to fund the scheme. Therefore a key risk is developing a finance package that is acceptable to the Director of Finance.

A planning application will need to be agreed between the developer / house-builder partner and the Council that is satisfactory to the Strategic Housing division.

Subject to the approval of the Committee of the scheme presented, the Development Agreement will be signed and our house-builder/developer partner will proceed to submit a planning application after vacant possession has been achieved. The Development Agreement will include a clause allowing our house-builder/developer partner to claim back a proportion of the cost of achieving planning permission should the Project not proceed for reasons that are not the fault of our partner. In the unlikely event that the Council does not wish to proceed with the redevelopment, the risk is mitigated by the fact that the land will have a planning permission that will have a value to the Council.

Should the Project proceed key risks will be to fail to meet start on site and practical completion deadlines for the HCA grant funding.

Residents living at Aylesborough Close comprise 20 City Homes tenants and four leaseholders. The Council will need to discuss the potential redevelopment of Aylesborough Close with both tenants and leaseholders and the new Home Loss Policy will apply. This leads to the possibility that vacant possession will not be achieved.

Should the Project proceed with HCA grant a key risk will be not meeting key deadlines for the HCA grant funding.

1.5 Other implications

Davis Langdon has been appointed Quantity Surveyor for the Council 146 Programme and will verify that costs provided by Keepmoat are reasonable in the prevailing market.

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AYLESBOROUGH CLOSE PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages)



1. This site is shown on the map as being within the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages) and is subject to the provisions of the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages) and is subject to the provisions of the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages).
2. The site is shown on the map as being within the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages) and is subject to the provisions of the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages).
3. The site is shown on the map as being within the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages) and is subject to the provisions of the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages).
4. The site is shown on the map as being within the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages) and is subject to the provisions of the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages).
5. The site is shown on the map as being within the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages) and is subject to the provisions of the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages).
6. The site is shown on the map as being within the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages) and is subject to the provisions of the Aylesborough Close PH 1 (1-8a and 39-50 Aylesborough Close and adjacent garages).

Key

- Existing Tree
- Proposed Tree
- Private residential units
- Affordable residential units
- Site phase 1

Schedule

Private Residential Units:

- 2No 1B2P Flat with 1No Parking Space (48 Sq m)
- 6No 2B4P Flat with 1No Parking Space (71 Sq m)
- 4No 3B5P House with 2No Parking Spaces (79.6 Sq m)

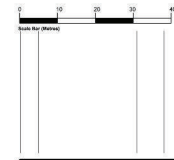
Total Private Units: 12No

Affordable Residential Units:

- 3No 1B2P Flat with 1No Parking Space (48 Sq m)
- 7No 2B4P Flat with 1No Parking Space (71 Sq m)
- 2No 2B4P House with 1No Parking Space (75 Sq m)
- 2No 3B5P House (narrow) with 2No Parking Spaces (62.8 Sq m)
- 2No 4B7P House with 2No Parking Spaces (108 Sq m)

Total Affordable Units: 16No

Total of all Units: 28No



SAUNDERS BOSTON

 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

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Appendix 2 – Water Lane (6-14a Water Lane and 238-246 Green End Road)

Project Appraisal

1 Summary

6-14a Water Lane and 238-246 Green End Road currently consists of 24 units, 4 x 1 bed bungalows and 20 x 1 bed flats. 23 are rented by City Homes and one flat has been sold. These flats and bungalows were approved for consideration for redevelopment as part of the Council's 3 Year Rolling Programme in June 2009.

The existing units are of poor quality and the current site is a low density. In the past both the flats and bungalows housed older people and there were strong links between these units and the Whitefriars sheltered scheme across the road. There is a shortage of older persons accommodation in the north of the city, and the proposal is that the affordable housing is re-provided as 2 and 1 bedroom flats, designed to specifically meet the needs of older people. All the flats will be built to provide good standards of accessibility.

The proposed mix of the new scheme is as follows.

Affordable Housing – Total 14

3 x 1 bed apartments
11 x 2 bed apartments

Market Housing – Total 9

3 x 2 bed houses
6 x 3 bed houses

- All of the Affordable Housing will meet Lifetime Homes Standard
- All units will meet Level 4 of the Code for Sustainable Housing
- The Market Housing will be built and sold at the developer/house-builder partners risk.

An indicative layout plan of the proposed scheme is attached.

Target Start date	2013.14
Target completion date	2014.15

1.1 Costs, Funding and Viability

Capital Costs

Construction Costs	£ 1,143,486
Home Loss Costs	£ 133,500
Quantity Surveyor	£ 15,437
Internal Development Fee (2%)	£ 22,870
Total	£ 1,315,293

Funding

Grant	£ 245,000
Borrowing	£ 1,070,293

Viability - Key indicators whether a scheme is viable are when the scheme breaks even in revenue terms (typically 12 years) and when the total capital used is paid back (typically 30 years).

a. Net of Home Loss costs

Pay-back period – 26 years

Break-even - Year 5

b. Inclusive of Home Loss costs

Pay-back period – 30 years

Break-even – Year 7

Rent Levels –

1 bed - £115 per week

2 bed - £126 per week

1.2 VAT implications

VAT is not payable on new build construction costs. However, advice will be sought from the Council's VAT specialist to ensure that there are no adverse VAT issues affecting the project.

1.3 The Procurement

At the Community Services Committee on the 25 March 2010 the Executive Councillor for Housing approved that an Affordable Housing Development partnership be procured. This partnership was to enable the redevelopment of City Homes housing considered feasible redevelopment in the 3 Year Rolling Programme. The 25 March 2010 report stated that two developer partners would be procured; unfortunately due to procurement regulations it was not possible to procure two partners. Therefore a procurement exercise was undertaken to select one partner, which adhered to procurement rules.

The procurement process was completed in October 2011 and Keepmoat was the successful tenderer.

The principles behind the development model used on other Council schemes already approved is repeated here ie a mixed tenure scheme, developed with the a house-builder/developer partner, providing for the cross-subsidy of the Affordable Housing from the sale of market houses, thereby minimising capital outlay for the Council.

The model involves the disposal of freehold plots to the house-builder/developer partner where Market Housing is proposed and/or disposal under long leases where Market Apartments are involved. The Council will retain the freehold of land upon which the Affordable Housing is provided and the freehold of land should Market Apartments be provided.

It is the intention to control and procure the redevelopment by way of a Development Agreement and a standard form JCT Design and Build contract to cover the building works. The draft agreements have been set up with the Council's legal team.

In summary, the key points of the draft Development Agreement are as follows;

- The contractual arrangements with the house-builder/developer are conditional on the achievement of a satisfactory planning permission.
- The Development Agreement is also conditional on the Council confirming it has secured sufficient funding for the Project, achieved vacant possession and achieved all necessary Executive Councillor approvals.
- The Council must approve a scheme prior to the house-builder/developer submitting a planning application.
- The cost of the redevelopment to the Council is capped at 10% above the Construction Cost of a final scheme agreed with the house-builder/developer to allow for any onerous conditions that may be applied through the planning process (this is within the limits allowed by the Council's Contract Procedure Rules).

1.4 Key Risks

The Development Agreement will be conditional on the Director of Resources confirming that the Council has the finance in place to fund the scheme. Therefore a key risk is developing a finance package that is acceptable to the Director of Finance.

A planning application will need to be agreed between the developer / house-builder partner and the Council that is satisfactory to the Strategic Housing division.

Subject to the approval of the Committee of the scheme presented, the Development Agreement will be signed and our house-builder/developer partner will proceed to submit a planning application after vacant possession has been achieved. The Development Agreement will include a clause allowing our house-builder/developer partner to claim back a proportion of the cost of achieving planning permission should the Project not proceed for reasons that are not the fault of our partner. In the unlikely event that the Council does not wish to proceed with the redevelopment, the risk is mitigated by the fact that the land will have a planning permission that will have a value to the Council.

Should the Project proceed key risks will be to fail to meet start on site and practical completion deadlines for the HCA grant funding.

Residents living at Water Lane/Green End Road comprise 23 City Homes tenants and one leaseholder. The Council will need to discuss the potential redevelopment of Water Lane/Green End Road with both tenants and the leaseholder and the new Home Loss Policy will apply. This leads to the possibility that vacant possession will not be achieved.

Should the Project proceed with HCA grant a key risk will be not meeting key deadlines for the HCA grant funding.

1.5 Other implications

Davis Langdon has been appointed Quantity Surveyor for the Council 146 Programme and will verify that costs provided by Keepmoat are reasonable in the prevailing market.

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WATER LANE (6-14a Water Lane and 238-246 Green End Road)



- 1. The information on this plan is for general information only and does not constitute an offer of any product or service.
- 2. The information on this plan is for general information only and does not constitute an offer of any product or service.
- 3. The information on this plan is for general information only and does not constitute an offer of any product or service.
- 4. The information on this plan is for general information only and does not constitute an offer of any product or service.
- 5. The information on this plan is for general information only and does not constitute an offer of any product or service.
- 6. The information on this plan is for general information only and does not constitute an offer of any product or service.



Schedule

Private Residential Units:
 6No 3B5P House with 2 No Parking Spaces (79.6 Sq m)
 3No 2B4P House with 1 No Parking Space (67.4 Sq m)

Total Private Units: 9No

Affordable Residential Units:
 3No 1B2P Flat with 1No Parking Space (60 Sq m)
 11No 2B3P Flat with 1No Parking Space (71 Sq m)

Total Affordable Units: 14No

Total of all Units: 23No

- KEY**
- MS Motor Scooter
 - B Bin Store
 - C Cycle Store
 - Private
 - Affordable



No	Revision	Date	By	App'd

PRELIMINARY

Saunders Boston

100 South Street
 Boston, MA 02111
 Tel: 0203 487733

Site: Water Lane
 Drawing: Water Lane proposed site plan

Scale: 1:500@A1, 1:1000@A3

Date: 31.08.12

Author: Waterlane_SK_005

Checked: [Signature]

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Appendix 3 – Stanesfield Road Scouts Hut Site

1 Summary

1.1 The project

The site is accessed off Stanesfield Road, and is currently home to the Abbey Scouts Group, a facility also used for community purposes.

This Scouts Hut is falling into disrepair and is becoming unfit for purpose in its current state. With the support of local Members, The Scouts Group has been in touch with the Council's Community Development Service about the facility and are supportive of a the redevelopment of the site to include a new Scouts Hut together with housing.

The proposed redevelopment will provide for a total of 9 residential units, split between Affordable Housing and market housing, and the provision of a brand new Scouts / Community facility in a relocated position on the site. A Indicative layout plan of the proposed scheme is attached.

The housing element will be serviced by way of a widened vehicular access directly off Stanesfield Road, which will involve the reduction in depth of the gardens to No's 21/21a & 23/23a Rawlyn Road, tenanted properties owned by the Council. The new Scouts Hut will have a revised dedicated access direct from Thorley Road, which will include the provision of 3No. parking spaces

The mix of the new scheme is as follows.

Affordable Housing – Total 5

- 1 x 1 bed apartments
- 1 x 2 bed apartments
- 3 x 3 bed house

Market Housing – Total 4

- 2 x 2 bed house

2 x 3 bed house

New Scouts Hut (177m², single storey)

- The Affordable Housing will meet Lifetime Homes Standard
- All units will meet Level 4 of the Code for Sustainable Housing
- The Market Housing will be built and sold at the developer/house-builder partners risk.

Target Start date	2013.14
Target completion date	2014.15

1.2 Costs, Funding and Viability

Capital Costs

Construction Costs:

Affordable Housing	£ 452,509
New Scout Hut	£ 220,976

Quantity Surveyor	£ 9,092
Internal Development Fee (2%)	£ 13,470

Total	£ 696,047
-------	-----------

Funding

Grant (HCA)	£ 87,500
Borrowing	£ 608,547

Viability - Key indicators whether a scheme is viable are when the scheme breaks even in revenue terms (typically 12 years) and when the total capital used is paid back (typically 30 years).

Pay-back period – 25 years
Break-even - Year 1

Rent Levels –

1 bed - £115 per week

2 bed - £126 per week

3 bed - £149 per week

1.3 VAT implications

VAT is not payable on new build construction for residential or charitable purposes. However, advice will be sought from the Council's VAT specialist to ensure that there are no adverse VAT issues affecting the project.

1.4 The Procurement

At the Community Services Committee on the 25 March 2010 the Executive Councillor for Housing approved that an Affordable Housing Development partnership be procured. This partnership was to enable the redevelopment of City Homes housing considered feasible redevelopment in the 3 Year Rolling Programme. The 25 March 2010 report stated that two developer partners would be procured; unfortunately due to procurement regulations it was not possible to procure two partners. Therefore a procurement exercise was undertaken to select one partner, which adhered to procurement rules.

The procurement process was completed in October 2011 and Keepmoat was the successful tenderer.

The principles behind the development model used on other Council schemes already approved is repeated here ie a mixed tenure scheme, developed with the a house-builder/developer partner, providing for the cross-subsidy of the Affordable Housing from the sale of market houses, thereby minimising capital outlay for the Council.

The model involves the disposal of freehold plots to the house-builder/developer partner where Market Housing is proposed and/or disposal under long leases where Market Apartments are involved. The Council will retain the freehold of land upon which the Affordable Housing is provided and the freehold of land should Market Apartments be provided.

It is the intention to control and procure the redevelopment by way of a Development Agreement and a standard form JCT Design and Build contract to cover the building works. The draft agreements have been set up with the Council's legal team.

In summary, the key points of the draft Development Agreement are as follows;

- The contractual arrangements with the house-builder/developer are conditional on the achievement of a satisfactory planning permission.
- The Development Agreement is also conditional on the Council confirming it has secured sufficient funding for the Project, achieved vacant possession and achieved all necessary Executive Councillor approvals.
- The Council must approve a scheme prior to the house-builder/developer submitting a planning application.
- The cost of the redevelopment to the Council is capped at 10% above the Construction Cost of a final scheme agreed with the house-builder/developer to allow for any onerous conditions that may be applied through the planning process (this is within the limits allowed by the Council's Contract Procedure Rules).

1.5 Key Risks

The Development Agreement will be conditional on the Director of Resources confirming that the Council has the finance in place to fund the scheme. Therefore a key risk is developing a finance package that is acceptable to the Director of Finance.

A planning application will need to be agreed between the developer / house-builder partner and the Council that is satisfactory to the Strategic Housing division.

Subject to the approval of the Committee of the scheme presented, the Development Agreement will be signed and our house-builder/developer partner will proceed to submit a planning application. The Development Agreement will include a clause allowing our house-builder/developer partner to claim back a proportion of the cost of achieving planning permission should the Project not proceed for reasons that are not the fault of our partner.

In the unlikely event that the Council does not wish to proceed with the redevelopment, the risk is mitigated by the fact that the land will have a planning permission that will have a value to the Council.

Should the Project proceed key risks will be to fail to meet start on site and practical completion deadlines for the HCA grant funding.

The Council will need to discuss with the tenants of 21/21a & 23/23a Rawlyn Road the loss of part of their rear gardens to facilitate a widened vehicular entrance for the development. This will be undertaken with the assistance of City Homes.

Should the Project proceed with HCA grant a key risk will be not meeting key deadlines for the HCA grant funding.

1.6 Other implications

Davis Langdon has been appointed Quantity Surveyor for the Council 146 Programme and will verify that costs provided by Keepmoat are reasonable in the prevailing market.

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STANESFIELD ROAD SCOUT HUT



1. This site is proposed for development in accordance with the Local Plan, 2011-2026 and the proposed development is considered to be in accordance with the Local Plan, 2011-2026.
2. The proposed development is considered to be in accordance with the Local Plan, 2011-2026.
3. The proposed development is considered to be in accordance with the Local Plan, 2011-2026.
4. The proposed development is considered to be in accordance with the Local Plan, 2011-2026.
5. The proposed development is considered to be in accordance with the Local Plan, 2011-2026.
6. The proposed development is considered to be in accordance with the Local Plan, 2011-2026.

Key

- Proposed Tree
- Existing Tree
- Private residential units
- Affordable residential units
- Site boundary
- Additional land use

Key

Private residential units:

- 2No 2B4P House with 1No Parking Space (67.4 Sq m)
- 2No 3B5P House with 2No Parking Space (78.6 Sq m)

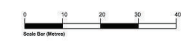
Total Private Units: 4No

Affordable residential units:

- 1No 1B2P Flat with 1No Parking Space (48 Sq m)
- 1No 2B4P Flat with 1No Parking Space (71 Sq m)
- 3No 3B5P House with 2No Parking Space (82.8 Sq m)

Total Affordable Units: 5No

Total of all Units: 9No



FOR DISCUSSION

No.	Revisions	Date	Initials

Saunders Boston

City of Boston
Department of Planning & Development

Project: Keepmoat
100 CCC Affordable Housing Framework

Proposed Site Plan

Scale: 1:500@A1, 1:1000@A3
Date: 01.08.12
Author: VH
Reviewer: VH

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To: Executive Councillor for Housing (and Deputy Leader): Councillor Catherine Smart
Report by: Director of Customer & Community Services
Relevant scrutiny committee: Community Services Scrutiny Committee 11/10/2012
Wards affected: Market

DISPOSAL OF HRA PROPERTY AT 7 SEVERN PLACE, CAMBRIDGE Not a Key Decision

1. Executive Summary

The Executive Councillor for Housing is asked to approve the principle of the market disposal of the housing property at 7 Severn Place. The sale is facilitated by the Council having vacant possession of the dwelling, following relocation (by agreement) of the existing tenant.

2. Recommendations

The Executive Councillor is recommended:

- 2.1 To approve the principle of the disposal of the HRA asset at 7 Severn Place and the reinvestment of the associated capital receipt in the provision of new additional affordable housing, subject to agreement of the terms of the sale by the Executive Councillor for Strategy & Resources.

3. Background

- 3.1 This report recommends the sale of a council dwelling which is geographically dispersed from other housing stock owned by the Housing Revenue Account and will require additional investment to maintain it at the decent homes standard. This is balanced against the circumstances of the disposal of the property, estimated to yield a capital receipt in the region of £400,000, which could enable the creation of two additional units of social housing to meet existing housing need.
- 3.2 The request is made in line with Council's Housing Strategy's key objective of increasing the supply of affordable housing as any such

receipts are earmarked for reinvestment in additional affordable housing.

- 3.3 The property at 7 Severn Place is a 3-bedroom dwelling currently owned and managed within the Housing Revenue Account. A valuation of the property was undertaken for the Council by Januarys Chartered Surveyors on 28 May 2012. The estimated the value of the property was between £275,000 and £300,000, based on market comparables.
- 3.4 The property is in need of some immediate repairs, including a flat roof repair, a new boiler and bathroom, all of which will incur expenditure in addition to the standard schedule of maintenance as outlined in the finance section of this report.
- 3.5 There are 3 other private residential dwellings in Severn Place, surrounded by a mix of commercial units, a multi-storey car park and shopping complex.
- 3.6 The Council was approached in February 2011 by a property developer, the Unex Group Holdings Ltd, with a request to purchase 7 Severn Place. The Unex Group are proposing to re-develop their existing site, which is opposite 1,3, 5 & 7 Severn Place, and are looking at the possibility of acquiring these properties and incorporating the land on which number 7 and the adjacent houses sit into their development.
- 3.7 The Council's initial response was that the property was tenanted and that a sale would only take place if the tenant so chose, via the right to buy process. The Council's responsibility is to maintain the balance between meeting the needs of the individual tenant and making an appropriate asset management decision in the best interest of the wider group of stakeholders. The Council was also aware of the need to mitigate the risk that the Council could be seen to be forcing the resident from their home for financial gain.
- 3.8 In June 2011, the developer contacted the Council again, re-stating their offer, confirming that subject to their also being able to acquire the 3 freehold properties in Severn Place and obtain the appropriate planning permissions, they would be prepared to offer £400,000 for the freehold for 7 Severn Place.
- 3.9 In July 2011, the developer informed the Council of their intention to approach the tenant of number 7 Severn Place, with a view to the tenant enacting their right to buy and immediately selling on the property to the Unex Group. However, under these circumstances, the

tenant would be required, under the right of first refusal legislation, to give the Council first option to repurchase before being permitted to sell the property on.

- 3.10 If a right to buy transaction were to take place, the Council might be required to pool a proportion of the capital receipt received in respect of the right to buy sale of the property under the revised capital receipts pooling arrangements, depending upon the number of sales that have taken place in the year. In these circumstances, any tenant would be required to repay all discount received as part of the right to buy process as a result of selling on the property within the first year.
- 3.11 The former tenant in 7 Severn Place had been in occupation since May 2008. Once aware that the developer was going to contact the tenant directly, officers took the decision to appraise the tenant of the proposal made by the Unex Group. Initial discussions with the occupants indicated that they were willing to be relocated, and this has subsequently taken place, with the household transferring to become a tenant of a registered provider in the city. The tenant was happy to move, citing the following conditions; (i) that alternative accommodation be provided within the catchment area for a specific school and (ii) that the new property should have off-road parking.
- 3.12 The tenant was given priority to bid for properties on the housing register and was successful in bidding for a property that met the desired criteria. This property is managed by the Cambridge Housing Society.
- 3.13 If the sale is approved to take place, it has been agreed, that the Unex Group will meet the cost of fees in respect of the sale of the property; legal costs, surveyors fees and disbursements (land registry costs) and also the relocation costs of the tenant.
- 3.14 In view of the willingness of the tenant to move, the maintenance required on the property, and the potential to finance two affordable homes from the proceeds of the sale, it is proposed that the property be sold in line with the Council's Housing Strategy and the HRA Business Plan and Asset Management Plan.

Target Start date	October 2012
Target completion date	March 2013

4. Implications

(a) Financial Implications

- 4.1 A valuation of the property was undertaken for the Council by Januarys Chartered Surveyors. They estimated the value of the property, based on market comparables, as between £275,000 and £300,000. In consideration of the Councils improvements over recent years, they recommend a value of £300,000. January's conclude that the conditional offer of £400,000 made by the Unex Group is an acceptable purchase price.
- 4.2 The costs associated with the transfer of the tenant and the sale would be borne by the purchaser, Unex Group Holdings Ltd: These costs relate to legal costs (£1,500), surveyors fees (£1,720), relocation and administration costs (£3,280) and disbursements (e.g. land registry costs). There is a small risk that the legal fees may be greater than £1,500, but all other costs will be covered resulting in a net capital receipt of £400,000.
- 4.3 The revenue implications of the sale of the property are as follows:

Income /Expenditure	Definition	Annual Impact	30-Year Impact
Rent Income	48 weeks @ £67.73	(£3,251.04)	(£97,531.20)
Management	2010/11 cost per property	£453.63	£13,608.90
Maintenance	Pro rata last 5 years spend	£780.40	£23,412.00
Major Repairs	Codeman Investment Need		£30,637.60
Major Repairs	Flat roof repair, boiler and bathroom replacement		£4,000.00
Net Impact	Net loss of revenue		(£25,872.70)

Although there is an adverse revenue impact associated with this disposal, the anticipated benefit of the capital receipt in terms of the potential to fund replacement of the existing dwelling and an additional unit of affordable housing is considered to outweigh the revenue impact in the longer term.

(b) Staffing Implications

- 4.4 It is anticipated that this project can be carried out within existing staffing resources and there will be no additional impact.

(c) **Equal Opportunities Implications**

4.5 An EQIA was undertaken by City Homes, and confirmed there were no adverse implications associated with the sale of this property.

(d) **Environmental Implications**

4.6 There is no direct environmental impact resulting from this sale.

(e) **Procurement**

4.7 Due to the value of the work to obtain an independent valuation of the property, a direct approach to a single supplier was adopted. No other procurement is required.

(f) **Consultation and Communication**

4.8 The existing tenant of 7 Severn Place has been consulted as described in section 3 above.

(g) **Community Safety**

4.9 There are no direct community safety implications associated with the relocation of the tenant or disposal of the property at 7 Severn Place.

5. Background Papers

These background papers were used in the preparation of this report:

Valuation Report by Januarys Chartered Surveyors dated 28 May 2012.
Equalities Impact Assessment.

6. Appendices

There are no appendices provided with this report.

7. Inspection of Papers

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

Author's Name: Julia Hovells
Author's Phone Number: 01223 457822
Author's Email: julia.hovells@cambridge.gov.uk

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To: Cllr Catherine Smart
Report by: Bob Hadfield Head of Estates and Facilities
Relevant scrutiny committee: Community Services 11 October 2012
Wards affected: All

**Repairs and Maintenance Improvement Plan – Progress to date and permission to procure associated IT solutions.
Non Key Decision**

1. Executive Summary

- 1.1 A progress report was requested at a meeting of Housing Management Board on 3 January 2012 in order to inform Councillors of the progress made to date on the Housing Repairs Improvement Plan and this report was presented to the meeting on 18 September 2012.
- 1.2 There is a budget allocation of £200,000 within the Housing Capital Investment Plan for the procurement of new IT solutions that are required in order to achieve the overall improvements to the repairs service. Officers are requesting permission at this meeting of Community Services Scrutiny Committee to spend this allocation.

2. Recommendations

Following consideration of this report at Community Services Scrutiny Committee, the Executive Councillor for Housing is recommended:

- 2.1 To give delegated authority to the Director of Customer & Community Services, following consultation with the Director of Resources, Executive Councillor for Housing, the Chair and Opposition Spokesperson(s) for Community Services, to select the most appropriate procurement route, whether that be by virtue of waiver of the requirements of the contract procedure rules (where

permissible), direct contract or mini competition from an existing framework agreement, or by full tender exercise, and if appropriate to tender and award contracts for the provision of new IT hardware and systems for the Repairs and Maintenance Service as outlined in paragraph 3.4 and 3.5 of this report.

3. Background

- 3.1 The Repairs Improvement Plan was agreed at a meeting in September 2010 of this committee as a means of improving the responsive repairs service.
- 3.2 A progress report was presented to this committee in January 2012 detailing the progress made to that point. This report intends to inform Councillors of the further progress made to the end of July 2012.
- 3.3 The Improvement Plan identifies six service objective areas for tangible improvement by September 2013 which are:
- 1 Improved Internal communication within the team
 - 2 Improved Technology and Innovation
 - 3 Improved Service Delivery
 - 4 Increased Resident Involvement
 - 5 Improved Inter-departmental working
 - 6 Improved Value for Money and Cost of Service.

3.4 Progress since the last report:

- 3.4.1 Staffing issues: Despite advertising the role both internally and externally, the Operations Manager post has been vacant since the team re-structure was implemented in January 2012; however a temporary Operations Manager has been appointed to support the team until a permanent post holder can be recruited. This is a crucial role in relation to the management of the repairs and voids section, and is fundamental to securing long-term improvements identified within the Improvement Plan.

The Improvement Plan Implementation Manager was appointed and commenced in the role in March 2012.

The Improvement Plan Support Officer resigned in April 2012 and a new officer will commence in the role at the end of August 2012.

3.4.2 Key Performance Indicators: The service quality is measured through a selection of Key Performance Indicators (KPIs). These are measured monthly in order to provide management information on the direction of travel and also published annually in a variety of forums. The position at the end of 2011/12 is set out in Appendix A of this report and compares the position then with the previous financial year where that information is available. It also compares our performance with the Housemark Benchmarking information where the best performing authorities' performance is assessed as top quartile. Although the desired targets have not yet been achieved, the direction of travel is positive overall and indicates that improvements have already been achieved through the measures taken and tasks completed to date.

3.4.3 IT Issues: It is anticipated that many service inefficiencies will be addressed by the installation of new IT solutions. These are:

3.4.3.1 Fault diagnostic technology: This product enables customer service staff to accurately describe the repair required through a series of structured questions leading to an accurate job order based upon a known schedule of rates. This will increase the number of jobs attended by the correct tradesperson along with the correct materials to carry out the work. There are various products available across the market, however the only solution that is supported by Orchard is the M3 Locator Plus product. Interfaces are the most significant area of failure between IT systems and the guarantee of support from Orchard is critical in order to ensure that any working problems encountered are resolved. Orchard provided a demonstration version and has quoted a price of £26,569 for Locator Plus, which includes four years support and maintenance costs.

3.4.3.2 Mobile working technology: This item was identified as the way forward during the soft market testing exercise that resulted in the repairs improvement plan. At present the repairs and voids service is managed manually via a paper-based system along with manual works allocation and scheduling. As a result there is a significant time lag in the production of management information and accuracy of feedback to the customer. Mobile working will enable the workforce to receive and update jobs remotely, providing substantial savings in the use of paper and

transaction costs. Access to real time information in relation to the status of jobs will improve and the improved scheduling ability will increase the overall efficiency of the service. In order to increase our knowledge of what is available, two market research days have been completed. Five external companies attended and provided extensive information that will help to inform how we construct our specification for this product. However, this technology will need to interface with the works management IT system (currently OPENContractor). A final decision whether or not to replace OPENContractor with an alternative and the best means by which this can be achieved has yet to be made (see below). No further progress can be made with this procurement until the decision about the future of OPENContractor is made.

3.4.3.3 Works Management IT system: At present the team is working with two IT systems namely Orchard and OPENContractor. This is a legacy from the previous client/contractor split arrangement that was dissolved when Technical Services and Building Services were merged into a single team within Estates and Facilities. OPENContractor has been problematic since its installation in April 2009 requiring a number of manual processes; therefore a review has been undertaken. All users were asked to identify problem areas and additional needs, resulting in a report that concluded that, in the main, the system now functions adequately, but there are areas that require improvement. These improvements could be addressed but would require input from the provider at a cost yet to be determined.

However, there is a concern that if we retain the current two systems, the number of interfaces associated with the implementation of a new mobile working technology will be increased. This is the area most likely to cause working problems, and will be a major factor in the final decision relating to the works management system.

It is critical that the decision concerning the management system to be used in the future is made based upon the best and most comprehensive information available, as this will impact upon the long-term operational efficiency of the service. As a result, the project group wish to visit sites where mobile working is in place in various configurations with other systems,

in order to speak to current users and identify the benefits and constraints of various options. At the time of writing this report (20 August 2012), these visits have yet to be arranged.

3.5 Permission to Procure new IT solutions

3.5.1 A deadline of September 2013 has been agreed for the completion of the Repairs Improvement Plan. There are a number of key decisions regarding the detail of what is to be procured that cannot be made until further information is available.

3.5.2 Given the tight deadline in place, this report requests that delegated authority be given to the Director of Customer & Community Services, to allow procurement of the most appropriate solutions by the most cost efficient means, providing the following safeguards have been met:

- Agreement to the proposals by the Information Systems Strategy Group (ISSG).
- Agreement to the proposals by the Repairs Improvement Plan Scrutiny Panel, which incorporates both officers and tenant representatives.
- Consultation with the Director of Resources, Executive Councillor for Housing, the Chair, and Opposition Spokesperson(s) for Community Services.

3.6 Project work plan Sept 2012 – Sept 2013

Service Objective 1 –Improve Internal communication

- Follow up and implement outcomes of staff focus groups (due to commence 5 Sept 2012) concentrating on the following four areas: (a) IT solutions, (b) Work Processes and Bureaucracy, (c) Communication and Morale, (d) Value for Money / Competitiveness.

Service Objective 2 – Improve Technology and Innovation

- Obtain Committee approval to proceed to procurement of new IT and permission to spend the budget allocated within the current capital plan. (This decision will be made at Community Services Scrutiny Committee on 11 Oct 2012.)
- Decision on the potential replacement of OPENContractor
- Procurement and Installation of Mobile Working technology

- Assessment and procurement of relevant hand held devices.
- Procurement and Installation of Fault Diagnostic technology

Service Objective 3 – Improve Service Delivery

- Demonstrate further positive improvements in the direction of travel of Key Performance Indicators
- Assess the pilot scheme in place offering late afternoon appointments (4pm – 6pm) on Tuesdays and Thursdays and investigate demand for extended operating hours to include Saturday mornings

Service Objective 4 – Increased Resident Involvement

- Identify areas where residents wish to be more involved in the service through the reformed ROAM (Residents and Officers Asset Management) group

Service Objective 5 – Improve Inter-departmental working

- Agree a process through which City Homes Housing Management staff can take appropriate action in properties where a disproportionate percentage of the repairs budget is being spent

Service Objective 6 – Improved Value for Money and Cost of Service

- Continue to reduce the significant use of sub-contractors in order to increase the productivity of the in-house workforce
- Reduce the burden arising from the use of sub-contractors by streamlining administrative processes, especially in relation to invoicing procedures
- Realise capacity within the workforce in order to extend the service to other departments within the council.

4. Implications

- (a) **Financial Implications:** An allocation of £200,000 has been identified within the Housing Capital Investment Plan, along with £50,000 ongoing revenue resource to fund license renewals, support and maintenance and associated costs of the new IT.
- (b) **Staffing Implications:** Staff will require training in the use of the new IT software and solutions as they are implemented. The anticipated increased productivity of the workforce will enable the

repairs service to be offered to other departments within the council, with the potential to generate income for the HRA.

- (c) **Equal Opportunities Implications:** The Impact assessment did not identify any major issues that cannot be resolved as a result of training etc.
- (d) **Environmental Implications**
Climate Change Rating:
- Impact assessed as Positive Low (+L)
 - There will be a positive impact resulting from the introduction of mobile working technology and improved scheduling of the works which will reduce mileage associated with the responsive repairs service
- (e) **Procurement:** There are no additional procurement implications to the issues detailed in paragraphs 3.4 and 3.5 in the body of the report.
- (f) **Consultation and Communication:** There is a communication plan in place that identifies the means for consulting with staff, residents, and other departments within the council. The implementation of new IT will result in an improved service to residents and as each element is installed an article will be included in the Open Door publication that is delivered to all tenants and leaseholders.
- (g) **Community Safety:** The Repairs Improvement Plan has no direct community safety implications.

5. Background Papers

These background papers were used in the preparation of this report:

Climate Change Rating

Equality Impact Assessment 14 Feb 2012

Report to Housing Management Board 3 January 2012

Report to Housing Management Board 28 September 2010

6. Appendices

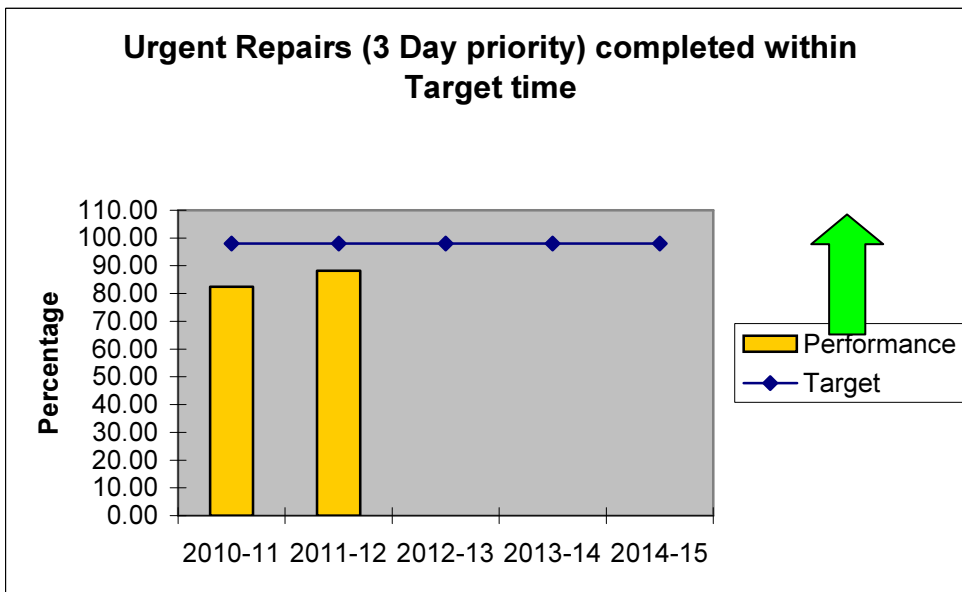
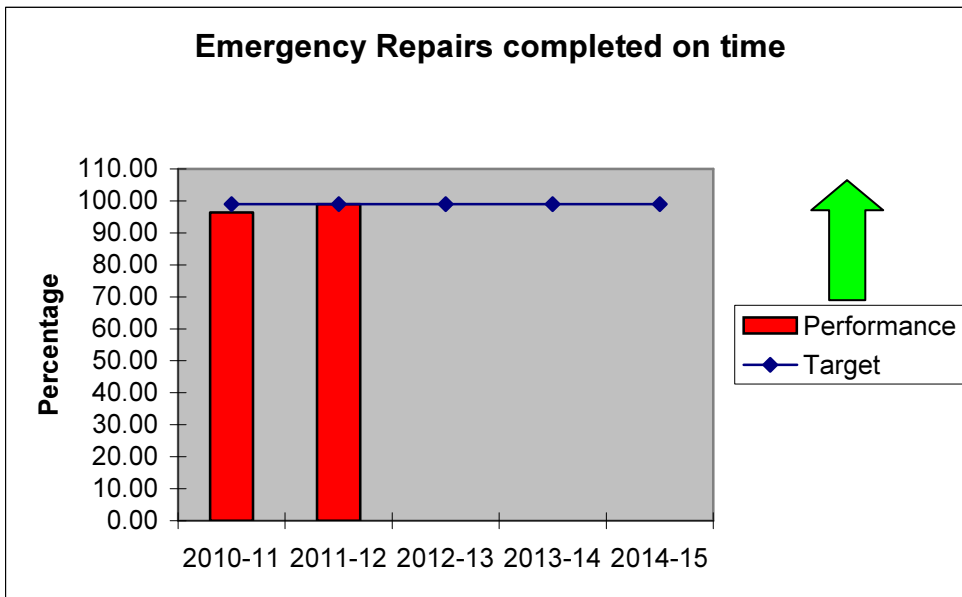
Appendix A – Key Performance Indicators

7. Inspection of Papers

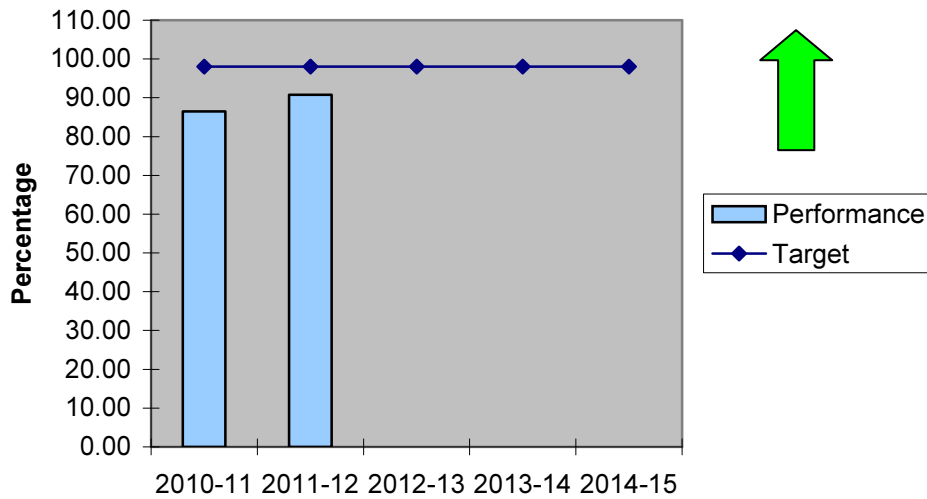
To inspect the background papers or if you have a query on the report please contact:

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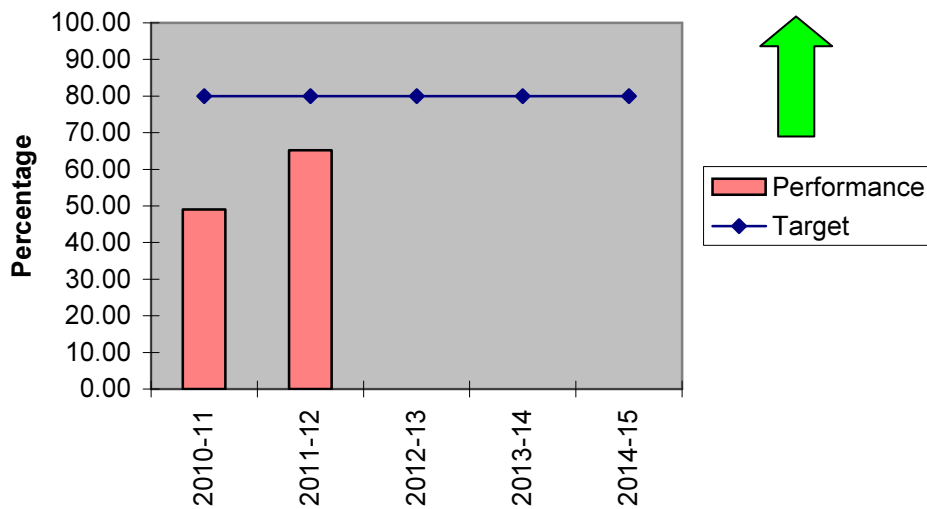
APPENDIX A – KEY PERFORMANCE INDICATORS AT MARCH 2012 FOR THE YEAR 2011/12

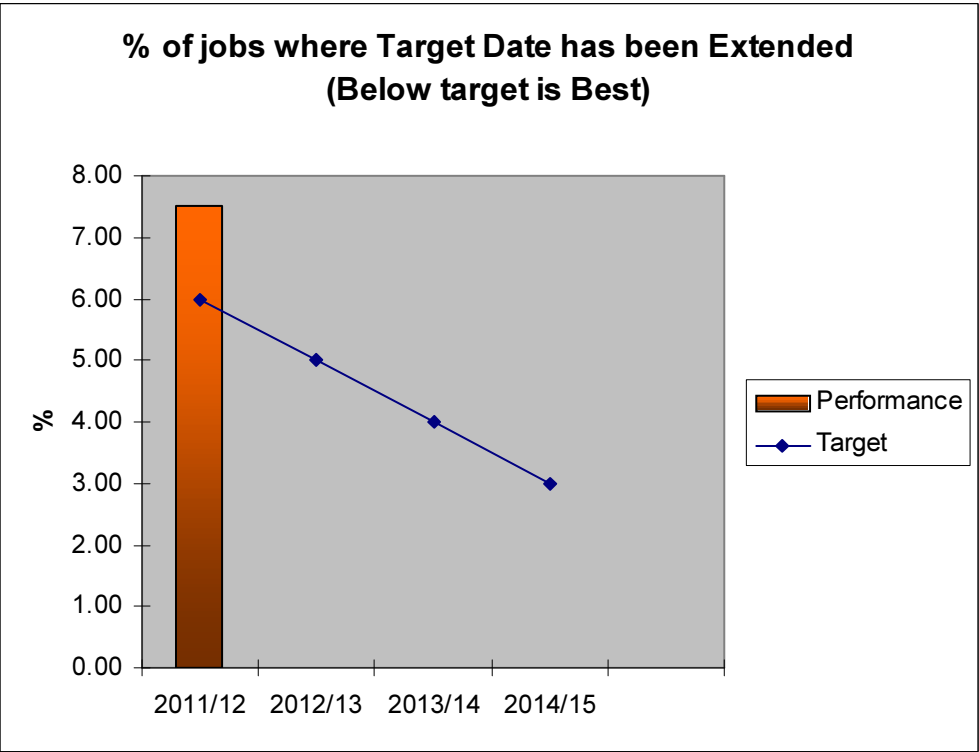
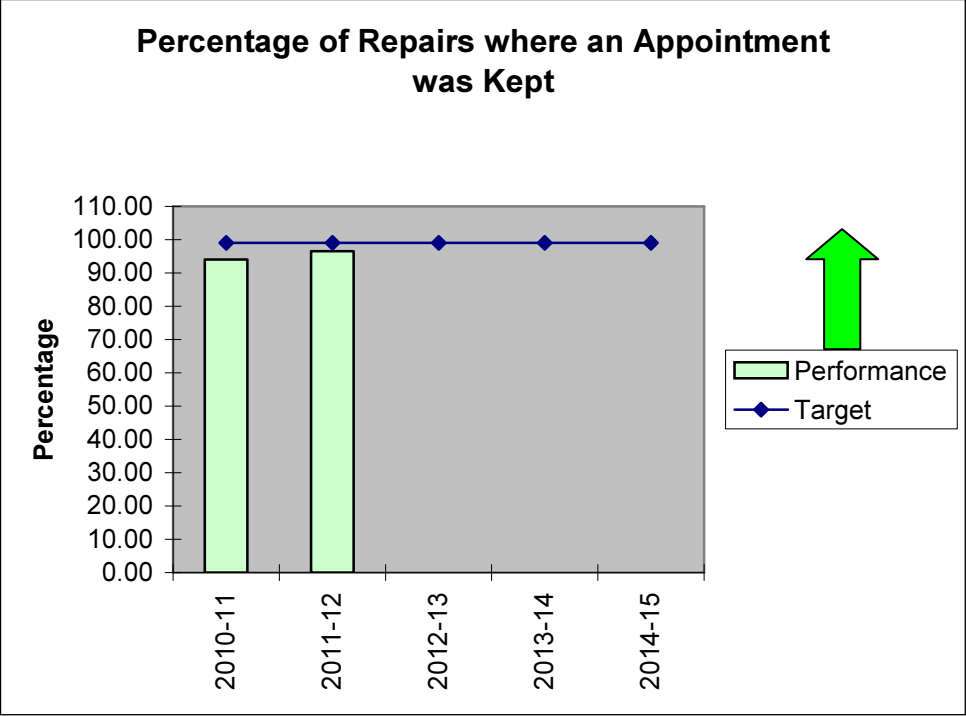


Routine Repairs (20 days) completed within Target Time

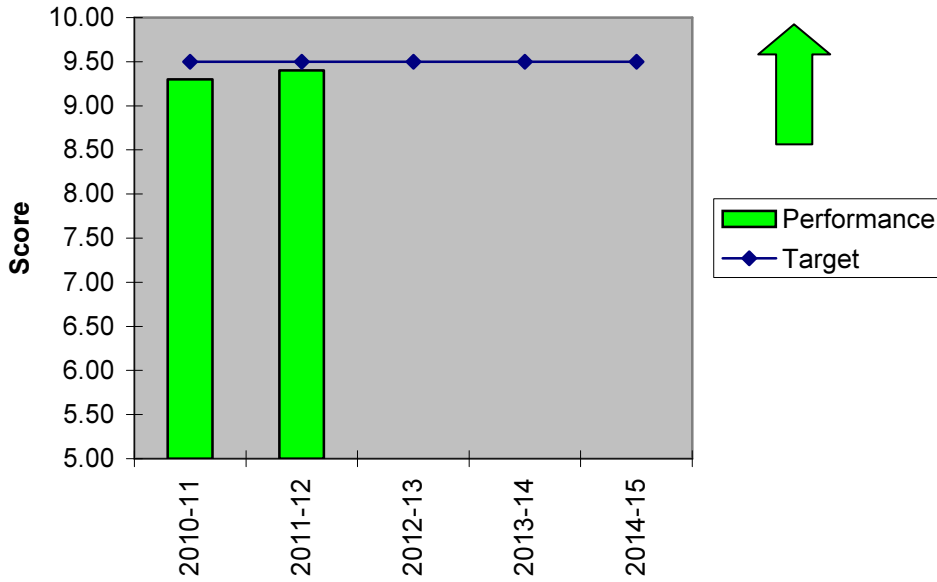


Percentage of Jobs where an Appointment was Made

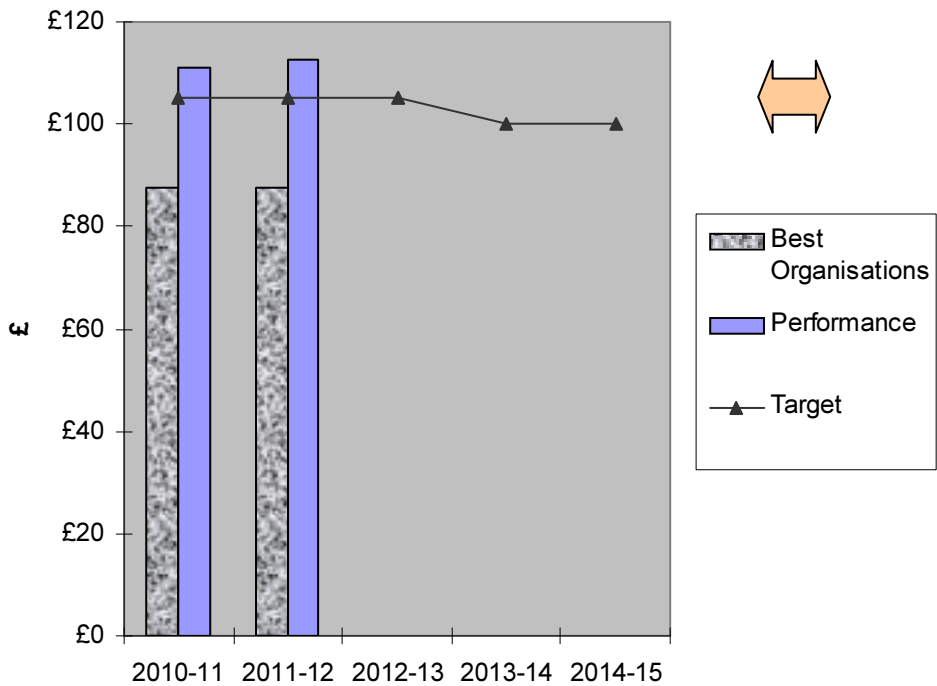


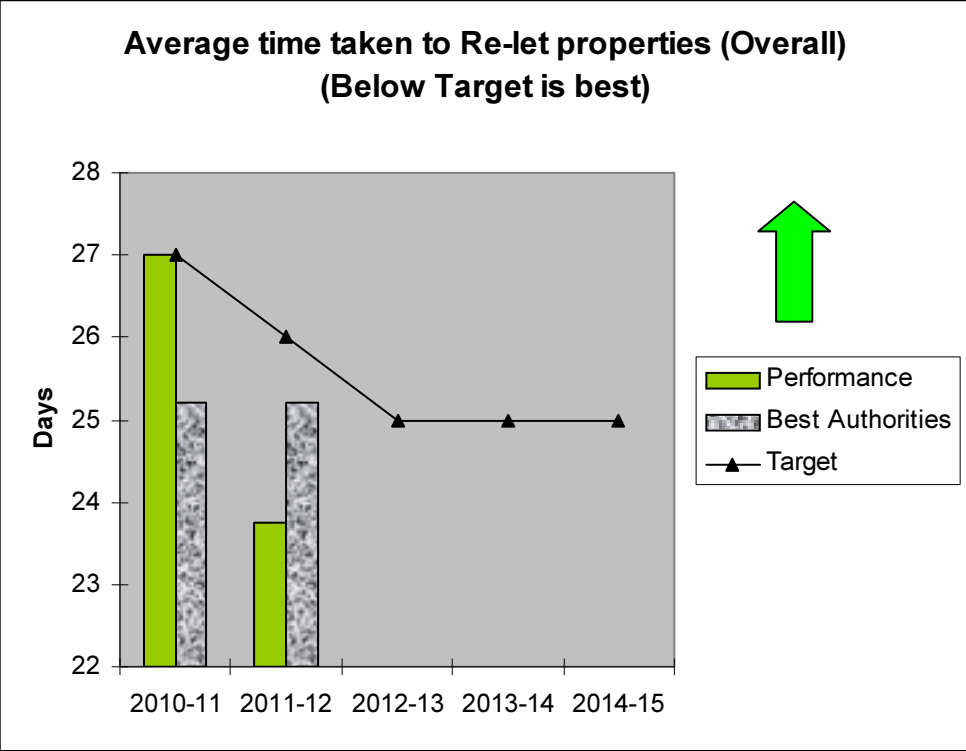
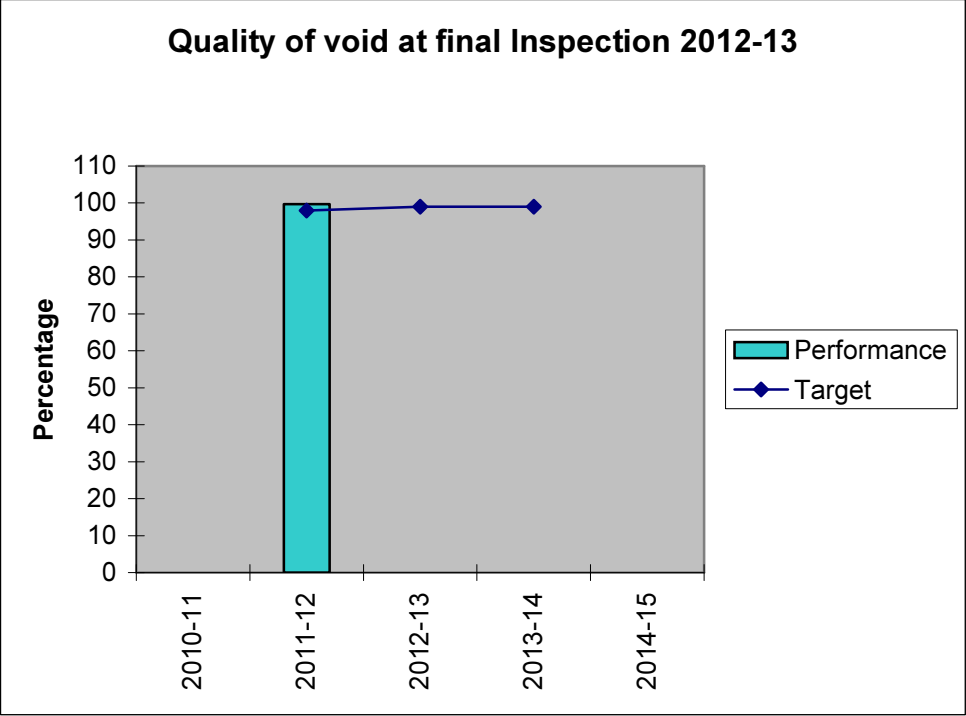


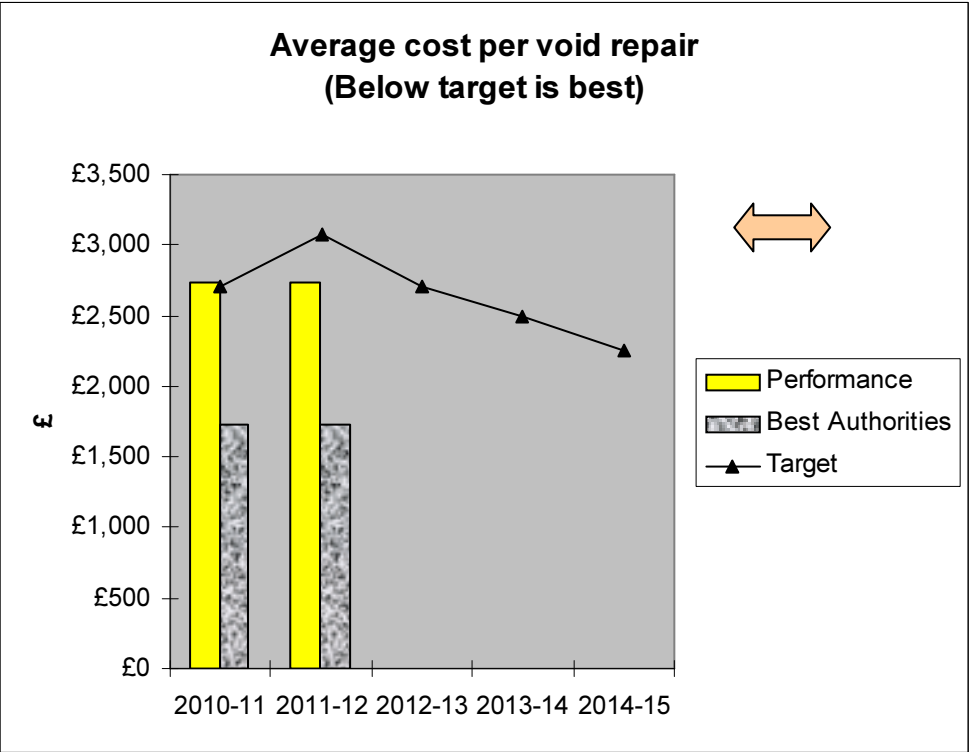
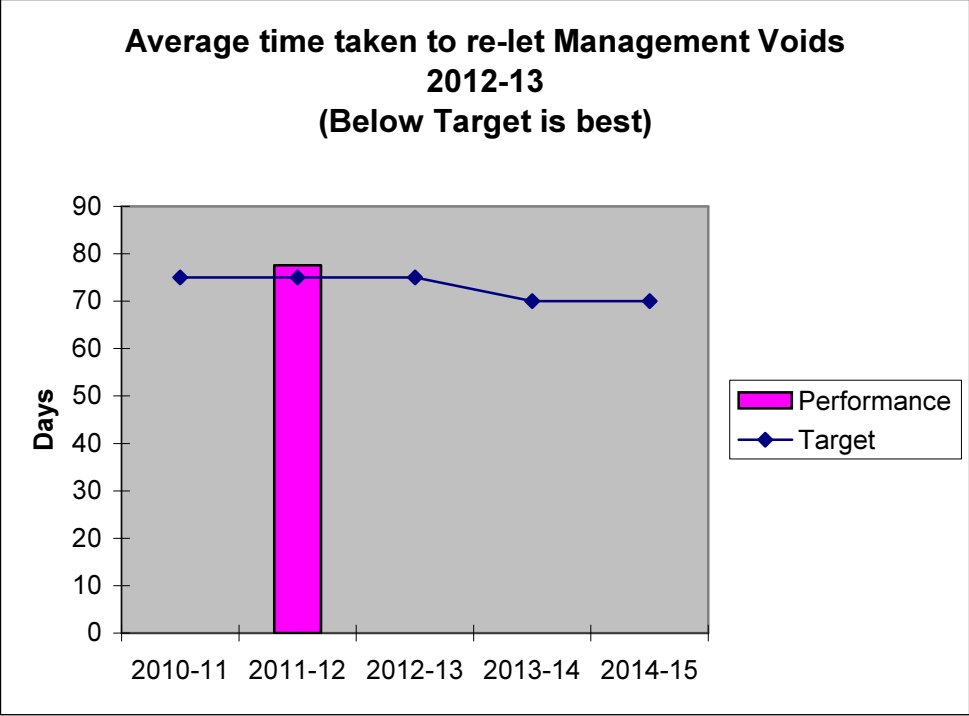
Resident Satisfaction with Responsive Repairs



Average cost of Responsive Repairs (Below Target is Best)









Cambridge City Council

To: Deputy Leader*
Report by: Head of Community Development
Scrutiny committee: COMMUNITY SERVICES 11/10/2012
Wards affected: Primarily: Kings Hedges, Arbury, West Chesterton
but benefits all wards

Project Appraisal and Scrutiny Committee Recommendation

Project Name: Arbury Community Centre – Small Hall Refurbishment

Recommendation/s

Financial recommendations –

- The Deputy Leader is asked to recommend this scheme (which is not included in the Council's Capital & Revenue Project Plan) for approval by Council, subject to resources being available to fund the capital and revenue costs.
 - The total cost of the project is £80,000 funded from developer contributions.
 - There are no ongoing revenue implications arising from the project.

Procurement recommendations:

The Deputy leader is asked to approve a Capital Grant of £80,000 to the Arbury Community Association (Reg Charity 300370) subject to the Charity completing the Council's legal grant agreement.

1 Summary

1.1 The project

A capital grant to pay for the refurbishment and upgrading of the small hall, toilet facilities and kitchenette at Arbury Community Centre.

Target Dates:

Start of procurement	N/a
Award of Contract	N/a
Start of project delivery	April 2013
Completion of project	July 2013

1.2 Anticipated Cost

Total Project Cost	£80,000
--------------------	---------

Cost Funded from:

Funding:	Amount:	Details:
Reserves	£	
Repairs & Renewals	£	
Developer Contributions	£80,000	See Appendix B
Other	£	

Ongoing Revenue Cost

Year 1	£0	
Ongoing	£0	

1.3 Procurement process

The procurement is being carried out by Arbury Community Association who have commissioned and obtained detailed architect's plans and are seeking 3 quotations.

The project will be managed by a professional Architect who will be appointed by Arbury Community Association.

2 Project Appraisal & Procurement Report

2.1 Project Background

Arbury Community Centre is managed by Arbury Community Association. It is very well used by a diverse range of local groups in the north area of the city and groups from other areas of the city. In 2011/12 the centre had 1,977 bookings and over 56,000 individual visits. The small hall had 777 bookings, an increase from 636 in 2009/10.

The project is for a major refurbishment of the small hall including improved insulation, new toilet facilities (including toilets for the disabled), refurbishment of the kitchenette and improved access arrangements to increase the user flexibility of the hall.

2.2 Aims & objectives

The project will help to deliver the following City Council objectives:

- A city which celebrates its diversity, unites in its priority for the disadvantaged and strives for shared community wellbeing
- A city whose citizens feel they can influence public decision making and are equally keen to pursue individual and community initiatives
- A city where people behave with consideration for others and where harm and nuisance are confronted wherever possible without constraining the lives of all
- A city in the forefront of low carbon living and minimising its impact on the environment from waste and pollution.

2.3 Major issues for stakeholders & other departments

- Helps to protect and enhance a major community facility within the city which is used by many residents
- Supports a thriving local charity
- Achieves the above with no revenue implications for the Council

Consultation undertaken:

- Arbury Community Association
- Ward Councillors in Kings Hedges, Arbury and West Chesterton were invited to a site visit where the Centre Manager, Alan Soer, showed them around the existing small hall, kitchenette and toilet facilities and described how the proposals would improve the facilities for users.
- The Council's Asset Management Group

2.4 Summarise key risks associated with the project

Without capital support, the building will further deteriorate and the suitability for many groups will reduce. Also, heating costs will rise further meaning income will fall and costs increase. Eventually this may affect the viability of the Charity.

The proposal is to fund the project using developer contributions. This project is robust and deliverable and will be of significant benefit to residents in the local area and across the city.

2.5 Financial implications

- a. Appraisal prepared on the following price base: 2012/13
- b. Spend phasing is best estimate based upon information from grant recipient. Actual phasing will not be in the direct control of officers.
- c. Specific grant funding conditions are:

Arbury Community Association will be required to complete the Council's standard legal Agreement for Capital Grants. This includes clauses to protect community access and avoid discrimination.

Grant monies will be paid in arrears on receipt of an Architect's certificate or invoices from contractors for work completed.

2.6 Capital & Revenue costs

(see also Appendix B for spread across financial years)

(a) Capital	£	Comments
Building contractor / works		
Purchase of vehicles, plant & equipment		
Professional / Consultants fees		
IT Hardware/Software		
Capital Grant	80,000	
Total Capital Cost	80,000	

(b) Revenue	£	Comments
Maintenance	0	
R&R Contribution	0	
Developer Contributions	0	See Appendix B
Total Revenue Cost	0	

2.7 VAT implications

VAT is included in the costs and will be included in the grant

2.8 Environmental Implications

Climate Change impact	+L
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2.9 Other implications

Equalities

The centre is well used by groups representing BME communities across the city, groups and classes that promote fitness and healthy lifestyles. This project will improve access for users with disabilities.

An Equality Impact Assessment (EqIA) has not been prepared for this project.

2.10 Staff required to deliver the project

The project will be monitored by staff with the Community Development Grants Team.

2.11 Dependency on other work or projects

None

2.12 Background Papers

None

2.13 Inspection of papers

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Date prepared:	9.8.12

Capital Project Appraisal - Capital costs & funding - Profiling

Appendix A

DOUBLE CLICK TO ACTIVATE THE SPREADSHEET
Make sure year headings match start date ...

	2012/13	2013/14	2014/15	2015/16	2016/17	Comments
	£	£	£	£	£	
Capital Costs						
Building contractor / works						
Purchase of vehicles, plant & equipment						
Professional / Consultants fees						
Other capital expenditure:						
Capital Grant		80				
Total Capital cost	0	80	0	0	0	
Capital Income / Funding						
Government Grant						
Developer Contributions	0	80				(See Appendix B)
R&R funding						(State cost centre/s)
Earmarked Funds						(State cost centre/s)
Existing capital programme funding						(Programme ref.)
Revenue contributions						(State cost centre/s)
Total Income	0	80	0	0	0	
Net Capital Bid	0	0	0	0	0	Must agree to 1.2 above

Appendix B

Developer Contribution Cost Centre	Planning Reference	Contribution Type (Formal Open Space, Informal Open Space etc)	Address	Amount (£)
	03/0379/OP	Community Facilities	Land at George Nuttall Close	80,000
Total				80,000

Project Appraisal for Capital Grant

Project Name	Centre at St Paul's Redevelopment
Committee	Community Services Scrutiny Committee
Portfolio	Community Development and Health
Committee Date	28 June 2012
Executive Councillor	Cllr Mike Pitt
Lead Officer	Trevor Woollams

Project Appraisal and Scrutiny Committee Recommendation

Project Name: Centre at St Paul's – Redevelopment of the main hall – Fitting Out

Recommendations

Financial recommendations -

- The Executive Councillor is asked to approve a capital grant of £25,000 from the Newtown Capital Grants Programme towards the cost of fitting out the main hall. This grants programme is already included in the Council's Capital Programme Ref: PR025
- There are no revenue implications for the City Council arising from this project

1 Summary

1.1 The project

This project is to grant £25,000 towards the cost of £352,000 for the major refurbishment of the centre's main hall. A capital grant of £34,800 has already been awarded by the Council towards the costs of a new energy efficient heating system and toilet facilities. This grant will help the centre pay for fitting out of the hall including new seating, storage trollies and facilities and electrical equipment. This will result in a total grant from the Council of £59,800.

Target Start date	August 2012
Target completion date	December 2012

1.2 The Cost

Total Project Cost	£25,000 (additional grant value)
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Capital Cost Funded from:

Funding:	Amount:	Details:
Reserves	£	<i>None</i>
Repairs & Renewals	£	<i>None</i>
Developer Contributions		
Other	£25,000	£25,000 from the Newtown Forum Capital Grant Programme. Ref: PR025

Revenue Cost

Year 1	£ 0
Ongoing	£ 0

1.3 The Procurement

Procurement will be carried out by the Centre at St.Pauls.

2 Capital Project Appraisal & Procurement Report

2.1 What is the project?

This project is to grant £25,000 towards improving facilities available to the community by re-furbishing the Main Hall at the Centre at St Paul's.

When the Centre was created in 1996, the Main Hall was intended to be used primarily for church services. In the past 10 years, it has developed into a multi-purpose room that is used for regular activities every day of the week. It is also in demand as a venue for wedding receptions, ceilidhs, dances, lectures and assemblies. However, the standard of the Main Hall is not in keeping with that of the rest of the Centre.

Following a comprehensive assessment of current and future needs of the Centre at St Paul's - including consultations with Centre users – it has been decided to launch a development project that will maximise the potential of the Main Hall as a community venue. On Sundays, the space is used for church services. During the rest of the week, this large area is a multi-purpose room, the largest in the complex. It is an attractive setting for regular activities involving mentally vulnerable adults, the elderly and young people as well as wedding receptions, ceilidhs, dinners and charity events run by a wide cross section of community groups.

The Main Hall was not designed or equipped for its current level of use. Modifications are therefore required so it can continue to make an outstanding contribution to the success of a wide range of community events. The following steps will be taken to maximise use and increase flexibility:

1. The remaining pews will be removed and the sloping floor on which they rest will be levelled
2. Part of the floor near the east window will be converted to include a simple stage
3. The floor in the side chapel will be levelled to match the level of the main floor
4. The dais below the terra cotta wall will be removed

5. The softwood floor will be repaired, sanded and re-varnished
6. The wooden screens separating the central space from the side areas will be removed
7. The organ console will be returned to its original position under the organ pipes
8. A more modern and efficient heating system will be installed
9. Existing furniture will be replaced with portable chairs and trolleys
- 10 A large storage space will be built in the north transept to house chair trolleys and user equipment. This area will also contain a server/kitchenette
- 11 New toilets will be installed.

2.2 What are the aims & objectives of the project?

The grant supports a significant community project. The Main Hall benefits the local community by offering a large-scale, user friendly venue for regular and one-off activities.

The aim of the community project is to modernise existing facilities, thereby creating a flexible, multi-functional space. When the work has been completed, the Main Hall will complement the rest of the Centre and be finished to the same high standard. The Centre's underlying principle seeks to bring people together, encourage diversity and promote acceptance. Its programme targets people who are vulnerable or socially excluded, including the elderly and mental health service users. It delivers its programme in a variety of ways, including weekly lunches held throughout the year.

At present, the Main Hall is heated on an ad hoc basis. The boilers are at least 20 years old and in need of replacement. In terms of cost effectiveness, the system heating the refurbished hall will be more efficient. Because of increased usage, the Main Hall will have more regular heating, reducing the cost of heating per head. This is highly desirable from an environmental point of view.

2.3 The major issues for stakeholders & other departments

The grant contributes to a community project that will create a customised venue for regular classes and larger community events. In particular, removal of the pews and screens together with repositioning the organ console will create a versatile space capable of being used in a variety of ways. The new storage area will accommodate furniture that currently has to be stacked along the north transept wall or below the east window. In other words, the completed refurbishment will deliver a smart-looking venue tailored to the needs of existing and future users from all sections of the community.

The Newtown Community Forum (which includes Trumpington ward councillors) has been consulted about this proposal and are fully supportive.

2.4 Summarise key risks associated with the project

At present the Main hall does not meet the standards of the rest of the Centre at St Paul's. If it is not refurbished, certain community groups will be denied access to a large, affordable venue in this part of the city. Community cohesion will be seriously undermined.

2.5 Financial implications

- a) Appraisal prepared on the following price base: 2012/13
- c) The Capital Grant of £25,000 will be dependent upon the Centre at St.Pauls accessing the remainder of the project costs from other sources. They have to date managed to secure a total of £300,000 which has enabled the project to commence. This grant would be funded from developer contributions from the Newtown Capital Grant Programme.
- d) Grant monies will be paid in arrears on receipt of an Architect's certificate or invoices from contractors for work completed.

2.6 Capital & Revenue costs

(a) Capital	£	Comments
Building contractor / works		
Purchase of vehicles, plant & equipment		
Professional / Consultants fees		
IT Hardware/Software		
Other capital expenditure	£25,000	Grant
Total Capital Cost	£25,000	

(b) Revenue	£	Comments
Total Revenue Cost	0	

2.7 VAT implications

There are no adverse VAT implications to this project

2.8 Environmental Implications

Climate Change Impact	+L
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It is estimated that the project will have a low but positive environmental impact as the overall scheme will include a new and more efficient heating system for the Centre.

2.9 Other implications

The project takes environmental issues into consideration and will ensure that the relevant health and safety standards are complied with.

The centre is very well used by many groups including BME groups and by people with disabilities. Disabled access will be improved. There will be disabled access to the new stage in the Main Hall. The existing loop system will be upgraded when the PA is replaced. The building will be easier to

negotiate for the visually impaired when the organ console has been repositioned and the pews have been removed.

2.10 Staff required to deliver the project

The project will be supervised by a professional project manager/clerk of works appointed by the Parochial Church Council (PCC). The individual concerned has managed several projects at St Paul's including the original conversion and refurbishment of the downstairs and upstairs kitchens. Council staff will monitor the work.

2.11 Identify any dependencies upon other work or projects

None

2.12 Background Papers

None

2.13 Inspection of papers

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Date prepared:	15 June 2012

Appendix A

	2012/13	2013/14	2014/15	Comments
	£	£	£	
Capital Costs				
Building contractor / works				
Purchase of vehicles, plant & equipment				
Professional / Consultants fees				
Other capital expenditure:	£25,000			
Total Capital cost	£25,000	0	0	
Capital Income / Funding				
Government grant				
Developer contributions				
R&R funding				
Earmarked funds				
Existing capital programme funding	£25,000			
Revenue contributions				
Total Income	£25,000	0	0	
New Capital Bid	0	0	0	

Identified needs for improvements to St.Pauls

Improvement	Priority	Sub-project	Proposed Action	Estimated Cost (£)
The church space (Main Hall) needs to be modified to bring it into line with existing and projected levels of use. At present it lacks flexibility because the pews are fixed and take up a lot of space.	High		The Victorian pews will be removed and the sloping chancel floor on which the pews rest will be levelled. The raised floor of the side chapel on the south side of the building will be levelled to match the height of the main floor. The new space will be enhanced by removing the wooden screens designed to create a chancel and by repositioning the organ console under the organ pipes. Part of the floor immediately below the east window, will be converted into a simple stage area.	73,000
There is a marked absence of adequate storage space for chairs, other items of furniture and for equipment used for regular activities.	High		A large storage space will be constructed in the north transept and used to accommodate chairs, trolleys and user equipment. Existing furniture will be replaced with portable chairs and trolleys. There will be an adjoining kitchenette with facilities for preparing and serving hot and cold drinks.	42,000
The Main Hall is difficult to heat in winter partly because the heating system (boilers and radiators) is old-fashioned and inefficient.	High		A modern heating system will be installed with the aim of producing heat more efficiently and reducing the environmental impact. Solar panels will be installed to improve energy efficiency.	60,000

When major events are held in the Main Hall, the existing toilets are inadequate for a large number of Centre users.	High		New entrance way and new toilets including toilets for the disabled will be installed.	150,000
Professional Fees	High		A professional Project Manager is being appointed by the Centre to ensure the project is delivered to a high standard	27,000
Total				352,000



To: Executive Councillor for Community Development and Health
Report by: Trevor Woollams (Head of Community Development)
Relevant scrutiny committee: Community Services October 11th 2012
Wards affected: All

City Centre Youth Venue

1. Executive summary

1. This report sets out how work was taken forward to explore whether the YMCA would be a suitable venue for a city centre youth facility and whether it would have the support of young people within the city.
2. The report explains that whilst there was some support for a facility, young people were not prepared to actively engage with officers to take the project forward. Therefore, the report concludes that it would be a significant financial risk for the Council to invest in such a facility at the YMCA and recommends that the proposal is not pursued any further.
3. The report goes on to describe plans to stage an urban sports festival and how young people are actively engaging with officers in the programming and promotion of the festival. It recommends that the informal member panel should continue to meet and proposes that learning from the urban sports festival should be used to explore other ideas for meeting the needs of young people in Cambridge.

2. Recommendations

The Executive Councillor is recommended:

- 2.1 To agree not to pursue the proposal to locate a city centre youth venue at the YMCA.
- 2.2 To ask the informal member panel to continue to meet to explore ideas for youth projects.
- 2.3 To ask officers to report back to this committee in March 2013 to outline suggestions from the member steering group for a project or projects to support young people in Cambridge.

3. Background

- 3.1 Members will be aware that for some time the Council has been actively seeking opportunities to help provide a venue or venues for young people in the City centre. This has proved difficult due to lack of appropriate buildings, high property prices and potential revenue costs that might be incurred. In March 2012 officers reported to this committee that they had been in discussion with the YMCA who at the time had an aspiration to redesign and refurbish the ground floor of their premises in Gonville Place. Officers and the YMCA believed that this might provide an opportunity for a dedicated facility for young people which could include things such as meeting space, games room and café facilities.
- 3.2 In January 2012, staff from the Council's Children and Young People's Participation Service (ChYpPS) surveyed young people through secondary schools in the city to get an initial view about the degree of support there might be for a city centre venue that could complement other facilities and services provided and act as a meeting place for young people. The initial survey suggested that there was some support for a city centre venue and that the YMCA might be a suitable venue but this would depend upon how it was run.
- 3.3 At the March 2012 meeting, the previous Executive Councillor for Community Development and Health agreed that the Council should work with the YMCA to explore options with young people and that officers should report back to this committee in October 2012 on progress and whether there was a viable scheme to take forward. It was emphasised that any solution must be achieved with the help and buy-in of young people. A small informal member panel comprising Cllrs Pitt, O'Reilly, Kerr and Pogonowski was set up in May 2012 to work with officers.
- 3.4 In April 2012 the Head of Community Development recruited a new Youth Officer who has been leading further consultation work with young people. This comprised:
- On-line survey of young people (January – 308 respondents)
 - On-line survey of young people (June / July)
 - Post card survey (June /July)
 - Parent mail – consultation letter to parents (July)
 - YMCA residents (June/July)

A summary of the findings is shown at Appendix A

- 3.5 The March 2012 report set out plans to take this work forward with a group of young people, recruited during the consultation. Although 93 young people expressed an interest in working with the Council on this project, when contacted, none of them were prepared to give up their time and none of them responded positively to an invitation to a focus group session at the YMCA. This was very disappointing but perhaps reflects the relatively luke-warm response to the idea of a city centre youth venue at the YMCA within the wider consultation.
- 3.6 Parents were sent a letter explaining the proposal for a youth venue at the YMCA and asking for their views. The letters were sent out through schools but no responses were received.
- 3.7 The Council's Youth Officer and the YMCA's Area Manager discussed proposals with residents of the YMCA who were generally supportive of a youth venue within their building. They felt that this was something they would want to use and that it would give them opportunities to meet other young people from Cambridge.
- 3.8 Cllrs Kerr and O'Reilly met with officers and the Area Manager of the YMCA on the 8th August to discuss the findings from the consultation and reflect on how to proceed. The general feeling was that in view of feedback from young people from the surveys and the lack of interest in any of them working with the Council to take a proposal forward, further work on the project should cease. There was a collective view that it would be too high risk for the Council to make a significant capital investment into an open access youth venue at the YMCA which may not be used or which may have a very low use by non-residents. Representatives from other partner organisations have been contacted and support this view.
- 3.9 The Area Manager from the YMCA also felt that this would be high risk for the YMCA as they would be tied (through grant conditions) into providing and operating an open access venue, into the future, even if very few young people used it. However, he emphasised that the YMCA would be interested in further partnership work should other opportunities be identified to support young people.
- 3.10 Although the member panel and officers believe it is not appropriate to pursue a youth venue at the YMCA, there is still a strong desire to respond positively to young people. The survey results suggest that young people want a range of different activities in both their local area and within the city centre. Many respondents highlighted a need for more accessible activities such as sporting activities, festivals and events as well as places where they can meet friends and chill out.

- 3.11 In contrast to the YMCA youth venue proposal, young people are actively engaging with officers to plan an Urban Sports Festival. This will take place on 1st November and is a project bringing together the Council's Sports Development, ChYpPS and Parking services together with the Grafton Centre.
- 3.12 Officers are working with a group of around 20 young people to design, programme and promote the festival which will include demonstrations and workshops on urban sports such as:
- BMX
 - Parkour
 - Streetwise soccer
 - Football freestyle
 - Boxing
 - Cheerleading
 - Street dance
 - Skateboarding
 - Freestyle basketball
 - Graffiti art
 - DJ music
- 3.13 The positive engagement in the planning of the festival demonstrates that young people are very willing to get involved when the subject is of real interest to them. Officers have reflected on this and discussed it with the member panel.
- 3.14 Officers propose to bring the member panel together with the young people who are involved in planning the urban sports festival to seek their views on how the more popular elements from the festival could be broadened out or repeated in the future. For example, this might be through the provision of a physical space where activities could take place or through an on-going activity programme. Central to taking forward any ideas would be that the young people themselves were fully behind them.
- 3.15 It is proposed that officers report back to this committee in March 2013 with recommendations about any ideas that emerge from this process.

4. Implications

(a) **Financial Implications**

The capital plan has included an allocation of £100,000 (funded by developer contributions) for a city centre youth venue for many years. It is proposed that this is removed from the capital

plan but retained as a provisional allocation pending the report in March 2013.

In March 2012 the Executive Councillor for Community Development and Health agreed that £80,000 from the East Area Capital Grants Programme be provisionally allocated to the city centre youth venue project pending further work to establish whether the YMCA was a suitable venue. If recommendation 2.1 above is agreed, this provisional allocation will return to the East Area Capital Grants Programme.

(b) **Staffing Implications**

There are no staffing implications.

(c) **Equal Opportunities Implications**

An EQIA will need to be carried out if a major scheme is identified and taken forward.

(d) **Environmental Implications**

None

(e) **Consultation and Communication**

Set out in the report

(f) **Procurement**

None

(g) **Community Safety**

The safety of young people will be given the highest priority as plans are progressed.

5. **Background papers**

These background papers were used in the preparation of this report:

City Centre Youth Venue - Report to Community Services Scrutiny Committee, March 2012

6. **Appendices**

Appendix A: Young People Survey Results

7. **Inspection of papers**

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

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Appendix A

Summary of Findings from Consultation with Young People – 2012

January 2012 Survey

Total respondents: 308
 Male: 45%
 Female: 55%

Where do you prefer to hang out?		
Answer Options	Response Percent	Response Count
My local area	27.4%	82
Cambridge City Centre	20.7%	62
Both	51.8%	155
<i>answered question</i>		299
<i>skipped question</i>		9

When are you most likely to go into the city centre with friends?				
Answer Options	Lots	Sometimes	Never	Response Count
Evenings	21	125	85	231
Daytime at the weekend	108	151	18	277
School holidays	114	114	24	252
<i>answered question</i>				307
<i>skipped question</i>				1

Where to you go when your in the city centre?		
Open question	Response Count	
Shops	233	
Food	35	
Cinema	81	
Parks	29	
Swimming	16	
Skateboard park (Jesus Green)	7	
Library	4	
Corn Exchange	2	
Arts Theatre	1	
Town centre (unspecified)	21	
<i>answered question</i>		292
<i>skipped question</i>		16

What's missing for young people in the city centre?

Open Question	Response Count
Somewhere to chill out / youth centre	65
More / cheaper shops	55
Skate park / activities in parks	46
More sports facilities	38
Nothing	19
Café for young people	14
Places to sit quietly and chat	8
More bike parks	6
More accessible places for wheelchairs	3
Zoo	2
Other	26
<i>answered question</i>	
253	
<i>skipped question</i>	
55	

If there was a venue provided where young people could hang out, what would you want it to be like?

Answer Options	Response Percent	Response Count
A place where all young people could meet	43.6%	129
A place aimed at older teenagers	11.8%	35
A place open for different ages on different days	48%	142
A general space to hang out with no activities	42.6%	126
Different activities planned on different days	43.2%	128
A place where young people can buy refreshments	62.8%	186
Refreshments are not important	16.6%	49
A venue in the city centre	31.8%	94
A venue in my local area	28.7%	85
It doesn't matter where it is	26.0%	77
<i>answered question</i>		296
<i>skipped question</i>		12

If Cambridge City Council and the YMCA worked together to provide a new venue for young people at the YMCA building near Parkers Piece, do you think you and your friends would use it?

Answer Options	Response Percent	Response Count
Yes	36.3%	105
No	8.3%	24
Depends on how it was run	55.4%	160
<i>answered question</i>		289
<i>skipped question</i>		19

Total respondents: 181
 Male: 52%
 Female: 48%

What do you do in your spare time?

<i>Open Question</i>	<i>Response Count</i>		<i>Response Count</i>
Computer gaming	52	Prey	1
Computer / Internet	30	Drink	1
Friends	48	Breath	1
• Family	7	Library	1
TV	27	Live	1
Revise	25	Cambridge United	1
Reading	18	Smoke	1
Shop	13	Travelling	1
Listen to music	12	Sports	20
• Radio	1	• Football	17
Go out / Go to town	10	• Dancing	8
• Park	5	• Swimming	7
Sleep	9	• Running	4
Cinema	7	• Cycle	3
• Theatre	1	• BMX / Skate Board	2
Work	6	- Rollerskate	1
• Babysit	4	• Boxing	3
• Volunteer	1	- Judo	3
Play music	5	• Tennis	3
• Singing	2	• Basket ball	3
• Piano	6	• Horse ride	3
• Clarinet	1	• Work out	3
• Violin	1	- Yoga	1
• Guitar	1	• Sailing	2
Youth Groups	3	- Rowing	1
• D of E	3	• Rugby	1
• Army cadets	2	• Netball	1
• Guides	1	• Baseball	1
• Drama club	1	• Archery	1
Walk / train dogs	4	• Skiing	1
Art	3	• Bowls	1
• Photography	1	• Fishing	1
• Writing	1	• Walking	1
Eat	3	• Motocross	1
• Cooking	3	• Gokarting	1
Nothing	3	• Flying	1

Do you go to any clubs or groups?

<i>Answer options</i>	<i>response percent</i>	<i>response count</i>
Yes	50.6%	88
No – I don't want to	24.7%	43
No – there aren't any in my area	6.3%	11
	Answered Question	174
	Skipped Question	7

What would you like to see provided for young people in Cambridge?

38 Socialise / Café / food / drinks	7 Bigger Libraries / places to revise
15 Youth Club / Centre <ul style="list-style-type: none"> • 1 Table Tennis • 1 Snooker 	6 Parks / Green spaces <ul style="list-style-type: none"> • 4 Theme Park
19 Festivals / Events for young people	
15 Sports facilities / activities / Centre <ul style="list-style-type: none"> • 6 Ice Skating • 4 Basketball • 2 Gym • 2 Football astro • 2 Indoor Tennis • 1 Volleyball • 1 Karate • 1 Karting • 1 Paintball • 1 Sky Diving 	1 Arts & Crafts <ul style="list-style-type: none"> • 3 Dance • 2 Drawing • 1 Photography
	2 Skate Boarding / Scooters / BMX /
	1 Restaurant

How often do you go in to the City Centre?

<i>Answer options</i>	<i>response percent</i>	<i>response count</i>
Daily	16.1%	28
Weekly	34.5%	60
Monthly	20.7%	36
Sometimes	24.1%	42
Never	4.6%	8
	Answered Question	174
	Skipped Question	7

How much time do you spend socially in your area?

<i>Answer options</i>	<i>response percent</i>	<i>response count</i>
Daily	23.0%	40
Weekly	29.9%	52
Monthly	2.3%	4
Sometimes	31.0%	54
Never	13.8%	24
Answered Question		174
Skipped Question		7

Would you use a City Centre Venue?

<i>Answer options</i>	<i>response percent</i>	<i>response count</i>
Yes	44.9%	75
No	55.1%	92
Answered Question		167
Skipped Question		14

How would you get there?

<i>Answer options</i>	<i>response percent</i>	<i>response count</i>
Public Transport	45.6%	72
Walk, cycle or skate	46.2%	73
Get a lift	30.4%	48
Other	31.0%	10
Answered Question		158
Skipped Question		23

When would you most use the venue?

<i>Answer options</i>	<i>response percent</i>	<i>response count</i>
After School	28.0%	42
Weekday evenings	8.7%	13
Weekend daytimes	33.3%	50
Weekend evenings	20.0%	30
School Holiday daytimes	39.3%	59
School holiday evenings	26.7%	40
Answered Question		150
Skipped Question		31

What ages do you think it should be for?

<i>Age</i>	<i>Number of responses</i>
11	24
12	35
13	86
14	105
15	122
16	115
17	81
18	65

Have you ever been to the YMCA?

<i>Answer options</i>	<i>response percent</i>	<i>response count</i>
Yes	4.8%	8
No	95.2%	160
	Answered Question	168
	Skipped Question	13

Would you come to a youth venue at the YMCA?

<i>Answer options</i>	<i>response percent</i>	<i>response count</i>
Yes	34.4%	54
No	65.6%	103
	Answered Question	157
	Skipped Question	24

Post Card Survey June/July 2012

Total respondents: 197

Would you use a Youth Venue based at the YMCA?

<i>Answer options</i>	<i>response percent</i>	<i>response count</i>
Yes	75.0%	147
No	25.0%	50
Answered Question		197
Skipped Question		0

What would you like to do at a Youth Venue at the YMCA?

63 Socialise

27 Café / food / drinks

- 21 Pool
- 20 Wifi access / computer games
- 10 Table Tennis
- 9 Listen to music
- 8 TV / watch films
- 5 Table Football
- 2 Air Hockey
- 2 Board Games
- 1 Darts
- 1 Quizes

14 Arts & Crafts

- 14 Dance
- 4 Drawing
- 4 Singing
- 3 Making Music
- 3 Drama / acting
- 2 Music events
- 2 Graffiti
- 1 Djing

7 Sports facilities / activities

- 12 Football
- 3 Gym / Gymnastics
- 3 Paintball
- 2 Badminton
- 2 Basketball
- 2 Swimming
- 1 Fencing
- 1 Exercise classes
- 1 Archery
- 1 Boxing
- 1 Karate
- 1 Softball
- 1 Ice Skating
- 1 Karting

16 Cooking

8 Skate Boarding / Scooters / BMX

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To: Executive Councillor for Community Development and Health
Report by: Trevor Woollams (Head of Community Development)
Relevant scrutiny committee: Community Services October 11th 2012
Wards affected: All

**Children and Young People's Participation Service (ChYpPS)
ChYpPS Plan for 2013 – 2016 (Draft)**

1. Executive summary

- 1.1 This report asks the Executive Councillor for Community Development and Health to agree the ChYpPS Plan for 2013-2016 following the member review of the service which reported to this committee in January 2012.
- 1.2 The report highlights the approach used in developing the Plan to allow for change to a more entrepreneurial and business culture within the service and to provide the flexibility and capacity required to deliver the mission and generate income that will reduce the net cost to the Council whilst sustaining the service into the future..

2. Recommendations

The Executive Councillor is recommended:

- 2.1 To agree the draft ChYpPS Plan 2013 – 2016
- 2.2 To agree that officers arrange a formal review meeting with the Executive Councillor for Community Development and Health, Scrutiny Chair and Spokes in October 2013 to review progress with the Plan.

3. Background

- 3.1 In January 2012 this committee considered a report from the member panel that carried out a review of ChYpPS during 2011. The member

report was very supportive of the service and the work carried out by staff. The panel recommended that ChYpPS' mission should be summed up as follows:

To enrich the growth and development of the city's children and young people through play and to give children and young people a voice in the development of their city.

- 3.2 The panel felt that whilst the service should continue to deliver some effective targeted work, the primary focus for ChYpPS should remain their unique, open access and free at the point of delivery service for 9-13 year old children and young people across the city. However, they agreed that younger and older children should not be excluded from ChYpPS activities.
- 3.3 The panel felt that ChYpPS are well placed to develop an entrepreneurial approach by offering services such as training and the delivery of specialist play programmes to other providers. They also considered that there was potential for ChYpPS to work more closely with volunteers, whilst recognising that care would need to be taken to accommodate any safeguarding concerns.
- 3.4 The panel concluded that by developing an entrepreneurial approach to specialist service delivery to generate income, and by engaging and training volunteers, ChYpPS could maintain and hopefully increase its capacity into the future whilst reducing the net cost, in real terms and over time, to the City Council's budget.
- 3.5 The Executive Councillor for Community Development and Health agreed the panel's recommendations which included cash limiting the service in 2013/14 and 2014/15. Officers were asked to bring a draft Business Plan to this committee in October 2012 setting out how the service will deliver additional income and maintain capacity during 2013/14, 2014/15 and beyond. The draft 'ChYpPS Plan 2013-2016' is attached at Appendix A.

4. Approach of the Plan

- 4.1 The draft Plan reinforces the future direction for the service as set by the member review recommendations and as informed by recent experience of partnership work with organisations from both the public and educational sectors.
- 4.2 The Plan is intentionally strategic. It does not set out in detail the work that ChYpPS will do to generate income but gives examples, based upon recent pilot work and opportunities and skills highlighted during

the review, as to the work the service will pursue. This approach will enable the service to be flexible, to react to opportunities or to develop bespoke projects, activities and training to meet the needs of potential clients.

- 4.3 The incremental approach to the Plan recognises that embedding an entrepreneurial culture within a service like ChYpPS is a significant change for many staff. The change will take time and needs to be managed carefully to ensure we both protect the mainly 'open access' nature of the service and the ChYpPS brand (which is well known and highly regarded by young people across the City).
- 4.4 The incremental approach also recognises that the service will need to free up some staff capacity in order to generate income. Examples of how we will do this are given in the Plan. Officers believe that this gives them potential to raise more income than required to cover cash limiting and are recommending that the net income targets are increased to £30,000 for 2013/14 and £60,000 for 2014/15. Officers are recommending that the net income target for 2015/16 is maintained at £60,000 to enable ChYpPS to consolidate and use any additional income to re-invest in the service.
- 4.5 These income targets are challenging and so progress will need to be carefully monitored. Monitoring will be carried out through monthly management team meetings. It is also recommended that managers arrange a formal review meeting in October 2013 with the Executive Councillor for Community Development and Health, Scrutiny Chair and Spokes.

5. Implications

(a) Financial Implications

Set out in the report. The net income targets would produce effective savings of £30,000 (on-going) from 2013/14 and a further £30,000 (on-going) from 2014/15.

(b) Staffing Implications

There are no staffing implications.

(c) Equal Opportunities Implications

An EQIA has been carried out to consider the impact that the service changes might have on children and young people. This shows no or very little negative impact compared to the current

service delivery and potential opportunities to improve engagement across some or all equalities strands.

The EQIA can be found at this link:

<http://www.cambridge.gov.uk/public/docs/eqia-ChYpPS-Business-Plan-Sept-2012.pdf>

(d) **Environmental Implications**

None

(e) **Consultation and Communication**

The review of ChYpPS included consultation with staff, members, partners and children and young people. The draft Plan has been developed with input from staff within ChYpPS and has been informed by piloting work.

(f) **Procurement**

None

(g) **Community Safety**

The safety of young people will be given the highest priority as the Plan is taken forward. ChYpPS may be commissioned to carry out targeted work with young people involved (for example) in anti-social behaviour (as they have been in the past).

6. **Background papers**

These background papers were used in the preparation of this report:

Review of the Children and Young People's Participation Service (ChYpPS)
- Community Services Scrutiny Committee, January 2012.

7. **Appendices**

Appendix A: ChYpPS Plan 2013 – 2016 (Draft)

8. **Inspection of papers**

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

Author's Name: Trevor Woollams
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DRAFT
Children & Young People's Participation Service

ChYpPS Plan 2013 - 2016

Page 265

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Date:	25/09/12
Completed by:	Karl Wilks and Trevor Woollams

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Executive Summary

ChYpPS is a well developed and respected brand, widely known amongst children and young people and their parents in the City. The primary focus for ChYpPS is universal open access play, free at the point of delivery for children and young people aged 9 to 13 across the city. ChYpPS also provides more targeted work for smaller groups of children and young people with particular needs or interests.

The service is fully discretionary and is almost unique across the country with most District Councils providing either a much smaller service or limited grant aid to other providers.

The service has strong links with the South Cambridgeshire and Cambridge City Children and Young People's Area Partnership which in turn links to Cambridgeshire's Children's Trust. ChYpPS work closely with partner organisations including the County Council's Children and Young People's services, schools and voluntary sector providers, helping to deliver the partnership's priorities.

This 3 year Plan responds to a member led review of ChYpPS which reported in January 2012 and sets out how the service will become more entrepreneurial, gradually reducing its cost to the Council whilst protecting its capacity to deliver its mission. This will be a significant culture shift for the service, but one that we are excited about and determined to achieve. We will need to build in flexibility through innovation and 'smarter' working to give us the flexibility and capacity to react quickly in a challenging economic environment. We will need to be able to seek out and create opportunities that will enable us to generate income.

ChYpPS will continue to deliver its core business through the service's extensive programmes of neighbourhood and community activities such as SummerDaze. Therefore, the Plan focuses on those activities that will potentially generate income for the service so that its overall budget and capacity is maintained as the Council's net financial contribution is gradually reduced through cash limiting.

ChYpPS has already been piloting work with 3rd party organisations to assess the demand for its specialist services. This has proved positive and has informed the Plan. ChYpPS will seek to build upon the pilot work and use the service's specialist assets, skills, profile and reputation to offer services to schools, partner and other organisations.

ChYpPS will also seek to engage volunteers over the medium term offering training and support so that they can run activities in their local neighbourhoods. The Plan recognises that this will require the support of residents and a significant input from staff to ensure volunteers are adequately trained. We recognise that this area of work is more difficult to predict and potentially carries more risk.

We will hold monthly management meetings to ensure that we are on track to meet our performance and income targets and to ensure that our practice is of the highest standard possible.

ChYpPS and lead members will carry out a review of performance against the Plan in the autumn of each year to make sure delivery is on track and will consult members more widely should any significant changes be required to maintain performance and income targets.

Who We Are

The Children and Young People's Participation Service (ChYpPS) is a key part of the Council's Community Development Service which sits with the Customer and Community Services Department. The service is fully discretionary.

The service employs 35 staff, many of whom are part time (this equates to 18 FTE).

ChYpPS has a current budget of £678,000 (2012/13), around £550,000 of this budget covers staff salary and associated costs.

What We Do

Our mission: To enrich the growth and development of the city's children and young people through play and to give children and young people a voice in the development of their city

Our Values:

- The safety and well-being of children and young people is paramount
- Promoting active citizenship
- Promoting care and respect of other people and the city's physical environment
- Working in partnership
- The "One Council" approach – supporting other City Council services and harnessing their expertise and resources to maximise opportunities.
- Fostering a spirit of enquiry, learning, adventure and challenge

ChYpPS makes a significant contribution towards the Council's following vision statements:

A city which celebrates its diversity, unites in its priority for the disadvantaged and strives for shared community wellbeing.

A city whose citizens feel they can influence public decision making and are equally keen to pursue individual and community initiatives

A city where people behave with consideration for others and where harm and nuisance are confronted wherever possible without constraining the lives of all

The primary focus for ChYpPS work is:

To meet the needs of 9 – 13 year olds

Open access play and youth provision in neighbourhoods where children and young people live, particularly areas lacking opportunities

City-wide projects bringing children and young people together from different parts of the city

Creating opportunities for children and young people to be actively involved in and consulted on issues that affect them, their families and neighbourhoods

One Council approach:

ChYpPS works closely with many other services across the Council. In particular, ChYpPS often work with staff from Arts and Recreation on sports related activities or at events such as Big Weekend. They also undertake consultation with young people to inform service decisions.

Partnership working:

ChYpPS has strong links with the South Cambridgeshire and Cambridge City Children and Young People's Area Partnership which has commissioned ChYpPS to deliver targeted work with groups vulnerable young people. ChYpPS has also carried out work for the Community Safety Partnership to deter young people from

anti social behaviour and health related partnership work to encourage young people to follow healthy lifestyles.

Growth

ChYpPS is working closely with Council services and partners to ensure that new communities in growth areas are designed with children and young people in mind and that they are fully integrated with the city's existing communities.

Innovation and challenge

ChYpPS is innovative and challenging bringing exciting and sometimes 'edgy' play and development opportunities to children and young people for example, through den building and cooking outdoors on campfires.

ChYpPS Review

A major review of ChYpPS was undertaken by City Council members during 2011. Its purpose was to establish the future direction for the service in the context of the needs of the city's children and young people, the service's relationships with other City Council services and the impact of financial pressures on the Council and partner service providers in both the public and voluntary sectors.

A member review panel reported its findings to Community Services Scrutiny Committee in January 2012. The panel's recommendations were agreed by the Executive Councillor for Community Development and Health. The panel's recommendations set the focus and direction for the service and the framework for this Plan. The member review panel's report can be viewed at this link:

<http://www.cambridge.gov.uk/democracy/mgChooseDocPack.aspx?ID=530> (see item 18)

The review panel found that ChYpPS is (and should remain) about enabling children and young people to come together and develop through play and that this is very important because play is fundamental to the health, well-being and development of each and every child.

The review panel concluded that the central thrust of the service should continue to be the provision of universal open access play activities in neighbourhoods where children and young people can mix with others in a safe environment, make new friends, learn social skills and build self-esteem. This approach was unique in the context of other providers of services to children and young people and helped young people learn to respect their local neighbourhood and become active citizens, strengthening local communities.

The review panel recognized that the universal open access play approach enabled ChYpPS staff to identify and help children and young people who have particular needs by either sign-posting them to partner providers of other specialist services or by running targeted activities to meet the needs themselves.

Whilst the services provided by ChYpPS are highly valued, it is important for ChYpPS, along with all the Council's services, to work efficiently and to seek ways to limit their net impact on the Council's overall budget. With this in mind, the review concluded that ChYpPS are well placed to develop a more entrepreneurial and business focused approach in the future by:

- Offering services such as training and the delivery of specialist play programmes to other providers
- Developing, over time, stronger relationships with volunteers and voluntary groups

This approach could generate income that could be used to reduce the net cost to the City Council whilst protecting the capacity of ChYpPS.

The review panel recommended that ChYpPS should be cash limited in 2013/14 and 2014/15. Assuming inflation of 2.5%, ChYpPS will need to generate additional income of approximately £16,000 in 2013/14 and £32,000 in 2014/15 to offset the cash limiting recommendation.

Measuring Success

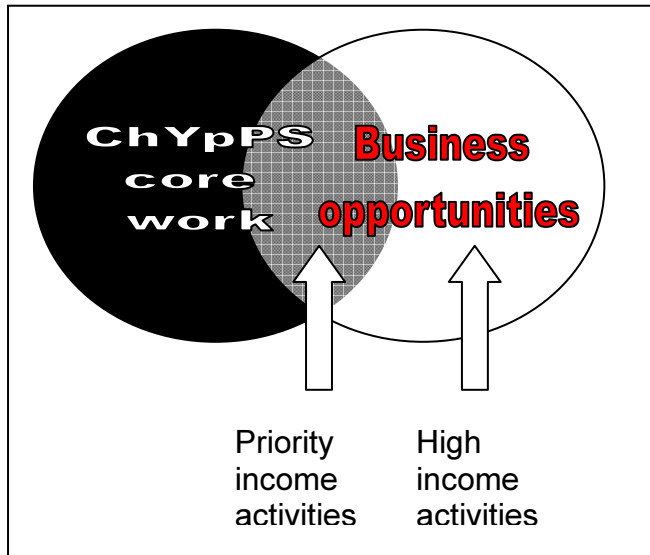
We will use the following performance measures to monitor future success. Key to this success will be our ability to maintain current performance whilst freeing up capacity to deliver income-generating activities. Targets beyond 2013/14 will be confirmed at the annual review in October 2013.

Face to Face Delivery	Measure	2011/12 Target	2011/12 Actual	2012/13 Target	2013/14 Target
Sessions provided	a) Total number of sessions provided by ChYpPS staff	N/A	1,187	1,200	1,200
	b) Number of sessions supported by volunteers	N/A	N/A	50	100
Play hours provided (length of session x number of sessions provided)	a) Total number of play hours provided Note: staff will monitor play hours at ward level. This data will be available for annual review meetings.	N/A	N/A	2,480	2,480
Attendance	a) Total number of visits	18,000	22,645	18,000	18,000
	b) Visits by gender – male	N/A	11,174	9,000	9,000
	c) Visits by gender – female	N/A	11,471	9,000	9,000
	d) Average attendance per session	15	19	15	15
	e) SummerDaze – total of visits *=actual number of visits for 12/13	5,000	8,173	5,000 *(6,708)	5,000

Additional income generating work	Measure	2011/12 Target	2011/12 Actual	2012/13 Target	2013/14 Target
Schools	a) Number of activities and projects in schools	N/A	N/A	N/A	12
Tendered work	a) Number of successful tenders or commissions	N/A	N/A	N/A	3
Hire of Play Boat	a) Number of hires	N/A	N/A	N/A	27
Income					
Across whole service	Total net income generated				£30k

Commissioned, partnership and other bespoke projects and activities may also have their own individual targets to achieve. For example, these may relate to issues such as increasing self esteem and confidence or reducing the likelihood of risky behaviour such as smoking or unhealthy eating.

The Business Model



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ChYpPS' core business is the provision of universal open access play. Therefore, priority will be given to commissioned or contracted work that also delivers ChYpPS core business. An example of this might be a programme of play activities commissioned by a school in a local neighbourhood.

Where opportunities arise for ChYpPS to bid for work that sits outside their core work, ChYpPS will charge higher rates and only seek to deliver commissioned or contracted work that does not impact directly on their ability to deliver the core business.

To provide capacity for this additional work, ChYpPS will seek to build more flexibility into their existing staff hours. For example, the 2013 SummerDaze programme will be designed around attendance data from the 2012 programme to ensure we meet our service objective of 5,000 attendances by focussing on the more popular

venues and times in each area and withdrawing from those where attendances are low. This will free up staff time which may be focussed on income generating activities.

We have also reviewed the way we manage staff within ChYpPS, giving more day to day management responsibility to team leaders. This has freed up more senior management time to focus on the promotion of the ChYpPS 'offer' to potential clients and on submitting proposals to obtain commissioned work.

We have reviewed our staff development and we are encouraging staff to become more innovative and entrepreneurial in the way they work. This is a significant culture change for many of our staff which will take time. However, we are already seeing some individuals responding positively to a greater sense of empowerment.

There will be an annual review of the Plan to ensure the service is delivering as planned.

The Business Approach

This Plan is focused on the activities and work that will generate income and how they will be delivered. ChYpPS will continue to deliver its core service activities including SummerDaze and other holiday provision, year round neighbourhood activities and work in new neighbourhoods.

ChYpPS has identified 8 business streams that will be developed over the 3 year period of the Plan. The 8 streams fit under the headings of:

- Offer to Schools
- Offer to partnership organisations
- Commissioned activities
- Training and development

The delivery of this work will focus around the business activities and facilities that are unique to ChYpPS. These are:

- Urban Adventure Play (Forest Schools)
- The ChYpPS Community Play Boat
- ChYpPS Scrapstore
- Bespoke Play and Youth training.

ChYpPS will also seek opportunities to train and work with appropriate and interested voluntary groups and individuals to supplement our work. Our aim will be to gradually increase our staff capacity to enable us to focus additional staff resource on income generation activities and to expand our open access play service across more areas of the city. However, this element of our plan needs more testing and must be taken forward with safeguarding at the forefront of any decisions we take.

What The Business Activities Provide

Forest Schools: The ChYpPS Urban Adventure Play (UAP) Base at Cherry Hinton Hall provides a dedicated site to run our Forest Schools programme. It is a flexible space where groups can be taken on half or full day trips or on weekly projects. We can also run activities at other locations such as Bramblefields. Activities are adaptable to the groups' needs and can include:

- Campfires and cooking
- Woodworking (including whistle making, hammers and walking sticks)
- Den and shelter building
- Scavenger hunts, forest trails and blindfold games
- Natural art and sculpture

The base provides a safe environment in which to explore risky play, using tools and learning skills that would otherwise be inaccessible. Both children and adults alike have expressed how calming the space is and how being outside enhances their play and learning experience.

We have a number of Forest School Level 3 trained members of staff and all staff have been internally trained in Urban Adventure Play.

ChYpPS Community Play Boat is the first of its kind in the country and offers a unique experience for children and young people, schools, community groups and families to play on the River Cam. It is a custom-designed, 60-foot-long, 10-foot-wide narrowboat, which was delivered to Cambridge at the end of January 2011.

The boat is available for trips and overnight residentials, where there is an opportunity to work the locks and steer the boat and include activities such as environmental art, river dipping and cooking.

Scrapstore provides a source of recycled materials for children and young people to use in art, craft and play activities. Groups and individuals can collect a wide selection of materials from Scrapstore (£1 a bag of scrap) that can then be recycled and re-used again for art and craft activities. At our workshops we encourage children and young people to think about recycling and reducing their carbon footprint.

Bespoke play and youth training: ChYpPS is a recognised centre to deliver National College Network (NOCN) and OCN (Open College Network) qualifications. ChYpPS will be delivering two bespoke training packages focusing on working with children and young people aged nine to thirteen. ChYpPS are accredited to deliver this training at levels two and three. ChYpPS are also accredited to deliver NOCN Forest Schools training at level two.

Income Targets

Through initial pilot work and existing contract work, officers predict that the income targets recommended by the review panel could be exceeded if the service builds in some additional capacity and flexibility. Therefore, this plan sets more challenging income targets of £30,000 in 2013/14 and £60,000 in 2014/15 and 2015/16.

Year one (2013/14) income target - £30,000

In year one ChYpPS will focus the delivery of the business opportunities in three areas, these are:

- Schools offer
- Commissioned activities
- ChYpPS Community Play Boat hires

We will aim to deliver to ten primary schools and two secondary schools within year one. Central to this delivery will be a six week Forest Schools programme and Scrapstore recycled arts workshops.

We will aim to successfully tender for three commissioned activities in year one.

Examples of work could include:

- Area Partnership commissioned work
- Anti – Social Behaviour commissioned work
- Health related work
- Folk Festival crèche delivery

We will aim to hire out the ChYpPS Community Play Boat.

The targets for hire are as follows:

- Half day hires – twelve
- Full day hires – eight

Residential hires – two
Hire as a meeting space - five

During year 1 we will explore opportunities with community groups to engage with volunteers who would like to work with the service to help deliver some of the neighbourhood activity programmes. ChYpPS will seek to identify individuals or a local group to pilot a neighbourhood project which will include training for the volunteers. The learning from this work will be used to inform an expansion of work with volunteers in 2014/15.

The following paragraphs set out our provisional targets for years 2 and 3 of the Plan. A formal review will be held in October 2013 with lead members to consider progress during year 1 and to confirm targets for years 2 and 3.

Year two (2014/15) income target - £60,000.00

In year two we will build upon the work completed in year one. We will increase the delivery in schools from ten to fifteen primary schools and from two to four secondary schools. We will also extend the range of provision to include work based on the healthy living agenda, such as cooking projects.

We will increase our target of successful commissions from three to four. We will increase the targets for hire of the ChYpPS Community Play Boat to:

Half day hires – eighteen
Full day hires – twelve
Residential hires – four
Hire as a meeting space – ten

In addition we will market our accredited training programme to external partners and agencies.

Year three (2015/16) income target £60,000

The priority in year three will be to maintain a steady income stream, take stock of progress, re-assess demand and agree a new Plan to take the service forward.

Legal Requirements

All ChYpPS staff have enhanced CRB checks and receive training in safeguarding.

ChYpPS will ensure it is compliant with all the legal requirements associated with this Plan. This includes ensuring that all templates, hire agreements, record keeping, invoicing and insurance has been approved for use by the City Council's legal and resources departments.

ChYpPS will ensure that up to date risk assessments are completed and signed off for all of the work set out in the Plan.

Marketing The Service

We will create promotional packs that include information on what each offer includes, how to progress a booking and how to receive a quote. This will be available for use prior to the start of year one (April 2013).

Packs will be made for schools and partner organisations and will include information on all of the business streams available to them. This information will also be published on our website.

We will have specific information available for the ChYpPS Community Play Boat and ChYpPS Scrapstore.

All of the promotional materials will have the same look, include the Cambridge City Council logo and be branded as ChYpPS.

Staff will use the promotional materials during their visits to schools and work with partners. They will seek to actively promote the ChYpPS offer at every opportunity.

Market Research

This year ChYpPS has been piloting the business opportunities we have identified for year one of the Plan to ensure that we are ready to go live. ChYpPS has evaluated all of the completed pilots both internally with staff and externally with the school or organisation involved. This information has been used to set both the targets and work elements for the Plan.

Pilots completed:

Cambridge International School Forest Schools sessions with years one and two
SexYouAlity ChYpPS Community Play Boat residential
Cambridge Folk Festival on site reccy and children's stewarding
Parkside / Coleridge Forest Schools sessions with year seven

Pilots ongoing:

Vulnerable children's work, Urban Roar and Abbey Girls Work Project, funded by the Cambridgeshire Area Partnership.
Anti-social behaviour project, Construct, funded by Cambridge Safer City.

Pilots arranged:

Woodcraft Folk Forest Schools Burma rope bridges session
Asian Women's Project ChYpPS Community Play Boat trip

Sponsorship

ChYpPS has not to date investigated any potential sponsorship possibilities but this is something that we may do over the next 12 months. Any work in this area will need to be undertaken in accordance with the Council's Sponsorship Policy and Procedures and with care in order to protect the reputation of ChYpPS and the Council.

Pricing Strategy

We have worked up costings for the delivery of the work outlined in the Plan and have included a breakdown of staffing costs, repair and renewal, equipment and materials. This enables us to simply use the table below to work out bespoke but consistent charges:

Charging Scales

Scale	Priority – Band 1	Mid – Band 2	High – Band 3
Percentage charge	Cost +7.5%	Cost +12.5%	Cost +25%
Example groups	Other City Council departments (only when appropriate to recharge) City Schools Small local charities working with children / young people and families. Identified partners (County Council)	Private / independent schools within the City Cambridgeshire based groups working with children / young people and families. City based groups who's focus is not children and young people	Out of county groups Businesses Conference and workshop delivery

Staff

There is a need to ensure that we have enough trained staff within the service to be able to meet the demand of delivering this Plan. Training costs are included in Community Development's budget for the current year (2012/13).

Staff are absolutely key to the successful delivery of this Plan. Managers will continue to encourage staff within ChYpPS to work across the service to increase their skills and knowledge and ensure they gain varied experience. This approach will also help to ensure there is maximum flexibility within the service to react to opportunities for new work or to changes in demand from other providers.

ChYpPS staff were involved in the service review and have been involved in developing various aspects of this plan. However, there is a need for our managers to fully brief staff on the details of this plan to ensure there is universal ownership and understanding of the direction and focus of the service.

We understand that this is a significant change for staff. They will need support and encouragement and it will take time to embed a new culture within the service.

Premises

ChYpPS staff are based at Hobson House and NQ at the Meadows Centre but most of the time they are working in neighbourhoods on activities and project work with children and young people.

ChYpPS currently has a variety of storage locations for their equipment across the city including space at the back of Hobson House, two storage units which we rent at Safebox on Coldhams Lane and a lock-up unit at the Urban Adventure Play base at Cherry Hinton Hall where our Forest Schools equipment is stored.

ChYpPS are currently investigating options with Property Services for the lease of a purpose built storage facility where all of our equipment could be stored safely in one location. This would be of enormous benefit to the service, increasing efficiency by reducing the time taken to prepare for sessions and events and reducing mileage. It will also provide more space to enable ChYpPS to develop Scrapstore to make it more cost effective and enable staff to deliver more workshops.

Assets

ChYpPS has a number of key assets that help service delivery and will be essential to the delivery of this Plan:

- Community Play Boat
- The DEC
- The Urban Adventure Play Base
- ChYpPS Mini Bus

The DEC (mobile play and youth bus) is very well known and popular with children and young people but it is nearing the end of its useful life and proving more unreliable and costly to repair. The DEC enables the service to take exciting activities, such as electronic games, to schools and neighbourhoods around the city and to events put on by other departments such as The Big Weekend.

ChYpPS will need to consider whether a replacement bus is appropriate for the service in the future or whether similar activities can be more effectively provided by alternative and more cost effective options. ChYpPS will evaluate options and bring forward proposals in 2013 for member consideration.

ChYpPS have also started to investigate the benefits of buying Play Vans. The vans could be fitted out with a ChYpPS marquee and a stock of loose play equipment. The equipment would remain in the vans and the vans would be used to deliver ChYpPS open access play sessions across neighbourhoods.

This approach would sit alongside the aim of rationalising the service's storage facilities and have a number of benefits:

- Help to make new communities in growth areas accessible to ChYpPS
- Save time – loading and unloading for each session
- Save mileage – use vans to make a single journey rather than one to load up and one to get to site
- Save hire charge – currently ChYpPS incur hire charges for a van during SummerDaze and for various projects and sessions at other times
- Enhance branding and promotion – vans would carry the ChYpPS logo, City Council logo, website etc.
- Assist the training offer – the vans would be used to help run training for 3rd parties

The estimated cost of each van, including fitting it out with the necessary equipment, is £15,000. Again, ChYpPS intend to carry out more work to evaluate the cost effectiveness of using Play Vans and, if the evaluation proves positive, produce a proposal for consideration by members, setting out the financial and service benefits of purchasing some vans together with possible funding sources.

Equipment

As the business approach develops, ChYpPS will need to add to the amount of equipment it needs to deliver an increased number of sessions to more young people. As an example, ChYpPS currently work with groups of up to twelve young people in the Urban Adventure Play Base so have enough equipment to be able to work with this number. Recently the pilot of Forest Schools in Coleridge School saw us working with fifty children at one time.

The cost of additional equipment such as marquees will be £1,500 initially and can be met from the current year's budget.

The cost of any additional consumables needed to deliver this Plan are factored into the charges made to 3rd parties.

Equalities Impact Assessment

An Equalities Impact Assessment has been carried out to consider the impact that the service changes might have on children and young people. This shows no or very little negative impact compared to the current service delivery and potential opportunities to improve engagement across some or all equalities strands.

Risk

There are a number of key risks in taking this work forward that have been set out together with actions to reduce the risks in Appendix A

Appendix A to ChYpPS Business Plan

Risk Assessment

Hazard	Hazard Effect	Severity 1- 5	Likelihood 1- 5	Risk A x b	We will minimise the risks by doing the following:	Residual Risk
Injury to child or young person	<ul style="list-style-type: none"> Reputation damaged Services on offer not taken up 	3	3	9	<ul style="list-style-type: none"> CRB checks for all ChYpPS staff Safeguarding training for all ChYpPS staff Risk assessments for all activities 	6 low
Aiming at wrong target market	<ul style="list-style-type: none"> Services on offer not taken up 	2	2	4	<ul style="list-style-type: none"> Pilots completed prior to start of year one and evaluated. Market research completed prior to year one. 	2 Low
Poor quality or lack of publicity	<ul style="list-style-type: none"> Services on offer not taken up Poor reputation 	2	2	4	<ul style="list-style-type: none"> Staff responsible for publicity have required skills, ChYpPS SMT to approve all publicly before it goes out Ask clients for feedback on publicity and look to make continuous improvements 	2 Low
Failure to meet income targets	<ul style="list-style-type: none"> Overspend on ChYpPS budget Reduce number of staff and/or contracted hours Impact on ability to deliver core business 	2	4	8	<ul style="list-style-type: none"> Follow agreed business plan Follow agreed pricing structure Monthly ongoing review of "Target to date" End of year reviews carried out, including review of business plan and goals. 	6 Low

Hazard	Hazard Effect	Severity 1- 5	Likelihood 1- 5	Risk A x b	We will minimise the risks by doing the following:	Residual Risk
Failure to engage any or appropriate volunteers	<ul style="list-style-type: none"> • ChYpPS capacity impaired in medium term • Reputation damaged 	2	4	8	<ul style="list-style-type: none"> • Incremental approach • Monthly ongoing review of "Target to date" • End of year reviews carried out, including review of business plan and goals. • Extensive training including safeguarding • CRB checks 	6 Low
Lack of Staff	<ul style="list-style-type: none"> • Unable to fulfil delivery commitments • Unable to respond to business opportunities • Negative publicity • Lack of repeat orders 	3	3	9	<ul style="list-style-type: none"> • Employment of staff on a variety of contracts to ensure availability • Build business work into service's planning cycle • Extensive training and development • Follow the bookings flowchart 	6 Low
Poor quality of delivery	<ul style="list-style-type: none"> • Negative publicity • Lack of repeat orders • Failure to meet financial targets 	3	3	9	<ul style="list-style-type: none"> • Provide training to ensure good quality • Regular evaluations carried out to ensure consistency of delivery • Staff well briefed • Regular staff supervisions • Spot checks carried out regularly • Feedback from client always sought and acted upon 	3 Low

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Cambridge City Council

To: Executive Councillor for Arts, Sport and Public Places
Report by: Steve Bagnall – Cultural Facilities Manager
Scrutiny committee: COMMUNITY SERVICES
Wards affected: None

Project Appraisal and Scrutiny Committee Recommendation

Project Name: Corn Exchange PA system

Recommendation/s

Financial recommendations –

- The Executive Councillor is asked to approve the commencement of this scheme, which is already included in the Council's Capital & Revenue Project Plan (SC522).
- The total cost of the project is £160,000 funded from Corn Exchange Equipment R&R budget and Capital Reserves.
- There are no ongoing revenue implications arising from the project.

Procurement recommendations:

- The Executive Councillor is asked to approve the carrying out and completion of the procurement of sound equipment to the value of £160,000.

- Subject to:
 - The permission from the Executive Councillor being sought before proceeding if the value exceeds the estimated contract by more than 15%.

1 Summary

1.1 The project

Purchase and Install a replacement sound system for the Corn Exchange at an estimated cost of £160,000

Target Dates:

Start of procurement	October 2012
Award of Contract	December 2012
Start of project delivery	January 2013
Completion of project	February 2013

1.2 Anticipated Cost

Total Project Cost	£ 160,000
--------------------	------------------

Cost Funded from:

Funding:	Amount:	Details:
Reserves	£ 90,000	C2754
Repairs & Renewals	£ 70,000	Corn Exchange Equipment R&R Fund 27710
Developer Contributions	£	N/A
Other	£	N/A

Ongoing Revenue Cost N/A

Year 1	£	
Ongoing	£	

1.3 Procurement process

The procurement process will be run using the expertise of the Corn Exchange technical team. The purchase will be made following a competitive tender exercise.

2 Project Appraisal & Procurement Report

2.1 Project Background

The Corn Exchange sound system is based on an installation completed 25 years ago when the building was refurbished. It has undergone piecemeal adaptations and enhancements since then most recently in 2003. The system and infrastructure is now out of date and at the end of its useful life, and as a consequence the Corn Exchange has been receiving complaints about sound quality at events and has to supplement the existing equipment with hired in kit on all spoken word and music events where the in house system is required.

In order to continue to attract quality artists and performers to the Corn Exchange and to ensure continued excellent ticket sales it is essential to keep pace with industry standards. A new Sound System will ensure the venue meets the needs of promoters and enhances the experience and quality of service to customers and artists.

The estimated cost of this project has been revised down from the original capital application. This is a result of prioritising business critical elements.

2.2 Aims & objectives

The aims of this project are -

1. To provide visitors and performers with a quality sound experience that is appropriate to the status of the venue.

2. To provide promoters with increased flexibility which will encourage use of the Corn Exchange for events that would otherwise bypass the venue such as pre tour and pre festival gigs.
3. To eliminate the cost of hiring in additional equipment for events.
4. To provide the ability to attract one off and bespoke events that aren't touring with their own sound system and gives us the flexibility to more readily accommodate a broader range of musical events for example world music, jazz and folk.

2.3 Major issues for stakeholders & other departments

None

2.4 Summarise key risks associated with the project

There are no risks associated with undertaking this project.

The risks associated with not undertaking this project are –

1. Loss of reputation within the industry resulting in fewer music and comedy bookings in the venue.
2. Loss of reputation with customers resulting in declining ticket revenue.
3. Continued reduction in profitability of events where hired in equipment is required to supplement the existing system.

2.5 Financial implications

Appraisal prepared on the following price base: 2012/13

2.6 Capital & Revenue costs

(a) Capital	£	Comments
Building contractor / works	30,000	Installation cost
Purchase of vehicles, plant & equipment	130,000	Equipment Purchase
Professional / Consultants fees		
IT Hardware/Software		
Other capital expenditure		
Total Capital Cost	160,000	

(b) Revenue	£	Comments
Maintenance	0	
R&R Contribution	0	
Developer Contributions	0	
Total Revenue Cost	0	

2.7 VAT implications

This work will be subject to VAT at the standard rate.

2.8 Environmental Implications

Climate Change impact - Nil

2.9 Other implications

None

2.10 Staff required to deliver the project

This project will largely be delivered via external contractors. Some planning input will be provided by the Corn Exchange technical team.

The procurement exercise will be run by the Corn Exchange technical team.

2.11 Dependency on other work or projects

None

2.12 Background Papers

None

2.13 Inspection of papers

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Date prepared:	4 th August 2012

Capital Project Appraisal - Capital costs & funding - Profiling

Appendix A

DOUBLE CLICK TO ACTIVATE THE SPREADSHEET
Make sure year headings match start date ...

	2012/13	2013/14	2014/15	2015/16	2016/17	Comments
	£	£	£	£	£	
Capital Costs						
Building contractor / works						
Purchase of vehicles, plant & equipment						
Professional / Consultants fees						
Other capital expenditure:						
<i>insert rows as needed</i>						
Total Capital cost	0	0	0	0	0	
Capital Income / Funding						
Government Grant						
Developer Contributions						(See Appendix B)
R&R funding	70,000					27710
Earmarked Funds						(State cost centre/s)
Existing capital programme funding	90,000					C2754
Revenue contributions						(State cost centre/s)
Total Income	160,000	0	0	0	0	
Net Capital Bid	(160,000)	0	0	0	0	Must agree to 1.2 above



To: Executive Councillor for Arts, Sport and Public Places: Councillor Rod Cantrill
Report by: Head of Arts & Recreation
Relevant scrutiny committee: Community 11/10/2012 Services Scrutiny Committee
Wards affected: None

CITY CENTRE BOX OFFICE TICKETING SYSTEM
Not a Key Decision

1. Executive summary

The Cambridge Corn Exchange Box Office (which also acts as a City Centre Box Office for external clients selling their tickets) currently has a ticketing system that has limited capability for ticket selling, online ticketing, marketing and Customer Relationship Management.

This report is to request permission from Councillors to procure a new Ticketing/CRM system.

2. Recommendations

The Executive Councillor is recommended:

2.1 To authorise the Head of Arts & Recreation to procure a new ticketing/CRM system for the Cambridge Corn Exchange Box Office.

3. Background

3.1 The existing Corn Exchange Box Office ticketing system is a software package called Pro Venue Max run by Tickets.com and has been in place since 1997.

3.2 Although various upgrades have been made to the software over the years, it offers limited capability in key areas, most notably: marketing functionality, email marketing; subscription packages (needed e.g. for the Corn Exchange Orchestral series); customer relationship Management? (CRM) and online booking capability. In addition, the

existing software does not currently offer print at home or mobile ticketing.

- 3.3 The current software cannot handle online bookings for the Cambridge Folk Festival due to the complexity of booking combinations. This is currently procured separately and handled by a third party company. The specification for new software would include the ability to bring this functionality in-house.
- 3.4 The Corn Exchange Box office is currently staffed by a Senior Business Manager, 2 x Business Officers and 4 x Business Assistants. The Council's Customer Service Centre is also used to handle non-ticketing related calls.
- 3.5 The procurement of new ticketing software for the Box Office would offer the opportunity for an increased automation of service provision (e.g. by offering a more sophisticated online ticketing service), which as well as offering an enhanced service to customers would allow for a future review of staffing levels.
- 3.6 The Corn Exchange Box Office is also the 'City Centre Box Office' with a sizeable percentage of all tickets bought being for non-Council events. External promoters in the city currently have a choice of city centre box offices, with many choosing to use either the Cambridge Arts Theatre or ADC Theatre to sell their tickets. Investment in a more sophisticated system, particularly with an enhanced online model could result in increased external business for the Box Office and increased revenue.
- 3.7 The proposed procurement will allow for an enhanced customer experience with the Council including an improved CRM system, integration with social media, alternative options on ticketing (e.g. print at home, mobile ticketing) and dynamic ticketing (allowing flexibility of ticket pricing to match customer demand).
- 3.8 The current contract with Tickets.com is set to expire on 1st September 2013.
- 3.9 The current market place for Box Office ticketing systems is quite wide with a variety of different technological approaches and business models available to choose from. We propose getting an industry expert to assist in the writing of the specification to ensure that the Council gets best value out of the system as well as a robust model that both meets our existing requirements but that is also 'futureproofed' against likely changing trends in the ticketing sector.

- 3.10 The procurement process will involve James Nightingale, Head of ICT to ensure full compliance with all Council IT requirements.

4. Implications

(a) Financial Implications

The current market place for Box Office ticketing systems is quite wide with a variety of different technological approaches and business models available to choose from. For example, some models will work on a 'per ticket sold' basis; others may license the software. It is therefore not possible to state a contract value at this stage in the process. However we fully intend to work within existing Council budgets for this area and the financial footprint for this procurement is expected to either remain the same or drop.

The specification for the procurement will carry an essential criterion that all public money or monies owed to the Council will be paid directly into the City Council's bank account.

The issue of VAT thresholds has been considered and there are no implications for the City Council.

(b) Staffing Implications (if not covered in Consultations Section)

The tender will be project managed by the Arts & Recreation Business & Marketing Manager with the support of a project team consisting of officers from procurement, legal, audit, box office, Marketing and ICT. As stated earlier, an external consultant, who will form part of the project team and will also be involved in elements of the evaluation too, will write the specification.

(c) Equal Opportunities Implications

All tenders shall be dealt with in accordance with the Constitution and shall be subject to a team evaluation. An Equal Qualities Impact Assessment will be undertaken on the tender specification to ensure that the procured software allows full accessibility.

(d) Environmental Implications

Offering an enhanced automated service from the Corn Exchange Box Office will help reduce environmental impact through:

- An enhanced online service allowing customers greater ease of booking from home
- Reduction of paper ticketing within the box office and a focus on print at home and mobile ticketing.

The procurement will have a +M rating (Medium positive impact).

(e) **Consultation and communication**

Customer market research has already been undertaken and customer requirements from our ticketing system continues to come to us through the Corn Exchange social media channels.

Consultation will be also undertaken with:

- Existing clients of the Box Office
- Box Office staff
- Marketing staff
- Industry experts on Box Office ticketing systems
- Representative from the City Council Legal Team
- Representative from the City Council Accountancy Team
- Representative from the City Council ICT Team

(f) **Community Safety**

All contractors have to meet minimum legal health & safety requirements.

5. Background papers

None

6. Appendices

None

7. Inspection of papers

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

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