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<b>REPORT TO:</b>	<b>COMMUNITY SERVICES COMMITTEE</b>	<b>AGENDA ITEM:</b>	<b>7</b>
<b>DATE OF MEETING:</b>	<b>10 JULY 2002</b>	<b>CATEGORY:</b>	<b>DELEGATED</b>
<b>REPORT FROM:</b>	<b>HEAD OF COMMUNITY SERVICES</b>	<b>OPEN</b>	
<b>MEMBERS' CONTACT POINT:</b>	<b>SANDRA WHILES (ext 5712)</b>	<b>DOC:</b>	
<b>SUBJECT:</b>	<b>2002 HOUSING INVESTMENT PROGRAMME (HIP)</b>	<b>REF:</b>	
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE:</b>	<b>CS01</b>

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### **1.0 Recommendations**

- 1.1 That Members note the detail of the required content of the 2002 HIP submission.
- 1.2 That Members make comment on Housing Strategy 2002 and the Housing Revenue Account (HRA) Business Plan 2002 as presented to Committee and recommend their approval by Council.
- 1.3 That Members approve the proposals at Annexe A for the housing capital programmes for 2003/2004 for submission as part of HIP and subsequent consideration as part of the Council's future capital programme under the Single Capital Pot (SCP).
- 1.4 That authority is delegated to the Head of Community Services to finalise the 2002 HIP submission and to present this to Council in August.

### **2.0 Purpose of Report**

- 2.1 To advise Members of details of the 2002 Housing Investment Programme and put in place arrangements to complete and submit the Council's submission.

### **3.0 Detail**

- 3.1 New arrangements were put in place in 2001 for the HIP.
- 3.2 There is now an increased focus on local authorities strategic housing roles.
- 3.3 The Housing Policy statement "The Way Forward for Housing" stressed the importance of authorities strategic housing role. The other key areas of local authority housing activity is the landlord function for those authorities with Council housing. The housing policy statement made it clear that authorities should have clear and separate objectives for its strategic and landlord functions.

- 3.4 The 2002 HIP has to be submitted to the Government Office for the East Midlands (GOEM) by the end of July.
- 3.5 In March 2001 the Government put in place new arrangements for the HIP in the light of the introduction of the Single Capital Pot (SCP) for most capital support for local authorities and the new financial framework for Council housing, namely the introduction of the Major Repairs Allowance (MRA) and HRA Business Plans.
- 3.6 This year there has been a shift in the assessment of authorities performance on housing so that this will in future be based around whether their Housing Strategy and, where relevant, HRA Business Plans are "fit for purpose" and the authorities effectiveness in delivery of action plans. To be "fit for purpose" the housing strategy must address the following criteria:
- ✪ Corporate context
  - ✪ Wider housing priorities
  - ✪ Partnership working
  - ✪ Needs analysis
  - ✪ Resources
  - ✪ Priorities
  - ✪ Analysis of options
  - ✪ Clarity of action plan
  - ✪ Progress in delivery to date
  - ✪ Presentation and accessibility
- 3.7 The Council adopted its Housing Strategy in August 1999 to cover the period 2000/2003. As part of the last two years HIP submission an Annual Update statement was produced. This years strategy has been adapted to meet the requirements of new guidance on housing strategies.
- 3.8 During 2001/2 progress has been made in the areas of weakness identified by GOEM last area, namely :

✪ **Setting Decent Homes Targets and Appraising Options to meet Targets**

The Decent Homes Standard requires that all-social housing meet a range of "decent home" criteria by 2010.

During 2001/2 a stock condition survey of Council stock has been carried out so that we can set targets and improvement programmes to meet the Decent Homes standard. This is explored in detail in the HRA Business Plan.

✪ **Improving the Availability of Information on Housing Needs and Market Trends**

In April 2002 this Committee approved improved arrangements for measuring housing needs. A South Derbyshire Housing Market and Needs Study has now been completed and is separately reported to this Committee. This information has been used to inform the 2002 Housing Strategic

## ⊛ Tenants Involvement in Determining Future Stock Options

A HRA Business planning group, involving tenants representatives and Members, has been working since November 2001 to develop the future objectives for the Landlord service and to appraise these against the range of stock options. This work has informed the 2002 HRA Business Plan and will result in a report recommending the way forward to this Committee.

The group agreed an information strategy at its first meeting so that its work was made known to key stakeholders, including Members, tenants and staff.

## ⊛ Presentation of the Housing Strategy

This year's strategy will be presented in a colour format, with more use of pictures and graphics so that it is clearer and more understandable.

### 4.0 Financial Implications

- 4.1 Resources for 2003/2004 to support housing capital investment by local authorities will be allocated in three separate streams: housing ACGs (via basic credit approvals) support for DFGs (via supplementary credit approvals) and the MRA (revenue grant via the HRA subsidy system).
- 4.2 Housing Capital resources (apart from those for Disabled Facilities Grants and the MRA) for 2003/2004 and subsequent years will be allocated as part of the Single Capital Pot (SCP) which provides a cross-service allocation for the bulk of central government support for capital expenditure by local authorities.
- 4.3 The allocation of resources in the SCP is based partly on indices of relative need and partly on a discretionary basis linked to assessments of authorities relative performance. The discretionary element is a single allocation based on the quality of authorities cross service Capital Investment Strategies, their Asset Management Plans and performance in individual service areas.
- 4.4 Ninety five per cent of housing resources for 2003/2004, like other elements in the SCP, will be allocated according to need. The intention is that the discretionary element will increase to 20% as the SCP beds down.
- 4.5 As part of the current HIP process we have to show our planned Housing Capital expenditure for 2003/2004 and 2004/2005. Annexe A details Officer proposals for the HIP submission. These have been drawn up on the basis of assessed need. Members should note that detailed programmes for the Public Sector stock cannot be drawn up until the findings of the recent Stock Condition Survey have been analysed. If this information is available by committee it will be presented verbally.
- 4.6 The Council has currently identified total capital resources of £1.5m for 2002/3. Of this £875,000 is devoted to housing related schemes. It is prudent to plan on the basis that this level of funding will be maintained in future years and can only be augmented by proceeds from major land disposals.
- 4.7 Finance staff are currently finalising the calculations of the indicative amount of capital resources that may be available for housing purposes. This information will be available at the meeting.

4.8 The HIP Housing Capital proposals will then be fed into the corporate discussions on future capital programmes and be appraised in accordance with the Council's capital strategy.

## **5.0 Corporate Implications**

5.1 We need to make sure that the Council's housing work is integral to the Community Strategy and future Local Strategic Partnerships.

## **6.0 Community Implications**

6.1 Work on housing issues is central to maintaining and improving the quality of life for people in South Derbyshire.

## **7.0 Conclusions**

7.1 Increasingly we are expected to integrate our approach to housing strategy and our landlord functions into wider corporate priorities.

7.2 The report shows how current changes to the HIP and other planning processes are being dealt with.

## **8.0 Background Papers**

9.1 Guidance from DETR on HIP.