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27 October 2009

S U M M O N S

MEETING: Housing Board
DATE: 4 November 2009
TIME: 6.00pm
PLACE: Committee Room 1, Town Hall, Gosport
Democratic Services contact: Catherine McDonald

BOROUGH SOLICITOR

MEMBERS OF THE BOARD

Councillor Philpott (Chairman)
Councillor Beavis (Vice Chairman)

Councillor Allen	Councillor Gill
Councillor Mrs Cully	Councillor Hylands
Councillor Edwards	Councillor Mrs Mitchell-Smith
Councillor Geddes	Councillor Mrs Mudie

The Mayor (Councillor Mrs Searle) (ex officio)
Chairman of Policy and Organisation Board (Councillor Hook) (ex-officio)

FIRE PRECAUTIONS

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

In the event of the fire alarm (single continuous sound) being activated, please leave the room immediately.

Proceed downstairs by way of the main stairs or as directed by GBC staff, follow any of the emergency exit signs. People with disability or mobility issues please identify yourself to GBC staff who will assist in your evacuation of the building.

IMPORTANT NOTICE:

- 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).

NOTE:

- i. Members are requested to note that if any member wishes to speak at the Board meeting then the Borough Solicitor is required to receive not less than 24 hours prior notice in writing or electronically and such notice shall indicate the agenda item or items on which the member wishes to speak.
- ii. Please note that mobile phones should be switched off for the duration of the meeting.

AGENDA

RECOMMENDED
MINUTE
FORMAT

PART A ITEMS

1. APOLOGIES FOR NON-ATTENDANCE
2. 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.

3. MINUTES OF THE MEETINGS OF THE BOARD HELD ON 17 JUNE AND 14 OCTOBER 2009 [copies herewith].
4. 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, 2 November 2009. The total time for deputations in favour and against a proposal shall not exceed 10 minutes).

5. 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, 2 November 2009).

6. PROPOSED PLANS FOR THE REDEVELOPMENT OF TRINITY GREEN

To outline the progress made in developing plans for the future of the Trinity Green site including the two buildings known as Barclay House.

PART II
Contact Officer:
Oona Hickson
Ext 5292

7. BLICK UK LIMITED; TV AERIAL MAINTENANCE CONTRACT RENEWAL

To seek approval for the renewal of a planned maintenance contract for the servicing and updating of the communal TV aerial service.

PART II
Contact Officer:
Charles Harman
Ext 5287

Housing Board
4 November 2009

8. INTERIM ARRANGEMENTS FOR THE MANAGEMENT OF
FRANKLIN ROAD (NO. 65-151 ODD)

To inform Housing Board of an innovative proposal to improve tenancy services to a Registered Social Landlords' tenants using the Councils' expertise in the field and to grant the Housing Services Manager authority to develop the proposal.

PART II
Contact Officer:
Charles Harman
Ext 5287

9. ANY OTHER ITEMS

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

10. EXCLUSION OF PUBLIC

To consider the following motion:

That in relation to the following item the public be excluded from the meeting, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during this item there would be disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reason set out.

**PART B ITEMS
FOLLOWING THE EXCLUSION OF PRESS AND PUBLIC**

Item No.	Item	Paragraph no. of Part I of Schedule 12A of the Act	
11	REVIEW OF THIS COUNCIL'S HOMELESS ACCOMMODATION BUSINESS PLANS	Paragraph 3 This report contains sensitive financial information concerning the Council's costs of provision of temporary accommodation for homeless households.	PART II Contact Officer: Steve Newton Ext 5296

AGENDA ITEM NO. 6

Board/Committee:	Housing Board
Date of Meeting:	4 th November 2009
Title:	Proposed Plans for the Redevelopment of Trinity Green
Author:	Housing Services Manager/OH
Status:	For decision

Purpose

This report outlines the progress made in developing plans for the future of the Trinity Green site including the two buildings known as Barclay House. An indicative scheme including timetable and financial information are presented. These proposals are subject to planning approval and the ability to securing funding for the scheme from the Homes and Communities Agency (HCA) which is the successor to the Housing Corporation.

Recommendation

The Housing Board:

- a) Agrees that the Housing Services Manager in liaison with Ward Councillors and Housing Spokespersons continues working on the detailed proposals including financial, management, development and tenure discussions for the redevelopment of the Trinity Green site.
- b) Subject to Policy and Organisation Board approval, agrees the proposed financial contribution to this scheme from commuted sums for housing purposes.
- c) Subject to Policy and Organisation Board approval agrees to a supplementary estimate for the additional finance required for contingencies.
- d) Authorises the Housing Services Manager in consultation with Borough Solicitor to enter into agreements with PHA or others to progress the detailed proposals.

1.0 Background

- 1.1 The two buildings which this Council uses as homeless hostels at Trinity Green are known collectively as Barclay House. These buildings were originally a sheltered scheme which was subsequently decanted and have been used as a homeless hostel for a number of years.
- 1.2 Barclay House is an important part of delivering this Councils Homeless Strategy. As customers become homeless this Council needs to assess whether it has a legal obligation to assist them. Barclay House is used as a temporary housing solution while this assessment takes place. If a duty is accepted then the customer will be moved to other accommodation. Because of shared facilities the customers do not gain any security of tenure and if it is found that this Council has no legal duty to assist them then they are given notice to quit and can be removed from the premises by Court Order.

- 1.3 Barclay House is in poor condition and cannot not be brought up to Decent Homes Standard even with substantial investment (see Appendix One). The cost of upgrading Barclay House is in excess of £441,000 (not including the new heating system which is needed).
- 1.4 It is for this reason that the Council needs to ensure the provision of fit for purpose hostel accommodation.

2.0 Report

- 2.1 The Council has started discussions with Portsmouth Housing Association to explore how the site could be redeveloped, including purpose built facilities.
- 2.2 A number of meetings have been held, which has produced the indicative scheme, which is on display at this Board meeting. A housing consultation event, to introduce the indicative scheme to the community, was held on September 10th 2009. Outcomes and comments from this consultation event are attached at Appendix 2.
- 2.3 The indicative scheme consists of a new purpose built hostel towards the northern end of the site to replace the two Barclay House buildings and new housing accommodation. Presently Barclay House accommodation currently consists of 23 units with all except 2 units sharing facilities (the total number of original units has reduced as some single units have been combined to create larger units for families). The proposed new hostel will provide 24 bedrooms, providing accommodation for 35 persons in total made up of:

11 clusters of bedrooms in three connected “buildings”, consisting of:

1 x 1 bedroom, 2 person disabled persons unit
7 x 2 bedroom, 3 person clusters
3 x 3 bedroom, 4 person clusters.

Total = 24 bedrooms for 35 people.

Features of the proposed hostel will include:

- Single controlled entrance for residents
- Wardens office by front door
- Residents can only progress to their own ‘building’ using their personal key fob
- Residents can only leave the rear of the building in a fire event, but staff can use the rear doors to access the bin stores
- Residents will only come and go via the front (west) of the building, therefore avoiding disturbing the Mews homes overlooking the courtyard garden
- Communal support facilities have key fob control to only allow hostel warden controlled access
- Residents only share living accommodation with those that live in their ‘building’
- Each building provides further ‘clusters’ to allow for family groups if

needed

- There will also be an office, interview room, laundry and other ancillary facilities.

Also proposed is a terrace of 6 houses fronting the boundary of Trinity Green providing 2 storey, 2 bedroom, 4 person houses.

At the southern end of Trinity Green 2 blocks of flats providing 35 homes are proposed. These would be made up of:

- 20 x 1 bed, 2 person
- 13 x 2 bed, 3 person
- 2 x 2 bed, 4 person.

2.5 Initial discussions have taken place with Development Services (planning). However, it must be stressed that the indicative scheme has not yet been submitted for planning approval, which will need to be obtained in order to move forward with the site.

2.7 In the present economic climate developing schemes like this present an inherently greater risk and are subject to great scrutiny from all sides regarding viability and financing.

2.8 The issue of tenure in such schemes is an important component in assessing the viability of the scheme. Currently all of the housing units in the indicative scheme are anticipated to be for general needs rent and it is proposed that grant from the HCA will be sought on this basis.

However, it may be possible to produce a mixed tenure development on this site, with a mixture of rented and shared ownership properties amongst the flats. Therefore it is proposed that six months before the end of the construction period the economic climate and the viability of the scheme will be reviewed and a number the units in the flatted blocks towards the southern end of the development may then convert to shared ownership or intermediate rent.

2.10 The development will be phased to ensure that at all times one of the current hostel buildings is available for use as an assessment hostel. This will mean that the building on the edge of the site will be demolished and the first part of the development will be the provision of a new hostel on that site. Once the new hostel comes into use then the remainder of the development will take place. This has extended the timescale for the project by up to a further 12 months, but is necessary because the lack of hostel accommodation would pose a financial risk to this Council.

Timescale for the Development

2.11 It is anticipated that subject to planning approval, funding approvals and approval from Policy and Organisation Board that the site would be transferred to Portsmouth Housing Association in spring 2010, so that work could begin on the site and would be completed by Autumn 2011

2.12 Financing the Development

Even with the Council providing the land free of charge the 'recycled' capital receipt obtained by the Council for the land at Trinity Green would be used to fund the development of the hostel accommodation (which would be retained and managed by the Council). The Department for Communities and Local Government have confirmed that 100% of the receipt can be recycled this way. The general needs affordable housing would be financed by a mixture of grant from the HCA and loans secured by the Housing Association partner.

- 2.13 The hostel element of the scheme will be owned and managed by the Council and thus cannot be grant funded in the same way. It is expected that this will be funded by a contribution from the Council equivalent to the value of the site (as determined by the District Valuer) with the expected shortfall (on the indicative scheme) of up to approximately £450K being met by a capital contribution from the Council from commuted sums specified for housing purposes (£300K) and a supplementary estimate for the remaining £150K to enable the project to commence.

The additional £150K is required as a contingency to cover:

- (a) Any abnormalities found on site following ground investigations which have not yet begun
- (b) Provision for furniture and fittings at the hostel
- (c) Any reduction in the value of the land following the revised valuation by the District Valuer.

3.0 Risk Assessment

- 3.1 The risks associated with this proposal include:

- Obtaining funding for the scheme from the Homes and Communities Agency (low risk)
- Local objections and failure to gain planning approval for the scheme (medium risk)
- The financial planning for the scheme in relation to tenure mix (low/medium risk)
- The financial risk to this Council created by reduced units while the development takes place (medium to low risk).

- 3.2 The previous success of Portsmouth Housing Association and its track record of delivery of schemes mean that the risk of obtaining funding from the Homes and Communities Agency is a low risk. Funding is subject to successful bidding, but it is anticipated that funding will come forward for this scheme.

- 3.3 Local consultation that has taken place with stakeholders and the joint working already underway with the Development Services will continue in order to develop a scheme (in terms of design) that will meet local needs and planning requirements reduces the risk of local objections and failure to gain planning approval to a low risk.

4.0 Conclusion

- 4.1 This report describes the progress so far in developing proposals for the redevelopment of Trinity Green and an indicative scheme.
- 4.2 In order to progress to making an application to HCA for grant funding Portsmouth Housing Association will need to make a planning application and undertake preparatory works including site investigations.
- 4.3 A further report to Housing Board will be presented in the new year.

Financial Services comments:	The approved Capital Programme 2008/09 to 2013/14 includes a sum of £300,000 in 2010/11 for the redevelopment of Barclays House. The report suggests that a further £150,000 may be required over and above this budget for which a supplementary estimate is required. It is anticipated that the additional sum can be funded from prudential borrowing. The overall estimated scheme cost of £450,000 is in addition to the contribution from the Council of the value of the site (as determined by the District Valuer). As the scheme is developed Policy and Organisation Board will need to approve the proposed amendments to the capital programme
Legal Services comments:	The Council has the power to dispose of land and provide a new hostel.
Service Improvement Plan implications:	The provision of hostel accommodation on this site is a key Service Plan objective
Corporate Plan:	The provision of hostel accommodation on this site is a Corporate Plan objective
Risk Assessment:	As described in the report medium-low
Background papers:	Plans available at the Housing Board meeting for background information to this report.
Appendices/Enclosures:	
	Appendix 1
	Appendix 2
Report author/ Lead Officer:	Housing Services Manager/OH

Appendix One

Barclay House, Trinity Green, Gosport, PO12 1HN

Construction Overview and Schedule of Repair

Barclay House comprises of 2 two storey blocks separated by the parking and access roadway to Blake Court, Hammond Court and The Mews (see location plan below).

The 2 blocks were constructed circa 1960 and are identical in construction.

The principal of the construction being traditional in as much as they are constructed on a shallow concrete foundation with a concrete frame, in-filled with cavity wall brick and block work, concrete floors to the ground and first floor accessed by concrete staircases all under lightweight metal sheet roofing on timber trusses.

All the construction elements are of a traditional nature, metal single glazed windows, plasterboard ceilings, plastered walls, timber frames and doors. A new door entry system and new communal doors were installed 2007/2008.

The property has seen changes to reflect its change of use from Old Peoples accommodation to the Homeless accommodation at present.

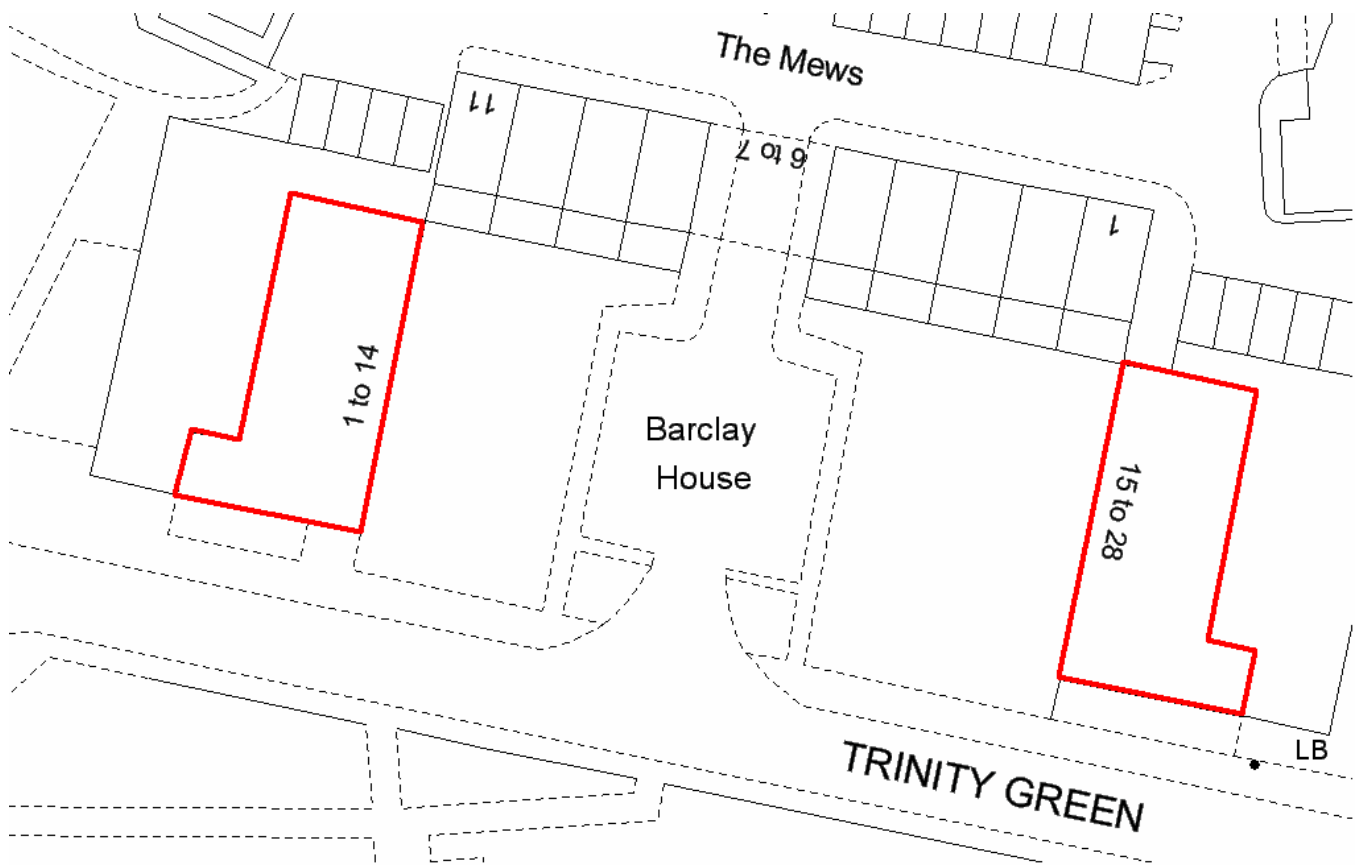
Most if not all adaptations have been carried out to manage the changes in use, good practice and minimal legislation requirements.

The following table is representative of the current condition and estimated life of the components accompanied by a budget costing for the necessary repairs/replacement.

Element	Replacement timetable	Budget (£)	Notes
Drainage	Immediate up to 1 year	£ 27,000.00	The existing system is not self cleansing laid to inadequate falls and has "dipped" causing regular blockages
Brickwork	2-3 years	£ 37,800.00	Repairs
Windows	1-3 years	£ 32,400.00	Single glazed metal, insecure, not energy efficient, and fire safety issues
Roof	4-5 years	£ 64,800.00	Lightweight renewal
Electrical Infrastructure	1-2 years	£ 37,800.00	Non compliant cabling and switchgear
Heating	2-5 years	New system	Electric Under floor aged failure & poor energy efficiency

Element	Replacement timetable	Budget (£)	Notes
Hot Water	Immediate up to 1 year	£ 108,000.00	Temperature management issues to the communal areas and in individual units.
Decoration of communal areas	2-3 years	£ 15,000.00	Needs to be up-graded to fire retardent paint
Internal decoration of all flats	1-3 years	£ 14,000.00	Most of these units are in a poor state of decorative repair and a complete refurbishment is required
Decoration repairs of external	4-5 years	£10,000	All timber/render/metal elements repaired and/or decorated PVCu cleaned
Up-grade to CCTV	2-3 Years	£5,000	Current system required expansion and improvement
Current Kitchens	2-3 years	£ 50,000.00	Aged failure.
DDA Compliance Communal & Accommodation	1 Year	£ 40,000.00	Provision of accommodation.
	Total	£ 441,800.00	
Years 1-3 Expenditure		£ 367,000.00	
Years 4-5 Expenditure		£ 74,800.00	

This overview takes no account of “fit for purpose” and Decent Homes Standard as it is not applicable to this type of accommodation.



Barclay House Location

Appendix 2

Trinity Green Consultation Thursday 10th September 2009

The table below shows the number of properties represented from each block who attended the consultation event at Trinity Church. It is estimated that 60-70 residents visited the event to view and comment on the proposed plans.

Residents living in Barclay House, Blake Court, Hammond Court and The Mews were sent letters inviting them to the event. Flyers were placed in the foyers of Harbour and Seaward Towers publicising the event.

Block	No of Residents
Barclay House	0
Blake Court	12
Hammond Court	5
The Mews	4
Harbour Tower	9
Seaward Tower	6
Watergate	2
TOTAL	38

What residents liked about the proposals
Better quality building, retention of trees or more tree planting
Nice housing in keeping with the environment
I think it is an improvement and well thought out. Hopefully parking won't be a problem and hopefully the new tenants/inhabitants will do justice to the scheme
Very nice buildings in keeping with the area. Hostel better all in one building
I like the fact that there will be more housing for women in violent relationships but it would spoil the view of existing residents
I think its an improvement on the existing buildings
Very impressed – will enhance the area
Buildings look ok but too many and in the wrong place
Building design ok. If occupiers are chosen carefully the area may prosper.
Nice design, wrong place
I am in favour of the plan and feel it will make good improvements that are much needed
I like the idea of buildings being built on the slant so that they are not looking into other properties. As long as it goes to plan it should be enjoyed by all. It also goes well with surrounding buildings
Building design ok. If occupiers are chosen carefully the area may prosper

What residents do NOT like about the proposals	
Summary of comments	No of Residents
Too many units being built	11
Blocked Views	6
Lack of Car parking	10
Loss of green space	3
Too high	3
No facilities for children	2
Architecture - general comments	6
Object to hostel	7
General Comments	
Load of rubbish, too many people in Gosport already	
We bought our house 16 years ago and have had hundreds of complaints made to police regarding current hostels and feel the accommodation is more suited to the elderly. Losing the green outside our house to parking is a travesty	
As the only park is over the main road, disappointing and too greedy for units	
If units are intended for families this is currently a very child Unfriendly environment would need many more facilities	
Enough undesirables around here as it is, do we really need any more?	
Demolish the 2 blocks and move them to an area more in keeping with the proposed designs	
People with south elevation rooms will have their view blocked by ugly designed modernistic flats	
Far too many units. When worked out as to occupancy, there could be extra 178 people living in this area on top of those already here	
Load of rubbish, got too many people in Gosport. Should get rid of the hostels and undesirable tenants living of the social	
Nothing – nice design, wrong place	
Nothing – Gosport Borough Council out of control	
I wish there was something nice to write	
Has any thought been given to access? Trinity Green is often blocked with loading vehicles outside Barclay House making access to Harbour Tower inaccessible	
Please vet occupants well	
After having to re-mortgage for nearly £15K I don't want to put up with more problems than we already have	
Any housing in this area should be given over to elderly residents to be able to gain access to town. Their need is greater than for young and especially not suitable area for children	
Sorry nice building, wrong place. Object entirely to Hostel	
Looks overcrowded, hostel in wrong place	
No place for drug users or alcoholics and unmarried mothers concern over extra parking spaces	
No thought for where the residents of Blake & Hammond court will park their cars once you do away with our car park	

Residents will lose even more car parking space. We currently have only 14 parking spaces for Hammond and Blake Court. We currently use the car parking spaces allocated to the hostels, which will be lost to us under the new plans
Parking outside my garden
Already too little parking. This scheme steals places from Hammond Court. There will be a shortage of car parking. You must make the street free or controlled parking
I object to the modern architecture which is not in keeping with the area
While I understand the need for social housing I <u>do not</u> approve of the re use of the green which destroys our view from the Mews and brings other peoples living up to our doorstep
Density too high especially for families – no facilities for children outside
Too many people. Too much extra traffic. Insufficient parking. Buildings do not look right in comparison with the ambience of the green. No no no
Hostel is blocking our view. There will be twice as much trouble from it than there already is
Don't build them, terrible idea
All bad news for current residents. Loss of green space. Do not want hostel or its residents in centre of town
You don't live here and we as tax payers should have the last word
Everything very bad for the area. Barclay house needs to be elderly housing
You are joking, what a hideous sight. Leave our area alone. Just get rid of the grot
Far too many units. How is a caretaker going to manage? Not enough car parking for Blake and Hammond. We will pinch parking places that are being made new
This scheme reduces the green space and makes for 'over crowding'. You should compensate Hammond's car parkers
Big building will dominate a narrow street. Overshadow the church. Hope there is enough parking? Too many units – more than at present
Communal garden will give lack of privacy to Mews occupiers. Car parking too near
Bought house 19 years ago. Nice quiet area, until hostel put louts in them. This plan is out of touch with local thinking it will only bring more discontent
Streetscene ruined
Building not ok, too square no character to shape needs more
Retention of trees or more tree planting
Better colour of brick design not flat roofs hip roofs
You should build these extra buildings on one of the many fields in the Gosport area

AGENDA ITEM NO. 7

Board/Committee:	Housing Board
Date of Meeting:	4 th November 2009
Title:	Blick Uk Limited; TV Aerial Maintenance Contract Renewal
Author:	Housing Services Manager/CH
Status:	For Decision

Purpose

The purpose of this report is to seek approval for the renewal of a planned maintenance contract for the servicing and updating of the communal TV aerial service.

Recommendation

It is recommended that the Housing Board:

- a. Approve entering in to a contract with Blick UK Ltd (also know as Stanley Security Solutions Limited) for a period of five years from 1st January 2011 to December 31st 2016 as detailed in 2.1 (b).
- b. Waive contract standing order under 1.4.1 in respect of Standing order Part 4 Schedule 13 [6.5].

1.0 Background

- 1.1 Tenants and leaseholders of the majority of Council owned blocks currently receive television reception via a communal aerial system that allows residents to access free air digital services by purchasing a decoder box to receive digital signals. These aerial systems serve 1,291 dwellings within the Council's stock.
- 1.2 The systems were originally installed approx 20 years ago and were cabled to provide terrestrial analogue services; BBC 1 & 2, ITV and Channel 4. Blick U.K. Limited owns the existing communal aerial systems.
- 1.3 The system required major capital investment by 2003 (in preparation for the switch over from analogue to digital). In June 2003, Housing Board approved the extension of the then existing contract with Blick UK Ltd (subject to price testing) for a further period of seven years. The scope of that contract extension in 2003 allowed within it for the financing of the upgrade to digital, obviating the need for any capital investment by the Council. The systems were duly upgraded in 2003-04 with a new digital head end which fed digital freeview transmissions through the original cable network. That contract is due to expire Dec 31st 2010.
- 1.4 The systems are at a current annual rental of £25,326 (plus vat). This is the equivalent to £19.61 plus vat per dwelling per annum (38p per week) and is fully inclusive of maintenance to the system head end (but excludes cost of cable repairs). This rental is itemised as part of the service charge of the gross rents (and leaseholder charges) and remains eligible for Housing Benefit.

2.0 Report

2.1 Housing Services and Blick UK Ltd have held initial discussions in respect of the contract termination date. A range of options have been discussed and those are outlined below:

- (a) To enter in to a contractual agreement for a period of three years to December 31st 2013. Blick UK Ltd has agreed to reduce the existing rental by 5% with effect from January 1st 2011, if Housing Services pursue this option.

This would reduce the annual rental to £24,060 and is the equivalent of £18.64 per dwelling per annum.

- (b) To enter in to a contractual agreement for a period of five years to December 31st 2015. Blick UK Ltd has agreed to reduce the existing rental by 10% with effect from January 1st 2011, if Housing Services pursue this option.

This would reduce the annual rental to £22,793 and is the equivalent of £17.66 per dwelling per annum.

- (c) To upgrade the systems with new cabling and a communal satellite dish to become an integrated reception system (IRS); that is to enhance the existing capacity to receive (upon resident subscription to the various providers) all digital transmissions e.g. Sky, Virgin. This would require the contract being extended for a period of twenty years to reflect the life of the systems and cabling being installed. The annual rental would increase from £25,236 to £45,185 per annum (plus vat).

This is the equivalent of £35 per dwelling per annum.

- (d) To cancel the existing agreement from 31st December 2010 and purchase a new IRS systems for the approximate sum of £285,000 (plus vat) and enter into an annual maintenance contract (possibly with Blick Ltd) at £15,492 per annum for 5 years

This is the equivalent of £12 per dwelling per annum

2.2 Options (a) and (b) are effectively extensions of the existing arrangements without service enhancements but with reduced charges to residents.

2.3 Option (c) would allow residents to access digital services other those currently available on freeview. The increased charges to residents however (to pay for the new equipment) would be payable by all residents linked to the system, regardless of whether they then subsequently subscribed to the additional services of other providers e.g. Sky or Virgin.

2.4 Option (d) presents the opportunity to upgrade all equipment to the latest specification and to benefit from the enhanced functionality as per Option (c), but

instead of the rental 'pay back period', the improvements would be funded from a Council capital outlay, with the ownership of the hardware then resting with the Council. The Council would then wish to enter into a further repair and maintenance agreement for these assets. This investment is not currently programmed within the 5 year asset management plan and Member's may not perceive it as a priority investment area when compared, for example, against the delivery of the Housing Board's Decent Homes Plus agenda.

- 2.5 It should also be noted that entering in to a 20 year commitment to upgrade all equipment to the latest (IRS) specification technology (as described in Option (c) & (d) pre-empts the impact of possible technological developments over the next 5 -7 years, particularly in relation to fibre optics and ambitions contained within the Government published "The Digital Britain Report" (June 2009).
- 2.6 It is proposed that if Members select Option 2.1 (b) above that the requirement under Contract Standing Orders be waived (Part 4 Schedule 13, 6.4 or 6.5).
- 2.7 On the last occasion that Housing Services fully price tested the market (2003) only one alternative provider could be identified and the written quotation was three times higher than that provided by Blick UK Ltd. Recent market research has confirmed that there have not been significant changes in the interim.

3.0 Audit Assessment

- 3.1 Option (a) is covered within the threshold (£50,000-£100,000) (Contract Standing orders Part 4 Schedule 13, 6.4).
- 3.2 Options (b), (c) & (d) would require a tendering/contractor selection process (Contract Standing Orders Part 4 Schedule 13, 6.5).
- 3.3 The Organisation of Joint European Union (OJEU) financial guidance places obligations to advertise telecommunications 'service contracts' (Options (a), (b) & (c) on contracts over £139,000 across the EU. OJEU regulations also require 'works contracts' (Option (d)) over the value of £3.5m to be similarly treated. Options (a), (b) & (d) presented in 2.1 above fall below the threshold for consideration of compliance with OJEU. Option (c) would be above the service contract threshold and therefore procurement would need to be compliant with OJEU.
- 3.4 A financial evaluation of Blick UK Ltd was carried out in September 2009 as part of the contractor assessment process. This revealed no areas of concern (see Risk Assessment below).

4.0 Risk Assessment

- 4.1 The risks of pursuing Option (b) is considered **low** risk.

5.0 Recommendation

- 5.1 To extend the contract for a period of five years to December 31st 2016 with

Blick UK Ltd as detailed in 2.1 Option (b), as representing financially the most beneficial arrangement for residents, while keeping open for the Council options to develop the service in the light of future technological innovation.

- 5.2 Waive the requirement as detailed in Contract Standing orders Part 4 Schedule 13 (6.5).

Financial Services comments:	In the body of the report
Legal Services comments:	<p>The Council has the power to enter into the new Contracts proposed in 2.1.</p> <p>This work is classified as maintenance. It would be classified as public works under the EU regulations.</p>
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:	<p>The risks associated with the options presented in this report are assessed as low.</p> <p>The risk associated with dealings with Blick UK is Low. There is a high degree of confidence this company will prove good for the assigned Credit Limit (£1.8m).</p>
Background papers:	<p>Members Briefing: "The Future Provision Of Communal Television Facilities In The Council's Blocks Of Flats" (May 2002)</p> <p>Housing Board Report; "Communal Aerial Television Systems Digital Upgrade" (September 2003)</p> <p>"The Digital Britain Report" (June 2009) Department of Culture, Media & Sport HMSO publications</p>
Appendices/Enclosures:	None
Report author/ Lead Officer:	Charles Harman

AGENDA ITEM NO. 8

Board/Committee:	Housing Board
Date of Meeting:	4 th November 2009
Title:	Interim Arrangements for the Management of Franklin Road (No. 65-151 odd)
Author:	Housing Services Manager/CH
Status:	For Decision

Purpose

To inform Housing Board of an innovative proposal to improve tenancy services to a Registered Social Landlords' tenants using the Councils' expertise in the field and to grant the Housing Services Manager authority to develop the proposal.

Recommendation

That Housing Board;

- a) Note the development of joint working between the Council and Housing 21
- b) Delegate to the Housing Services Manager the authority to enter into an agreement to cover interim arrangements for a trial period
- c) Note the intention of officers to explore a long term management arrangement with Housing 21 and that the outcome of that exploration is expected to be brought back to Housing Board in September 2010.

1.0 Background

- 1.1 The Registered Social Landlord, Housing 21, owns and manages properties in Franklin Road (No. 65-151 odd) in Rowner & Holbrook ward. These consist of low story blocks of flats and maisonettes: 6 blocks containing 6 properties, and 1 block containing 8 properties, 44 properties in all. These properties are let as general needs. Housing 21 specialise in extra care and sheltered housing, so these general needs flats are outside their core business. The local management office is based in Cirencester and the repairs function in Bradford.
- 1.2 There have been concerns expressed for a number of years concerning the management of these units. In 2004/2005, the then Ward Councillor received complaints from residents concerning a wide range of maintenance and management issues. In 2006, Housing 21 approached the Housing Service (and a number of other local RSL's) to explore options for the future management of the stock. Progress was halted later in 2006, we understand, when the Housing 21 Management Board rejected any management agreements whereby another organisation take over the management of the properties in return for a 'management fee'.
- 1.3 Housing 21 feel they have not subsequently been able to successfully resolve the management issues. Recent meetings with Housing 21 and site visits have established:
 - External sheds in poor condition, many with missing doors and dumped rubbish

- Each block had hard landscaping ranging from brick block paving, concrete paving, tarmac that are all in disrepair; again weed and litter strewn and needing jet washing and grounds maintenance as well as repair
 - All blocks have vandalised door entry systems, some with broken communal windows, and other identified defects and repair issues
 - Poor internal stairwell cleaning and painting
 - Large tenant rent debts, an average tenant debt close to £800 per property (GBC Housing Service average rent debt is £68), complaints of anti-social behaviour and drug use
 - No link with Choice Base Lettings scheme, Housing 21 maintain independent, but restrictive waiting list for their properties.
- 1.4 In April 2009, Housing 21 again approached the Housing Service with a view to re-open discussions on the Franklin Road properties. There have since been a series of consultation meetings between Housing 21 & the Council to establish how the Housing Service (and its repairs partner Connaught) may assist Housing 21 and the residents of Franklin Road (and the surrounding area) in improving services to the estate. A strategy has now been agreed with Housing 21.

2.0 Report

- 2.1 The **interim** arrangement covers a limited range of services (detailed in 2.2 & 2.5 below) put in place until September 2010. This will give both organisations the opportunity:
- to assess the success or otherwise of this interim arrangement
 - to consider the form that a future, more formal and long term, partnership may take
 - for the officers to consider a longer term legal and financial framework for the partnership.
- Any such developments to be subject to the necessary Board approval.
- 2.2 Under the interim arrangements the following range of services can be offered (also see 2.5):
- Reactive Repairs Service provided by Connaught
 - Voids Service provided by Connaught (with inspections carried out by Housing surveyors & Gas checks via 1st Saxon)
 - Major Improvements provided by Connaught (based on a successful bid)
- 2.3 These services will replace Housing 21's current arrangements, and will benefit Franklin Road residents with a locally based workforce co-ordinated through the existing call centre located at the Wilmott Lane depot.
- 2.4 The Housing Service will gain a marginal indirect benefit as the additional properties will reduce unit costs for the running of the Housing Repairs service. Similarly, it helps secure local employment within the building trades, both within Connaught and the local supply chain.

2.5 A range of other interim services can also be offered to Franklin Road residents, and as a result of charges due from Housing 21 (see 4.0 below) covering the Housing Service's costs, their provision will not impact on the provision of services to GBC residents. These services are outlined below:

- Anti-social Behaviour support, including linking with the Police and the (GBC) Community Safety Team
- Resident Involvement work including a "consultation" day and resident satisfaction surveys
- Rent arrears support work including liaison with Housing Benefits, arrears visits, delivery of documentation
- New tenants; co-ordination, sign-up processes and introductory visits
- Tenancy Support including referrals to outside support agencies & Social Services
- Estate Warden weekly inspection regime (up to a maximum of 4 hours per week)
- Choice Base lettings nominations to empty properties.

2.7 An additional charge has been negotiated to cover Housing Services co-ordination of the setting-up of the initiative and the costs directly associated with the subsequent development of the service (see 4.0 below)

2.8 Officers have considered the DCLG (previously DETR) [2000] Guidance and in particular the need for such arrangements to achieve one or more of the following objectives:

- improvement of the economic well-being of their area
- the promotion or improvement of the social well-being of the area, and
- the promotion or improvement of the environmental well-being of their area.

These arrangements will positively contribute to the latter two of these objectives, improving the quality of life and quality of service for the Housing 21 tenants and will have a positive impact on other residents in the area.

3.0 Risk Assessment

3.1 There are potential risks associated with the management of this initiative;

3.1.1 Professional;

Inefficient and/or ineffective management processes

Failure in the management of partnership working with Housing 21

3.1.2 Financial;

Failure to prioritise, allocate appropriate budgets and monitor

Failure to identify accurate charges leading to financial loss

3rd party insurance liability

3.1.3 Legal;

Legal Breach of confidentiality/Data Protection Acts requirements

3.1.4 Image Management;

Negative publicity: (Local or public interest/National public or press aware)

3.2 The severity of those risks has been assessed as follows:

- a. Failure to meet legal/H&S/Data Protection requirements (Low): (Litigation or claim up to £100,000)
- b. Financial loss (Low): (under £25,000)
- c. Negative publicity (Medium): (Local or public interest/National public or press aware).

Likelihood	HIGH	M	H	H
	MEDIUM	L	M	H
	LOW	Legal L Financial loss	Negative publicity L	M
		LOW	MEDIUM	HIGH
Severity (with Controls in Place)				

3.3 The controls in place to mitigate risk are as follows:

- Regular meetings and a consultation framework with Housing 21 to ensure communication (Professional)
- Setting up of a pre-management agreement (Professional & Financial)
- Regular (internal) budget meetings (Financial)
- Officer time recording in operation for charges (Financial)
- 3rd party insurance provision in place (Financial)
- Permissions sort from tenants for exchange of information (Legal)
- Exchange of information protocols (Legal)

3.4 Should the recommendations in this report be approved, then the overall likelihood of risks materialising (3.1), with controls in place, (3.3) is assessed as **Low**.

4.0 Financial Considerations

4.1 The revenue due from Housing 21 to the Housing Service for the six months to the end of this financial year to provide these services are calculated to be as follows;

Tenancy Management Charges; [fixed]	£8,080
Set up costs for the initiative [fixed]	£5,387
GBC Surveyor Inspections of repairs [£28.30 per [full] hour] [variable]	£113
GBC Surveyor Inspections of empty	£396

properties [£56.60 per property] [variable]	
Capital improvements GBC surveyor support [£28.30 per hour]	unknown
total	£13,976

- 4.2 The charges have been calculated on actual or what is estimated will be actual costs, primarily officer time and expenses. The charges from April 2010 to the end of the interim arrangement (currently) Sept 2010 (incl.) will be calculated on the basis of cost information collated from 2009/2010 activities.
- 4.3 It is estimated that the costs recovered in 2010/11 (April to Sept 10) will be in the region of £10,000. Again, as per charges outlined in 4.1 & 4.2 all services will be charged on a not for profit basis (see Legal Considerations 5.0 below)

5.0 Legal Considerations

- 5.1 Local Authorities have the power to do anything which they consider is likely to promote either the economic, social or environmental well-being of its area. This power was introduced by the Local Government Act 2000, Section 2. The Council therefore has a power to enter into the Agreement proposed by this Report with Housing 21 under Section 2 if, in this instance, it considers that it will promote the Social, and perhaps also the Environmental, Well-Being of the Borough. It is considered by the Borough Solicitor that there is sufficient information provided in this Report to support such a conclusion. There is also no conflicting legislation which would explicitly prohibit the Agreement proposed.
- 5.2 If the Agreement proposed is approved by Members, the Council can be paid for providing the services outlined in this Report, but it must be stressed that it cannot make a profit; all income received must be in return for the services provided and be on a cost-recovery basis only. It is essential that good records of Officer time spent on the proposed project be kept, and payments received compared against the cost of provision, with amendments made as required as the service proceeds.

6.0 Summary

- 6.1 For a number of reasons Housing 21 have been unable to provide an effective housing management service for its tenants at its Franklin Road properties.
- 6.2 A proposal is being presented by which the Council's Housing Service [and their partner contractor Connaught] are to work in partnership with Housing 21 to provide services to tenants that have thus far been incomplete or absent.
- 6.3 Council's Housing Service will be able to re-coup their direct costs for their involvement in this initiative and will make some savings as a result of the impact on its own unit costs and its repairs service operating costs because of the nature of the financial framework of its partnership with Connaught Plc.
- 6.4 This interim management arrangement, if successful, may lead to the development of a longer term partnership between the Council and Housing 21. Such arrangements

between a Registered Social Landlord and a Council are rare, and the experience and expertise gained from this initiative may open up further opportunities for the Council. It is recommended that any future proposals for a longer term partnership be presented to a future Housing Board.

Financial Services comments:	See 4.0
Legal Services comments:	See 5.0
Service Improvement Plan implications:	None
Corporate Plan:	None
Section 17 Crime & Disorder Act 1998	Anti-social behaviour is associated with these properties. Improved resources, and in particular making use of the Council links with the Police, is likely to enable a number of sources of anti-social behaviour to be addressed.
Risk Assessment:	The risks associated with the options presented in this report are assessed as low . See 3.0
Background papers:	None
Appendices/Enclosures:	None
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