

Item



Housing - General Fund Portfolio

Revenue and Capital Budget Proposals for 2017/18 to 2022/23

To:

Councillor Kevin Price, Executive Councillor for Housing

Report by:

Chief Executive, Strategic Directors, Head of Finance

Wards affected:

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

Key Decision

1. Executive Summary

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) 2018/19 which will be considered at the following meetings:

Date	Committee	Comments
22 January 2018	Strategy & Resources	Consider proposals / recommendations from all Scrutiny Committees in relation to their portfolios
25 January 2018	The Executive	Budget amendment may be presented
12 February 2018	Strategy & Resources	Consider any further amendments including opposition proposals
22 February 2018	Council	Approves General Fund Budget and sets Council Tax

- 1.2 The report also 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's services and facilities, as shown in Appendix A to this report.

Revenue:

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

Capital:

- c) Note that there are no capital bids or savings presented for this portfolio.

3. Background

- 3.1 At its meeting on 19 October 2017, Council gave initial consideration to the budget prospects for the General Fund for 2018/19 and future years in the Medium-Term Financial Strategy (MTFS) 2017.
- 3.2 The overall BSR to Strategy & Resources Scrutiny Committee on 22 January 2018 will include a review of all the factors relating to the overall financial strategy that were included in the MTFS.
- 3.3 The report to The Executive on 25 January 2018 may include details of the Government's Final Settlement for 2018/19. The announcement is likely to be made shortly after the conclusion of the consultation period in January 2018.
- 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 2018/19 - 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 25 January 2018.

Table 1: Overall Revenue Proposals (see Appendix B)

Savings and Bids	2018/19 Budget £	2019/20 Forecast £
Savings:		
Increased Income	-	-
Savings	(74,500)	(74,500)
Total	(74,500)	(74,500)
Bids:		
Unavoidable Revenue Pressures	-	-
Reduced Income	-	-
Bids	143,300	26,500
Total	143,300	26,500
Net (savings)/bids	68,800	(48,000)

External Bids	214,900	214,900
----------------------	----------------	----------------

Non-Cash Limit Items	-	-
-----------------------------	---	---

Capital

- 3.6 The majority of capital bids address the on-going renewal, updating and major repairs of the council's buildings and operational assets. As such they support income generation (car parks, commercial property), and the delivery of services (vehicles, building repairs, etc). There are no new capital proposals for this portfolio.

Public Consultation

- 3.7 The Council has carried out a budget consultation exercise annually since 2002.
- 3.8 This year the Council chose to focus its budget consultations on finding out what a representative sample of local people think about approaches to finding savings that the Council is either currently following or considering. As a part of this participants were also invited to offer any other additional saving ideas that the Council could investigate. This approach was followed this year because it was felt, based on previous experience, wider residents' views about services or the Council were unlikely to have changed since 2016, when a broader residents' survey was carried out.

3.9 The budget consultation was undertaken by an independent market research company during September 2017, with 445 randomly selected households participating. In addition two workshops were held with people from low income households to get their perspective. Local businesses were also invited to participate in the consultation and 74 returned completed questionnaires.

3.10 The results of the consultation can be found on the council's website at: <https://www.cambridge.gov.uk/budget-consultation>

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 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 General Fund BSR 2018/19.

(b) Staffing Implications

Staffing implications of budget proposals are also summarised in the General Fund BSR 2018/19.

(c) Equality and Poverty Implications

A consolidated Equality Impact Assessment for the budget proposals is included in the BSR, reporting separately to Strategy and Resources Scrutiny Committee. Individual Equality Impact Assessments have been conducted to support this and will be available on the Council's website.

A local poverty rating (using the classifications outlined in the BSR) has been included in each budget proposal to assist with assessment.

(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 2018/19.

(f) Community Safety Implications

Any Community Safety Implications will be outlined in the BSR 2018/19.

5. Consultation and communication considerations

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:

cambridge.gov.uk/current-consultations

6. Background papers

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

- Budget-Setting Report 2018/19
- Medium-Term Financial Strategy October 2017
- Individual Equality Impact Assessments

7. Appendices

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

Appendix	Proposal Type	Included
A	Review of Fees & Charges	✓
B	Revenue Budget Proposals for this portfolio	✓
C	Capital Budget Proposals for this portfolio	N/A

8. Inspection of papers

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

Authors' Names: Julia Hovells, Lisa Dick
Authors' Phone Numbers: 01954 - 713071, 01223 – 458142
Authors' Emails: julia.hovells@cambridge.gov.uk
lisa.dick@cambridge.gov.uk

O:\accounts\Committee Reports & Papers\Housing Scrutiny Committee\2018 January\HGF\Final\HGF Budget Report - HSC Final January 2018.docx

Appendix A

Review of Charges

Charge Type and Description	Charges 2017/18	Charges 2018/19	% Increase
Licences:			
HMO's with up to and including 9 Rooms			
HMO Licences - New Applications	£562	£580	3.2%
HMO Licence - Renewals	£452	£470	4.0%
HMO's with 10 or more rooms			
HMO Licences - New Applications	£625	£640	2.4%
HMO Licence Renewals	£515	£530	2.9%
Assisted application	Cost	Cost	N/A
Enforcement Activity			
Penalty for non compliance (not belonging to one of the approved Property Redress schemes) £5,000 maximum charge	£945	£970 *	2.6%
* Monthly Local Housing Allowance rate for four bed self-contained property			
Subsequent offences	Penalty Charge up to a maximum of £5,000	Penalty Charge up to a maximum of £5,000	N/A
Penalty for non compliance with the Smoke and Carbon Monoxide Regulations	Double the Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	Double the Monthly Local Housing Allowance Rate for the property, up to a maximum of £5,000	N/A
Civil Penalty for non-compliance under the Housing and Planning Act 2016	Case by case basis using agreed matrix, maximum of £30,000 per offence	Case by case basis using agreed matrix, maximum of £30,000 per offence	N/A
Charge for the service of an Improvement Notice under the Housing Act 2004	£314	£330	5.1%
Charge for the service of a Prohibition Order under the Housing Act 2004	£292	£300	2.7%
Charge for the service of an Emergency Remedial Action Notice under the Housing Act 2004	£271	£280	3.3%
Charge for the review of Suspended notices or orders served under the Housing Act 2004	£98	£100	2.0%
Charge for the service of a Hazard Awareness Notice	£0	£0	N/A
Training and other services			
Delivering training and other discretionary services for landlords and agents	Cost (including development) **	Cost (including development) **	N/A
** Including development, promotion, and associated costs			
Landlord training	N/A	£100 per delegate	N/A
Immigration inspections	£133	£140	5.3%

2018/19 Budget - Revenue Proposals

Page 1 of 3

Reference	Item Description	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	Contact	Climate Effect & Poverty Ratings
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-------------------------------------------

Bids

Housing - General Fund

B4013	Funding for an additional Assessment and Support Officer	0	26,500	26,500	26,500	26,500	David Greening	Nil
--------------	-----------------------------------------------------------------	---	--------	--------	--------	--------	----------------	-----

To facilitate an improvement to the housing register verification process, a bid for an additional full time Assessment and Support Officer (City Pay Band 3) is proposed. This post will allow for verification of applications at the point of application as opposed to delaying until the point of offer, which should positively impact void performance for the Council and housing association partners. None

B4014	Funding to support the Housing Development Agency (HDA)	0	116,800	0	0	0	Cath Conlan	Nil
--------------	----------------------------------------------------------------	---	---------	---	---	---	-------------	-----

The HDA, in conjunction with the newly created Cambridge Investment Partnership (CIP), are driving forward delivery of the 500 new Council homes over the next four years. This bid is for additional resourcing of the staff team which needs to be at full capacity in 2018/19 to ensure delivery from 2019/20 onwards. None

Total Bids in Housing - General Fund

0	143,300	26,500	26,500	26,500
---	---------	--------	--------	--------

Total Bids

0	143,300	26,500	26,500	26,500
---	---------	--------	--------	--------

2018/19 Budget - Revenue Proposals

Reference	Item Description	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	Contact	Climate Effect & Poverty Ratings
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-------------------------------------------

External Bids

Housing - General Fund

X4081	Increase staffing capacity in response to Homelessness Reduction Act	0	214,900	214,900	0	0	David Greening	Nil
-------	----------------------------------------------------------------------	---	---------	---------	---	---	----------------	-----

As a result of the Homelessness Reduction Act, there is an increased statutory responsibility in respect of homeless applications which will result in an increased administrative burden for the authority. This bid is for 6 FTE additional staff, with the expectation that the first two years of costs will be met from the Flexible Homeless Support Grant. The plan is for an increase in staffing which will be externally funded for at least the first two years. Staffing will be reviewed once the new legislation has been in place for 12 months, as part of a service review, and to consider future external funding availability. High

Total External Bids in Housing - General Fund

0	214,900	214,900	0	0
---	---------	---------	---	---

Total External Bids

0	214,900	214,900	0	0
---	---------	---------	---	---

2018/19 Budget - Revenue Proposals

Page 3 of 3

Reference	Item Description	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £	Contact	Climate Effect & Poverty Ratings
-----------	------------------	------------------------	------------------------	------------------------	------------------------	------------------------	---------	-------------------------------------------

Savings

Housing - General Fund

S4016	Saving in inflationary element of grants to Housing Agencies	0	(10,900)	(10,900)	(10,900)	(10,900)	David Greening	Nil
--------------	---------------------------------------------------------------------	---	----------	----------	----------	----------	----------------	-----

The 2018/19 grants to housing agencies were approved in principle at Housing Scrutiny Committee in None September 2017. The total programme did not fully commit the inflationary element of the budget for the coming year, and as a result a saving is proposed.

S4019	Savings in operational costs across the General Fund	0	(5,300)	(5,300)	(5,300)	(5,300)	Julia Hovells	Nil
--------------	-------------------------------------------------------------	---	---------	---------	---------	---------	---------------	-----

This saving is anticipated due to reduced operational expenditure such as publicity, IT and travel costs across None Housing Advice, Town Hall Lettings, Choice Based Lettings and Housing Strategy.

S4021	Savings in salary costs due to staff turnover and retention	0	(16,800)	(16,800)	(16,800)	(16,800)	Julia Hovells	Nil
--------------	--------------------------------------------------------------------	---	----------	----------	----------	----------	---------------	-----

This saving is delivered due to new staff being appointed at lower points on the scale, and retained staff at None top of scale not being in receipt of incremental progression.

S4054	Deletion of Property Accreditation Scheme and associated post within Environmental Health (EH)	0	(41,500)	(41,500)	(41,500)	(41,500)	Yvonne O'Donnell	Nil
--------------	-------------------------------------------------------------------------------------------------------	---	----------	----------	----------	----------	------------------	-----

The Property Accreditation Post oversees the Property Accreditation Scheme and has been in existence for None 11 years where it has supported the good landlords by inspecting and advising them on how to improve their properties. It also provides forums and newsletters to ensure that the landlords are kept up to date with new legislations and guidance. However it has been recognised that resources need to be put into tackling the poor standards of private rented sector therefore members through Housing Scrutiny Committee agreed that the Property Accreditation Scheme and associated post should be deleted, and the Residential Team should focus more on private rented sector enforcement.

Total Savings in Housing - General Fund	0	(74,500)	(74,500)	(74,500)	(74,500)			
Total Savings	0	(74,500)	(74,500)	(74,500)	(74,500)			
Report Total	0	283,700	166,900	(48,000)	(48,000)			