

Outcome-Based Budgeting | 2021-25 Resource Growth / Refocus Proposal

Directorate: Communities and the Environment

Service: Council Housing

Cost Centre Name: Choice Based Lettings

Cost Centre Number: H2293

What is the Proposal?

The proposal is to provide a customer facing office space for the Ideal Choice Homes Lettings team; the office space has already been identified – a council owned retail unit on Kings Street. The office will provide a town centre presence for the team, improving public visibility of the lettings service and promoting Council Housing as a landlord of choice. The shop front will act as an ‘Estate Agent’ style town presence, providing a one-stop shop for housing related advice.

The office will be staffed Monday to Friday (as well as some weekend working), with staff on hand to advise and assist housing applicants, and prospective housing applicants, to negotiate their current housing situation. This will allow the team to deliver a better service to customers, providing a face-to-face service for those who prefer it. In addition, the shop unit will offer increased opportunities for advertising and marketing available council accommodation.

It is also anticipated that staff within this office would also be on hand to assist with wider housing related enquiries, particularly for current tenants such as with reporting repairs or discussing neighbourhood issues.

Priorities

How does the project contribute to the draft council Priorities?

A Sustainable District	
An Inclusive and Prosperous Local Economy	
Healthy & Happy Communities	A customer facing presence such as this, available to assist customers through the housing process, can help to ensure local communities are engaged, involved and connected.
A Co-operative Kind and Responsible Council	This customer facing town centre presence helps to ensure the housing service is focused on serving our residents, local organisations and district, by providing a visible, customer focussed presence, and ensuring that the availability of council housing – offering high quality, affordable homes – is communicated effectively.

Cross-Cutting Themes

How does the project contribute to the draft council Themes?

Climate Emergency	
Community Wealth Building	
Community Engagement	A town centre presence gives the housing service a base in the community from which to engage directly with residents, and develop further engagement opportunities.

How will the outcomes be measured?

Outcome	Performance Measure	Target
Community Engagement	Number of customers accessing the King Street office	No target currently
	Number of customers becoming involved in engagement activities	No target currently
Greater visibility of council housing	Footfall in shop Improved demand (particularly around difficult to let properties)	No target currently
Improvements in letting 'difficult to let' properties	Improved relet times for difficult to let properties	No target currently

Estimated Resource Requirements

Revenue

	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Rental, business rates, and other sundry running costs	10,000	10,000	10,000	10,000
Total	10,000	10,000	10,000	10,000

Business Case

At what stage is the business case for the proposal?

Not written	
Outline	Links into wider housing service objectives around marketing of council housing and visibility of council housing as landlord of choice
Developed	

Funding the Future

Will the project deliver financial efficiencies?	Some efficiencies may be delivered – improved relet times for difficulty to let properties (and subsequent reduction in void rent loss)
Will the project contribute to the Council's Commercial Strategy?	No
Will the project lever in finance from other organisations?	No
What is the expected lifespan of the project?	Initial four years, and then review

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Are there any other support requirements?

Details of any further resources that may be required to support the proposal:

Some support from Property Group (as landlords of the unit) and ICT.

Directors Signature

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What is the Proposal?

That a temporary additional staffing resource of 18.5 hours per week be made permanent and included within the staffing establishment.

Following review and development of working practices within the housing service, additional temporary resources have been used by the Lettings team in the past two years to help deliver a more joined up service to prospective and new tenants.

This additional resource has been used to deliver: pre tenancy affordability assessments; pre-tenancy risk assessments; benefit advice; referral to other agencies (food banks, ethical credit providers) and a whole range of other elements of service that help the housing service as a whole to promote tenancy sustainment and financial inclusion.

The key benefit of this resource is in allowing the Lettings team to work more closely with the Income Management Team. It is recognised that when financial issues and risks are identified pre tenancy, tenants are less likely to fall into rent arrears and are more able to sustain a tenancy (with all the benefits that brings to both the tenant and the organisation).

The provision of pre tenancy work, and close working between these teams, was noted within the Income Management Team accreditation report from the Housing Quality Network as an area of good practice.

Priorities

How does the project contribute to the draft council Priorities?

A Sustainable District	
An Inclusive and Prosperous Local Economy	The additional resource allows the Housing service to provide and facilitate improved prospects for our residents through the stability of a high quality home, and the provision of advice and guidance around a range of financial matters.
Healthy & Happy Communities	Addressing income inequality: this additional resource allows the housing team to help tenants address a range of financial inclusion related issues, from income maximisation, to advice around food and fuel poverty, and basic budgeting skills. Focusing on early intervention approaches tenants are supported into secure, high quality, affordable tenancies.
A Co-operative Kind and Responsible Council	

Cross-Cutting Themes

How does the project contribute to the draft council Themes?

Climate Emergency	
Community Wealth Building	The additional resource allows the Housing service to provide and facilitate improved prospects for our residents through the stability of a high quality home, and the provision of advice and guidance around a range of financial matters.
Community Engagement	

How will the outcomes be measured?

Outcome	Performance Measure	Target
Improved tenancy sustainment	Reduced tenancy turnover % across the council's housing stock	Currently difficult to set – tenancy turnover has naturally reduced during pandemic due to restrictions
Better financial prospects for new tenants	Reduced rent arrears among new tenants	Rent arrears across all tenants has significant reduced (currently £178k Jan 21, compared to £400k+ in 2017). Reporting tool being developed to understand impact on new tenancies alone.

Estimated Resource Requirements

Revenue

	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Staff costs	12,800	13,400	17,900	18,200
Total	12,800	13,400	17,900	18,200

Business Case

At what stage is the business case for the proposal?

Not written	
Outline	
Developed	

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Funding the Future

Will the project deliver financial efficiencies?	Yes. Difficult to put a figure on the specific impact of this additional 18.5 hours resource, but financial gains in reduced rent arrears are significantly reduced since development of these methods of working. The income management team currently operates within the top quartile nationally for 'current tenant arrears.'
Will the project contribute to the Council's Commercial Strategy?	
Will the project lever in finance from other organisations?	
What is the expected lifespan of the project?	

Are there any other support requirements?

No

Directors Signature

Directorate: Communities and the Environment

Service: Council Housing

Cost Centre Name: Property Conversions

Cost Centre Number: H840*

What is the Proposal?

Approval is sought to carry out a number of property conversions to existing council housing stock to make best use of this. It is anticipated that a range of funding sources be utilised, including Right to Buy receipts, possible Homes England grant funding, funding from the sale of South Lodge as approved at Cabinet (19.01.2021) and the Business Support Reserve within the HRA.

Potential property conversions **for 2021/22** have been identified as follows:

1A Alder Grove:

Contract Value: circa £210,000 (for 4 flat option)

Scope of works: potentially reconvene layout of former scheme manager house to form 2 flats, or demolish and provide new build (4 flats) with improved layouts and increased energy efficiency. Any new flats would form part of the Independent Living scheme (formerly known as Sheltered Housing). This will bring back vacant property into long term use and address tenant housing demand.

6 The Greaves:

Contract value: circa £150,000

Scope of works: convert existing stables/garage site in grounds of The Greaves to form a purpose built, 3 bed fully disabled adapted bungalow. Investigating maximum energy efficiency works to include PV, air source heat pump, waste water heat recovery, electric vehicle charging point.

37 Kingsway Court:

Contract value: £70,000

Scope of works: reconvene layout of former scheme manager house to form 2 flats. New flats would form part of the Independent Living scheme (formerly known as Sheltered Housing). This will bring back vacant property into long term use and address tenant housing demand.

Additional conversions:

One additional conversion per year has been assumed for three consecutive years from 2022/23. To meet business requirements, properties will be selected to meet tenant demand and support Council Housing in their efficient management of the estate as the management of sheltered schemes is made non-residential. Each of the 3 conversion projects will be approved by the Head of Service.

These conversions will increase the supply of sheltered housing and adapted accessible accommodation. They will also reduce the risk of maintaining vacant property and generate rental income from the asset.

Priorities

How does the project contribute to the draft council Priorities?

A Sustainable District	The properties will incorporate sustainable energy saving features
An Inclusive and Prosperous Local Economy	The proposed development represent use of HRA owned land, property, finance and procurement to benefit local communities, through provision of high quality, high performing homes which help to meet housing need. By employing local contractors, these projects offer the opportunity to support the development of new skills and improved prospects for our residents within an environmentally sustainable local economy
Healthy & Happy Communities	The project is an example of the (re)development of existing housing to ensure people of all incomes are comfortable, warm and able to maintain their independence
A Co-operative Kind and Responsible Council	

Cross-Cutting Themes

How does the project contribute to the draft council Themes?

Climate Emergency	The high performing and energy efficient developments proposed can contribute to the aims of the climate emergency, directly seeking to reduce carbon emissions
Community Wealth Building	By working with local contractors, the proposed developments can help to strengthen the local economy and promote and develop the building of local skills and knowledge.
Community Engagement	

How will the outcomes be measured?

Outcome	Performance Measure	Target
Energy efficiency	SAP rating	Exceeding 72
Conversion brief	Design and layout	Client acceptance
Delivery	Design and contract programme	Completion date
Financial Control	Valuations and final account	Not to exceed budget limits

Estimated Resource Requirements

Capital

	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Alder Grove	210,000			
Kingsway Court	70,000			
The Greaves	150,000			
Additional properties		70,000	70,000	70,000
Total	430,000	70,000	70,000	70,000

Application of reserves

	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Business Support Reserve (net of any additional funding streams)	(430,000)	(70,000)	(70,000)	(70,000)
Total	(430,000)	(70,000)	(70,000)	(70,000)

Revenue Implications of Capital Investment

	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Additional net rental income	0	(11,700)	(20,300)	(24,100)
Total	0	(11,700)	(20,300)	(24,100)

Business Case

At what stage is the business case for the proposal?

Not written	
Outline	Yes, supports decision to move towards non-residential sheltered accommodation management, and to provide fully adapted property in relation to specific demand.
Developed	

Funding the Future

Will the project deliver financial efficiencies?	Yes – generate rental income
Will the project contribute to the Council's Commercial Strategy?	Yes, by reducing risk and providing a return on otherwise redundant assets
Will the project lever in finance from other organisations?	Possibility of exploring funding from Homes England on specifically Alder Grove conversions
What is the expected lifespan of the project?	Expected completion within 2022/23

Are there any other support requirements?

No, the resources to complete the project are within RMS capabilities

Directors Signature