



To: Executive Councillor for Housing: Councillor Kevin Price
Report by: Liz Bisset, Director of Customer & Community Services
Relevant scrutiny committee: Housing Scrutiny Committee 13/1/2016
Wards affected: All Wards

**Housing Scrutiny Committee – Housing General Fund Portfolio
Revenue and Capital Budget Proposals for 2015/16 to 2019/20**

Key Decision

1. Executive summary

Revenue and Capital Budgets

1.1 The following report details the budget proposals relating to this portfolio that are included in the Budget Setting Report (BSR) 2016/17 which will be considered at the following meetings:

Date	Committee	Comments
18 January 2016	Strategy & Resources	Consider proposals / recommendations from all Scrutiny Committees in relation to their portfolios
21 January 2016	The Executive	Budget amendment may be presented
8 February 2016	Strategy & Resources	Consider any further amendments including opposition proposals
25 February 2016	Council	Approves General Fund Budget and sets Council Tax

1.2 The report includes a recommendation concerning the review of charges for this portfolio.

2. Recommendations

The Executive Councillor is recommended to:

Review of Charges:

- a) Approve the proposed charges for this portfolio for 2016/17 as detailed in Appendix A to this report.

Revenue:

- b) Consider the revenue budget proposals as shown in Appendix B.

Capital:

There are no capital proposals for this portfolio.

3. Background

- 3.1 At its meeting on 22 October 2015, Council gave initial consideration to the budget prospects for the General Fund for 2016/17 and future years in the Mid-year Financial Review (MFR) 2015.
- 3.2 The overall BSR to Strategy & Resources Scrutiny Committee on 18 January 2016 will include a review of all the factors relating to the overall financial strategy that were included in the MFR.
- 3.3 The report to The Executive on 21 January 2016 may include details of the Government's Final Settlement for 2016/17. The announcement is likely to be made shortly after the conclusion of the consultation period, which ends on 15 January 2016.
- 3.4 Further work may be required on detailed budgets. So delegation to the Head of Finance will be sought from Council for authority to finalise changes relating for example to the reallocation of departmental administration, support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).

Budget 2016/17 - Overall Revenue Budget Position

- 3.5 The budget proposals for this portfolio, as summarised in table 1, will be considered by The Executive at its meeting on 21 January 2016.

Table 1: Overall Revenue Proposals (see Appendix B)

Savings and Bids	2016/17 Budget £	2017/18 Forecast £
Savings:		
Increased Income	-	-
Savings	(57,300)	(57,300)
Total	(57,300)	(57,300)
Bids:		
Unavoidable Revenue Pressures	-	-
Reduced Income	-	-
Bids	35,900	35,900
Total	35,900	35,900
Net (savings)/bids	(21,400)	(21,400)
External Bids	-	-

Capital

- 3.6 The review of the capital plan and capital approval processes, first proposed in the MFR 2014, is now complete. The review addressed a number of concerns, as listed below:
- Capacity to deliver projects to time, cost and quality;
 - Dependency on revenue funding; and
 - Inclusion of items, such as unallocated funds, projects at an early stage of development, and items more properly treated as small enhancements or maintenance spend.
- 3.7 Phase 1 sought to remove projects from the plan that were not fully specified and/or not deliverable. Phase 2 proposed and implemented new processes and procedures, including a Capital Programme Board to review and approve the planning and deliverability of schemes prior to funding approval. The operation of the board and the new processes will be kept under review to ensure effectiveness.
- 3.8 All capital proposals in this BSR have been put through the new processes. Additionally, new documentation was required for schemes already on the plan but not yet started, to ensure that they are planned and deliverable. Where satisfactory documentation has not been received, it is proposed that funding is

withdrawn and the schemes are moved to the Projects Under Development (PUD) list.

Table 2: Overall Capital Proposals for this portfolio (not applicable)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £
Capital Bids	-	-	-	-	-
Net Capital Bids	-	-	-	-	-

Public Consultation

3.9 The Council has carried out a budget consultation exercise annually since 2002. Last year, the council used a tool called “YouChoose”, in which residents were asked to say how they would increase or decrease the budget across a range of council services, to meet the council’s savings targets and set a balanced budget. In the YouChoose exercise, residents identified a number of services where they thought the biggest savings could be made. These included planning services, managing parks and public spaces, waste collection and recycling, running community centres, street cleaning, and enforcing environmental standards.

3.10 This year, the council asked a group of residents and businesses to take part in workshops to look in more detail at where savings could be made from the services picked out last year. BMG Research, an independent research agency, was commissioned to conduct deliberative workshops to explore their views. Three workshops involving a representative sample of residents and local businesses were run in August and early September 2015. Participants were asked to:

- Indicate how they perceived the Council and the services it provides;
- Give their initial views on a long-list of services (23) that make-up the five key service areas;
- Talk about their experiences of using the services (23);
- Discuss how they valued the services, and whether there were opportunities for doing things in a different way;
- Vote on the importance of services where ideas for savings (8) had been put forward;
- Give their initial views on the savings ideas;
- Consider the ideas for savings in a bit more depth.

3.11 The full report, published on the Council’s website, sets out the key findings from the research. Section 3 of the BSR highlights the views of participants in the workshops, outlining similarities or differences between the views of resident and business representatives.

4. Implications

All budget proposals have a number of implications. A decision not to approve a revenue bid will impact on managers’ ability to deliver the service or scheme in question and could have financial, staffing, equality and poverty, environmental,

procurement, consultation and communication and/or community safety implications. A decision not to approve a capital or external bid will impact on managers' ability to deliver the developments desired in the service areas.

(a) **Financial Implications**

Financial implications of budget proposals are summarised in the BSR 2016/17.

(b) **Staffing Implications**

See text above.

(c) **Equality and Poverty Implications**

A consolidated Equality Impact Assessment for the Council's BSR will be submitted to The Executive at its meeting on 21 January 2016. Individual Equality Impact Assessments have been conducted to support this, and will be available on the Council's website.

(d) **Environmental Implications**

Where relevant, officers have considered the environmental impact of budget proposals which are annotated as follows:

- +H / +M / +L: to indicate that the proposal has a high, medium or low positive impact;
- Nil: to indicate that the proposal has no climate change impact;
- -H / -M / -L: to indicate that the proposal has a high, medium or low negative impact.

(e) **Procurement Implications**

Any procurement implications will be outlined in the BSR 2016/17.

(f) **Consultation and Communication Implications**

As outlined in 3 above, budget proposals are based on the requirements of statutory and discretionary service provision. Public consultations are undertaken throughout the year and can be seen at:

<https://www.cambridge.gov.uk/budget-consultation>

(g) **Community Safety Implications**

Any community safety implications will be outlined in the BSR 2016/17.

5. Background papers

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

- Budget Setting Report 2016/17
- Mid-year Financial Review 2015
- Individual Equality Impact Assessments

6. Appendices

The following items, where applicable, are included for discussion:

Appendix	Proposal Type	Included
A	Review of Charges	✓
B	Revenue Budget Proposals for this portfolio	✓

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

Review of Charges

Charge Type and Description	Charges 2015/16	Charges 2016/17	% Increase
Licences:			
HMO's with up to and including 9 Rooms			
HMO Licences - New Applications	£535	£548	2.4%
HMO Licence - Renewals	£430	£441	2.6%
HMO Licences - New Applications for members of the Landlord Accreditation Scheme	£435	£446	2.5%
HMO Licence - Renewals for members of the Landlord Accreditation Scheme.	£330	£338	2.4%
HMO's with 10 or more rooms			
HMO Licences - New Applications	£595	£610	2.5%
HMO Licence Renewals	£490	£502	2.4%
HMO Licences - New Applications for members of the Landlord Accreditation Scheme	£495	£507	2.4%
HMO Licence - Renewals for members of the Landlord Accreditation Scheme.	£390	£400	2.6%
Assisted application	N/A	Cost	N/A
Enforcement Activity			
Penalty for non compliance (not belonging to one of the approved Property Redress schemes) £5,000 maximum charge	Monthly Local Housing Allowance Rate for four bed self contained	945	N/A
Penalty for non compliance with the Smoke and Carbon Monoxide Regulations	N/A	Local Housing Allowance Rate for the property	N/A
Charge for the service of an Improvement Notice under the Housing Act 2004	£291	£306	5.2%
Charge for the service of a Prohibition Order under the Housing Act 2004	£271	£285	5.2%
Charge for the service of an Emergency Remedial Action Notice under the Housing Act 2004	£251	£264	5.2%
Charge for the review of Suspended notices or orders served under the Housing Act 2004	£91	£96	5.5%
Training and other services			
Delivering training and other discretionary services for landlords and agents	N/A	Cost (including development)	N/A

2016/17 Budget - Revenue proposals

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Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate Effect & Poverty Ratings
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Bids

Housing - GF

B3769	Bid for an additional Housing Advisor to reduce homelessness decision times.	0	35,900	35,900	35,900	35,900	David Greening	Nil
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This bid is to employ an additional FTE housing advisor with a view to further reduce homelessness decision times and offset increases in homeless applications, which have gone from an average of 164 per annum in 2008 to 2014 inclusive to 262 in 2014-15 and 101 in the first quarter of 2015-16. In particular it is anticipated that an additional FTE would help drive homelessness decision times down. This in turn will contribute to driving emergency accommodation and bed and breakfast costs down as customers are moved through temporary accommodation more quickly. In 2014-15 the Council spent £55,150 (net) on bed and breakfast and emergency accommodation. In the first quarter of 2015-16 alone in 2015-16 these costs have increased to £81,408.

10.0

Total Bids in Housing - GF

0	35,900	35,900	35,900	35,900
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Total Bids

0	35,900	35,900	35,900	35,900
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2016/17 Budget - Revenue proposals

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Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate Effect & Poverty Ratings
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Savings

Housing - GF

S3767	Deletion of one FTE Assessment & Support Officer	0	(6,200)	(6,200)	(6,200)	(6,200)	David Greening	Nil
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As part of the HRA Mid-Year Financial Review, it was approved to delete one full time equivalent Assessment and Support Officer in the Housing Advice Service. 75% of this saving is delivered to the HRA, with the balance of £6,200 reducing cost to the General Fund. 3.6

S3768	Deletion of one Housing Head of Service and transfer to the Housing Development Agency	0	(43,000)	(43,000)	(43,000)	(43,000)	Liz Bisset	Nil
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As part of the HRA Mid-Year Financial Review, it was agreed to delete one Housing Head of Service post, and to transfer the post holder to work for the new Housing Development Agency. This is anticipated to deliver savings to both the HRA and the General Fund, with savings now expected to be realised from April 2016. 4.9

S3770	Savings in salaries due to recruitment to vacancies at lower points on the pay scale	0	(8,100)	(8,100)	(8,100)	(8,100)	Alan Carter	Nil
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Savings in salaries for existing posts, due to recruitment to vacancies at lower points on the pay scale for new employees, than exiting employees. n/a

Total Savings in Housing - GF		0	(57,300)	(57,300)	(57,300)	(57,300)		
Total Savings		0	(57,300)	(57,300)	(57,300)	(57,300)		
Report Total		0	(21,400)	(21,400)	(21,400)	(21,400)		