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2 January 2007

S U M M O N S

MEETING: Housing Board
DATE: 10 January 2007
TIME: 6.00pm
PLACE: Committee Room 1, Town Hall, Gosport
Democratic Services contact: Lindsey Holloway



BOROUGH SOLICITOR

MEMBERS OF THE BOARD

Councillor Allen	Councillor Gill
Councillor Burgess	Councillor Mrs Mudie
Councillor Cully	Councillor Philpott
Councillor Foster	Councillor Rigg
Councillor Foster-Reed	Councillor Mrs Wright

The Mayor (Councillor Mrs Cully)(ex-officio)

FIRE PRECAUTIONS

(To be read from the Chair if members of the public are present)

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IMPORTANT NOTICE:

- **The Summons, Agenda and accompanying Reports can be provided in large print, on tape, in Braille or in other languages on request**
- If you are in a wheelchair or have difficulty in walking and require access to the Committee Room on the First Floor of the Town Hall for this meeting, assistance can be provided by Town Hall staff on request

If you require any of the services detailed above please ring the Direct Line for the Democratic Services Officer listed on the Summons (first page).

AGENDA

RECOMMENDED
MINUTE
FORMAT

PART A ITEMS

1. APOLOGIES FOR NON-ATTENDANCE
2. ELECTION OF CHAIRMAN
3. ELECTION OF VICE CHAIRMAN
4. DECLARATIONS OF INTEREST

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter, any personal or personal and prejudicial interest in any item(s) being considered at this meeting.

5. MINUTES OF THE MEETING OF THE BOARD HELD ON
1 November 2006 [Copy herewith].
6. DEPUTATIONS – STANDING ORDER 3.5

(NOTE: The Board is required to receive a deputation(s) on a matter which is before the meeting of the Board provided that notice of the intended deputation and its object shall have been received by the Borough Solicitor by 12 noon on Monday 8 January 2007. The total time for deputations in favour and against a proposal shall not exceed 10 minutes).

7. PUBLIC QUESTIONS – STANDING ORDER 3.6

(NOTE: The Board is required to allow a total of 15 minutes for questions from Members of the public on matters within the terms of reference of the Board provided that notice of such Question(s) shall have been submitted to the Borough Solicitor by 12 noon on Monday 8 January 2007).

8. BEST VALUE SHELTERED HOUSING WORKING GROUP

To bring before Members the conclusions of the Working Group on the Best Value Sheltered Housing Review. (report attached)

PART II
Contact Officer
Charles Harman
Extension 5287

9. ALLOCATIONS POLICY REVIEW

To approve revisions to the Allocations Policy in respect of Planned Lettings, Local Connection and Residency, Awarding of Penalties for refusing reasonable offers and Sensitive Lettings. (report attached)

PART II
Contact Officer
Steve Newton
Extension 5296

Continued next page

Housing Board
10 January 2007

10. REVIEW OF THE CHOICE BASED LETTINGS SCHEME

This report updates Choice Based Lettings outcomes for the first twenty four weeks of implementation. (report attached)

PART II
Contact Officer:
Steve Newton
Extension 5296

11. REVISED REPAIRS PROGRAMME 2006/07

This report sets out a revised 2006/07 Housing Repairs Programme and seeks the Board's approval for the revised programme. (report attached)

PART II
Contact Officer:
Charles Harman
Extension 5287

12. PARTNERING ARRANGEMENTS FOR PAINTING AND DECORATING; HEATING AND ELECTRICAL INSTALLATIONS

To consider the appointment of a painting and decorating partner for the next five years and to seek Board approval to extend the current heating/electrical partnership. (report attached)

PART II
Contact Officer:
Charles Harman
Extension 5287

13. GARAGE REVIEW: PROPOSED AMENDMENT TO LICENCES

This report proposes that the widespread practise of using garages for the storage of household goods be allowed and that the garage licence agreement be amended to reflect this change in policy.

PART II
Contact Officer:
Charles Harman
Extension 5287

14. PRIVATE SECTOR HOUSING ENERGY EFFICIENCY PROPOSAL

Members are requested to endorse the proposal to participate in the British Gas sponsored incentive scheme to promote energy efficiency.

PART II
Contact Officer:
Oona Hickson
Extension 5292

15. ANY OTHER ITEMS

- which, in the opinion of the Chairman should be considered as a matter of urgency by reason of special circumstances.

A MEETING OF THE HOUSING BOARD

WAS HELD ON 1 NOVEMBER 2006

The Mayor (Councillor Mrs Cully) (ex-officio) (P), Chairman of Policy and Organisation Board (Councillor Hook) (P), Councillors Allen (P), Burgess (P), Cully (P), Foster (P), Foster-Reed (P), Gill (P), Philpott (P), Mrs Mudie (P), Rigg and Mrs Wright (P).

Also in attendance: Tenant Representative – Mrs Janne Carter

It was reported that, in accordance with Standing Orders, notice had been received that Councillor Hook would replace Councillor Rigg for this meeting.

14 DECLARATIONS OF INTEREST

Councillor Mrs Wright declared a personal and prejudicial interest on Agenda item 8 - Early Stage Review of the Choice Based Lettings Scheme, during the discussion on homelessness when reference was made to the Fareham and Gosport Supported Housing Panel, and left the room whilst this matter was debated.

15 APOLOGIES

Apologies for inability to attend the meeting were received on behalf of Councillor Rigg.

16 MINUTES

RESOLVED: That the Minutes of the meeting held on 14 June 2006 be approved and signed by the Chairman as a true and correct record.

17 DEPUTATIONS

There were no deputations.

18 PUBLIC QUESTIONS

There were no public questions.

PART II

19 DELIVERING DECENT HOMES 2010 AND BEYOND

The Board considered the report of the Housing Services Manager (a copy of which is attached in the Minute Book as Appendix 'A') setting out the plans to enable the Council to meet the Decent Homes Standard (DHS) for its owned properties by 2010 and setting out the need for investment in council homes, above the Decent Homes Standard, to ensure the long-term viability of the Council's housing assets.

Members were advised that at present there is limited scope for moving the Decent Homes programme beyond 2010 following information from the Department of Communities and Local Government.

Members were concerned about a potential shortfall of £2.056M by 2010/11.

Officers gave a detailed explanation of the figures contained in the report and confirmed that the shortfall of £2.056M was needed for improvement works above the DHS.

Members were given an update as to the current housing stock position and although they were keen to maximise the potential for carrying out improvement works to the housing stock were concerned about the effect this might have on any potential funding gap. The Housing Services Manager confirmed that the external funding position would be clearer on publication of the Housing Revenue Account subsidy, determined on an annual basis in December, and that funding from external sources such as the Regional Housing Board were excluded from the figures presented. Officers confirmed that leaseholders were excluded from making any payments in 'like for like' replacement circumstances but that their potential contributions were not taken into account for the purpose of the calculations.

Members wished to aspire to the enhanced DHS with improvement works, but not at the expense of jeopardising the investment in, and retention of, the housing stock to which the Board was committed. In the event of a deficit in funding, the goals of the DHS should be achieved.

In conclusion Members expressed their concern regarding the recommendation to approve the improvements programme subject to consultation with the Housing Forum. The Tenant Representative confirmed that this matter had already been discussed at the Housing Forum, therefore the words 'subject to consultation with the Housing Forum.' should be deleted from the recommendation.

RESOLVED: That:

- (a) the Capital Investment plans for Decent Homes set out in paragraph 2.11 of the Housing Service Manager's report be approved;
- (b) the Annual Decent Homes return to GOSE (Government Office for the South East) be made on the basis of a shortfall of £2.056M;
- (c) an improvements programme as detailed in paragraph 2.13 of the report be approved; and
- (d) that officers prepare an Asset Management Strategy, in partnership with PCA Management Consultants for presentation to the Housing Board in 2007.

20 PERFORMANCE INFORMATION EXCEPTION REPORT 2006/07

The Board considered the report of the Housing Services Manager (a copy of which is attached in the Minute Book as Appendix 'B') informing Members of progress by the Housing Service in meeting performance targets and the proposed remedial action where appropriate. Members were given an update as to information received for the second quarter of 2006/07.

Empty Properties

There was Member concern that adequate recording of tenant satisfaction was being made for those moving into Council properties. The officer confirmed that the recording of satisfaction in this area had been in place for several months and that sufficient data should be available by the end of this financial year. A further way to ensure that standards were being maintained was an analysis of empty property expenditure although directly comparable figures with previous years was not possible, as there had been a change of main contractor in March 2006. The next performance report to Members would cover these two areas. It was also confirmed that the Empty Property Standard for properties was set at a higher level than that of the DHS, and had remained essentially unaltered in recent years.

Officers confirmed that they would forward a checklist to all Members giving details of the void standard when re-letting Council properties.

Communications: Telephone answering

Officers reported that the performance in 2006-07 year to date for calls answered with 20 seconds was still below the 90% corporate target, but that recent improvements in processes had already seen an improvement in performance. Officers were optimistic that the corporate target could be achieved by the end of the financial year. Officers reported that this performance indicator was taking priority over "percentage of calls engaged", which although also important, was not felt could be addressed until the former performance indicator showed improvement.

In response to Members' questions, officers explained the details relating to telephone answering and how improvements could be made whereby additional staff would be in the office at peak times. It was confirmed that telephone statistics quoted in the report were cumulative, Members were conscious of providing good customer service and requested that staff be encouraged to achieve maximum telephone coverage to maintain a good customer service image.

Communications: Response to General and Councillor correspondence

Members explained how they were at 'the sharp end' as far as enquiries from residents were concerned and would appreciate a quick response from staff in this respect. Officers advised that the importance of this area was recognised as a priority. Members requested that officers undertake further reviews of the Councillor enquiry process at appropriate intervals and as non-performance may determine.

Members were assured that, regarding the 'percentage of Councillor correspondence answered within 5 working days', this meant that the substantive part of any enquiry would be dealt with within this timescale.

Members expressed their thanks for bringing this report to the Board.

RESOLVED: That the action plans for Communications: Telephone Answering and Response to General and Councillor Correspondence, identified in the report, be approved.

21 EARLY STAGE REVIEW OF THE CHOICE BASED LETTINGS SCHEME

Note: Councillor Mrs Wright declared a personal and prejudicial interest during part of the discussion on homelessness when reference was made to the Fareham and Gosport Supported Housing Panel, and left the room whilst this matter was debated.

The Board considered the report of the Housing Services Manager (a copy of which is attached in the Minute Book as Appendix 'C') giving Members an initial overview of the implementation of the Choice Based Lettings scheme (CBL).

Members were advised that further reports would be forthcoming relating to the CBL together with an Allocations Policy review. Regarding a recent publication of posters, making the public aware of the CBL scheme, Members were assured they would, in future, be readily available for public display.

A Member expressed disappointment in the difficulties experienced in accessing information on the CBL website relating to the number of homeless, transfers and the waiting list. It was considered that comparable data between the old and new systems should be available and that a review of CBL should be undertaken and presented to Housing Board in January 2007. There were further concerns regarding the priorities and fairness of the new banding system and it was felt that further development was required. The potential for recording up to date vital information relating to medical conditions and the need for constant monitoring was also requested. There was mixed support from Members of the Board for the new banding system at this stage, although it was understood that there was a need to be flexible and to monitor changes to the new scheme.

Officers confirmed they would undertake to keep scheme advertisements simple. Approaches to local voluntary agencies would be considered so that they could gain access to the CBL system and assist people with learning difficulties.

Officers explained that the new CBL scheme was being continually evaluated, improvements were being made and work was continuing to address the problems as quickly as possible. There were a large number of homeless people, the problems were complicated and there was a high eviction rate. It was confirmed that further investigations would be carried out regarding policy issues and points' adjustments and the potential for penalties would be addressed. Further reports on this matter would be provided for Members.

Members were advised that homeless customers were underrepresented on the CBL scheme as they had been on the previous scheme, that it was a difficult area regarding permanent lettings and the Gosport and Fareham Supporting Housing Panel, with a multi-agency approach, had been set up to address the problems.

Members were informed that there had been few complaints regarding the new scheme and officers confirmed they would provide detailed customer feedback, a breakdown of lets and refusal details, for debate by Members at Housing Board in January 2007.

RESOLVED: That the Housing Services Manager's report on the Early Stage Review of the Choice Based Lettings Scheme be noted.

22 CHAIRMAN'S CLOSING REMARKS

The Chairman drew attention to the Briefing Note entitled 'Progress Report on Review of Council Garages' distributed to Members of the Housing Board prior to the meeting. It was reported that this item was to be presented to Housing Board in January 2007.

The meeting commenced at 6pm and concluded at 7.47pm

CHAIRMAN

Board/Committee:	Housing Board
Date of meeting:	10 th January 2007
Title:	Best Value Sheltered Housing Review
Author:	HOUSING SERVICES MANAGER/CH
Status:	FOR DECISION

Purpose

To bring before Members the conclusions of the Working Group on the Best Value Sheltered Housing Review.

Recommendation

That the Board

- (i) instructs officers to work with an appointed Housing Association Partner or Partners to deliver detailed re-development plans, for subsequent consideration by the Housing Board, for The Leisure, Rogers House and Agnew House. And that any re-development plans be subject to full consultation with the Ward Members for the particular schemes, with the views of Ward Councillors included in the subsequent re-development report;
- (ii) instructs officers to identify alternative solutions for the future of Behrendt House, and that any future solution be considered and approved by the Housing Board;
- (iii) approves the retention of, and investment in, Alec Rose & Slocum House, Fortune House, Gloucester House and Woodlands House. That investment in these schemes is programmed within the annual investment programmes approved by Members.
- (iv) instructs officers to negotiate with staff and Unison (Local Staff Joint Committee due to the local agreement) in respect of staff working hours, on-call arrangements and that any necessary changes be ratified, if applicable, by the Personnel Sub-Board;
- (v) approves amending charges for guest rooms to £5.00 and £7.50 per night, depending on the facilities on offer at the specific schemes, and that any increase in guest room charges be linked to annual average rent increases;
- (vi) instructs officers to examine the cleaning costs for each scheme and where necessary make changes to the allocated hours of cleaning following negotiation individual members of staff and with Unison, and that any changes be ratified, if applicable, by the Personnel Sub-Board;
- (vii) approves a policy of providing scooter spaces/recharging facilities where feasible. That it further approves the re-charging of electricity to users of Mobility Scooters and the charging for storage spaces in line with charges for parking bays. It is further recommended that Buggy stores be planned in to any new scheme development;

- (viii) approves that when Sheltered Scheme Managers accommodation becomes vacant, that officers explore ways to utilise the released accommodation;

1.0 BACKGROUND

At its meeting in June 2006 Members agreed to the setting up of a Working Group “comprising of four Members of the Board (2:1:1) to work with a resident representative and Officers to examine the options available for the future of the sheltered housing stock”.

Members further requested that “the Working Group report back to Housing Board in January 2007 with recommendations for the future of each sheltered housing scheme”

1.1 The Working Group

1.1.1 The full Working Group comprised of:

- Resident Representative Maureen Brown
- Councillor S Philpott
- Councillor I Foster
- Councillor Mrs Wright
- Councillor K Gill
- Maureen McClure – Staff/Unison Representative

1.1.2 The Working Group met formally on 5 separate occasions:

- 3rd August 2006
- 6th September 2006
- 12th October 2006
- 15th November 2006
- 11th December 2006

1.1.3 The meetings were chaired by the Housing Services Manager, and officers serviced the group. PCA Consultants offered the Working Group independent advice and Unison was also in attendance at each meeting.

1.2 Site Visits

1.2.1 In addition to the formal meetings 2 visits were arranged for the Working Group:

- A tour of all GBC Sheltered Schemes took place on Monday 24th July 2006.
- A visit by Members of the Working Group took place on 27 October 2006 to Downing Court, Fareham (built circa 1992) a Fareham Borough Council Sheltered Scheme and Extra Care Centre. A visit also took place to the Technology House in Bosham. This unit demonstrated the latest innovative range of technology intended to assist the disabled and older persons to stay in their own homes.

2.0 PART ONE: GENERAL PRINCIPLES AND ASPIRATIONS OF THE WORKING GROUP

2.1 At the first meeting of this “task and finish” Working Group it agreed the following remit:

“Consider the conclusions of the Best Value Review of Sheltered Housing and make recommendations to Housing Board for a delivery

plan for public sector sheltered housing provision in the light of the wider strategic and enabling role of Gosport Borough Council; maximising the opportunity to meet both the anticipated demand and the aspirations of Gosport residents within a financially sustainable framework;

Report its recommendations to the Housing Board in January 2007.”

2.2 There was also agreement on a number of general principles and aspirations that were established by the Working Group through discussions.

2.2.1 There was a desire within Working Group to increase public sector sheltered housing unit numbers within Gosport (in line with predicted demand):

- Preferably these would be managed by GBC
- RSL ownership and/or management would not be ruled out
- The Group saw no role for Private Sector involvement in achieving this aim

2.2.2. Increase the range of Service/Support levels available to residents including:

- Extra Care provision
- Outreach support

2.2.3 Committed to the aspiration to have stock which is:

- 1 & 2 bedroom (removing bedsits)
- self contained
- flexible design, making it suitable for change in the future
- contains a proportion of accommodation to meet differing physical needs

2.2.4. The Service running costs needed to be cost effective and competitive

- Rules out compulsory staff redundancy to achieve this aim
- Acknowledges the need to look at more flexible working arrangements

2.2.5. The commitment of the Working Group is to provide the highest possible Service Standards for residents within given resources.

2.2.6. The Working Group is prepared to recommend the reasonable use of Housing land and other assets to facilitate the meeting of the above aspirations.

2.3 Areas of Activity

The Working Group considered the following areas of activity and the Groups recommendations are set out in Part Two of this report:

2.3.1 Delivery of the Strategy

- Consider financial implications of Meeting Decent Homes & Upgrading Stock
- Consider options for meeting the aspirations of the Working Group (in particular 1, 2 and 3 above)

2.3.2 Physical Upgrading of the Current Schemes and Decent Homes Work

- Consider the technical building issues
- The level of investment required to meet objectives
- The impact on the Housing Services business plan

2.3.3 Getting Value for Money (Revenue Income & Expenditure)

- Consider Benchmarking information
- Review sheltered scheme operational costs
- Review guest room charges
- Address high cleaning costs
- Understanding Heating Costs

2.3.4 Improving Service Standards for Residents & Good Management Practice

- Review role of scheme managers
- Consider role of new technologies
- Review Existing Service Standards & compare with other providers
- Address the needs of those who own mobility scooters

3.0 PART TWO: RECOMMENDATIONS OF THE WORKING GROUP

3.1 Delivery of the Strategy

3.1.1 The Working Group recommends the way forward for the Sheltered Housing schemes be as detailed in table 3.1 as follows;

Scheme	Recommendation
Agnew House	Redevelopment
Alec Rose & Slocum	Investment
Behrendt House	Explore alternative use
Fortune House	Investment
Gloucester House	Investment
Rogers House	Redevelopment
The Leisure	Redevelopment
Woodlands House	Investment

Table 3.1

3.1.2 The Working Group recognises that insufficient available funding prevents Housing Services from undertaking its own re-development of the four schemes outlined above in table 3.1 (The Leisure, Rogers House, Agnew House and Behrendt House).

3.1.3 The Working Group therefore recommends that Housing Board instructs officers to work with an appointed RSL Partner or Partners to deliver detailed re-development plans, for subsequent approval of the Housing Board, for the following schemes:

- The Leisure
- Rogers House
- Agnew House

3.1.4 As the schemes at Rogers House and The Leisure are believed to generate the highest gains in terms of new units, the Working Group proposes that these two schemes be a priority.

3.1.5 The Working Group further recommend to Housing Board that officers be instructed to identify alternative solutions for the future of Behrendt House, and that any future solution be considered and approved by the Housing Board.

3.2 Upgrading of the Retained Schemes (including Decent Homes Work)

3.2.1 For the schemes recommended for investment (Alec Rose & Slocum, Fortune House, Gloucester House, Woodlands House):

Scheme*	Option** (where applicable)	Total Cost '000	No of units remaining	Unit Price/unit
Alec Rose & Slocum		£220	33 (16+17)	£6,670
Fortune House	Totals [option 1]	£242	31	£7,806
	Totals [option 2]	£428	31	£13,806
Gloucester House	Total [excl options]	£145	34	£4,260
	Incl. option 1	£349	34	£10,260
	Incl. option 2	£295	34	£8,680
	Incl. option 1&2	£499	34	£14,680
Woodlands House		£322	29	£11,103

*costs for schemes proposed for re-development in Appendix A (1) ** options detailed in Appendix A (2) All calculations exclude any adjacent bungalows. Table 3.2

- 3.2.2 The Working Group recommended that work to Alec Rose & Slocum House be programmed for future investment and brought to Housing Board, at a date to be determined, for approval within the annual investment programme.
- 3.2.3 The Working Group recommended that work to Fortune House as detailed in Option 1 or 2 (for future decision) be programmed for future investment and brought to Housing Board, at a date to be determined, for approval within the annual investment programme.
- 3.2.4 The Working Group recommended that work to Gloucester House as detailed in table 3.2 (for future decision on options) be programmed for future investment and brought to Housing Board, at a date to be determined, for approval within the annual investment programme.
- 3.2.5 The Working Group recommended that work to Woodlands House be programmed for future investment and brought to Housing Board, at a date to be determined, for approval within the annual investment programme.

3.3 Getting Value for Money (Revenue Income & Expenditure)

3.3.1 *Recommendations on Amendments to Sheltered Scheme Managers working hours*

- i) The Working Group endorsed a review of current working hours for Sheltered Scheme Managers.
- ii) The Working Group acknowledged that any proposed changes would be in line with existing GBC procedures for making any changes and would therefore be subject to negotiation with Unison and staff, and ratification (if applicable) by the Personnel Sub-Board.

3.3.2 *Recommendations on Residential v Non-residential staff*

- i) The Working Group endorsed the continuing practise of not providing tied accommodation for newly recruited Sheltered Scheme Managers. Any future changes for existing staff in tied accommodation would be implemented by negotiation with staff and Unison.

- ii) The Working Group acknowledged that any proposed changes would be in line with existing GBC procedures and would therefore be subject to negotiation with Unison and staff, and ratification (if applicable) by the Personnel Sub-Board.

3.3.3 *Recommendations on guest room charges*

- i) The Working Group recommended amending charges for guest rooms to £5.00 & £7.50 per night (up from £3.50) depending on facilities on offer at the specific schemes. It was further recommended that any increase in guestroom charges be linked year-on-year to annual average rent increases.

3.3.4 *Recommendations to address high cleaning costs*

- i) The Working Group noted the high cost of cleaning (48% above benchmarked average) and recommended that the cleaning service should be reviewed on a scheme-by-scheme basis.
- ii) The Working Group acknowledged that any proposed changes would be in line with existing GBC procedures for making any changes and would therefore be subject to negotiation with Unison and staff, and ratification (if applicable) by the Personnel Sub-Board.

3.3.5 *Recommendations on charges for Buggy Stores*

- i) The Working Group recommended the re-charging of electricity to users of the scooters and the charging for storage spaces in line with charges for parking bays (also see 3.4.1 below).

3.3.6 *Other Recommendations*

- i) The Working Group recommended that when Sheltered Scheme Managers accommodation becomes vacant, that officers explore ways to utilise the released accommodation to increase current (sheltered) stock and as a consequence rental income.

3.4 Improving Service Standards for Residents & Good Management Practice

3.4.1 *Recommendations on Provision Of Storage Areas For Mobility Scooters*

- i) The Working Group recommended a move away from the current policy of not providing scooter spaces/recharging facilities. It is further recommended that buggy stores be planned in to any new scheme development

3.4.2 *Recommendations on Guest Room Facilities*

- i) The Working Group recommended improving facilities (where possible) to existing guestrooms in line with the proposed investment in schemes. When considering developing/refurbishing of schemes account should be made to provide self-contained guestroom suites. It further recommended offering guests tea making facilities as standard.

3.4.3 *New Technologies*

- i) The Working Group considered there could be major advantages for residents in expanding the use of new technologies and this was believed to be the way forward for the future. It was noted that although these

technologies could dramatically reduce costs there were reservations around the impersonal nature of some of the innovations.

3.4.4 *Quality Assessment Framework Action Plan*

- i) Members should note that a range of service standards and good management practice improvements have been introduced recently (or scheduled to be introduced) under the Quality Assessment Framework (QAF) action plan, and were not therefore discussed by the Working Group.

3.5 Resident Consultation

- 3.5.1 The Working Group considered a number of options concerning resident consultation. It is recommended that residents are informed at the earliest opportunity of the decisions of Members. The consultation processes will consist of a combination of presentations at individual schemes and written information. It is recognised that our consultation processes must be well structured and informative to ensure the appropriate messages are communicated to residents at the correct time.

3.6 Section 17 Crime and Disorder Act

- 3.6.1 There no direct implications in this report although a number of improvements proposed for sheltered schemes as part of the investment programme are linked to improving security and the safety of residents within those schemes.

4.0 RISK ASSESSMENT

- 4.1 The investment plans for the sheltered housing service will be factored into the revised HRA (Housing Revenue Account) Business Plan. Any level of investment must be affordable within the Business Plan assumptions. Long-term financial planning, whilst necessary, is a subject to annual amendment because the housing subsidy received is only known on an annual basis.
- 4.2 The substantive part of this report is a report back to Members of the conclusions of the Best Value Working Group on Sheltered Housing. As such it contains low operational risk for the organisation.
- 4.3 Individual risk assessments will be undertaken on the elements of the recommendations approved by Members, and where appropriate reported back to Board.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The report taken to Housing Board 1 November 2006 titled 'Delivering Decent Homes 2010 and beyond' outlined the current situation with regard to funding an Improvement Programme which would enable the Council to achieve the decent homes standard in addition to a number of other improvements to the housing stock. This indicated that prudential borrowing of around £2M would be required between 2007-11 largely due to the loss of supported borrowing (£822,000 in 2005/6) and reduction in capital receipts previously available to support the funding of the Housing Capital programme. These factors also affect the current year, where a prudential borrowing requirement of approximately £800,000 is likely to be required.

- 5.2 The Schemes proposed for investment will potentially add a further £929,000 to £1,469,000 (dependent on the options agreed upon) to the estimated prudential borrowing already required of £2.8M. This will place a burden on the HRA for several years to come. It is, therefore, seen as essential that the Schemes recommended for redevelopment are progressed at little or no cost to the Council.

6.0 CONCLUSIONS

- 6.1 The members of the Working Group have discussed and considered the range of solutions for the future of the sheltered housing service in great detail over the last 6 months. There was a general appreciation that the Council does not have the resources itself to make all the investment we would wish into the schemes. A mix of solutions for the different schemes is being proposed by the Working Group. This includes retention and investment, re-development of schemes in partnership with an RSL (Registered Social Landlord) and identifying an alternative use for Behrendt House.
- 6.2 The Working Group also reviewed the service standards currently being provided and made visits to schemes managed by alternative providers to see what different services may wish to provide in the future. The revenue contributions towards the costs of the service from the Supporting People system will be reducing in April 2007, so it is necessary to plan for that impact by implementing changes to the service whilst minimising the impact to residents.
- 6.3 The Working Group identified that in future more people in the community should be able to benefit from their local sheltered housing service, using it as a hub and as a location for immediate service provision.
- 6.4 Our strategic aim is to provide a service for older people which meets their aspirations both now and in the future.

Financial Services comments:	As set out in Section 5 of the report
Legal Services comments:	Tenants affected by the proposals contained in this report must be consulted on them. In addition, it must be remembered that, depending on the eventual plans for the properties in question, the consent of The Secretary of State may be required
Service Improvement Plan implications:	The Best Value Sheltered Housing Review is major feature of the current Service Improvement Plan (SIP) for the Housing Service
Corporate Plan	The Best Value Review of Sheltered Housing impacts on the Strategic Priorities of Prosperity and Pursuit of Excellence
Risk Assessment	See 4.0
Background papers:	'Best Value Review: Sheltered Housing BVR Sheltered Housing' Report to Board June 2006 'Delivering Decent Homes 2010 and beyond' Report to Board November 2006
Appendices/Enclosures:	APPENDIX A (1): Cost of Upgrades to schemes not being retained APPENDIX A (2): Further details of upgrade options for retained schemes
Report author/Lead Officer:	Charles Harman/Andy Elder

Appendix A (1)

The anticipated costs for upgrading schemes, where they to have been done, that have been designated by the Working Group for redevelopment

Scheme Calculations exclude adjacent bungalows	Option (where applicable)	Total Cost '000	No. of units remaining	Unit Price/unit
Agnew House*	Total Option 1	£1,058	38	£27,840
	Total Option 2	£1,308	28	£46,710
Behrendt House		£373	9	£41,440
Rogers House**	Total	£673	9	£74,777
	Incl optional work	£770	9	£85,560
The Leisure		£943	14	£67,360

*Option one assumes 30 1 bed flats with shared facilities would enable showers to be fitted into each unit unchanged. Option Two assumes 30 1 bed flats with shared facilities will convert to 20 self contained units. Total reduction from existing provision 10 units

**based on 9 properties in main block, but could be calculated to incl. adjacent [linked] block making 19 units in total and unit costs £35,420 and £40,530 (incl optional work) respectively.

* * * * *

Appendix A (2)

Details of investment Options for schemes to be retained

Fortune House	Totals [option 1]	£242	31	£7,806
	Totals [option 2]	£428	31	£13,806
Gloucester House	Total [excl options]	£145	34	£4,260
	Incl. option 1	£349	34	£10,260
	Incl. option 2	£295	34	£8,680
	Incl. option 1&2	£499	34	£14,680

Fortune House

Option One involves leaving baths in situ, but replacing with showers on an ad hoc basis through the voids programme (and if desired by the incoming resident). The cost of this work would then be met from a voids budget over a number of years, and therefore the cost has been left out for the purposes of the costings in option One.

Option Two involves removing existing baths and replacing with showers on a capital programme basis, the cost of this programme has therefore been included in Option Two.

Gloucester House

There are two further options over and above base level work. These are;

Option One, as with Fortune House, involves removing existing baths and replacing with showers on a capital programme.

Option Two is the replacement of existing French doors to all ground floor flats and upgrading to double glazed uPVC. There are security and thermal insulation benefits, but it is not essential work at this stage.

AGENDA ITEM NO. 9

Board/Committee:	HOUSING BOARD
Date of Meeting:	10 TH JANUARY 2007
Title:	REVIEW OF THE ALLOCATIONS POLICY
Author:	HOUSING SERVICES MANAGER/SN
Status:	FOR DECISION

Purpose

To seek approval by Members of recommendations to amend the existing Allocations Policy, prior to consultation with our customers and housing association partners.

Recommendations

That Members approve the following recommendations:

1. The existing Band G of the application prioritisation scheme be divided into a Band G and Band H. The division to be based on presence of local connection (Band G), or no local connection (Band H) – (see Appendix A – Gosport residency & local connection);
2. That customers refusing an offer of re-housing that they have personally bid for, and where that refusal is not reasonable, have a penalty applied to their application (minor penalty as defined in Allocations Policy) – (see Appendix B - refusal of offers & treatment of customers not bidding);
3. That customers subject to specified behaviour penalty provisions within the Allocations Policy be additionally subject to special rules relating to sensitive lettings, namely:
 - a. Approval of any offer of re-housing, where a dwelling is a sensitive letting, be subject to Head of Section (Housing Options) discretion; and
 - b. The Head of Section (Housing Options) to have delegated powers to amend the applicants priority, in the negative, to a maximum permissible under law in the specific circumstances of that application;
 - c. The definition of a specified behaviour penalty in this recommendation excludes penalties applied for refusal of offer of re-housing, rent arrears and financial means.
 - d. Sensitive Lettings are defined as:
 1. The actual property being re-let was void due to repossession action (formal written notice or beyond) against the previous tenant for nuisance/anti-social behaviour, criminal behaviour justifying possession action; or,
 2. An immediate neighbouring property is currently

- subject to repossession action as in (1); or,
- 3. In the sub-locality area* a minimum of 10% of tenancies are currently subject to repossession action as in (1);
- 4. For the sub-locality area* the Police or Principal Housing Officer, or equivalent, has made a strong recommendation to the Council that it be designated a sensitive letting area (recommendations to be reviewed every six months) and that recommendation has been accepted. Such recommendation to be made within a framework protocol (to be produced)
- 5. In the sub-locality* a minimum of 10% of tenancies are currently occupied by sublet tenants.

* Sub-locality area is defined here as the block of flats (20 or more properties) in which the void is situated, or the closest 20 properties to the void property.

(See Appendix C – Treatment of sensitive Lettings)

- 4. That the Planned Lettings targets be amended as follows:
 - 1. General Needs:
 - Homeless down from 45% to 35%;
 - Transfer static at 25%;
 - Waiting list up from 30% to 40%;
 - 2. New Developments:
 - Transfer down from 90% to 70%
 - Waiting List and homeless up from 10% to 30%
 - 3. Sheltered and Designated Elderly
 - Transfer 50%;
 - Waiting list and homeless 50%
 - 4. Tower Blocks
 - Homeless customers 10%
 - Transfer customers 10%
 - Waiting list customers 80%
 - 5. Amend the definition of a new development from: Cherque Farm, Clarence Yard, Royal Barracks, to any new development involving 10 or more new properties in one location.

(See Appendix D – Planned Lettings)

- 5. That the existing minor penalty provisions in Allocations Policy be amended to effect:
 - a. A drop in priority by one Band, to the bottom of the Band demoted to; provided that,
 - b. Demotion is limited so that no minor behaviour penalty can result in the applicant's priority being downgraded to a Band below Band F.
 - c. That where an applicant with a behaviour penalty is ranked and selected as highest bidder amongst that applicant's customer category: priority in ranking will be

determined according to the highest ranked bidder over all customer categories.
(See Appendix E-Minor Penalty System)

6. That the Housing Services Manager be given delegated powers to implement the recommendations approved by this Housing Board, following consultation with our Housing Association Partner's and customers, subject to the Housing Services Manager, Housing Board Chairman and Group Spokespersons being satisfied that any arising amendments are not substantial.

1 Background

- 1.1 The Allocations Policy was subject to a major revision (see January 2006 Housing Board), which coincided with the implementation of the Choice Based Lettings approach to letting properties. Members have debated issues on a number of occasions in 2006, and this report makes recommendations to change the Allocations Policy to address these concerns.

2 Report

- 2.1 The technical and complex nature of Allocations Policy, and law, does make it a challenge to communicate the issues in a single Housing Board report. It has been important to engage with Members over this policy review. This has been done by;
 - Meetings and the raising of issues by Members from customers' enquiries;
 - A series of Member consultation reports prior to this Housing Board report.
- 2.2 Because the above consultation has occurred with Housing Board Chairman and Group Spokespersons, the body of this report does not go into the issues, analysis and debate. Rather, Members are referred to consultation reports (Appendices A to E to this report) for those matters.
- 2.3 Prior to this Council adopting any of the recommendations set out in this report it will be necessary, by law, to undertake a consultation exercise with our Housing Association partners. Additionally, as these changes are considered significant, the law requires that customers' be notified of the proposed changes. It is recommended that customers' views be sought in addition to simply notifying them of the changes.
- 2.4 The consequence of these consultation requirements is that it will be necessary to either bring this matter back to Housing Board for final approval or the Housing Board could delegate the matter to the

Housing Services Manager. It is recommended that the signing-off of the Allocations Policy changes are exercised through delegated powers unless the recommendations approved by the Housing Board are substantially changed following consultation with customers and our Housing Association partners.

- 2.5 In respect of Section 17 Crime & Disorder Act 1998 it should be noted that the proposed changes to the Allocations Policy will introduce 'sensitive' lettings of void properties. Also customers who have a minor behaviour penalty attached to their application will have their application amended so that they are demoted by one band.

3 Risk Assessment

- 3.1 The Allocations Policy must observe the law (primarily, the Part VI, Housing Act 1996) otherwise the Council could be challenged by way of Ombudsman and/or Judicial Review.

4 Conclusion

- 4.1 The recommended Allocations Policy changes contained in this report, with one exception, seek to adjust or extend existing policy provisions rather than introduce a raft of new policies. The one exception is the re-introduction of historical policy on penalty for a refusal of offer of re-housing, where that refusal is not reasonable. The recommended changes are fundamentally, a 'bedding-down' of Allocations Policy rather than a significant change in direction.

Financial Services comments:	There are no financial implications contained in this report beyond the cost of amending the existing I.T. system. And publications. Changes required to implement the recommendations in this report are estimated to be £8,000. This can be contained within existing budgets
Legal Services comments:	The Housing Act 1996 requires the Council to have an allocation scheme for determining priorities and the procedures to be followed in allocating housing accommodation. This allocation scheme has to be framed so as to secure that reasonable preference is given to persons who fall within the descriptions set out in Section 167(2) of the Act. Whilst the Act sets out factors which may be included in the allocation scheme in order to determine priorities the Code of Guidance and case-law makes clear that the Council

	<p>may include additional factors provided that the Council's allocation scheme is applied in such a manner that they are able to demonstrate that overall reasonable preference is given to persons in all the reasonable preference categories.</p> <p>The areas referred to in the recommendations would all appear to be reasonable factors to include in the allocation scheme but it must be remembered that the allocation scheme must not be applied rigidly, the individual circumstances of particular applicants for housing must be considered and the application of the different factors ensures that the decision as to whom to allocate housing accommodation to is made on reasonable grounds.</p>
Service Improvement Plan implications:	None
Corporate Plan:	N/A
Risk Assessment:	See paragraph 3.1
Background papers:	Allocations Policy Review; January 2006 Housing Board.
Appendices/Enclosures:	<p>Appendix A - Local Connection and Residency;</p> <p>Appendix B - Refusal of offers and treatment of customers not bidding;</p> <p>Appendix C - Sensitive Lettings Policy Review;</p> <p>Appendix D - Planned Lettings Review</p> <p>Appendix E - The Minor Penalty system</p>
Report author/ Lead Officer:	Andy Elder/ S Newton

APPENDIX A

Board/Committee:	Housing Services Manager, Housing Board Chairman and Group Spokespersons
Date of Meeting:	Consultation report
Title:	Review of Allocations Policy- Gosport residency and local connection
Author:	S Newton
Status:	For recommendation to Housing Board

Purpose

This report summarises the current Policy provisions relating to local connection and considers options for amendments to provisions to increase priority for residence in Gosport.

Recommendation

That:

1. The proposal to split the present Band G into two Bands based on local connection/no connection (the latter being the lowest band) be accepted and referred to Housing Board.

1 Background

- 1.1 The current Allocations Policy does provide priority for people with a local connection with Gosport. The scheme of priority ensures that ceilings are imposed on people with lesser or no local connection:

No local connection - Cannot go above Band F
regardless of housing need;
Connection other than residency - Cannot go above Band B,
regardless of housing need.

- 1.2 It should be noted that local connection criteria within Allocations Policy is required to reflect homelessness local connection criteria. Homeless statute interpretation (case law and Local Government Agreement) does not recognise any distinction in weighting according to the type of connection, but the statute itself is not prescriptive. This lack of prescription in statute is the justification for this Council giving differing weightings accord to the type of local connection.
- 1.3 Members have expressed their concern that properties are being let to customers not residing in Gosport. Section 167 of the Act sets out the “reasonable preference” categories that must receive priority and then lists other factors (such as local connection) where additional preference can be given. **It is open to the Council to establish**

other reasons for providing additional preference as the wording of Section 167(2A) is an inclusive list rather than an exclusive list. However, any Council determined priorities must take care to avoid direct or indirect discrimination (Race Relations Act 1976 and other equal opportunities considerations: *Housing Allocation & Homelessness, Law and Practice*, J Luba QC & L Davies, para 4.80)

- 1.4 A further limitation in law is that local connection is an additional preference category. Additional preference can only be awarded where a customer household has been awarded a statutory preference priority. Currently, this would mean that no additional preference could be awarded for people in Band G for residence status (50% of lettings to non-residents are from within Band G- see Appendix A, Table Five). One amendment could be that a further band is introduced which will split the present Band G into two Bands:

- Band G becomes:
 - Band G –All other applicants residing in Gosport;
 - Band H – All other applicants not residing in Gosport, and those with a severe penalty applying.

This solution would divide the existing Band G which is acknowledged to be very large in terms of numbers of applicants within it.

2 Report

- 2.1 One Member concern is that the introduction of Choice Based Lettings has resulted in lettings to people not resident in Gosport. Analysis, albeit over a short period of time (the quarter prior to CBL: ¼/06 – 30/6/06; and quarter after CBL 1/7/06 – 30/9/06) indicates that the number of lets to people not resident in Gosport has gone up slightly since CBL was introduced. Annex A sets out the analysis. If the actual lets to people not resident in Gosport are compared the results are:

- Pre CBL, 6 lets (5.56%) went to non residents;
- Post CBL, 8 lets (7.87%) went to non-residents;

If the results are examined for lettings to people with no connection with Gosport:

- Pre-CBL, 2 lets (1.39%) went to people with no connection;
- Post CBL, 2 lets (1.57%) went to people with no connection.

- 2.2 Officers recognise the above results are for a very limited period of time, and one suitable response could be to monitor for a longer period and then review the position. However, if the levels of lettings to non-residents is a concern then new provisions should be

considered now.

- 2.3 Annex B sets out three alternative options for providing additional preference **IF** the primary option for change set out in paragraph 1.4 above is not desired.

3 Risk Assessment

- 3.1 The Council has to set a lawful Policy and this report highlights the risk of failing to achieve this. Unlawful Policy is challengeable by way of Judicial Review/Ombudsman.

4 Conclusion

- 4.1 The desire to let Gosport Social Housing properties only to Gosport residents is understandable but not compatible with the law. Instead, a more complex prioritisation system may be used which takes into account local connection rather than residence. However, there are limitations, in law, upon the extent of use of local connection criteria. This has resulted in a very large number of customers being placed in Band G and it is recognised that it would be desirable to split this large band into smaller portions. This report proposes a primary option that seeks to address this issue
-

Annex A

Analysis of lettings for comparable periods pre and post CBL cross referencing with non-residence

Period	total lets in period			lets to people outside of Gosport at time of offer		
	1 bed	2 bed	3 bed	1 bed (inc sheltered and elderly)	2 bed	3 bed
Pre -CBL	88	38	18	7	1	0
Post CBL	67	46	14	9	1	0

Table One

Period	Local connection for 1 bed general needs lets to people outside of Gosport at time of offer			
	Past residence	Family	special reason	none
Pre -CBL	0	1	0	0
Post-CBL	2	2	0	0

Table Two

Period	Local connection for Family sized accommodation lets to people outside of Gosport at time of offer			
	Past residence	Family	special reason	none
Pre-CBL	1	0	0	0
Post-CBL	0	0	0	1

Table Three

Period	Local connection for sheltered/elderly designated to people outside of Gosport at time of offer			
	Past residence	Family	special reason	none
Pre-CBL	1	3	0	2
Post CBL	0	4	0	1

Table four

Band	Post CBL: Number of lets to people not resident in Gosport		
	Elderley Designated/Sheltered	1 bed general need	2 bed family sized
A			
B		1	
C		1	
D			
E	1	2	
F			
G	4		1
Total	5	4	1

Table Five

Annex B Options for adding Gosport residence priority

Allocations Policy – Residency

Prior to CBL Housing Register customers were awarded additional points for the number of years residence they had within the Borough of Gosport. The points awarded (as at Feb 06) were as follows:

Points	No of Applications	%	With LC	Without LC
10	1435	61.6	1416	19
9	36	1.5	36	0
8	54	2.3	51	3
7	50	2.1	47	3
6	54	2.3	53	1
5	55	2.4	53	2
4	56	2.4	55	1
3	70	3.0	67	3
2	59	2.5	51	8
1	92	4.0	82	10
0	367	15.8	234	133
total	2328		2145	183

Consideration has been given on how to re-introduce the priority for years residency within the new Banding system. Detailed below are 3 options. All of these would need to be checked to see if comply with legislation.

1. Increase Band

Residence in Gosport for 5 years or more = shift 1 Band up e.g. Band E to Band D	For	Against	Comments
	Can be done on IT	Simple Programme change required	Estimated Capital cost < £2,000
	We hold 5 years address history	We would have to verify every address for every customer	On-going staff resource (unquantified at this stage but known to be significant)
		Website/literature changes	Cost of change in literature
	Gives higher priority to Gosport residents	Combined with existing local connection priority is this the balance right between housing need and residence?	

2. Changing the Allocations Criteria

Priority in bands set by (rank order):	For	Against	Comment
1 No penalty/penalty; 2 Residence 3 Time on list	Can be done on IT	Complex IT changes (banding criteria and applicant attribute to be added)	Estimated capital cost £3,000
	We hold 5 years address history	We would have to verify every address for every customer	On-going staff resource (unquantified at this stage but known to be significant)
		Website/literature changes	Cost of change in literature
		Additional complexity in lettings procedures and in feedback to customers	This is viewed by officers as making this option unattractive
	Gives higher priority to Gosport residents, and more likely to be lawful than option 1		

3. Amend the application date subject to years residency

Backdate application date by up to 5 years for residence in Gosport post application date. Backdating 1 year on each anniversary of application up to 5 years	For	Against	Comment
	Can be done on IT	Medium difficulty IT changes (application date and applicant attribute to be added)	
	No need to verify housing history pre-application		No identified increase in staff resource
		Website/literature changes	Cost of change in literature
	Gives higher priority to Gosport residents, and more likely to be lawful than option 1	Does not give priority at application onset, and does not prioritise long prior residence – it merely accelerates priority for length of time on list	

APPENDIX B

Board/Committee:	CONSULTATION REPORT: HOUSING SERVICES MANAGER, HOUSING BOARD CHAIRMAN AND GROUP SPOKESPERSONS
Date of Meeting:	N/A
Title:	ALLOCATIONS POLICY REVIEW – REFUSAL OF OFFERS & TREATMENT OF CUSTOMERS NOT BIDDING
Author:	S NEWTON
Status:	FOR RECOMMENDATION TO HOUSING BOARD

Purpose

To analyse customer refusal rates when they are made offers of re-housing through the Housing Register, and to consider appropriate response(s).

Recommendation

That:

1. The penalty scheme set out in this report in respect of customers not reasonably refusing offers of re-housing is accepted and referred to the Housing Board.

1 Background

- 1.1 Prior to the introduction of the Choice Based Lettings approach to lettings in June 2006, the “traditional” allocation of accommodation approach was used. Although the allocations approach sought to meet customers’ preferences for properties (location and property type), an outcome was a high refusal rate. High refusal rates have significant cost implications both in terms of extended void periods and staff resource to re-allocate the property.
- 1.2 The refusal rate prior to Choice Based Lettings was reported to the November 2006 Housing Board as in excess of 40% of all offers.
- 1.3 There was an expectation that refusal rates would reduce dramatically when Choice Based Lettings was introduced. This is based on the assertion that by getting customers to bid for properties they would only bid for properties they want and therefore would not refuse. In addition, any refusal could be dealt with quicker and with less officer resource, as the original bidding results would apply.
- 1.4 Prior to Choice Based Lettings customers would be penalised for an

unreasonable refusal of a second offer by having their application suspended for one year. Policy changes arising from the introduction of Choice Based Lettings resulted in this penalisation being deleted.

- 1.5 The refusal rate post Choice Based Lettings was reported to the November 2006 Housing Board as 33% (Council) and 27% (Housing Association). The conclusion has been: whilst the results are an improvement; that improvement is not sufficient and re-introduction of penalty should be considered.
- 1.6 Members have discussed this and extended the scope of this review to include consideration of whether customers can and should be penalised for not bidding in a period of time (to be determined).

2 Report

- 2.1 The first point this report needs to address is the definition of a refusal. Unfortunately, this is not as clear-cut as one would expect. The other reason why properties are not let is because the property is withdrawn. The overlap between withdrawal and refusal arises for the following reasons:
 - When considering penalisation of the customer, the issue is not one of refusal but whether it is a **reasonable refusal**. Some properties will be refused for reasonable reasons and should then be classed as withdrawals. However, a decision to treat a refusal as a reasonable refusal can take some time whereas, the I.T. system requires the offer to be closed off prior to re-selection for a new offer;
 - When considering impact to the service (as opposed to the customer) of a failed offer, it matters little whether the property is withdrawn or refused.
- 2.2 For the above reasons, the statistics reported to the November 2006 Housing Board were the total of refusals and withdrawals. The Review of the Choice Based Lettings Scheme Report (January 2007 Housing Board) sets out the breakdown between refusals and withdrawals (Appendix A, Table Four). Table One, Annex A to this report sets out the results of an analysis of refusal reasons.
- 2.3 Table One, Annex A, shows that of 409 offers recorded 109 were recorded as declined. However, when the reasons for the decline of offer are considered in more detail the following results apply:
 - 45 (11% of all offers) are likely to have reasonable grounds for refusal (penalisation unlikely)
 - 38 (9.29% of all offers) are likely to be unreasonable refusals (penalisation could be considered)
 - 26 (6.36% of all offers) could not be unreasonable refusals (penalty could not apply)

- 2.4 Given that between 9.29% and 20.29% of all offers are refused on grounds that are not, or might not be reasonable, it does appear appropriate to re-impose some form of penalty on the application. The question moves to what penalty?
- 2.5 This Council's Legal Services has previously advised (in respect of suspension of applications due to specified arrears, see Allocations Policy review, January 2006 housing Board) that a suspension of the application amounts to an exclusion from an allocation, albeit for a period of time. It is the case that an exclusion from an allocation is only justified in law where the strict criteria set out in the law applies. In outline, an exclusion from an allocation is only justified where the conduct of a member of the customer household has been or could notionally be viewed as:
- A ground for possession against a secure tenant (Council tenant); and
 - The court would, or has, granted a possession order, having satisfied itself, on a defended action, that possession would be reasonable in the circumstances; and
 - The order for possession would be outright as opposed to suspended; and,
 - The negative behaviour etcetera was not as a result of lack of support where this is retrospectively assessed as needed at the time of the incident(s); and,
 - The circumstances of the household are assessed as not changed since the incident(s) – i.e. they have not redeemed themselves.

It appears that the law does not permit a suspension from the Housing Register. Instead, the penalty provisions already in Policy can be used. The appropriate level of penalty is what Gosport Allocations Policy describes as a minor penalty. After this round of Allocations Policy changes, if recommendations are accepted, the result of applying a penalty for refusal (other than a reasonable refusal) would be the customer application is dropped one band, to the bottom of the next band (e.g. from Band C to the bottom of Band D)

- 2.6 Turning now to the Member request to consider some form of penalty against those who do not bid for a period of time. The current Policy rules set out that if a customer does not renew their application on each anniversary of the application, the application will be deleted. Interestingly, the law does not allow customers to be struck off the Housing Register other than if they are ineligible to apply (those caught by Immigration or Habitual residence tests). However, there is an expectation that Council's will regularly review their Registers and remove inactive households. This discrepancy between the law and directive points to a potentially contentious area of activity and accordingly caution is recommended.

- 2.7 For the above reasons it is considered that the legal position on striking people off the list for failure to bid in a period shorter than one year is potentially unjustified within the law. It is also the case that any speeding up of the administrative cycle of deletion after one year if the customer fails to renew their application will add an unnecessary burden to the administration. Members attention is drawn to the fact that the Housing Register has grown by 8.82% in two months (October and November) – see November 2006 and January 2007 CBL reports Appendices A, Table one. It is therefore not recommended that the Allocations Policy be changed at this point in time.

3 Risk Assessment

- 3.1 As set out in this report

4 Conclusion

- 4.1 It was thought that customers would refuse far less properties under Choice Based Lettings than under the allocations system. The early results of the implementation of Choice Based Lettings show a reduction in refusal rates but there are still too many properties being refused. It is therefore recommended that a penalty be applied to those people refusing a property for reasons that are not considered by this Council to be reasonable. As with any penalty, the customer does have the right of review (appeal) against any decision to apply such a penalty to the application.
-

ANNEX A **ANALYSIS OF REFUSALS OCTOBER 2006 TO END NOVEMBER 2006**

Analysis of reasons for refusal	GBC	Property factor due to medical reasons	HA	Property factor due to medical reasons
Refusals that might be reasonable				
Property factors	17	5	14	4
Customers circumstances	6		7	
Delay in letting	1		0	
Sub-total	24		21	
Refusals that are likely to be unreasonable				
No response to offer	7		2	
Location	9		6	
Bidding error	3		2	
No recorded reason	2		2	
High rent	0		1	
Pets rule	0		4	
Sub-total	21		17	
Refusals that cannot be treated as refusals				
Arrears blocked letting	2		2	
2 property rent problem	2		0	
Insufficient notice	2		1	
Coding error	3		8	
Withdrawal by landlord	0		3	
Withdrawal – applicant priority reduced	0		2	
Advert error	0		1	
Sub-total	9		17	
Grand Total	54		55	

Table one

APPENDIX C

Board/Committee:	Consultation report to Housing Services Manager and Group Spokespersons
Date of Meeting:	N/A
Title:	Allocations Policy Review – Treatment of “Sensitive Lettings”
Author:	S Newton
Status:	FOR RECOMMENDATION TO HOUSING BOARD

Purpose

To set out the issues arising when a notified letting is described as “sensitive letting” and to seek member approval of appropriate administrative responses

Recommendation

That:

- 1 Customers subject to specified behaviour penalties will also be subject to special rules relating to sensitive lettings (Policy re-wording to be put before Housing Board); and
- 2 The definition of a sensitive letting set out in paragraph 2.7 of this report be accepted and referred to Housing Board; and
- 3 A customer’s vulnerabilities be accepted as not appropriate to consider in terms of sensitive lettings rules.

1 Background

1.1 This Council’s nominations procedure enables a landlord to tell the Lettings Team that a specific void property is a “sensitive” letting. It has been identified that interventions to respond to a sensitive letting request are limited. The only policy provisions enabling an unsuitable customer to be rejected are:

- Where specified criminal offences have been committed (Class A drug supply, 3 or more burglaries, sex offences, violence against a person); and
- Where anti-social behaviour is evidenced (injunctions or ASBO’s)

Where any of the above apply the Policy enables consideration of conditions of any re-housing. This includes the ability to refuse to re-house in a specific location.

1.2 This report seeks to justify why the application of a behaviour penalty

should be extended to consideration of the specific behaviour issue when determining who should be offered accommodation. The law does enable, and encourages, this to be done. However, there are important issues of control to be considered here. The most obvious concern would be where a social landlord claims that all of their properties are “sensitive” lettings and therefore could not possibly take any customer with behaviour, or even vulnerability issues - the so called “cherry-picking” approach to lettings. This extreme position is not evidenced in Gosport, but smaller scale issues have arisen. The operational difficulty in determining the merits of the case can be significant.

- 1.3 The flip-side of the coin, when considering “sensitive” lettings is the consideration of whether a customer with vulnerabilities should be permitted to proceed to a specific letting. When there is clear evidence that a specific location is likely to be detrimental to that customer (this would probably be not known to the customer), having carefully considered the specific circumstances, there is a strong case to say the letting should be halted. The question is whether the law permits this.
- 1.4 There are then, three factors to weigh-up in the consideration of “sensitive” lettings:
 - Definition(s) and control of the designation of a “sensitive” letting;
 - Treatment of customers with behaviour penalties;
 - Treatment of customers with vulnerabilities.

2 Report

- 2.1 **Behaviour Penalty Cases**

The effect of a behaviour penalty (if recommendations set out in this series of Allocations Policy review reports are adopted) is to:

 - Minor Behaviour Penalty - drop the applicants priority to the bottom of the next lowest band (e.g. from Band D to bottom of Band E);
 - Severe Behaviour Penalty – drop from any Band to the bottom of the lowest Band (eg from Band C to Band I);
 - Ineligible for an offer - in the severest cases (not relevant for this report)
- 2.2 For the avoidance of doubt, here we are considering behaviour issues other than:
 - Rent arrears (for which the same behaviour penalties apply); or,
 - Financial penalties;
 - Offer refusals (where the refusal is not reasonable)
- 2.3 Members attention is drawn to the fact that this Council's description of the behaviour penalty scheme (paragraph 2.1 above) is a workable

model of what is a highly convoluted statutory provision. The scheme is designed to robustly deal with the vast majority of cases. However, on a small number of occasions, it is entirely conceivable that additional consideration can be applied, provided that the statutory framework is observed. To illustrate this point the following example applies.

- Having been notified of a sensitive letting, and having accepted that description, a property is appropriately advertised and the bidder with the highest priority happens to be someone in, say, Band D with a minor behaviour penalty (assessed housing need would have placed them in band C prior to penalty application). The reason why the behaviour penalty applies in this case would give cause for concern if that person was allowed to proceed with this sensitive letting. The statute gives flexibility to reduce priority in consideration of a specific letting to a maximum of Band F in Gosport's scheme (Band G and below represent nil housing need as defined by statute and only severe behaviour penalty cases can be dropped to that level: additionally, the statutory housing need for the case at hand has to be examined to ensure that in that case, not all statutory housing need has been stripped by taking this action). In this case there are customers in Bands E & F that could be given the offer if the customer in question is ruled out.

2.4 The above example illustrates that:

- The Gosport scheme enables the majority of cases to be dealt with through the standard penalty system; and
- On a limited number of occasions, more detailed consideration can be applied but significant statutory and administrative law requirements must be observed

It is therefore recommended that any customer household caught by any behaviour penalty, other than those listed in paragraph 2.2 above, will be subject to the Council's discretion, within Part VI Housing Act 1996, in the allocation of a notified sensitive letting. That discretion to be exercised by the Head of Section.

2.5 **Customers with vulnerabilities**

The Council's Housing Register has the ability to capture a wide range of customer vulnerabilities. However, this does require self-disclosure, which is not always forthcoming and/or officer identification of vulnerability from evidence received. If we consider a customer with vulnerabilities alone (no behaviour penalty applying) then there is no scope within the law to modify the priority of that applicant in respect of a specific letting. This means that if the Council believes a specific let would present challenges to the customer with vulnerabilities, the only recourse is to advise the

customer of facts that can be disclosed and allow them to choose whether to proceed.

- 2.6 It is therefore recommended that a customers vulnerability indicators are not used in the consideration of who should be awarded a sensitive letting.

2.7 **Criteria for a Sensitive Letting**

It is clear from the complexity of consideration involved in sensitive lettings decisions that any system designed to capture a large number of properties would not be administratively sustainable. The definition of a sensitive letting therefore has to be restrictive. This is likely to be the subject of significant debate between the Lettings function and landlord function. However, prior to consulting with our landlord partners (and Council as a landlord) the following criteria is put to members for consideration.

Definition of a sensitive Letting

- The actual property being re-let was void due to repossession action (formal written notice or beyond) against the previous tenant for nuisance/anti-social behaviour, criminal behaviour justifying possession action; or,
- An immediate neighbouring property is currently subject to repossession action as in (1); or,
- In the sub-locality area* a minimum of 10% of tenancies are currently subject to repossession action as in (1); or,
- For the sub-locality area* the Police or Principal Housing Officer has made a strong recommendation to the Council that it be designated a sensitive letting area (recommendations to be reviewed every six months) and that recommendation has been accepted. Such recommendation to be made within a framework protocol (to be produced); or,
- In the sub-locality* a minimum of 10% of tenancies are currently occupied by sublet tenants.

* sub-locality area is defined here as the block of flats (20 or more properties) in which the void is situated, or the closest 20 properties to the void property

3 Risk Assessment

- 3.1 This report seeks to provide a Policy framework that is consistent with the legal requirements.

4 Conclusion

- 4.1 The increased transparency arising from the Choice Based Lettings approach to lettings has highlighted the need to refine existing policies that seek to address the need for sensitive lettings. The operational complexity of achieving a balanced, lawful response to a request for a sensitive letting involves significant resource and out of necessity and caution, a restrictive definition of a sensitive letting is required. This report recommends new measures to progress this complex area of consideration.
-

APPENDIX D

Board/Committee:	Housing Services Manager, Housing Board Chairman and Group Spokespersons
Date of Meeting:	N/A
Title:	Allocations Policy Review- Planned Lettings
Author:	S Newton
Status:	For recommendation to Housing Board

Purpose

To set out the current Planned Lettings provision within the Allocations Policy and seek agreement on amendments to propose to the Housing Board

Recommendations

The following amendments to the existing Planned Lettings targets are recommended and could be approved by the Housing Services Manager:

- General Needs:
 - Homeless down from 45% to 35%;
 - Transfer static at 25%;
 - Waiting list up from 30% to 40%;
- New Developments:
 - Transfer down from 90% to 70%
 - Waiting List and homeless up from 10% to 30%

The following proposed new provisions for Planned Lettings should be referred to Housing Board:

- Sheltered and Designated Elderly
 - Transfer 50% (this represents a significant increase for Transfers)
 - Waiting list and homeless 50%
- Tower Blocks
 - Homeless customers 10%
 - Transfer customers 10%
 - Waiting list customers 80%
- Amend the definition of a new development from: Cherque Farm; Clarence Yard; Royal Barracks - to any new development involving 10 or more new properties in one location.

Given the significance of these changes it is recommended that all of the above are referred to Housing Board

1 Background

- 1.1 The existing Allocations Policy includes provision for Planned Lettings. In simple terms, Planned Lettings overlays the prioritisation system, and can amend the rank order of applications when considering who to offer properties to. Planned Lettings was introduced to enable interventions in the social housing letting market to avoid any allocation area receiving an over-abundance or deficit of customers from a category of customers. Historically, there was a problem in terms of polarised lettings outcomes: homeless applicants were effectively limited to the Seafield and Rowner (old married quarters area) and new lettings in these areas were typically around 80% homeless. For family lettings, there was an over-representation of Transfer cases in the north of the district. The real concern arises where homeless customers are effectively restricted to limited areas.
- 1.2 The above demonstrates that Planned Lettings is a market intervention tool to seek reasonable balances of new customers moving into an area. However, in two existing situations different drivers apply:
- New developments – here a whole new community is being established and as such a much higher proportion of known customers (Transfer cases) is considered appropriate.
 - Sheltered accommodation – there are very few homeless people over pensionable age, and as such the nature of the market limits the level of intervention that can happen.
- 1.3 Annex A, Table one, sets out the current targets for lettings in each allocation area.
- 1.4 The June 2006 Homeless Strategy Review identified that despite an apparent abundance of homeless customers, this Council was consistently and significantly below target in terms of permanent lettings to homeless customers. This issue is considered as of prime importance for the service and a number of avenues of enquiry are under-way to seek explanation. The primary issues appear to be:
- Particularly for vulnerable single homeless people, a very high proportion of those accommodated and owed a long term duty are simply not capable of performing the responsibilities of a tenancy;
 - The above would not preclude the customer from successfully bidding for permanent accommodation, regardless of whether that would be desirable or not. However, the temporary accommodation strategy is effective in achieving suitable alternatives to permanent accommodation (longer-term temporary accommodation) in a much faster time-scale. This has the effect of reducing demand for permanent accommodation by these customers.

- 1.5 An effect of not achieving the target for homeless lettings is that the Lettings Officer has to give preference to homeless customers in more future adverts of lettings. This results in very few properties being advertised as “preference will be given” to either the waiting list or transfer, yet results of bidding rounds show that quite a few properties went to these categories of customer. In other words, the transparency of the Choice Based Lettings approach demonstrates to customers that this Councils aims are not being met and that a confused message is being given.

2 Report

- 2.1 The Allocations Policy recognises there is no point in including a specific target for lets to homeless people in respect of sheltered accommodation, yet does set a target for elderly designated (60+ years of age). There are very few elderly homeless people and as such there is a need to specify a separate Planned Lettings target for elderly designated properties. This is a factor that can be added to the factors already described in paragraph 1.4 above which are thought to result in under-representation of homeless lets compared to target.
- 2.2 In addition to elderly designated properties, two other issues have arisen that need addressing. Accordingly, almost as an aside to the main thrust of this report it seems appropriate to deal with these matters here as well:
- Kelsey Housing Association has raised a concern about the number of homeless customers and young people being nominated to the Tower Blocks. Annex B shows details for the half year to October 2006. Although Annex B does not show a large volume of homeless customers in that period, it is accepted that Kelsey’s concerns are well founded for previous periods. This Council has long recognised the close social environment of the Tower Blocks do need special sensitivity in lettings. Appendix C sets out the results of all lettings for the Tower blocks since Choice Based Lettings was introduced.
 - New Developments: there are two trends with new developments:
 - Increasing number of flats being developed rather than houses;
 - Increasing numbers of small scale developments;
- The trend for more flats is not attractive for Transfer customers and as a result we are not achieving the 90% target for Transfer customers.
- There is a need to redefine what is classed as a new development. It is suggested that any development of 10 or more properties in the same location should be classed as a new development.

2.3 Designated Elderly Properties and Planned Lettings

A comparison of Annex B, Tables one and two provide the best available analysis to inform any change to Planned Lettings. From those tables the following conclusions can be made:

- Actual lets for non-elderly designated and non-sheltered properties was (amalgamated results over the two quarters);
 - Homeless customers @ 27%
 - Waiting List customers @ 52%
 - Transfer customers @ 20%
- Actual lets for elderly designated and non-sheltered properties was (amalgamated results over the two quarters):
 - Homeless customers @ 9.7%
 - Waiting List customers @ 51.6%
 - Transfer customers @ 38.7%
- There are significant differences in results between the two periods. The two periods are pre and post implementation of Choice Based Lettings. This issue is under investigation but survey results indicate it is not a result of homeless and Transfer customers not knowing how to bid. Early indications are that they have not seen anything they would prefer to move to, or if bidding, they are lower ranked in the bidding due to Planned Lettings favouring another customer category

2.4 The above results, if applied directly to Planned Lettings would amount to a very significant shift in favour of waiting list customers. The difficulty is in striking a balance between what is desired against what results show. For example: for homeless customers, if the target for lets is set too low the effect could be very severe in terms of temporary accommodation silting-up and then not meeting demand or incurring higher costs in Bed & Breakfast (we should also bear in mind the Governments instruction to reduce numbers in temporary accommodation by 50% by 2010). A challenging target for homeless lets is therefore appropriate.

2.5 Inevitably, there is an element of judging where the balance between results and aspirations should fall. For this reason it is suggested that the following Planned Lettings targets be implemented:

- General Needs:
 - Homeless down from 45% to 35%;
 - Transfer static at 25%;
 - Waiting list up from 30% to 40%;
- Sheltered and Designated Elderly
 - Transfer 50% (this represents a significant increase for Transfers)
 - Waiting list and homeless 50%
- New Developments:
 - Transfer down from 90% to 70%
 - Waiting List and homeless up from 10% to 30%
- Tower Blocks

- Waiting List 80%;
- Transfer 10%;
- Homeless 10%

2.6 The changing of Planned Lettings targets is a matter for Housing Services Manager discretion (because tweaking of targets can be a fast moving for which Housing Board cycles do not fit well). However, these are far reaching changes and Member oversight is recommended. The introduction of a new Planned Lettings specification (elderly designated properties and tower blocks) and new local lettings definition (the suggested new definition of a housing development in paragraph 2.2 above) are matters for the Housing Board

3 Risk Assessment

3.1 Planned Lettings is a powerful tool within the Allocations system as it overlays case prioritisation and amends the ranking of customers. If the Planned Lettings targets are significantly adrift from strategic needs (e.g. the need to manage, and where possible, reduce numbers in homeless accommodation) or seeks to intervene in the market in an unrealistic way there are serious, but unquantifiable, costs and effects.

4 Conclusion

4.1 This report reviews the Planned Lettings provisions within the Allocations Policy and suggests amendments to address identified weaknesses.

ANNEX A

**TABLE ONE
PLANNED LETTINGS
TARGET FOR ACTUAL LETTINGS BY AREA – CURRENT POLICY 2006**

Customer category			
Area	Transfer	Waiting List	Homeless
All General Needs stock	25%	30%	45%
Sheltered stock	70%	30%	
New Developments	90%	10%	

**TABLE TWO
ANALYSIS OF GOSPORT BOROUGH COUNCIL 1 BEDROOM STOCK**

	Elderly designated flats	Elderly designated bungalows	Total designated for elderly	Total non-designated properties
Total in GBC stock	345	321	666	710
Total let in quarter April – June 2006	16	9	25	49
% turnover in quarter	4.64%	2.8%	3.75%	6.9%

TABLE THREE
Analysis of one bedroom Council stock (excluding sheltered properties)
17/11/06

	1 bed elderly	1 bed general needs
Estimated annual lets 2006/07	100	196
Estimated proportion of 1 bed lets – 2006/07	34%	64%
Current target for homeless lets	45%	

ANNEX B **ANALYSIS OF LETTINGS APRIL –OCTOBER 2006 BY** **QUARTERS**

TABLE ONE
APRIL – JUNE 2006

2 sublets included in analysis

* Includes one elderly designated bungalow

	Total lets in quarter	Lets to homeless	Lets to Transfer	Lets to waiting list
Total lets	144#	36	43	63
1 bed general needs	49#	9	6	31
1 bed elderly	25	4	9	12
Sheltered	15	1	7	7
2 bed	38*	16	12	10*
3 bed	18	6	9	3
4+ beds	0	0	0	0
Total lets as % (exc elderly designated & sheltered)		30%	26%	42%
Of which general need- tower blocs	11	3	0	8

TABLE TWO
JULY – OCTOBER 2006

- two sublets excluded from analysis

ANNEX C
LETTINGS FOR THE TOWER BLOCKS SINCE CHOICE BASED
LETTINGS

PROPERTY	Bids Waiting List	Bids Transfer	Bids Homeless	Total number of bids
1	57	0	2	59
2	34	1	2	37
3	76	1	7	84
4	55	1	3	59
5	46	1	3	50
6	78	2	4	84
7	54	0	3	57
8	36	0	1	37
9	57	0	4	61
10	67	0	1	68
11	47	1	3	51

	Total lets in quarter	Lets to homeless	Lets to Transfer	Lets to waiting list
Total lets	125*	26	23	76
1 bed general needs	43*	9	4	30
1 bed elderly	14	1	5	8
Sheltered	8	0	3	5
2 bed	46	10	6	30
3 bed	12	5	4	3
4+ beds	2	1	1	0
Total lets as % (exc elderly designated & sheltered)		24.8%	14.85%	62.4%
Of which general need-tower blocs	9	1	0	8
12	38	0	2	40

13	80	1	0	81
14	77	1	0	78
15	73	1	0	74
Total Bids	875	10	35	920
Total Bids %	95.1	1.1	3.8	100

APPENDIX E

Board/Committee:	HOUSING SERVICES MANAGER, HOUSING BOARD CHAIRMAN AND GROUP SPOKESPERSONS
Date of Meeting:	N/A
Title:	ALLOCATIONS POLICY REVIEW – THE MINOR PENALTY SYSTEM
Author:	S NEWTON
Status:	FOR CONSULTATION PRIOR TO HOUSING BOARD

Purpose

To consult with the Housing Services Manager and Housing Board Chairman and Group Spokespersons to establish whether the proposed changes to the Allocations Policy are acceptable.

Recommendation

That the Policy amendments suggested in paragraphs 2.3 and 2.4 of this Report are agreed and referred to Housing Board

1 Background

- 1.1 The January 2006 Housing Board considered many amendments to the existing Allocations Policy. There were two matters that were considered at that Housing Board that are relevant to this report:
 - The minor behaviour penalty on priority (which Policy dictates will result in an affected application being demoted to the bottom of the band in which the application is placed); and
 - The abolition of the historical Allocations rule that any arrears with any social landlord would generally result in any affected applicant being blocked from taking-up any offer of re-housing (deferred by that Housing Board).
- 1.2 Some Members discussed the minor behaviour penalty at a meeting on the 15th November 2006. This report confirms the option that was supported at that meeting, and adds an additional proposal.
- 1.3 The Allocations provisions that generally bar applicants' from taking-up offers of re-housing, if in specified arrears, is not consistent with the law. Members deferred a decision on this point pending evaluation of the minor behaviour penalty provision.

2 Report

- 2.1 The Allocations Policy amendments were introduced in mid- June 2006 to coincide with the introduction of the Choice Based Lettings approach to advertising and letting properties. Analysis of all lettings since mid June to late October 2006 was undertaken to assess the impact of the minor behaviour penalty provision. The results are set out in Table One (Annex A). In summary, the results show:
- A total of 199 properties were let during the sample period
 - 17 properties (8.54% of lets in period) were let to people with a minor behaviour penalty;
 - 3 properties (17.6% of sample) were let where there was less than 10 bids (see 2.2 below);
 - 9 of the 17 lets resulted in previous arrears being paid off (the commonest timing of the settling of debts);
 - Analysis of available bidding records (all properties have readily accessible records of top bidders but not necessarily all bidders) shows that in 10 lets (58.8% of sample) could the offer have gone to someone (**same customer category**) in the same band or the next band lower:
 - 1 let where there were bidders in the same band (also on penalty, but with lower priority)
 - 4 lets with bidders in the band below the successful bidder
- 2.2 By way of guidance to Members it should be borne in mind that most applications receive final checks and verification of application after a successful bid has been made (offers are subject to these final checks). This does mean that not all bidders would be entitled to proceed to offer or take-up of offer. In rough terms, any property with less than around 10 bidders is going to be prone to a failed advertisement and need re-advertising.
- 2.3 The above analysis shows that one “simple” amendment to Policy could have resulted in around 58% of properties, in sample, being let to a non-penalty applicants. That measure is:

To amend Policy so that applicants caught by minor penalty should have their priority dropped by one band (eg Band A to Band B) instead of the current provision of dropping to the bottom of the band.

Such a change to Policy, based on this admittedly small sample, could reduce lettings to people with minor penalty from 8.54% to 3.59% of all lettings.

A small problem arises from this amendment: penalty can result in the band being dropped by one except where such a demotion would result in all statutory priority being removed. Such a demotion would shift the demotion to what Allocations Policy calls a severe behaviour

penalty, which is only permissible in law where a severe behaviour penalty test is satisfied.

- 2.4 Given the understandable anxiety aroused when people with minor penalty are re-housed, a further amendment to Policy could be achieved. It is clear from Table One that in the majority of lettings, a reasonable number of bids were received. However, the effect of Planned Lettings is to restrict selection to the preferred customer category for that letting (e.g. Homeless; Waiting List; Transfer). This will reduce what might be a reasonable number of bids to a worryingly small number of relevant bids. The Policy amendment to address this could be.

That where an applicant with a behaviour penalty is ranked and selected as highest bidder amongst that applicant's customer category: priority in ranking will be determined according to the highest ranked bidder over all customer categories.

This amendment would direct the Lettings Officer to select the applicant with the highest priority, irrespective of Planned Lettings, where the result of Planned Lettings would have otherwise resulted in a letting to an applicant with penalty, of lower priority than the highest bidder across all customer categories.

3 Risk Assessment

- 3.1 The proposals in this report are subject to Legal Services advice to confirm compatibility with the law.

4 Conclusion

- 4.1 It is accepted that the current minor penalty provision in Policy is insufficient in its impact (too high a proportion of lets are going to people with penalty). This is of particular importance when considering the abolition of the historical rules on no right to take-up an offer of re-housing where specified arrears apply. It is the aim of the Policy amendments in this report to:
- Reduce lettings to people with penalty significantly; and,
 - Give Members sufficient confidence to abolish the arrears policy relating to bar on take-up of offers.

ANNEX A

ANALYSIS OF LETS TO PEOPLE WITH MINOR PENALTY Mid June to mid October 2006

Property type	Total number of bids	Band of successful bidder	Reason for Penalty
3 bed	34	D	Arrears -cleared by letting
3 bed	13	E	Arrears -cleared by letting
3 bed	75	C	Arrears -cleared by letting
3 bed	45	C	Arrears -cleared by letting
2 bed	22	G	Behaviour
2 bed	22	A	Arrears -cleared by letting
2 bed	8	E	Financial Resources
2 bed	25	D	Financial Resources
2 bed	91	C	Arrears -cleared by letting
1 bed general needs	43	G	Arrears -cleared by letting
1 bed general needs	35	G	Financial Resources
1 bed general needs	61	A	Financial Resources
1 bed general needs	54	B	Arrears -cleared by letting
1 bed general needs	70	B	Arrears -cleared by letting
1 Bed Elderly designated	79	D	Financial Resources
Sheltered flat	1	G	Financial Resources
Sheltered flat	4	B	Financial Resources

Agenda item no. 10

Board/Committee:	HOUSING BOARD
Date of meeting:	10 JANUARY 2007
Title:	REVIEW OF THE CHOICE BASED LETTINGS SCHEME
Author:	HOUSING SERVICES MANAGER/SN
Status:	FOR INFORMATION

Purpose

Members received an information report covering the first twelve weeks of Choice Based Lettings at the November 2006 Housing Board. This report updates Choice Based Lettings outcomes for the first twenty four weeks (to the end of November 2006) of implementation.

Recommendation

Information item.

1. Background

- 1.1 The background to this report was set out in the November 2006 Housing Board information report on Choice Based Lettings.

2. Report

- 2.2 Appendix A sets out the known results for the first twelve cycles. The conclusions that have been reached so far are as follows:
- 2.2.1 There is a reasonable distribution of successful lettings across the Bands reflecting the range in the social housing market. This is a key point that Choice Based Lettings wishes to promote – getting re-housed is not just about how much priority a customer has: it is also about the customer's understanding of, and willingness to adapt to, the market (see Table One). In terms of numbers of households on the Housing Register: there has been an increase from 2813 (reported in November 2006 report) to 3016 in twelve weeks (six cycles). Table 1a reports successful lettings by Band and customer category. This was requested by Members at the last meeting of the Housing Board on 1 November 2006.
- 2.2.2 Choice Based Lettings has coincided with a busy period of lettings with many new housing association developments coming on line. The Choice Based Lettings system coped with this increased activity (see Table Two).
- 2.2.3 Customers, continue to use differing means of looking for properties and bidding for these. The average number of bids per advertising cycle has gone up since the November 2006 report. The November

report average bids per cycle was 1065. This report average is 1,192 (See Table Three).

- 2.2.4 More detailed analysis of failed offers is reported in Appendix A, Table Four. The November 2006 report referred to all failed offers as refusals. Appendix A, Table Four, breaks this down into refusals and withdrawals because this matter is subject to closer consideration (see Allocations Policy Review report to January 2006 Housing Board). Comparison of Appendix A to this report and the November 2006 report shows the combined refusal and withdrawal rate is roughly static under Choice Based Lettings. Although a significant reduction on the rates prior to Choice Based Lettings these statistics are a cause for some concern.
- 2.2.5 Table Five in Appendix A sets out actual lets under Choice Based Lettings compared to targets set by the Planned Lettings Policy. As was the case before Choice Based Lettings, there are less homeless households being re-housed than the set target. There are only very minor shifts from the November 2006 report. This matter has been debated by Housing Board and is further considered in the Allocations Policy Review to January 2006 Housing Board.
- 2.2.6 Table six compares the number of applications received for the 14 weeks prior to and 24 weeks post the implementation of Choice Based Lettings. All completed applications have been input within the target of five working days.
- 2.3 Our housing association partners have raised no concerns over the operation of Choice Based Lettings, and all required payments by them have been received for the current financial year.
- 2.4 Members asked at the November 2006 Housing Board whether there were any known customer complaints about Choice Based Lettings. Further checks have identified no complaints prior to the November 2006 report. Two subsequent complaints have been raised but the complaints are considered to reflect Allocations Policy issues (one complaint related to the case raised at November 2006 Housing Board: the second is reflects the deteriorating position between supply of housing and demand).
- 2.5 Officers have been implementing a programme of checking that all customers understand the bidding process for Choice Based Lettings. All customers in Bands A – E, who have not bid have been either telephoned or written to. The result is that 66% of customers in Bands A-E are known to either be bidding or do not need assistance. The remainder have not responded to letter/telephone call.

The problem with the above approach is that it is resource intensive and engaging with the significant number of customers that do not respond is an additional resource. A revised management plan has been produced which will be implemented from January 2007. The plan will:

- On a three month cycle, identify customers who are not bidding after six months of registration, and have not previously been contacted and they have said that they understand and are confident in the self-help bidding;
- Set a target that all identified customers will be contacted within the three-month period leading up to the next cycle.

Compliance with target will be monitored. It is to be expected that compliance with target will be low initially and increase over time.

- 2.6 There are no Crime & Disorder Act issues to be considered within the scope of this report.

3. Risk Assessment

- 3.1 There are no identified risks contained in this report.

4. Conclusion

- 4.1 This further report sets out notable trend changes since the November 2006 report on this subject. Apart from a continuing increase in numbers on the Housing Register and increased customer bids, the reported statistics are fairly static for the period post Choice Based Lettings implementation.

Financial implications:	None
Legal implications:	None
Service Improvement Plan implications:	Gosport Choice is a Housing Service Improvement Plan item delivered on target
Corporate Plan	None
Risk Assessment	See paragraph 3.1
Background papers:	Choice Based Lettings, March 2005 Housing Board; Housing Board Chairman and Group Spokespersons Delegated Powers Reports (various) 2005/06: Early Stage Review of Choice Based Lettings, November 2006
Appendices/Enclosures:	Appendix A
Report author/Lead Officer:	Steve Newton:

APPENDIX A

Table One: Breakdown of all lettings under Choice Based Lettings by banding, compared to numbers on each component of the Housing Register.

		Number of households on the Housing Register (early December 2006)			
	Total lets from CBL	Transfer	Waiting list	Homeless	Total on Register
Band A	20	60	9	1	70
Band B	15	46	26	4	76
Band C	11	0	15	15	30
Band D	66	67	141	228	436
Band E	59	124	335	57	516
Band F	0	0	18	0	18
Band G	52	245	1662	8	1915
Grand Total	223	542	2206	313	3016

Table 1a: Breakdown of lettings under Choice Based Lettings by band and customer category

	Transfer	Waiting List	Homeless	sublets	Total lets
Band A	17	3	0	0	20
Band B	5	6	1	3	15
Band C	0	3	8	0	11
Band D	9	29	32	0	70
Band E	7	46	3	0	62
Band F	0	0	0	0	0
Band G	13	32	0	0	45
Grand Total	51	119	50	3	223

Table Two: Breakdown of lettings under Choice Based Lettings by landlord category

Landlord category	Council	Housing Association	Total
Number of lettings under CBL	108	115	223

Table Three: Breakdown of where customers say they had seen the advert (this can broadly be taken to also mean how the customers bid)

Count of Advert Source		
Advert Source	Total	percentage
Discovery Centre	140	0.98%
3 rd Party Bid on Behalf of Customer	64	0.45%
Councillor Bid on Behalf of Customer	3	0.02%

Library (Elson Bridgemaury & lee)	126	0.88%
Not Known	844	5.9%
PHA office	32	0.22%
Sheltered Scheme	14	0.10%
Staff bid on behalf of customer	103	0.72%
Telephone messaging service	319	2.23%
Town Hall	2563	17.9%
Warden office	9	0.06%
Website	10087	70.5%
Grand Total	14304	

Table Four: Comparison of failed offer rates year 2005/06 and under CBL (summary)

Landlord category	2005/06 pre-CBL refusal & withdrawn rate	Refusal rate under CBL	CBL withdrawal rate	CBL combined refusal & withdrawn rate
Council	41%	20.25%	7.59%	27.85%
Housing Association	46%	20.10%	12.92%	32.54%

Table Five: Overall Comparison between Planned Lettings targets and actual results under CBL

	Transfer	Waiting List	Homeless
Planned lettings target	25%	30%	45%
Actual under CBL	22.87%	53.36%	22.42%

Table Six: Comparison of numbers of applications received immediately before and after Choice Based Lettings was introduced

Period	Range in applications received- weekly	Average weekly applications	Total applications received
14 weeks prior to CBL	19 - 45	31	436
14 weeks post CBL	26 - 60	43	988

AGENDA ITEM NO. 11

Board/Committee:	Housing Board
Date of Meeting:	10 January 2007
Title:	REVISED REPAIRS PROGRAMME 2006/07
Author:	Housing Services Manager/CH
Status:	FOR DECISION

Purpose

The reports sets out a revised 2006/07 Housing Repairs Programme and seeks the Board's approval for the revised programme.

Recommendation

It is recommended that the Board approve the revised 2006/07 Housing Repairs Programme subject to Policy and Organisation Board's approval of the revised budget.

1.0 Background

- 1.1 The Housing Board approved the proposed budget allocation for the 2006/07 day-to-day and planned repair and maintenance works at its meeting on 8 March 2006. The approval was given subject to a set of guiding principles which have been in practice for this budget for a number of years.
- 1.2 Officers are required to seek Board approval where work within an identified element of the approved Housing Repairs Programme is going to be under or over spent by more than £100,000. Since the original repairs programme and budget were approved there have been two significant issues which have adversely affected our income streams. The original programme as envisaged cannot now be funded.

2.0 REPORT

- 2.1 The first significant change to our income stream has been a reduction in Supported Capital Expenditure (Borrowing) which we receive from the Regional Housing Board. We had been receiving £800K per annum SCE up to 2005/06; this has now been reduced to £6k per annum for 2006/07 and 2007/08.
- 2.2 The second change has been a reduction in the number of completed Right to Buy sales, which produce a Capital receipt, part of which can be invested in the repairs and improvement programme. Forecasts were based on 45 sales for 2006/07, but only 6 have been completed since April 2006.

- 2.3 The combined impact of a reduction in SCE and available Capital Receipts has required Officers to reassess the financial resources available for the repairs and improvement programme for 2006/07. Officers have identified savings of £250k in 2006-07 as a result of deferring elements of the current programme (see appendix A).
- 2.4 It is anticipated £175k of can be saved on replacement kitchens and central heating installations. The proportions would be as follows: £100k can be deferred on the heating installation programme and £75k on the kitchen replacement programme.
- 2.5 *Heating:* Housing Services is successfully reaching the end of the programme presented to Housing Board in 2001. Two key points allow these savings to be made: a) it is increasingly difficult to identify properties now where the tenant will accept gas fired central heating b) dilapidation issues within existing systems have been identified and remedied through the gas servicing contract which is financed from revenue expenditure elsewhere in the programme. Deferring a proportion of the remainder of this programme into 2007-08 will have minimal impact on residents.
- 2.6 *Kitchens Renewals:* The proposed saving is £75k and this accounts for 25-27 kitchens. The successful progress of this work has already resulted in the completion of the intended programme for 2006-07. Housing Services and Connaught are now surveying homes and undertaking work to properties that were originally intended for Year 3 i.e. to be fitted in 2007-08. The deferring of £75k of this programme to 2007-08 will not therefore impact on residents that were anticipating a new kitchen being fitted in 2006-07. The only impact will be that some residents who were to have the new kitchens in 2007-08 will now not have their kitchen renewed earlier than anticipated.
- 2.5 *Electrical installation programme;* the proposal is that £75k is deferred from the electrical installation programme of 2006-07. These works originate from survey work carried out in 2005-06. £105k worth of work will still be carried out in 2006-07, but the reminder can be deferred to 2007-08 as there are no Health and Safety issues and no commitment has been made to residents as to a start date for the work. A delay of several months (from the end of 2006-07 to the beginning of 2007-08) will not have a detrimental effect on programme delivery.

3.0 Risk Assessment

- 3.1 With a revised programme for repairs and improvements in place the risk of over/under spend in 2006/07 is deemed to be low.

4.0 Section 17 of the Crime and Disorder Act 1998

4.1 Included in the day-to-day repairs programme are specific works for security and target hardening. This expenditure will contribute towards the Councils' responsibility under Section 17 of the Crime and Disorder Act 1998 to all that we reasonably can to prevent crime and disorder in our area. The budgets in these areas of expenditure remain unaltered.

5.0 Conclusion

5.1 Financial developments since the detailed Repairs and Maintenance Programme for 2006-07 was initially approved by Housing Board in March 2006 require savings to be made.

5.2 The proposals outlined in 2.0 above to defer aspects of work within the Repairs and Maintenance Programme for 2006-07 will enable the necessary savings to be made, with the minimum of impact on residents.

Financial Services comments:	There is a significant reduction in estimated supported borrowing and usable capital receipts available to fund the Housing Repairs and Maintenance Programme. As a result it is essential that a reduction in the Programme is identified so that the prudential borrowing necessary to part fund the expenditure is within affordable levels.
Legal Services comments:	None for the purposes of this Report
Service Improvement Plan implications:	The meeting of the Decent Homes Standard by 2010 is a priority Service Improvement Plan objective.
Corporate Plan:	The maintaining of the Council housing stock is a strategic priority for 'Prosperity'.
Risk Assessment:	See paragraph 3.1
Background papers:	Housing Board November 2002 Capital Programme Works Priorities 2003-2006. Housing Repairs Programme 2006/07 March 2006
Appendices/Enclosures:	
Appendix A	Revised repairs programme 2006/07
Report author/ Lead Officer:	Charles Harman/Phil Clift

APPENDIX A

2006/07 REPAIRS PROGRAMME

BUDGET HEADING	2006/07 BUDGET ALLOCATION £	REVISED BUDGET ALLOCATION £
Day-to-day repairs	1,250,000	No change
Repairs to void properties	500,000	No change
Decent Homes works	3,362,000	3,187,000 deferring of £175k (kitchens and central heating Installations)
Barclay and Burney House health and safety	8,000	No change
Environmental Improvements Panel	30,000	No change
Environmental Improvements Panel (carry forward from 2005/06)	20,000	No change
Gas servicing	400,000	No change
Lift service and repairs	30,000	No change
Door entry systems	65,000	No change
Health and safety management	10,000	No change
Estate Warden team	10,000	No change
Disabled aids	180,000	No change
Electrical rewiring and testing	180,000	105,000 reduction of £75k
Asbestos removal	40,000	No change
Energy efficiency	10,000	No change
Tenant-led improvements (kitchen and fencing scheme)	25,000	No change
Transfer Incentive Scheme	5,000	No change
Professional fees	10,000	No change
Sheltered scheme improvements	100,000	No change
Sheltered schemes general health and safety	15,000	No change
Structural repairs	60,000	No change
St Vincents storm damage	40,000	No change
TOTAL	6,350,000	6,100,000
Budget based on:		
Revenue contributions to capital	400,000	400,000
MRA	2,155,000	2,166,000
Capital receipts and borrowing	1,950,000	1,684,000
HRA non-capital	1,845,000	1,850,000
TOTAL	6,350,000	6,100,000

800K per annum SCE up to 2005/06 this has now reduced to £6k per annum for 2006/07 and 2007/08.

AGENDA ITEM NO. 12

Board/Committee:	Housing Board
Date of Meeting:	10 January 2007
Title:	Partnering arrangements for painting and decorating; heating and electrical installations.
Author:	Housing Services Manager/CH
Status:	FOR DECISION

Purpose

The report sets out:

- a) the proposed appointment of a painting and decorating partner for the next 5 years; and
- b) seeks the Board's approval to extend the current heating / electrical partnership with 1st Saxon - Clenmay for a further 2 years from April 2007.

Recommendation

It is recommended that Board:

1. Waive Contract Standing Orders in accordance with Standing Order 1.4.1 and approve the appointment of Richardson Decorating as the Housing Services painting and decorating partner for 5 years from January 2007 to January 2012 (as detailed in 2.1.4 below)
2. Approve the extension of the current partnering arrangement for heating and electrical installations until April 2009 with 1st Saxon - Clenmay.
3. Approve a protocol that the Housing Board Chairman and Housing Group Spokespersons be invited to participate in the selection processes for all Housing partnering arrangements.

1.0 Background

- 1.1 The Housing Committee in March 2000 approved the letting of contracts through a partnering approach.
- 1.2 The Housing Board approved the appointment of 1st Saxon for a 5 year term in June 2002 with an option to extend the arrangement for a further 2 years.
- 1.3 The Housing Service has developed certain core principles in its approach to partnering. These core principles include;
 - Everything should be developed on a joint approach and all parties should have an equal say

- Teamwork is the major key to success
- Performance measurement and monitoring are essential
- Customers are at the heart of the process
- There must be an on-going challenge and review of what is being done and how it is done
- Innovations and 'out of the box' thinking drive the arrangement

2.0 Report

2.1 Painting and Decorating Partner

- 2.1.1 The proposed partnering arrangement will be worth approximately £750,000 over a five year period dependant on the annual Housing Board approval of the repair and maintenance programme for the forthcoming years.
- 2.1.2 The selection process to appoint a painting and decorating partner was a two stage process. The contract was advertised locally as a two-stage selection process, with Stage One being the completion of a detailed questionnaire. The submitted questionnaires were then assessed against a pre-determined evaluation matrix.
- i) The Authority originally received 14 initial enquiries for a questionnaire, with 9 being completed and returned. Out of these 5 were invited to attend Stage Two of the selection process.
- 2.1.3 Stage Two of the selection process incorporated a presentation by the contractors, followed by a formal interview by a panel of officers and tenants and overseen by the Councils Head of Internal Audit. The interviews and presentations were held on the 17th November 2006.
- 2.1.4 At the end of the interviews, the panel scored all contractors against a pre-determined scoring matrix.
- i) There were two contractors that the Panel assessed against the scoring matrix higher than the rest. These were Richardson Decorating and C.L.C. The Panel concluded after structured questioning that Richardson Decorating should be invited in to a partnering arrangement with the Housing Service subject to Board approval and a year on year assessment.
- ii) Members may also wish to note that Richardson Decorating is a small local company with the direct employment of local labour and apprenticeships meets a number of criteria in the corporate procurement strategy.
- iii) Following the completed assessments the panel therefore agreed that, subject to Board approval:

- Richardson Decorating should be appointed as the Authority's 5 year partnering contractor
 - C.L.C. should be the reserve contractor
 - An annual review to confirm adequate progress takes place
- iv) Members should also note that consultation with leaseholders (276) took place in October 2006 in line with the Service Charges (Consultation Requirements) (England) Regulations 2003. There were no formal responses to the leaseholder consultation exercise.

2.2 Heating and Electrical installations

- 2.2.1 The current arrangement was advertised and let for 5 years up to 30 April 2007 with an option to extend it for a further 2 years to 30 April 2009.
- 2.2.2 The levels of satisfaction with the installation of heating systems, measured independently through home visits by representatives of the Housing Forum, has shown consistently good performance. In 2006-07, of 110 returns, 96% of residents said the service they received was good or excellent. Less than 1% said the service was poor. These results are consistent (albeit higher) with the satisfaction levels recorded in the previous years of the partnering arrangement.
- 2.2.3 Reports from Housing Forum have endorsed the satisfaction levels recorded by 1st Saxon - Clenmay in the carry out of their work.
- 2.2.4 Given the excellent progress made by 1st Saxon – Clenmay during the first 5 years of the partnering arrangement, it would be beneficial for the Council to utilise the option of extending the original contract for a further 2 years to April 2009. This extension period will provide a further opportunity to deliver better value for money, as good professional working relationships have been developed with 1st Saxon – Clenmay.
- 2.2.5 Were the Council to embark on a fresh arrangement at this stage, many of the financial advantages that are continuing to accrue through the current arrangement could be lost. Performance measurement and monitoring arrangements with 1st Saxon – Clenmay are now well established and contributing to an enhanced service for our customers.

3.0 Audit & Risk Assessment

- 3.1 *Painting and Decorating Partner:* The Organisation of Joint European Union (OJEU) financial guidance places an obligation to advertise contracts over £3.6m across the EU. This proposed partnering arrangement does not require compliance with OJEU.
- 3.2 A full financial evaluation of both Richardson Decorating and 1st Saxon - Clenmay was carried out in the autumn 2006 as part of the contractor assessment process for the Council's partnering contracts works programmes. This revealed no areas of concern.
- 3.3 Open book accounting (as per all partnership arrangements) will be adopted throughout the terms of these arrangements to ensure all risks are shared and any key concerns are quickly communicated and resolved with a minimum impact on service delivery. Over the time of these two arrangements the partnership risks associated with both of these schemes will be recorded and managed from an on-line risk register.
- 3.4 *Painting and Decorating Partner:* In order to award a contract of this value to the partnering contractor without tendering the works, this Board will need to waive contract standing orders, in accordance with standing order 1.4.1.

4.0 Conclusion

- 4.1 The painting and decorating and heating and electrical installation partnering arrangements are both high profile and high priority for the Housing Service and Council tenants. We regularly seek feedback from tenants on the delivery of these programmes to ensure service provision is consistently good.
- 4.2 The heating and electrical installation contractor 1st Saxon - Clenmay have regularly recorded high levels of customer satisfaction with the quality of their work and attitude of their staff.
- 4.3 Under Best Value principles, authorities are required to make arrangements to secure continuous improvement in the economy, efficiency and effectiveness of their functions. This includes the requirements to challenge why and how services are being delivered and to consider alternatives service delivery options. Partnering is seen as one way in which the Council can achieve delivery of services in an alternative, more economic, efficient and effective way.

Financial Services comments:	It is difficult to be precise regarding the relative cost of partnering arrangements as compared with a competitive tendering approach. Past experience has suggested that costs may be relatively similar but the quality of work and customer satisfaction rates are likely to be higher when a partnering approach is adopted.
Legal Services comments:	The Council has the power to enter into the new Contract proposed, and to extend the existing Contract
Service Improvement Plan implications:	None
Corporate Plan:	The maintaining of the Council housing stock is a strategic priority for 'Prosperity'.
Section 17 Crime & Disorder Act 1998	There no implications in this report
Risk Assessment:	See section 3 of the report
Background papers:	None
Appendices/Enclosures:	None
Report author/ Lead Officer:	Charles Harman/Phil Clift

AGENDA ITEM NO. 13

Board/Committee:	Housing Board
Date of Meeting:	10 January 2007
Title:	Garage Review: Proposed Amendment to Licences
Author:	Housing Services Manager/CH
Status:	FOR DECISION

Purpose

This report proposes that the widespread practise of using garages for the storage of household goods be allowed and that the garage licence agreement be amended to reflect this change in policy.

Recommendation

That the licence agreement be changed, in consultation with Legal Services, to additionally allow the keeping of household goods in Council garages, as detailed in 3.0 below.

1.0 Background

- 1.1 A review into Council garage stock has been underway since July 2006. The full review is anticipated to be completed by March 2007. A copy of an interim progress report to the Chair of Housing was circulated to Members at the Board Meeting on 1st November 2006.
- 1.2 The review is undertaking an inspection of Housing Services garages and garage sites to establish:
 - Structural condition of individual garages
 - Establish condition of garage sites
 - Establish level of “irregular use” of garage facilities by licensees
 - Produce a strategy for the delivery of the garage service, to be subsequently considered by the appropriate Board
- 1.3 A completed report on the Garage Review will be made available to Members, when completed. Any further policy and/or strategic developments to emerge from the review will be submitted to Housing Board at a later date for consideration.
- 1.4 The review has already attempted the inspection of 343 garages (where access was gained to 327 garages), in the Bridgemarky South and North Wards. The total number of garages in these two wards represent 41% of the total Council garage stock.

2.0 Report

2.1 The review has identified a particular policy issue. The current Housing Service garage licence, signed by licensees before occupation, has the following conditions:-

- “A licence is granted by the Council solely for garaging/parking a vehicle owned by the licensee (or member of their family), ***not storage of any other items***. Breach of this condition will result in termination of the garage agreement.
- No trade or business shall be carried out and the licensee must not sub-let, assign, or allow any third party to use the garage/car port/locking post.
- The Council and persons authorised by them shall, at any time, be permitted to enter/inspect and/or carry out work.”

2.2 From the garages that have been accessed (327) under the review:

2.2.1 Approximately 20% (65 garages) of licensees are complying with the strict interpretation of the licence in storing *solely* a motorised vehicle (eg motor vehicles, motor bikes and electrical mobility scooters).

2.2.2 Approximately 72% (235 garages) of tenants are using the garages to store vehicles *and/or other items* such as, spare parts for cars, push bikes, trailers, lawn mowers and general household items such as furniture

2.2.3 2.6% (9 garages) using garages for business purposes

2.2.4 4.7% (16 garages) no access gained to date; therefore usage has not been determined

2.2 As can be seen from the above information the inspections have revealed that 75% of all licensees are in technical breach of the current licence, but in only 2-3% of cases have licensees been actually using garages for business purposes.

2.3 The use of garages by licensees for business purposes is not acceptable. There are, within Gosport, business storage facilities which have proper security, health & safety inspections and services *and for which business rates need to be paid*. Residents who use garages for business and have been identified under this review have been served with a notice to quit and the garages have been re-possessed.

2.4 It is clear however that there is widespread issue with residents keeping goods other than vehicles in the garages. These are ordinarily; possessions associated with transport for example trailers, or personal possessions such as furniture.

- 2.5 There is a clear demand for storage space by residents; whether prompted by lack of space/storage facilities being provided in their accommodation, or by their using disposable income in purchasing goods that can't be readily stored in their property.
- 2.6 The use of garages for storing household items is difficult to patrol and enforce. The restrictions are unpopular with residents, as they clearly have a desire to store other items in the garages. In addition internal garage inspections are costly in officer time, in some instances officers are making numerous trips to carry out one individual internal garage inspection, by which time the licensee has already removed any stored items.

3.0 Proposal

- 3.1 It is proposed that current policy is amended to allow the use of garages for the storage of household and personal items as well as for vehicles.
- 3.2 If agreed this would require the amendment of the existing licence (as detailed in 2.1 above) to read as follows (change in bold):

- *A licence is granted by the Council for the purpose of garaging/parking a vehicle owned by the licensee (or member of their family), **and additionally if required the storage of household items.***
- *No trade or business shall be carried out and the licensee must not sub-let, assign, or allow any third party to use the garage/car port/locking post.*
- *The Council and persons authorised by them shall, at any time, be permitted to enter/inspect and/or carry out work.*

- 3.3 Licensees will still not be permitted to store hazardous or dangerous materials nor will they be able to keep items that constitute a health risk (such items are covered elsewhere in the licence).
- 3.4 This proposal still ensures that those using garages for business purposes are prevented from doing so, but those that may have legitimate reasons for storing household and personal belongings in their garage are able to do so without breaching their licence conditions and risking the loss of the garage.

4.0 Conclusion

- 4.1 The use of garages for business/trading purposes would appear from the review to be low. Breaches of the current licence agreement however are high, primarily because of domestic storage.

- 4.2 An approach to legitimise this situation is to amend the licence agreement to allow such storage.

Financial Services comments:	None
Legal Services comments:	None for the purposes of this report
Service Improvement Plan implications:	The garage review is part of the Housing Service Management Plan for 2006-07
Corporate Plan:	None
Section 17 Crime & Disorder Act (1998)	None
Risk Assessment:	Low
Background papers:	None
Appendices/Enclosures:	None
Report author/ Lead Officer:	Charles Harman/Jackie Young

AGENDA ITEM NO. 14

Board/Committee:	Housing Board
Date of Meeting:	10 January 2007
Title:	Private Sector Housing Energy Efficiency Proposal
Author:	HOUSING SERVICES MANAGER/OH
Status:	FOR DECISION

Purpose

The purpose of this report is to inform Housing Board members of the British Gas incentive scheme and its relevance to improving energy efficiency in Gosport. This report outlines how the scheme works, why it would be advantageous for the Council to participate, the benefits it would bring to local residents and the gains in relation to improved energy efficiency.

Recommendation

Members of the Housing Board endorse this proposal and that Officers are instructed to enrol Gosport Borough Council in the British Gas sponsored scheme to promote energy efficiency.

1 Background

- 1.1 The Council is always looking for new ways of promoting energy efficiency to the residents of the Borough. British Gas as a major utility provider has devised a scheme to promote energy efficiency to householders which encourages their involvement by means of a Council Tax credit if they participate in the scheme. This scheme currently operates successfully in 63 Councils throughout the country.

2 Report

- 2.1 The Council has a major role in promoting home energy efficiency in all domestic households in the Borough. This role has been highlighted recently due to a combination of fuel price increases and new concerns about climate change, along with the publication of the Stern report, and the Climate Change Bill. Public interest in energy efficiency measures has increased, and the Private Sector House Condition Survey of 2004/05 revealed that from a total private sector stock of 31,528 9% (2838) properties failed the Decent Homes Standard, 15% of these (426) were on the grounds of thermal efficiency.
- 2.2 The government places a climate change levy on all the major energy utilities, and it is money from this fund that British Gas uses to

finance its Council Tax refund scheme which we wish to promote to Gosport residents. This scheme is available to all residents not just British Gas customers

- 2.3 The scheme is promoted to residents by the Council; this is most effectively done via the annual Council Tax bill as this is sent to all residents. The scheme invites residents to improve the energy efficiency of their homes by installing loft insulation or cavity wall insulation, using a local reputable contractor. The residents do have to pay for the work, typically £274 for loft insulation and £250 for cavity wall insulation.
- 2.4 This can be paid for directly by means of an interest free loan from British Gas over two years, by which time residents will have realised the benefits of the insulation in terms of lower fuel bills. Typically the saving on a three bedroom home is estimated to be £90 per year in reduced fuel expenditure. The resident has a survey to assess which measures are appropriate for their home. If the householder wants to go ahead with the measures they are installed by a British Gas appointed technician, usually from a specialist local firm appointed for this purpose.
- 2.5 In some cases the construction of the property will not lend itself to any further insulation, however advice will be given to the resident. If the resident is in receipt of means tested benefits there are other schemes available that we can use to ensure that they get loft insulation and cavity wall insulation free.
- 2.6 This scheme is mainly targeted at residents which surveys show are not undertaking any energy efficiency measures, or whom have inadequate levels of loft insulation. In order to improve take up of the scheme British Gas offer to pay £50 to each resident who takes up the scheme in the form of a direct credit to their Council Tax bill. This is administered by the Council and British Gas the resident does not receive the £50 directly.
- 2.7 This financial incentive substantially increases take up of the scheme. For example Runnymede Council who launched the scheme in March 2006, and have now received 300 enquiries and 200 completed installations. The Council's role in relation to the scheme is to publicise and administer the scheme; this is done through a combination of press articles, local publicity, and door drops in key areas.
- 2.8 The most effective way for the scheme to be publicised is if the details of the scheme are included in the annual Council Tax bill. Once the work is completed the Council is given the £50 credit to apply to the customer's Council Tax bill.

2.9 The Benefits to the partners can be summarised as:

Local Authority

- Innovative approach to encourage residents to improve the energy efficiency of their homes
- Creates goodwill with residents
- Contributes to achieving Home Energy Conservation Act 1985 (HECA) targets at low cost
- Provides evidence that the Council is committed to promoting energy efficiency to all households, and demonstrates a willingness to tackle climate change

Householders

- Opportunity to buy discounted insulation products and benefit from reduced Council Tax bills
- Energy bill saving
- Positive contribution to climate change

British Gas

- Utilities contribution to climate change via climate change levy
- Easy gains which are directly measurable

2.11 There are no Crime and Disorder issues to be considered as part of delivering this energy efficiency programme.

3 Risk Assessment

3.1 The risk assessment is relatively low in carrying out this work.

4 Conclusion

4.1 This scheme represents a highly cost effective promotion of energy efficient measures for Gosport Borough Council. Our costs in terms of publicity for the scheme can be funded from existing budgets. The incentive of £50 credit to Council tax has proved to be highly effective in other local authorities as a means of encouraging participation in the scheme, as 63 authorities are already signed up across the UK.

Financial Services comments:	The costs relating to publishing the scheme can be met from existing budgets whilst the £50 contribution towards Council Tax is funded by British Gas.
Legal Services comments:	As the report identifies involvement in this scheme should improve the environmental well-being of the Borough and therefore the Council is relying on its powers under Section 2 of the Local Government Act 2000.

Service Improvement Plan implications:	Promoting energy efficiency is part of our work to address the Decent Homes Standard in the private sector.
Corporate Plan:	None
Risk Assessment:	See paragraph 3.1
Background papers:	None
Appendices/Enclosures:	None
Report author/ Lead Officer:	Oona Hickson