
REPORT TO:	HOUSING AND COMMUNITY SERVICES	AGENDA ITEM:	14
DATE OF MEETING:	13 MARCH 2003	CATEGORY:	RECOMMENDED
REPORT FROM:	HEAD OF COMMUNITY SERVICES	OPEN	
MEMBERS' CONTACT POINT:	SANDRA WHILES (Ext. 5712)	DOC:	s:\cent_serv\committee reports\housing & community services\13 mar 2003\housing stock options.doc
SUBJECT:	HOUSING STOCK OPTIONS	REF:	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:	CS01

1.0 Recommendations

1.1 That further work is carried out as detailed at 3.10 prior to a final decision being taken on the future management arrangements for Council housing.

2.0 Purpose of Report

2.1 To inform Members of the work carried out by the Housing Revenue Account (HRA) Business Planning group and to agree the detail of further work.

3.0 Detail

3.1 The Council's Housing Strategy includes a clear priority to bring all social housing up to the Decent Homes Standard by 2010, including agreeing a way forward on the future management arrangements for Council housing.

3.2 The need for this work is further highlighted in the recently announced Communities Plan which includes a requirement for Council's with housing stock to carry out a rigorous stock option appraisal by April 2005 at the latest.

3.3 To deliver this work the HRA Business Plan group was set up by the Community Services Committee in November 2001 to **"develop objectives for the housing service and examine and appraise the options available to the Council to meet these objectives."** This group comprises Members and tenant representatives supported by Officers.

3.4 The group has met regularly since then. Their work has included:-

- Developing objectives for the housing service
- Overseeing the production of the 2002 HRA Business Plan
- Contributing to the detailed option appraisal work carried out by Pennington's on behalf of the group

- 3.5 The Option Appraisal report produced by Pennington will be presented at the meeting.
- 3.6 The group has considered the Option Appraisal report and has drawn up a report and recommendations to this Committee. This is attached at Annexe A.
- 3.7 District Audit have overseen the work so far on stock options appraisal. They concluded that there is strong evidence that the Council's work so far has been rigorous and have made several recommendations in the Annual Management Letter to inform future work.
- 3.8 The HRA Business Planning group identified several key drivers for change in the way the Council provides its housing services:-
- significantly improving the quality of housing services
 - improving access to services
 - achieving effective tenant involvement in decision making
 - safeguarding and achieving sufficient affordable housing in rural areas
 - separating the strategic and landlord roles to improve delivery of both
 - achieving high standards of accommodation and not just Decent Homes standard if tenants aspire to a higher standard
- 3.9 The group considered the range of management options and recommend to this committee that the following options should be explored further with tenants and Members before any final recommendation on future management arrangements is made:-
- Arms Length Management Organisation (ALMO)
 - Maintain Council direct management of stock with increased financial investment in order to achieve service improvements
 - Stock Transfer (LSVT)
- 3.10 The group felt that work now needs to be done with a wider group of tenants and all Members. They recommend that this concentrate on working with people to explore their aspirations for housing services and to then appraise the three options against these aspirations.

They suggest the following work programme:-

- Tenant roadshows in local areas to work with tenants to draw out what type of services they want to receive and what standards of accommodation they aspire to now and into the future – May/June
- Member “roadshow” on the same lines as for tenants – May
- Staff “roadshow” on the same lines as for tenants - May
- Member seminar on the Council’s strategic housing role and current Housing Strategy priorities - April
- Further work to understand the financial issues, including current debt and options
- Further financial work to understand the costs associated with each option
- An evaluation of each option against the Council’s corporate and housing services specific objectives and tenants services and accommodation aspirations

3.11 This work needs to be progressed in order to influence the 2003 HRA Business Plan, which is submitted, to the Government Office for the East Midlands at the end of July.

4.0 Financial Implications

4.1 The costs of delivering the work programme can be met from within existing budget provision in the HRA.

4.2 The options appraisal process will clarify the longer term financial viability of the Housing service and will lead to recommendations to Council on future management arrangements which enable the Council to meet the aspirations of tenants and the standards required by the Government under Decent Homes.

5.0 Corporate Implications

5.1 The Corporate Plan recognises that the Council needs to finalise its future management arrangements for housing.

6.0 Community Implications

6.1 The performance of the housing service has a direct influence on the quality of life and the environment of many people living in South Derbyshire.

7.0 Background Papers

7.1 Contents of file "Developing the HRA Business Plan".

