

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Housing Portfolio Holder

19th November 2009

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DRAFT SERVICE PLAN and DRAFT HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN 2010/11 – 2012/13

Purpose

1. To provide the Housing Portfolio Holder an opportunity to comment on the draft service plan for Affordable Homes.
2. This is not a key decision.

Background

3. The service plan operates within the context of the council's overall planning process. Each year the Council carries out an annual business planning cycle, starting with setting high level objectives in June/July; then continuing with service planning and budget planning in the Autumn; and ending with the final approval of budgets and service plans in February/March. The Corporate Plan is revised and rolled forward at the end of that process and reflects all the preparation that has led up to it
4. This service plan covers both the Strategic Housing functions of the council and also its landlord role, which is covered by the HRA Business Plan as agreed by the Housing Portfolio Holder in March 2009. The Government guidance on HRA Business Plans suggests that they contribute towards

“Identifying and analysing the available options and strategies, including consideration of the fit of housing options with wider corporate strategies”
(ODPM Guidance)

5. The HRA Business Plan identifies how all available resources (capital, revenue, staffing and partnership contributions) will be used to deliver the Sustainable Community Objectives and support delivery of the Local Area Agreement. The overall aim is to provide well managed and well maintained affordable rented and leasehold homes in a way which:
 - is sustainable and deliverable within resource constraints
 - takes full account of the views and aspirations of current residents
 - provides a customer focused service providing good value for money
 - safeguards the housing stock for future occupiers
 - takes full account of wider local and national policy imperatives, including energy efficiency and environmental awareness, community cohesion, resident participation in housing management and action to reduce crime and tackle anti-social behaviour.

Considerations

6. The key external drivers for the service plan include:
- The introduction of cross-domain regulation in April 2010. The Tenant Services Authority (TSA) will take over the regulatory function for landlord services run by councils. The TSA already carries out this role for housing associations. The TSA are also launching a new set of standards to work to.
 - Preparation for an Audit Commission inspection. A review was postponed during the Housing Futures process. It is highly likely that there will be a full housing inspection during 2010.
7. The draft service plan takes forward the ongoing matters related to the stock retention project as previously reported to the Housing Portfolio Holder in September 2009. Following the rejection of the transfer proposal in the tenant ballot a “Retention Plan” was developed with the following objectives which have shaped the actions in this Service Plan-
- To bring expenditure in line with available income and ensure that the HRA can remain balanced for the foreseeable future with a prudent level of working balance.
 - To redesign the housing service to achieve maximum efficiency and value for money
 - To identify new ways of working that will seek to meet the aims and objectives of the Council, the regulatory requirements of the TSA (from April 2010-details below) and the aspirations of the tenants whilst acknowledging the limited funds available
8. The primary risks identified in the draft service plan are as follows:

| Risk | Notes |
|----------------------------------|---|
| Stock retention | Need to ensure that budget is balanced by 2011/12 Risk to service continuity once staff base is reduced Risk that statutory obligations will not be met once full cuts are implemented |
| Sheltered housing | Potential for further budget reductions in the near future Risk of losing in house supported housing capacity of service is competitively tendered by Supporting people in near future Potential increase in tenant dissatisfaction once proposed current cuts are implemented. |
| Direct Labour Organisation (DLO) | Risk of losing in house capacity if DLO fail to win competitive tender of responsive repairs contract Risk of increasing levels of tenant dissatisfaction if DLO fail to win contract. |

9. A full risk log will be included within the final draft service plan and the action plan will be cross-referenced to show how each of the key risks is mitigated.

Options

10. The following table sets out the proposed service objectives for 2010/11 designed to address the key external drivers, achieve the objectives of the 'retention Plan', meet the Council's corporate objectives and mitigate the key risks facing the Council's housing service:

| Service plan project | Notes |
|--------------------------------|---|
| Customer Service Excellence | Corporate objective. The main focus will be upon understanding our customers better and tailoring services to meet their needs. |
| Resident involvement strategy | TSA objective This will build upon the guidance from the Tenant Participation Advisory Service, which is currently carrying out a tenant participation health check of the council. This project will link with the Customer Service Excelled project. |
| New IT implementation | The current system is flawed and was the subject of an independent consultant review in 2008. The main housing system will not be supported by the manufacturer from 2012. A project is currently underway to explore the options open the council and will be implemented during 2010 |
| Income maximisation | Now that the cuts have been identified it is essential that all sources of income are reviewed and that income streams are maximised. |
| Sheltered housing | The restructuring of the sheltered housing service and the phasing in of the new delivery model will need to be coordinated during 2010 and is expected to be completed by October. |
| Asset management | The Property Services team will be restructured to allow an improved focus on asset management issues crucial now that the capital programme has been reduced. This will include work to address the risk posed by equity share buy backs. |
| Responsive repairs procurement | The process of competitively tendering the responsive repairs contract will unfold during 2010 |

| | |
|-----------------------------|--|
| | <p>and is expected to conclude in late summer.</p> <p>The effective delivery of a high quality repairs service is a significant aspect of the new TSA standards.</p> |
| Hostel review | A project is underway to consider the options for the main hostel owned by the Council. Any proposals to change how this operates will unfold during 2010. |
| Choice Based lettings | <p>Projects to enhance the functioning of the IT system that supports CBL to improve the service offered to applicants and to ensure that those with disabilities or other vulnerabilities are not being disadvantaged.</p> <p>This is part of a countywide project.</p> |
| Homelessness strategy | This will be refreshed during 2010 as part of a countywide project. |
| Domestic violence | This will be developed during 2010 as part of a countywide project. |
| Equality impact assessments | <p>Corporate requirement and TSA standards requirement.</p> <p>A programme of EQIAs will be set out and met during the year.</p> |
| Performance management | <p>The ADAPT system will be used to identify the effectiveness of operational processes. Coupled with the use of Housemark benchmarking this will enable efficiencies and value for money to be robustly tested.</p> <p>This project will be linked to a refresh of the mock service inspection carried out in 2008 to help prepare for any forthcoming inspections.</p> |

These projects will be set out within the final draft of the service plan in a SMART format.

Implications

| | | |
|-----|---------------------|---|
| 11. | Financial | No new expenditure is proposed. |
| | Legal | None |
| | Staffing | None |
| | Risk Management | The final service plan will include a full risk log |
| | Equal Opportunities | None |

Consultations

12. None

Effect on Strategic Aims

| | |
|--|--|
| 13. | Commitment to being a listening council, providing first class services accessible to all. |
| | The proposed action on achieving Customer Service Excellence will make a significant contribution to this aim. |
| | Commitment to ensuring that South Cambridgeshire continues to be a safe and healthy place for all. |
| | None |
| | Commitment to making South Cambridgeshire a place in which residents can feel proud to live. |
| | None |
| | Commitment to assisting provision for local jobs for all. |
| None | |
| Commitment to providing a voice for rural life. | |
| The proposed improvements to tenant participation will contribute to meeting this aim. | |

Conclusions/Summary

14. The full service plan is a substantial document with around 48 pages. This report summarises the draft plan and identifies the main proposed projects for Affordable Homes to enable the Portfolio holder to offer comment and direction for the development of the full draft service plan.

Recommendations

15. That the Portfolio Holder notes this report.

Background Papers: the following background papers were used in the preparation of this report:

None

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